

10.3 Extension of Responsibility

- (1) A Participant or Access Person may be found liable by the Market Regulator for the conduct of any director, officer, partner, employee or individual holding a similar position with the Participant or Access Person and be subject to any penalty or remedy as if the Participant or Access Person had engaged in that conduct.
- (2) Any partner or director of a Participant or Access Person may be found liable by the Market Regulator for the conduct of the Participant or Access Person and be subject to any penalty or remedy as if such person had engaged in that conduct.
- (3) Any officer or employee of a Participant or Access Person who has authority over, supervises or is responsible for an employee may be found liable by the Market Regulator for the conduct of the supervised employee and be subject to any penalty or remedy as if such person had engaged in that conduct.
- (4) Any officer or employee of a Participant or Access Person or any individual holding a similar position with a Participant or Access Person who engages in conduct that results in the Participant or Access Person contravening a Requirement may be found liable by the Market Regulator for the conduct and be subject to any penalty or remedy as if such person was the Participant or Access Person.
- (5) The imposition of any penalty or remedy against any person who engaged in conduct that contravened a Requirement or against any person to whom responsibility for the conduct has been extended by this section does not prevent or limit in any manner the imposition by the Market Regulator of any penalty or remedy against any other person who engaged in the conduct or to whom responsibility for the conduct has been extended by this section.

Defined Terms: UMIR section 1.1 – “Access Person”, “employee”, “Market Regulator”, “Participant” and “Requirements”
 UMIR section 1.2(2) – “person”

Regulatory History: Effective January 30, 2004, the applicable securities commissions approved an amendment to Rule 10.3 to:

- (a) renumber existing subsection (4) as subsection (5); and
- (b) insert a new subsection (4).

Disciplinary Proceedings: Rule 10.3(4) was considered **In the Matter of Zoltan Horcsok (“Horcsok”)** (July 18, 2005) SA 2005-003. See Disciplinary Proceedings under 7.1.

Disciplinary Proceedings: Rule 10.3(4) was considered **In the Matter of Glen Grossman (“Grossman”)** (July 18, 2005) SA 2005-004. See Disciplinary Proceedings under Rule 2.1.

Disciplinary Proceedings: Rule 10.3(1) and 10.3(4) was considered **In the Matter of Scotia Capital Inc. (“Scotia”)** (February 26, 2007) DN 2007-001. See Disciplinary Proceedings under Rule 6.4.

Disciplinary Proceedings: Rule 10.3(4) was considered **In the Matter of Marc McQuillen (“McQuillen”)** (February 28, 2007) DN 2007-002. See Disciplinary Proceedings under Rule 6.4.

Disciplinary Proceedings: Rule 10.3(4) was considered **In the Matter of Steve Horrocks (“Horrocks”)** (August 5, 2009) DN 09-0229. See Disciplinary Proceedings under Rule 8.1.