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DISCIPLINARY ACTION IMPOSED BY THE MARKET PRACTICES COMMITTEE

Participants are advised, pursuant to General By-Law G.11.65, of disciplinary action taken by the Market Practices Committee (MPC) since the last bulletin issued on 8 August 2001.

PARTICIPANT 1

- (i) An enquiry found that a Full Participant failed to comply with:
1. **General By-Law G.3.14(b)**
(Failure to deal in a proper and efficient manner on the basis of revealing an expression of interest that was not known by the rest of the market)
 2. **Trading Rule TR.18**
(Disclosure of information)
 3. **Trading Rule TR.17.1(c)(v)**
(Withholding an order to cross)
 4. **General By-Law G.3.14(f) by virtue of a failure to comply with Section 1266(2) of the Corporations Law and Trading Rule TR.11.2**
(Failure to enter orders in sequence of receipt)
 5. **Trading Rule TR.17.1(c)(vi)**
(Seeking to avoid trading to cross)
 6. **Trading Rule TR.17.1(c)(vii)**
(Entering orders via two separate workstations with the express intent to cross.)
 7. **General By-Law G.3.14(f) by virtue of a failure to comply with Section 1266(7) of the Corporations Act and General By-Law G.3.16(n)(ii)**
(Failure to accurately record order details)

The enquiry identified that the Participant failed to deal in a proper and efficient manner on the basis of revealing an expression of interest that was not known by the market on three occasions, disclosed

information relating to an order of an order that was not known by the market on two occasions, withheld an order to cross on two occasions, failed to enter orders in sequence of receipt on one occasion, entered orders via two separate workstations with the express intent to cross on one occasion, sought to avoid trading to cross on one occasion and failed to accurately record order details on one occasion.

In accordance with General By-Law G.11.36(b), the MPC imposed a fine of \$20,000 upon the Participant for the identified breaches.

In addition, in accordance with General By-Law G.11.36(f), the MPC imposed a fine of \$3,000 upon the Participant's employee for the identified breaches.

(ii) An enquiry found that a Full Participant failed to comply with:

1. **Trading Rule TR.17.1(c)(v)**
(Withholding)
2. **Trading Rule TR.17.1(c)(vi)**
(Seeking to avoid trading to cross)
3. **General By-Law G.3.14(f) by virtue of a failure to comply with Section 1266(7) of the Corporations Law and General By-Law G.3.16(n)(ii)**
(Failure to accurately record order details)

The enquiry identified that the Participant withheld an order on one occasion, sought to avoid trading to cross on one occasion and failed to accurately record order details on one occasion.

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

In addition, in accordance with General By-Law G.11.36(f), the MPC imposed a fine of \$1,000 upon the Participant's employee for the identified breaches.

Should you have any queries please contact Mark Floyd on 9256 0477 or mfloyd@sfe.com.au



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