

Rule 1200
Definitions

1201. Definitions

- (1) Some terms used throughout the [IIROC requirements](#) are defined in subsection 1201(2). Additional terms are set out in [IIROC's Dealer Member Rules](#) (including Form 1), the Universal Market Integrity Rules (or "UMIR") and General By-law No. 1. Terms that are used only in a single Rule are defined in that Rule. Any term not defined in subsection 1201(2) or in a specific Rule, which is defined in securities legislation, has the same meaning as the defined term in the relevant Securities Act, Rule, Regulation, National Instrument or similar document.
- (2) The following terms have the meanings set out when used in [IIROC requirements](#):
- "affiliate" Where used to indicate a relationship between two corporations, means:
- (i) one corporation is a [subsidiary](#) of the other corporation;
 - (ii) both corporations are [subsidiaries](#) of the same corporation;
- or
- (iii) both corporations are [controlled](#) by the same *person*.
- "applicable" In relation to a [District Council](#) means the [District Council](#) for the [District](#):
- (i) in which an applicant for membership or a [Dealer Member](#) has its head office and, in the case of a *holding company* of a *Dealer Member corporation*, in which the *Dealer Member corporation* has its head office;
 - (ii) in which the [business location](#) will be located;
 - (iii) in which an individual applicant for approval or an [Approved Person](#) resides; or
 - (iv) in which the activities that are the subject of an enforcement proceeding under Rule 8200 primarily occurred, provided that, if the activities that are the subject of the proceeding primarily occurred in more than one [District](#) or outside of any [District](#), then a [hearing panel](#) assigned to the proceeding shall exercise its discretion to determine the applicable [District Council](#), taking into account:
 - (1) the [Districts](#) in which any clients or other witnesses expected to testify in the proceeding reside;
 - (2) the [District](#) in which the head office of a [Dealer Member](#) that is the sole respondent in the proceeding, if applicable, is located; and
 - (3) any other factors that the [hearing panel](#) considers relevant.
- "approved investor" An *industry investor* or any other [person](#) who requires the approval of [IIROC](#), to invest in a [Dealer Member](#).

“Approved Person”	An <u>individual</u> approved by <u>IROC</u> under <u>IROC requirements</u> to carry out a function for a <i>Dealer Member</i> including the following <u>individuals</u> : <ul style="list-style-type: none"> (i) <u>Chief Compliance Officer</u> (ii) <u>Chief Financial Officer</u> (iii) <u>Director</u> (iv) <u>Executive</u> (v) <u>Investment Representative</u> (vi) <u>Registered Representative</u> (vii) <u>Supervisor</u> (viii) <u>Trader</u> (ix) <u>Ultimate Designated Person</u>
“associate”	The same meaning as set out in General By-law No. 1, Section 1.1.
“beneficial ownership”	Beneficial ownership of securities includes ownership : <ul style="list-style-type: none"> (i) by an <u>individual</u> of securities beneficially owned by: <ul style="list-style-type: none"> (a) a corporation, or (b) <u>affiliates</u> of a corporation, that is controlled by the <u>individual</u>; or (ii) by a corporation of securities beneficially owned by the <u>affiliates</u> of the corporation.
“business day”	A day other than Saturday, Sunday and any statutory holiday in the relevant <u>District</u> .
“business location”	A physical location where, on a regular and ongoing basis, at least one of a <i>Dealer Member’s employees</i> , including an agent, conducts business that requires <u>IROC</u> approval or registration under <u>securities legislation</u> .
“carrying broker”	A <u>Dealer Member</u> that carries client accounts for another <u>Dealer Member</u> , which includes the clearing and settlement of trades, the maintenance of records of client transactions and accounts, and the custody of client cash and securities, in accordance with the requirements set out in Dealer Member Rule 35.
“Chief Compliance Officer” or “CCO”	An <u>individual</u> approved by <u>IROC</u> to act as Chief Compliance Officer.
“Chief Financial Officer” or “CFO”	An <u>individual</u> approved by <u>IROC</u> to act as Chief Financial Officer.

“control” or “controlled”	Where used to indicate control of a corporation, means a circumstance where a person has beneficial ownership of voting securities in the corporation that carry more than 50% of the votes for election of directors of the corporation and such votes allow the person to elect a majority of the directors; but if a hearing panel or District Council orders that a person does or does not control the corporation under IIROC requirements , that order defines their relationship under IIROC requirements .
“Dealer Member”	The same meaning as set out in General By-law No. 1, Section 1.1.
“Director”	A member of a Dealer Member’s board of directors or an individual performing similar functions at a Dealer Member that is not a corporation.
“disciplinary hearing”	A hearing under Rule 8200 (Enforcement Proceedings), except for a settlement hearing .
“District”	The same meaning as set out in General By-law No. 1, Section 1.1.
“District Council”	The same meaning as set out in General By-law No. 1, Section 1.1.
“employee”	An employee of a Dealer Member or an agent of a Dealer Member who has entered into a principal / agent relationship contemplated under IIROC requirements .
“Enforcement Staff”	IIROC staff who are authorized to conduct enforcement activities on behalf of IIROC , including conducting investigations and initiating and conducting disciplinary proceedings.
“Executive”	A Dealer Member’s partner, Director or officer who is involved in the Dealer Member’s senior management, including anyone fulfilling the role of chair or vice-chair of the board of directors, chief executive officer, president, chief administrative officer, Chief Compliance Officer , Chief Financial Officer , member of an executive management committee, any individual in a managerial position who has significant authority over daily operations, or any position that the Dealer Member designates as an executive position.
“hearing”	A hearing in connection with a proceeding, proposed proceeding, or other matter under IIROC requirements , other than a prehearing conference.
“hearing committee”	A hearing committee of a District appointed under Rule 8300 (Hearing Committees).
“hearing panel”	A panel selected by the National Hearing Coordinator to conduct a hearing or prehearing conference.
“individual”	A natural person.
“industry member”	A current or former director, officer, partner, or employee of a Member or Regulated Person , or an individual who is otherwise suitable and qualified for appointment to a hearing committee .
“Investment Representative”	An individual , approved by IIROC , to trade in, but not advise on, securities, options , futures contracts or futures contract options , on the Dealer

