

## **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"> <li>(i) <u>Chief Compliance Officer</u></li> <li>(ii) <u>Chief Financial Officer</u></li> <li>(iii) <u>Director</u></li> <li>(iv) <u>Executive</u></li> <li>(v) <u>Investment Representative</u></li> <li>(vi) <u>Registered Representative</u></li> <li>(vii) <u>Supervisor</u></li> <li>(viii) <u>Trader</u></li> <li>(ix) <u>Ultimate Designated Person</u></li> </ul>
“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"> <li>(i) by an <u>individual</u> of securities beneficially owned by: <ul style="list-style-type: none"> <li>(a) a corporation, or</li> <li>(b) <u>affiliates</u> of a corporation,</li> </ul> that is controlled by the <u>individual</u>; or </li> <li>(ii) by a corporation of securities beneficially owned by the <u>affiliates</u> of the corporation.</li> </ul>
“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 <a href="#">person</a> 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 <a href="#">person</a> to elect a majority of the directors; but if a <a href="#">hearing panel</a> or <a href="#">District Council</a> orders that a <a href="#">person</a> does or does not control the corporation under <a href="#">IIROC requirements</a> , that order defines their relationship under <a href="#">IIROC requirements</a> .
“Dealer Member”	The same meaning as set out in General By-law No. 1, Section 1.1.
“Director”	A member of a <a href="#">Dealer Member’s</a> board of directors or an <a href="#">individual</a> performing similar functions at a <a href="#">Dealer Member</a> that is not a corporation.
“disciplinary hearing”	A hearing under Rule 8200 (Enforcement Proceedings), except for a <a href="#">settlement hearing</a> .
“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 <a href="#">Dealer Member</a> or an agent of a Dealer Member who has entered into a principal / agent relationship contemplated under <a href="#">IIROC requirements</a> .
“Enforcement Staff”	<a href="#">IIROC</a> staff who are authorized to conduct enforcement activities on behalf of <a href="#">IIROC</a> , including conducting investigations and initiating and conducting disciplinary proceedings.
“Executive”	A <a href="#">Dealer Member’s</a> partner, <a href="#">Director</a> or <a href="#">officer</a> who is involved in the <a href="#">Dealer Member’s</a> senior management, including anyone fulfilling the role of chair or vice-chair of the board of directors, chief executive officer, president, chief administrative officer, <a href="#">Chief Compliance Officer</a> , <a href="#">Chief Financial Officer</a> , member of an executive management committee, any <a href="#">individual</a> in a managerial position who has significant authority over daily operations, or any position that the <a href="#">Dealer Member</a> designates as an executive position.
“hearing”	A hearing in connection with a proceeding, proposed proceeding, or other matter under <a href="#">IIROC requirements</a> , other than a prehearing conference.
“hearing committee”	A hearing committee of a <a href="#">District</a> appointed under Rule 8300 (Hearing Committees).
“hearing panel”	A panel selected by the <a href="#">National Hearing Coordinator</a> to conduct a <a href="#">hearing</a> or prehearing conference.
“individual”	A natural person.
“industry member”	A current or former director, officer, partner, or employee of a <a href="#">Member</a> or <a href="#">Regulated Person</a> , or an <a href="#">individual</a> who is otherwise suitable and qualified for appointment to a <a href="#">hearing committee</a> .
“Investment Representative”	An <a href="#">individual</a> , approved by <a href="#">IIROC</a> , to trade in, but not advise on, securities, <a href="#">options</a> , <a href="#">futures contracts</a> or <a href="#">futures contract options</a> , on the <a href="#">Dealer</a>

