



23 JULY 2020

ANNOUNCEMENT OF NZ MARKETS DISCIPLINARY TRIBUNAL

PUBLIC CENSURE OF TIGER BROKERS (NZ) LIMITED FOR BREACH OF NZX PARTICIPANT RULES 3.9, 8.1.1(c), 18.4.1, 18.4.2, 18.6.1(a)(i) and 18.6.1(b)

In a determination of the NZ Markets Disciplinary Tribunal (*the Tribunal*) dated 10 July 2020, the Tribunal found that Tiger Brokers (NZ) Limited (*TBNZ*) breached NZX Participant Rules 3.9, 8.1.1(c), 18.4.1, 18.4.2 and 18.6.1(b) by depositing Client Funds in an account which was not a Client Funds Account under the Rules and for failing to comply with a direction from NZX to cease using that account. The Tribunal also found that TBNZ breached NZX Participant Rule 18.6.1(a)(i) in relation to the name of certain Client Funds Accounts.

The Tribunal did not find TBNZ to have breached NZX Participant Rule 18.5.1, which requires a Market Participant to hold Client Assets on trust for its clients at all times.

For the breaches found proved, the Tribunal ordered that TBNZ pay a financial penalty of \$160,000, pay the costs of NZX and the Tribunal, and be publicly censured in the form of this announcement.

The Tribunal determined that a financial penalty of \$160,000 was appropriate in the circumstances of this case, including that the Tribunal considered TBNZ had shown a wilful disregard of its obligations under the Rules by depositing Client Funds in an account that it was aware was not a Client Funds Account and by failing to promptly comply with a direction from NZX to rectify its breach.

The full determination of the Tribunal in this matter is attached to this announcement.