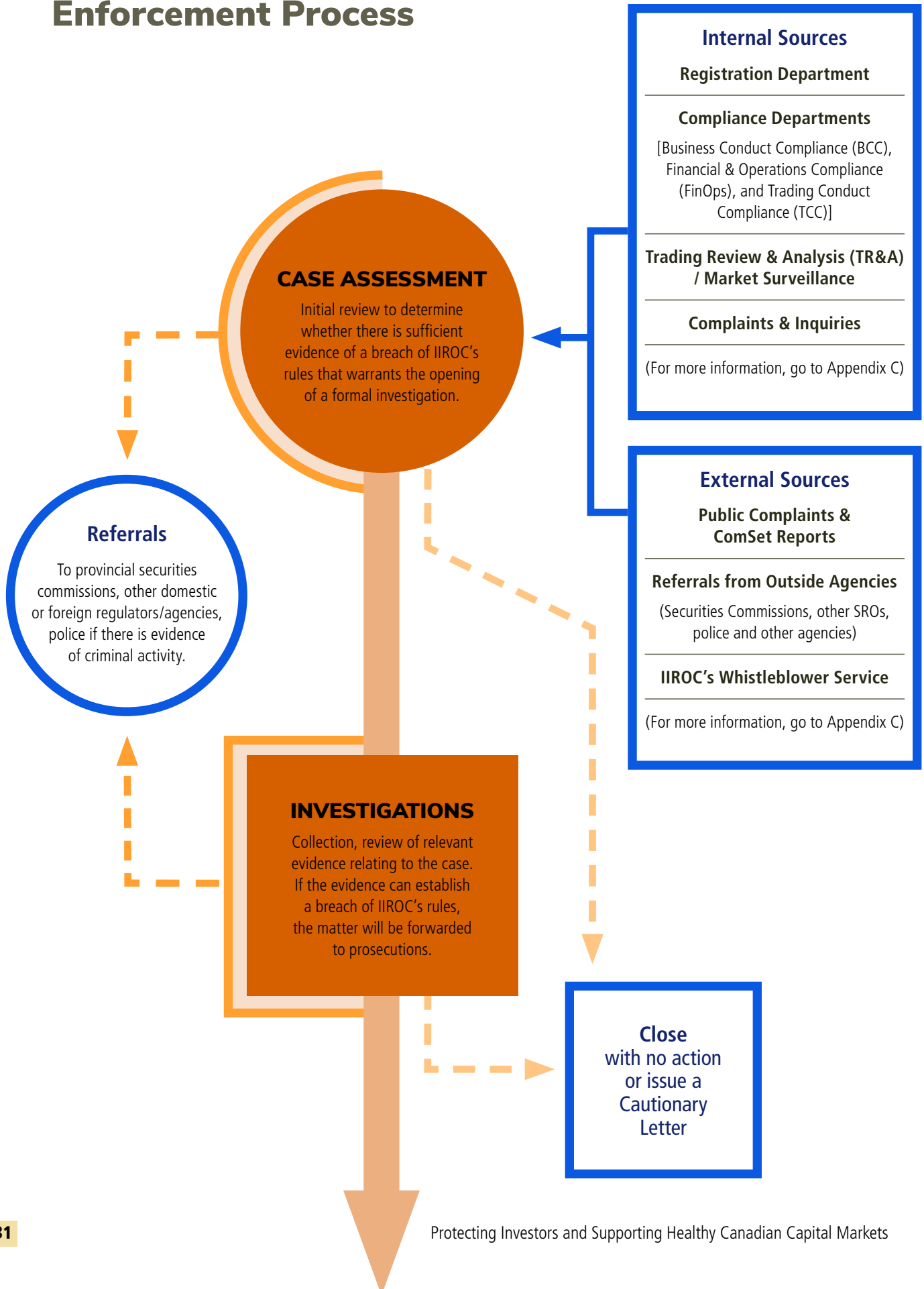
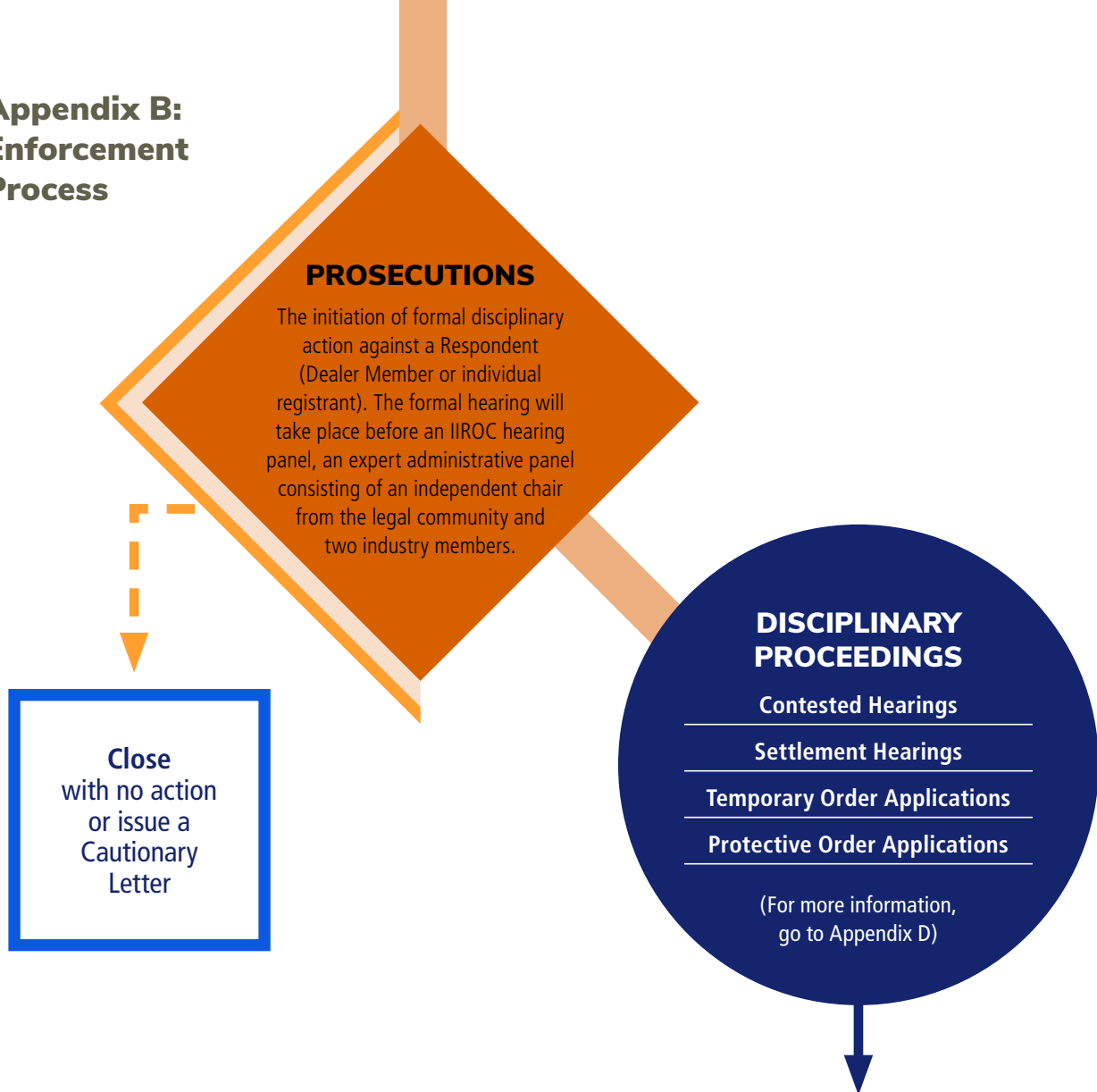


# Appendix B: Enforcement Process



## Appendix B: Enforcement Process



### Use of Fines and Cost Awards

All fines collected can only be used for certain purposes as designated in the Canadian Securities Administrators' Recognition Orders of IIROC. This includes education or research projects that are in the public interest, the administration of disciplinary panels and/or the development of programs or systems to address emerging regulatory issues that relate to investor protection or the integrity of the capital markets. See Fine Collection Rates on page 21.

Pursuant to IIROC Rules, IIROC cost awards are used to pay for any costs incurred by IIROC in relation to its investigations and hearings.

### PENALTIES

If a Dealer Member or individual registrant is found to have violated IIROC rules, the following penalties may be imposed:

#### FIRMS

A reprimand

Fines, up to a maximum of \$5 million per contravention or an amount equal to three times the profit made, or loss avoided

Imposition of conditions on membership

A period of suspension

Expulsion

#### INDIVIDUALS

A reprimand

Fines, up to a maximum of \$5 million per contravention or an amount equal to three times the profit made, or loss avoided

Imposition of conditions on registration

A period of suspension

A permanent ban