or “IR”	<a href="#">Member’s</a> 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 <a href="#">IIROC’s</a> letters patent, by-laws and rules, along with all other instruments prescribed or adopted within <a href="#">IIROC’s</a> by-laws and rules, and rulings of <a href="#">IIROC</a> and the <a href="#">District Councils</a> .
“laws” “applicable laws”	or All laws, statutes, ordinances, regulations, rules, judgments, decrees or orders, applicable to a <a href="#">Regulated Person</a> or its employees, partners, directors or officers, including <a href="#">Approved Persons</a> , 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 <a href="#">person</a> appointed under section 8209 or 8212 to monitor a <a href="#">Regulated Person’s</a> business and affairs and to exercise powers granted by a <a href="#">hearing panel</a> .
“National Hearing Coordinator”	A <a href="#">person</a> appointed by <a href="#">IIROC</a> who is responsible for the administration of enforcement and other proceedings under <a href="#">IIROC requirements</a> and other employees of <a href="#">IIROC</a> to whom the <a href="#">person</a> delegates the performance of such functions.
“officer”	A <a href="#">Dealer Member’s</a> chair and vice-chair of the board of directors, chief executive officer, president, chief administrative officer, <a href="#">Chief Compliance Officer</a> , <a href="#">Chief Financial Officer</a> , chief operating officer, vice-president, secretary, any other person designated an officer of a <a href="#">Dealer Member</a> by law or similar authority, or any person acting in a similar capacity on behalf of a <a href="#">Dealer Member</a> .
“party”	A party to a proceeding under <a href="#">IIROC requirements</a> , including <a href="#">Enforcement Staff</a> and <a href="#">IIROC</a> staff.
“person”	An <a href="#">individual</a> , 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 <a href="#">individual’s</a> heirs, executors, administrators or other legal representatives.
“public member”	public member in relation to a <a href="#">hearing committee</a> means: <ul style="list-style-type: none"> <li>(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</li> <li>(ii) in Quebec, a current or retired member of the Barreau du Québec, who is in good standing at the Barreau.</li> </ul>
“records”	Books, records, client files and information and other documentation, including electronic documents, related to the <a href="#">Regulated Person’s</a>

	business.
“Registered Representative” or “RR”	An <i>individual</i> , approved by <i>IIROC</i> , 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 <i>person</i> who is the subject of a proceeding or settlement under <i>IIROC requirements</i> .
“Rules of Procedure”	The rules of practice and procedure under Rule 8400.
“sanction”	A penalty imposed by a <i>hearing panel</i> or a penalty or other measure imposed under a <i>settlement agreement</i> .
“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 <i>securities regulatory authority</i> .
“securities regulatory authority”	The commission, <i>person</i> 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 <i>persons</i> trading in securities, commodities contracts, or <i>derivatives</i> ; or any tribunal empowered under such legislation to review decisions of a <i>hearing panel</i> or <i>District Council</i> panel.
“settlement agreement”	A written agreement between <i>IIROC</i> staff and a <i>respondent</i> to settle a proceeding or proposed proceeding under Rule 8200.
“settlement hearing”	A <i>hearing</i> relating to a <i>settlement agreement</i> .
“subsidiary”	Subsidiary of an entity means: <ul style="list-style-type: none"> <li>(i) an entity it <i>controls</i>;</li> <li>(ii) a corporation it <i>controls</i> and one or more corporations <i>controlled</i> by that corporation; or</li> <li>(iii) a corporation <i>controlled</i> by two or more corporations it <i>controls</i>.</li> </ul> <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*.

## Rule 1400 Standards of Conduct

### 1401. Introduction

- (1) This Rule sets out the general standards of conduct that apply to [Regulated Persons](#).

### 1402. Standards of Conduct

- (1) A [Regulated Person](#)
  - (i) in the transaction of business, must observe high standards of ethics and conduct and must act openly and fairly and in accordance with just and equitable principles of trade, and
  - (ii) must not engage in any business conduct that is unbecoming or detrimental to the public interest.
- (2) Without limiting the generality of the foregoing, any business conduct that:
  - (i) is negligent;
  - (ii) fails to comply with a legal, regulatory, contractual, or other obligation, including the rules, requirements, and policies of a [Regulated Person](#);
  - (iii) displays an unreasonable departure from standards that are expected to be observed by a [Regulated Person](#); or
  - (iv) is likely to diminish investor confidence in the integrity of securities, commodities or derivatives marketsmay be conduct that contravenes one or more of the standards set forth in subsection 1402(1).

