

Chapter 9: Compliance Committee

OVERVIEW

This chapter sets out the functions and procedures of the Compliance Committee.

The key role of the Compliance Committee is to hear and determine any issues referred to it under the rules, particularly in relation to disciplinary matters.

Establishment of Compliance Committee

- 9.1 The Exchange will establish a Compliance Committee. The role of the Compliance Committee is to:
 - (a) hear and determine any matters referred to it under the rules; and
 - (b) perform any other functions delegated to it by the Exchange.
- 9.2 The chairman of the Compliance Committee will be appointed by the Exchange for a period determined by the Exchange.
- 9.3 The Exchange will establish a Compliance Committee panel of not less than five persons nominated by the Exchange from time to time.
- 9.4 For the purposes of conducting any hearing or carrying out any other function delegated to it by the Exchange, the Compliance Committee will consist of the chairman and not less than two persons selected by the chairman from the Compliance Committee panel.
- 9.5 Where the chairman is unwilling or unable to act in relation to a particular hearing or function, the chairman will appoint one of the persons selected from the Compliance Committee panel to act as chairman for that hearing or function.

Proceedings of the Compliance Committee

- 9.6 Except as otherwise provided in the rules, the Compliance Committee will regulate its own proceedings.
- 9.7 A quorum for a meeting of the Compliance Committee will be the chairman and at least two other members of the Compliance Committee. If necessary, the chairman will appoint additional members to the Compliance Committee from the Compliance Committee panel for a particular hearing or function to ensure there is a quorum for meetings of the Compliance Committee.
- 9.8 Subject to rules 9.9 and 9.10, proceedings of the Compliance Committee will take place in private.
- 9.9 The Compliance Committee will permit one or more representatives of the Exchange to be present and make submissions at proceedings of the Compliance Committee. The Exchange may appoint an employee, any other person approved by the Compliance Committee or a barrister or solicitor of the Supreme Court of a State or Territory of Australia or of the High Court of Australia as its representative.
- 9.10 The Compliance Committee will permit any broker that is the subject of any proceedings to appear in person or be represented by an employee, any other person approved by the Compliance Committee or a barrister or solicitor of the Supreme Court of a State or Territory of Australia or of the High Court of Australia and make submissions to the Compliance Committee.

- 9.11 If a broker that is the subject of any proceedings does not wish to appear in person or be represented by any of the persons referred to in rule 9.10 before the Compliance Committee the broker may, not less than ten days before the date of the proceedings, lodge with the Compliance Committee a written submission for consideration by the Compliance Committee in relation to the proceedings.
- 9.12 Proceedings of the Compliance Committee will be conducted with as little formality and technicality, and with as much expedition, as a proper consideration of the matters before the Compliance Committee permit. If the Compliance Committee makes a written transcript of any of its proceedings it will provide a copy to the Exchange and any broker that is the subject of the proceedings.
- 9.13 The Compliance Committee will determine any proceedings without bias, give all parties a fair hearing and otherwise observe the rules of natural justice.
- 9.14 The Compliance Committee may obtain such legal advice as it thinks appropriate in the circumstances and may have its legal advisers present at any proceedings.
- 9.15 Any decision of the Compliance Committee will be determined according to a majority of votes of the Compliance Committee members. Each member will have one vote. In the event of an equality of votes, the chairman will have a casting vote.
- 9.16 Within 30 days of making a decision the Compliance Committee will give to the Exchange and the Exchange broker that is the subject of the proceedings the reasons in writing for its decision.

Appeals

- 9.17 Where the proceedings of the Compliance Committee is an appeal of a decision made by a committee, delegate or representative of the following provisions apply:
- (a) within 14 days of receiving a notice of appeal, the Compliance Committee will appoint a date, time and place for the appeal hearing and cause notice in writing of the date, time and place to be given to the appellant. The date appointed for the hearing will not be more than 60 days and not less than 21 days after the date of the notice to the appellant;
 - (b) the Compliance Committee may adjourn and re-convene the proceedings as it thinks fit; and
 - (c) the proceedings will not be conducted as a re-hearing, but the Compliance Committee may review any findings reached in the decision under appeal. The Compliance Committee may affirm, vary or set aside the appealed decision, any penalty imposed and any direction made.

Indemnification of Compliance Committee Members and Officers of the Exchange

- 9.18 Each member of the Compliance Committee and each officer of the Exchange will be indemnified by the Exchange against any liability howsoever arising in or in connection with the determination of any proceedings of the Compliance Committee other than any liability that by law would attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the Exchange.
- 9.19 Notwithstanding rule 9.18, each member of the Compliance Committee and each officer of the Exchange will be indemnified by the Exchange against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in their favour or in which they are acquitted or in connection with any application in relation to any such

proceedings in which relief is granted to them under the Corporations Act by any court of competent jurisdiction.