

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA
AMENDMENTS TO IIROC CONSOLIDATED ENFORCEMENT, EXAMINATION AND APPROVAL RULES
CLEAN COPY OF AMENDMENTS

Rule 8100
Enforcement Investigations

8107. Continuing Jurisdiction

- (1) A Regulated Person remains subject to this Rule for six years following the date on which they cease to be:
 - (i) a Dealer Member,
 - (ii) a non-Dealer Member user or subscriber of a Marketplace for which IIROC is the regulation services provider, or
 - (iii) an employee, partner, director, officer or any other representative designated in IIROC requirements of:
 - (a) a Dealer Member, or
 - (b) a non-Dealer Member user or subscriber of a Marketplace for which IIROC is the regulation services provider.

Rule 8400
Rules of Practice and Procedure

8411. Language of Hearings and Interpreters

- (1) A [hearing](#) may be conducted in English or French or partly in English or French.
- (2) A [hearing](#) in a [District](#) other than Quebec must be conducted in English, unless the [parties](#), with the consent of a [hearing panel](#), agree that it be conducted in French.
- (3) A [hearing](#) in Quebec must be conducted in French, unless the [parties](#), with the consent of a [hearing panel](#), agree that it be conducted in English.
- (4) A [party](#) who wishes a [hearing](#) to be conducted in French, or in Quebec in English, must [file](#) a request with the [National Hearing Coordinator](#) as soon as possible after the proceeding is commenced.
- (5) A [party](#) who requires an interpreter for a language other than the language in which a hearing is to be conducted, whether to assist the [party](#) or for the testimony of a witness to be called by the [party](#), must notify the [National Hearing Coordinator](#) at least thirty days before the commencement of the [hearing](#).
- (6) An interpreter must be competent and independent and must swear or affirm to interpret accurately.

8415. Response to a Notice of Hearing

- (1) A [respondent](#) must serve and [file](#) a response within 30 days from the date of service of a notice of hearing.
- (2) A response must contain a statement of:
 - (i) the facts alleged in the statement of allegations that the [respondent](#) admits,
 - (ii) the facts alleged that the [respondent](#) denies and the grounds for the denial, and
 - (iii) all other facts on which the [respondent](#) relies.
- (3) A [hearing panel](#) may accept as proven any facts alleged in a statement of allegations that are not specifically denied or for which grounds for the denial are not provided in a response.
- (4) If a [respondent](#) who has been served with a notice of hearing does not serve and [file](#) a response in accordance with subsection 8415(1), the [hearing panel](#) may proceed with the hearing of the matter on its merits on the date of the initial appearance set out in the notice of hearing, without further notice to and in the absence of the [respondent](#), and the [hearing panel](#) may accept as proven the facts and contraventions alleged in the statement of allegations and may impose sanctions and costs pursuant to section 8209 or 8210, as applicable.

8427. Review of Protective Orders

- (1) A [party](#) who requests a review of a [decision](#) made under section 8212 must serve and [file](#), within thirty days of the date of the [decision](#), a notice of request for review and a review record.
- (2) A notice of request for review must contain
 - (i) the date, time and location of the [hearing](#) of the request for review,
 - (ii) the relief sought,
 - (iii) the grounds for the relief sought, including reference to any [IIROC requirements](#) or [laws](#),
 - (iv) a list of evidence and other materials relied on, and
 - (v) whether it is proposed that the request for review be heard as an [oral hearing](#), [electronic](#)

- hearing or written hearing.
- (3) A review record must contain
 - (i) the notice of request for review, and
 - (ii) copies of any additional evidence, including affidavits and other materials relied on.
 - (4) Enforcement Staff must file, at least seven days prior to the date of the review hearing, a record that contains the record of the hearing under section 8212, the decision and reasons of the hearing panel, a transcript of the hearing and copies of any documentary or other evidence received by the hearing panel not otherwise contained in the record.
 - (5) A responding party may serve and file a reply no later than seven days prior to the date of the review hearing.
 - (6) A reply must contain
 - (i) the order requested by the responding party and a statement of the reasons for the order requested, and
 - (ii) copies of any additional evidence, including affidavits and other material relied on.
 - (7) The parties may serve and file a memorandum of fact and law no later than two days prior to the date of the review hearing.
 - (8) A review hearing must be conducted in the following order:
 - (i) the requesting party may present evidence,
 - (ii) the responding party may present evidence,
 - (iii) the requesting party may make submissions,
 - (iv) the responding party may make submissions, and
 - (v) the requesting party may reply to the submissions of the responding party.
 - (9) A hearing panel may at any time, on any terms or conditions it considers appropriate, require oral testimony to be adduced at the review hearing on any matter in issue and allow cross-examination on an affidavit.
 - (10) At any time prior to a review hearing, a requesting party may bring a motion for a stay of an order made under subsection 8212(4).