### 1403. Applicability

- (1) For purposes of [IIROC requirements](#):
  - (i) [Dealer Members](#) are responsible for all acts and omissions of their [employees](#), partners, [Directors](#) and [officers](#);
  - (ii) non-[Dealer Member](#) users and subscribers to a [Marketplace](#) for which [IIROC](#) is the regulation services provider are responsible for all acts and omissions of their employees, partners, directors, and officers.
- (2) In addition to complying with all [IIROC requirements](#) that expressly apply to him or her:
  - (i) an [Approved Person](#) must avoid any act or omission that would cause his or her [Dealer Member](#) to violate any [IIROC requirement](#); and
  - (ii) an employee, partner, director or officer of a non-[Dealer Member](#) user or subscriber of a [Marketplace](#) for which [IIROC](#) is the regulation services provider must avoid any act or omission that would cause the user or subscriber to violate any [IIROC requirement](#).
- (3) For purposes of section 1402, the obligation of [Regulated Persons](#) that are non-[Dealer Member](#) users or subscribers of a [Marketplace](#) for which [IIROC](#) is the regulation services provider is limited to the obligation to transact business openly and fairly when trading on a [Marketplace](#) or otherwise dealing in securities that are eligible to be traded on a [Marketplace](#).

## **Rule 8100**

### **Enforcement Investigations**

#### **8101. Introduction**

- (1) This Rule sets out the powers of [IIROC](#) to initiate and conduct enforcement investigations (“investigations”) and the rights and obligations of [Regulated Persons](#) with respect to such investigations.

#### **8102. Conducting Investigations**

- (1) [Enforcement Staff](#) may investigate the conduct, business and affairs of a [Regulated Person](#) with respect to [IIROC requirements](#), [applicable laws](#), or trading or advising in respect of securities, commodities contracts or derivatives.

#### **8103. Investigation Powers**

- (1) In connection with an investigation, [Enforcement Staff](#) may, by written or electronic request, require a [Regulated Person](#), an employee, partner, director or officer of a [Regulated Person](#), an [approved investor](#), or, where authorized by law, another [person](#) to:
  - (i) provide a written report with respect to any matter,
  - (ii) produce for inspection any [records](#) and documents in the [person’s](#) possession or control that [Enforcement Staff](#) believe may be relevant to the investigation, whether written, electronically stored or recorded,
  - (iii) provide copies of any such [records](#) and documents in the manner and form, including electronically and recorded, that [Enforcement Staff](#) requests, and
  - (iv) attend and answer questions under oath or otherwise, and any such attendance may be transcribed, recorded electronically, audio-recorded or video-recorded, as [Enforcement Staff](#) determines.
- (2) If [Enforcement Staff](#) requires production of original documents in a request made under subsection 8103(1), they must provide a receipt for any original documents received.
- (3) In connection with an investigation, [Enforcement Staff](#)
  - (i) may, with or without prior notice, enter the [business location](#) of any [Regulated Person](#) during business hours,
  - (ii) are entitled to free access to and to make and keep copies of all books of account, securities, cash, documents, bank accounts, vouchers, correspondence and [records](#) of every description that [Enforcement Staff](#) believe may be relevant to the investigation, including by taking an image of the computer hard drives of the [Regulated Person](#), and
  - (iii) may remove the original of any document or [record](#) obtained under clause 8103(3)(ii), and where an original document or [record](#) is removed from the premises, [Enforcement Staff](#) must provide a receipt for the removed document or [record](#).

#### **8104. Obligations of Regulated Persons and Other Persons**

- (1) A [person](#) who receives a request made under section 8103 must comply with the request within the time specified in it.
- (2) If [Enforcement Staff](#) make a request under clause 8103(1)(i) or 8103(1)(iv) to a corporation, partnership or other organization, compliance with the request may be fulfilled by an [employee](#) of the corporation, partnership or organization who is acceptable to [Enforcement Staff](#), taking into account the employee’s position and knowledge.
- (3) A [person](#) must cooperate with [Enforcement Staff](#) who are conducting an investigation, and a



Regulated Person must require its employees, partners, directors and officers to cooperate with Enforcement Staff conducting an investigation and to comply with a request made under section 8103.