or “IR”	Member’s behalf, including an Investment Representative (dealing in mutual funds only).
“IIROC”	The same meaning as the term Corporation as set out in General By-law No. 1, Section 1.1.
“IIROC requirements”	Requirements set out within IIROC’s letters patent, by-laws and rules, along with all other instruments prescribed or adopted within IIROC’s by-laws and rules, and rulings of IIROC and the District Councils .
“laws” “applicable laws”	or All laws, statutes, ordinances, regulations, rules, judgments, decrees or orders, applicable to a Regulated Person or its employees, partners, directors or officers, including Approved Persons , in the conduct of their business.
“Marketplace”	The same meaning as set out in General By-law No. 1, Section 1.1.
“Marketplace Member”	The same meaning as set out in General By-law No. 1, Section 1.1.
“Member”	The same meaning as set out in General By-law No. 1, Section 1.1.
“monitor”	A person appointed under section 8209 or 8212 to monitor a Regulated Person’s business and affairs and to exercise powers granted by a hearing panel .
“National Hearing Coordinator”	A person appointed by IIROC who is responsible for the administration of enforcement and other proceedings under IIROC requirements and other employees of IIROC to whom the person delegates the performance of such functions.
“officer”	A Dealer Member’s chair and vice-chair of the board of directors, chief executive officer, president, chief administrative officer, Chief Compliance Officer , Chief Financial Officer , chief operating officer, vice-president, secretary, any other person designated an officer of a Dealer Member by law or similar authority, or any person acting in a similar capacity on behalf of a Dealer Member .
“party”	A party to a proceeding under IIROC requirements , including Enforcement Staff and IIROC staff.
“person”	An individual , a partnership, a corporation, a government or any of its departments or agencies, a trustee, an incorporated or unincorporated organization, an incorporated or unincorporated syndicate or an individual’s heirs, executors, administrators or other legal representatives.
“public member”	public member in relation to a hearing committee means: <ul style="list-style-type: none"> (i) a current or retired member of the law society of a province, other than Quebec, who is in good standing at the law society, or (ii) in Quebec, a current or retired member of the Barreau du Québec, who is in good standing at the Barreau.
“records”	Books, records, client files and information and other documentation, including electronic documents, related to the Regulated Person’s

	business.
“Registered Representative” or “RR”	An individual , approved by IIROC , to trade, or advise on trades, in securities, <i>options</i> , <i>futures contracts</i> , or <i>futures contract options</i> with the public in Canada, on the <i>Dealer Member’s</i> behalf, including a Registered Representative (dealing in mutual funds only) and a Registered Representative (institutional).
“Regulated Persons”	The same meaning as set out in General By-law No. 1, Section 1.1.
“respondent”	A person who is the subject of a proceeding or settlement under IIROC requirements .
“Rules of Procedure”	The rules of practice and procedure under Rule 8400.
“sanction”	A penalty imposed by a hearing panel or a penalty or other measure imposed under a settlement agreement .
“securities legislation” or “applicable securities legislation”	Any legislation about trading, distributing or advising in securities, commodities contracts, or <i>derivatives</i> in Canada enacted by the government of Canada or any province or territory in Canada and includes all regulations, rules, orders and other regulatory directions made under that legislation by an authorized body, including a securities regulatory authority .
“securities regulatory authority”	The commission, person or other authority in Canada that is authorized to administer any legislation about (i) the offering or sale of securities, commodities contracts, or <i>derivatives</i> to the public or (ii) the registration or licensing of persons trading in securities, commodities contracts, or <i>derivatives</i> ; or any tribunal empowered under such legislation to review decisions of a hearing panel or District Council panel.
“settlement agreement”	A written agreement between IIROC staff and a respondent to settle a proceeding or proposed proceeding under Rule 8200.
“settlement hearing”	A hearing relating to a settlement agreement .
“subsidiary”	Subsidiary of an entity means: <ul style="list-style-type: none"> (i) an entity it controls; (ii) a corporation it controls and one or more corporations controlled by that corporation; or (iii) a corporation controlled by two or more corporations it controls. <p>and includes a corporation that is a subsidiary of another subsidiary of a corporation.</p>

- “Supervisor” An individual given responsibility and authority by a Dealer Member, and approved by IIROC, to manage the activities of the Dealer Member’s other employees, partners, Directors and officers, to ensure they comply with IIROC requirements and securities legislation in conducting their and the Dealer Member’s securities-related activities.
- “Trader” An individual, approved by IIROC as a Trader, whose activity is restricted to trading through a Marketplace Member’s trading system who may not advise the public.
- “Ultimate Designated Person” or “UDP” An individual approved by IIROC to be responsible for the conduct of a designated Dealer Member and the supervision of its employees and to perform the functions for an ultimate designated person described in IIROC requirements.