

**SFE Bulletin No:** 74/02  
**From:** SFE Corporation Limited ABN 74 000 299 392  
**Date of Issue:** 3 July 2002

## **DISCIPLINARY ACTION IMPOSED BY THE BUSINESS CONDUCT COMMITTEE**

Participants are advised, pursuant to General By-Law G.11.65, of disciplinary action taken by the Business Conduct Committee (BCC):

### **PARTICIPANT 1**

It was identified that an Associate Participant failed to comply with:

- 1. General By-Laws G.4.16(m)(ii) and G.4.16(n)**  
(Failure to execute Client Agreement Documentation).

Pursuant to General By-Law G.11.3(d), the Participant notified the Compliance department of its failure to execute the required client agreement documentation with five clients before accepting orders from them.

In accordance with General By-Law G.11.36(b), the Committee imposed a fine of \$1,000 upon the Participant for the identified breach.

In determining the level of penalty, the Committee noted that this was a repeat offence and had the issue not been self-reported to the Exchange by the Participant, the Committee would have imposed a more severe penalty upon the Participant.

### **PARTICIPANT 2**

It was identified that a Full Participant failed to comply with:

- 1. General By-Law G.37(a)**  
(Late submission of Reportable Position File).

The enquiry identified that the Participant failed to lodge the file by the due time and was not able to demonstrate that this was due to circumstances beyond its control.

In accordance with General By-Law G.11.36(d), the BCC imposed a Reprimand upon the Participant as this was a repeat offence.

# S F E B U L L E T I N C O N T I N U E D

## **PARTICIPANT 3**

It was identified that an Associate Participant failed to comply with:

- 1. General By-Law G.4.16(d)(i)**  
(Failure to lodge Quarterly Return by due date)

As the Return had not been lodged by the due date, Compliance staff contacted the Participant on 1 May 2002 to request immediate lodgement. The Return was received by the SFE on 1 May 2002 which was after the due date.

In accordance with General By-Law G.11.36(d), the BCC imposed a Reprimand upon the Participant as this was a repeat offence.

Please note that all fines imposed by the BCC, as noted above, are stated exclusive of Goods & Services Tax.

Should you have any queries please contact Michelle Wagner on 9256-0580 or [mwagner@sfe.com.au](mailto:mwagner@sfe.com.au)



Michelle Wagner  
**MANAGER, COMPLIANCE & SURVEILLANCE**

SFE takes no responsibility for any errors or omissions contained in this bulletin and will not be liable for any reason including without limitation negligence, for losses, consequential or otherwise, arising from or in connection with decisions made in reliance upon this information. This information does not substitute for the Business Rules and in the case of inconsistency the Business Rules prevail. Before acting on any matter contained in this bulletin readers should discuss the matter with their own professional advisers.