

CHAPTER 2A

INSPECTION AND INVESTIGATION

2A.1 DEFINITION

In this Chapter 2A, “Relevant Person” means the Clearing Participant’s agents, directors and employees.

2A.2 CLEARING HOUSE’S RIGHT TO INSPECTION

- (1) The Clearing House may conduct an inspection on a Clearing Participant at any time on any matter in relation to these Rules, the Clearing Participant’s internal policies and procedures and any other rules and regulations related to its functions as governed under these Rules.
- (2) A Clearing Participant and Relevant Person must:
 - (a) give or procure for the Clearing House all information, Documents, Books and Records the Clearing House requests for and allow the Clearing House to take copies and extracts of such Documents, Books and Records; and
 - (b) give the Clearing House access to the relevant premises for the Clearing House to conduct an inspection under Rule 2A.2.
- (3) A Clearing Participant and Relevant Person must:
 - (a) not hinder or obstruct the Clearing House during the inspection; and
 - (b) give the Clearing House all assistance the Clearing House reasonably requires to conduct the inspection.

2A.3 [Deleted]

2A.4 REPORTING

- (1) The Clearing House will notify the Clearing Participant concerned of the findings of the Clearing House’s inspection.
- (2) A Clearing Participant must table the Clearing House’s findings to the Clearing Participant’s board of directors as soon as possible.
- (3) A Clearing Participant must within such time as may be stipulated by the Clearing House:
 - (a) take corrective measure to address the Clearing House’s findings; and
 - (b) notify the Clearing House in writing of the Clearing Participant’s board of director’s decided course of action and corrective measures taken (if any) to address the Clearing House’s findings.

2A.5 [Deleted]

2A.6 POWER OF INVESTIGATION

- (1) The Clearing House may conduct an investigation on a Participant at any time on any matter in relation to these Rules, the Participant's internal policies and procedures and any other rules and regulations related to its functions as governed under these Rules.
- (2) The Clearing House is empowered to:
 - (a) require a Participant to attend before the Clearing House at any time and to give such information that is relevant to the investigation;
 - (b) record statements from the persons referred to in Rule 2A.6(2)(a). A recorded statement may be used in disciplinary proceedings against a Participant;
 - (c) require a Participant to procure the attendance of any Relevant Person or consultant before the Clearing House and to give or procure such information relevant to the investigation;
 - (c) require the Participant or Relevant Person to give or procure for the Clearing House information, Documents, Books or Records that may be relevant to the investigation including requiring the Relevant Person to make copies or the Clearing House taking extracts of the same;
 - (d) enter the Participant's or Relevant Person's premises to seize, detain or take possession of any property, Document, Books or Records found at the Participant's or Relevant Person's premises or in the possession, custody or control of a Relevant Person that may be relevant to the investigation; or
 - (e) impose such requirement on the Participant that the Clearing House thinks reasonably necessary to facilitate the investigation.
- (3) A Participant and Relevant Person must:
 - (a) not hinder or obstruct the Clearing House during the investigation;
 - (b) give the Clearing House all assistance the Clearing House reasonably requires to conduct the investigation; and
 - (c) comply and give effect to any directives, orders, directions or procedures notes the Clearing House issues in exercising the powers under Rule 2A.6(2).

2A.7 [Deleted]