- (4) A person who is aware that Enforcement Staff are conducting an investigation must not conceal or destroy any record, document or thing that contains information that may be relevant to the investigation or to any subsequent proceeding relating to the subject matter of the investigation or ask or encourage another person to do so.

#### **8105. Right to Counsel**

- (1) A person who attends in response to a request under clause 8103(1)(iv) may be represented by counsel.

#### **8106. Confidentiality of Investigations**

- (1) IIROC may make an order prohibiting a person from communicating, for a specified period, some or all of the following information related to an investigation to another person except the person's counsel or another individual who represents the person or as required by law:
- (i) the nature or content of the investigation or a request under subsection 8103(1),
  - (ii) the fact of an entry by Enforcement Staff under subsection 8103(3),
  - (iii) the fact that any report, record, other document or thing was requested, produced, provided, inspected, copied or taken,
  - (iv) the name of any person required to attend and answer questions, or
  - (v) any questions asked or any answers given on an attendance.
- (2) An order made under subsection 8106(1) shall not prohibit disclosure:
- (i) of any fact that the person became aware of otherwise than as a result of the conduct of the investigation,
  - (ii) that is required to fulfill:
    - (a) any request made in connection with an investigation, but only to the extent necessary to respond to the request,
    - (b) an obligation of the person under a IIROC requirement,
    - (c) a fiduciary obligation of the person to a Regulated Person, or
    - (d) a contractual obligation of the person to comply with the policies of a Regulated Person,
  - (iii) of information in connection with the imposition of restrictions on a person who is a subject of the investigation, but only to the extent necessary to implement the restrictions, or
  - (iv) of the existence and nature of an investigation to:
    - (a) a Regulated Person who is the person's employer,
    - (b) an employee of a Regulated Person with supervisory authority over or compliance responsibility for the person, or
    - (c) employees of the Regulated Person who are senior to the employees contemplated in sub-clause 8106(2)(iv)(b), but only to the extent necessary to supervise the person or allow officers of a Dealer Member or other Regulated Person to inform their board of directors of an investigation.
- (3) Notwithstanding an order made under subsection 8106(1), a person may disclose information, with the consent of a hearing panel on a motion under section 8413, if the hearing panel determines that disclosure of that information would not impede the conduct of the

investigation and is otherwise justifiable, subject to any terms and conditions that the [hearing panel](#) considers appropriate.

### **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 8200**  
**Enforcement Proceedings**

**8201. Introduction**

- (1) This Rule sets out the authority of [IIROC](#) and [hearing panels](#) to hold hearings for enforcement purposes.
- (2) Enforcement proceedings are intended to ensure compliance with and to enforce [IIROC requirements](#), [securities legislation](#), and other requirements relating to trading or advising in respect of securities, commodities contracts or derivatives.

**8202. Definitions**

- (1) In this Rule,  
“decision” means a determination made by a [hearing panel](#) under this Rule and includes a [sanction](#) and other order or ruling.  
“investigation” means an investigation under Rule 8100 (Enforcement Investigations).

**PART A - GENERAL**

**8203. Hearings**

- (1) A [hearing](#) must be conducted in accordance with this Rule and the [Rules of Procedure](#).
- (2) A [hearing panel](#) may hold any [hearing](#) and make any [decision](#) that is authorized under this Rule and the [Rules of Procedure](#).
- (3) A [hearing panel](#) may admit as evidence in a [hearing](#) any oral testimony and any document or other thing that is relevant, whether or not given or proven under oath or affirmation or admissible as evidence in a court.
- (4) A [hearing panel](#) may require testimony or other evidence to be given or proven under oath or affirmation.
- (5) A [hearing](#) under this Rule must be open to the public, unless it is:
  - (i) a [settlement hearing](#), in which case it will be opened to the public only after a [settlement agreement](#) has been accepted by the [hearing panel](#),
  - (ii) a [hearing](#) to consider a temporary order under section 8211,
  - (iii) a [hearing](#) or part of a [hearing](#) where the [hearing panel](#) is of the opinion that the desirability of avoiding disclosure of intimate, personal or other matters outweighs the desirability of allowing the [hearing](#) or part of the [hearing](#) to be open to the public, or
  - (iv) a [hearing](#) held in Quebec where the [hearing panel](#), on its own initiative or on the request of a [party](#), orders the [hearing](#) or part of the [hearing](#) to be closed or prohibits the publication or release of documents in the interest of good morals or public order.
- (6) A [party](#) to an enforcement proceeding may be represented by counsel or, where permitted by law, an agent.
- (7) A [hearing panel](#) must provide written reasons for a [decision](#) made by it, including a [decision](#) accepting or rejecting a [settlement agreement](#) under section 8215, but not including an evidentiary or other procedural ruling, made in the course of a [hearing](#), that is not dispositive of the issues raised in the hearing.