Rule 9200
Approvals and Regulatory Supervision

9204. Individual Approval Applications

- (1) An *individual* may *apply* to a *District Council* for approval as a
 - (i) *Supervisor*,
 - (ii) *Director* or *Executive* under Dealer Member Rule section 7.2,
 - (iii) *Registered Representative* or *Investment Representative* under Dealer Member Rule 18.2,
 - (iv) *Ultimate Designated Person*, *Chief Financial Officer*, or *Chief Compliance Officer* under Dealer Member Rules 38.5, 38.6, and 38.7, respectively, or
 - (v) *Trader* under Dealer Member Rule 500.
- (2) A *District Council* must approve an *application* under subsection 9204(1), unless in its opinion
 - (i) the applicant
 - (a) does not meet a *IIROC requirement*,
 - (b) is likely not to comply with *IIROC requirements*, or
 - (c) does not satisfy *securities legislation* relating to or is not suitable for approval on the basis of training, experience, solvency or integrity, or
 - (ii) the approval is otherwise not in the public interest.
- (3) A *District Council* may approve an *application* under subsection 9204(1), subject to any terms and conditions it considers appropriate.

9209. Review Hearings

- (1) Within 30 days after the release of a *decision* under section 9204, 9207 or 9208, an applicant, *Approved Persons* or *Dealer Member*, respectively, may request a review of the *decision* by a *hearing panel* under Rule 9300 (Regulatory Review Proceedings).
- (2) An applicant may, within 30 days after the release of a *decision* under section 9206, request a review of the *decision* by a *District Council panel*.
- (3) *Registration Staff* may, within 30 days after the release of a *decision*, other than a *decision* made by *Registration Staff*, request a review
 - (i) of a *decision* under section 9204 or 9207 by a *decision* under Rule 9300 (Regulatory Review Proceedings), or
 - (ii) of a *decision* under section 9206 by a *District Council panel*.
- (4) A request for review of a *decision* under section 9206 by *Registration Staff* operates as a stay of the *decision*.
- (5) If a review of a *decision* under section 9206 is requested, the *National Hearing Coordinator* must, subject to subsection 9209(7), select three members from the *District Council* of the applicable *District* as members of the *District Council panel* to review the *decision*, and subsections 8408(7), (10) and (11) apply to the selection and conduct of a *District Council panel*, with modifications required by the context of this Rule.
- (6) A member of a *District Council* who has participated in a *decision* must not participate as a member of a *hearing panel* or *District Council panel* on a review of the *decision*.
- (7) On a review of a *decision* made under section 9206, a *District Council panel* may:
 - (i) affirm the decision;

- (ii) quash the decision;
 - (iii) vary or remove any terms and conditions imposed on the applicant; and
 - (iv) make any decision that could have been made by the [District Council](#) under section 9206.
- (8) A [decision](#) of a [District Council panel](#) under subsection 9209(7) is a final decision for which no further review or appeal is provided under [IIROC requirements](#).

Rule 9300
Regulatory Review Proceedings

9305. Review by a Securities Regulatory Authority

- (1) A party may apply to the securities regulatory authority in the relevant District for a review of a final decision of a hearing panel under this Rule.
- (2) A person who is entitled to request a review of a decision under section 9304 may not apply to a securities regulatory authority for review of the decision, unless the person has requested a review by a hearing panel and the hearing panel has made a final decision.
- (3) For purposes of subsection 9305(1), IIROC staff is directly affected by a decision in a proceeding in which IIROC staff is a party.

Rule 9400

Procedures for Opportunities to be Heard Before Decisions on Approval and Regulatory Compliance Matters

9408. Exchange of Written Submissions

- (1) This section describes the process to be followed if the opportunity to be heard is conducted by exchange of written submissions.
- (2) [Registration Staff](#) must provide the applicant, [Approved Person](#) or [Dealer Member](#) with a written submission setting out the facts and law supporting [Registration Staff's](#) recommendation. [Registration Staff's](#) submission must be delivered to the applicant, [Approved Person](#) or [Dealer Member](#) within ten [business days](#) after [Registration Staff](#) receives the applicant's, [Approved Person's](#) or [Dealer Member's](#) Response.
- (3) An applicant, [Approved Person](#) or [Dealer Member](#) must then provide [Registration Staff](#) with a written submission responding to [Registration Staff's](#) submission, to be delivered within ten [business days](#) after the applicant, [Approved Person](#) or [Dealer Member](#) receives [Registration Staff's](#) submission.
- (4) Subject to agreement of the [parties](#) or a [decision](#) of the [decision maker](#), there will only be one exchange of written submissions so that the [decision maker](#) may render a decision without unnecessary delay; however, where the [parties](#) agree to make further submissions or either of them requests that the [decision maker](#) allow further submissions, such agreement or request must be made within five [business days](#) after delivery of the applicant's, [Approved Person's](#) or [Dealer Member's](#) submission under subsection 9408(3).
- (5) Unless an agreement or request is made under subsection 9408(4), [Registration Staff's](#) and the applicant's, [Approved Person's](#) or [Dealer Member's](#) respective submission will be delivered by [Registration Staff](#) to the [decision maker](#) within five [business days](#) after the applicant's, [Approved Person's](#) or [Dealer Member's](#) submission is delivered.
- (6) If an agreement or request is made under subsection 9408(4), the submissions of all [parties](#) will be delivered by [Registration Staff](#) to the [decision maker](#) when all submissions have been delivered or the time for their delivery has elapsed.