

DECEASED OR EX-MEMBERS HAVE NO CLAIMS ON ASSETS.

66. Members who resign or cease to be members from any cause whatever, and the executors or the administrators of any deceased member, shall have no claims on the assets of the Exchange.

DEFAULTERS.

67. The committee shall have the power to fine, suspend from membership, or recommend the expulsion of any member who shall fail to pay when due any debt incurred by him to the Exchange or to the association, or shall make default to any other member of the Exchange, or any member of any other Exchange in the ordinary course of Stock Exchange business. Should the committee decide to recommend the member's expulsion, it shall report accordingly to the members at a special general meeting called for that purpose. It shall be competent for the said special general meeting, provided a special quorum of not less than two thirds of the total number of members are present, to confirm or vary the committee's recommendation and expel such member or deal with him by fine or suspension from membership. The decision of such general meeting shall be taken by ballot. If the special quorum of two-thirds of the total number of members is not present within a reasonable time of the hour appointed for the meeting, the chairman shall adjourn such meeting to such time and day within seven days as he determines. Such notice of the adjourned meeting as the chairman directs shall be given. No member shall be expelled, suspended from membership, or fined, nor shall any of his rights of membership be affected by resolution of the committee unless and until notice in writing specifying the ground of complaint shall have been delivered to such member or posted addressed to his usual or last-known place of business, and such notice shall specify a place, day, and hour not earlier than four hours after the receipt by him of such notice, if given, or four hours after the time such notice would in the ordinary course of post be delivered at his usual or last-known place of business, if posted, at which such member may be heard by the committee or a quorum thereof in his defence; and, if such member shall appear on such notice he shall be heard by the committee in his defence, but, if he fails to appear, the committee may proceed in his absence: Provided, however, that in the case of a country member his defence may be submitted by him in writing.

The fines mentioned herein shall not be less than £5 or more than £100: Provided always that in the case of a continuing offence the fine may be a sum not exceeding £10 for each and every day during which such offence has continued.

68. During the time a member is suspended under these rules or fails to pay a fine inflicted by the Committee of the Exchange within the time fixed by these rules, he shall have no right to attend any of the official meetings nor shall he have during such time any rights or privileges of membership, nor shall a country member have such rights or privileges of membership.

69. A member who becomes bankrupt or insolvent or assigns his estate for the benefit of, or compounds with, his creditors, shall *ipso facto* cease to be a member, but may be reinstated without payment or fee, by ballot taken in the same manner and subject to the same procedure as provided in Rule 49, after he has obtained his discharge from his bankruptcy or becomes solvent or obtains a release from his creditors.

70. The committee shall have power to order that all open transactions, including time-bargains, between any member unable to meet his engagements and other members of this Exchange or any other recognized Stock Exchange or members of the public, shall be closed within a time to be named by the committee.

71. The committee shall have power to investigate the accounts of members with a member in default, and to reject or require the correction of any items which it may deem unsatisfactory.

72. Members, creditors of a member in default, shall have a preferential claim on all surpluses in the hands of other members resulting on the closing of transactions open at the time of default, and also on all moneys which may become payable to a member in default out of funds in the hands of the committee from the estate of another member in default. All surpluses in the hands of members resulting on the closing of open transactions with a member in default shall be paid to the committee.

73. The committee shall distribute as soon as possible amongst members, creditors of the member in default, the surpluses received from other members on his account, and all moneys due to him out of funds in the hands of the committee from the estate of any other member in default.

Transactions of Defaulters can be closed.

Accounts of Members.

Surpluses.

How to deal with Surpluses.