#### **8204. Application and Effective Date of Decisions**

- (1) A [decision](#) under this Rule applies in all [Districts](#), unless the [hearing panel](#) orders otherwise or unless the application of the [decision](#) is limited by *law*.
- (2) A [decision](#), other than a ruling in the course of a [hearing](#), is effective on the date the [decision](#) is dated by the [National Hearing Coordinator](#), unless this Rule or the [decision](#) provides otherwise, in which case the [decision](#) is effective on the date so provided.
- (3) A [sanction](#), other than a fine or disgorgement, takes effect on the effective date of the [decision](#) imposing it, unless the [decision](#) provides otherwise.
- (4) A fine, disgorgement and costs imposed by a [decision](#) are payable when the [decision](#) is effective, unless the [decision](#) provides or the [parties](#) agree otherwise.

#### **8205. Commencement of Enforcement Proceedings**

- (1) [IIROC](#) may commence proceedings and hold [hearings](#), as provided in this Rule, to ensure compliance with and to enforce [IIROC requirements](#), [securities legislation](#), and other requirements relating to trading or advising in respect of securities, commodities contracts and derivatives.
- (2) A proceeding under this Rule must be commenced by notice of application or notice of hearing in accordance with the [Rules of Procedure](#).

#### **8206. Limitation**

- (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) a [Dealer Member](#), or
    - (b) a non-[Dealer Member](#) user or subscriber of a [Marketplace](#) for which [IIROC](#) is the regulation services provider.
- (2) [IIROC](#) may commence a proceeding under this Rule against a [Regulated Person](#) up to six years after the date of the occurrence of the last event on which the proceeding is based.
- (3) If a proceeding is commenced within the limitation period in subsection 8206(1) or 8206(2), the [respondent](#) remains subject to the requirements of this Rule until the proceeding, including any review or appeal, is completed.

#### **8207. Amounts Owing to IIROC**

- (1) A [person](#) remains liable to [IIROC](#) for all amounts owing to [IIROC](#).

#### **8208. Powers of Compulsion**

- (1) A [hearing panel](#) may require a [Regulated Person](#), an employee, partner, director or officer of a [Regulated Person](#) or [IIROC](#), including [IIROC](#) staff, and, if authorized by *law*, any other [person](#) to attend and give evidence or produce [records](#) and documents in connection with a [hearing](#) under this Rule.
- (2) A [Regulated Person](#) must, upon receipt of an order of a [hearing panel](#) or a notice from the [National Hearing Coordinator](#) so requiring,
  - (i) attend and give evidence, and

- (ii) produce for inspection and provide copies of any [records](#) or documents in the [Regulated Person's](#) possession or control.
- (3) If a [hearing panel](#) requires an employee, partner, director or officer of a [Regulated Person](#), who is not an [Approved Person](#), to attend at a hearing, the [Regulated Person](#) must direct the individual to attend and give evidence.

## **PART B - Disciplinary Proceedings**

### **8209. Sanctions for Dealer Members**

- (1) If, after a [hearing](#), a [hearing panel](#) finds that a [Dealer Member](#) has contravened a [IIROC requirement](#), a [securities legislation](#) requirement, or other requirement relating to trading or advising in respect of securities, commodities contracts, or derivatives, the [hearing panel](#) may impose one or more of the following [sanctions](#):
  - (i) a reprimand
  - (ii) disgorgement of any amount obtained, including any loss avoided, directly or indirectly, as a result of the contravention,
  - (iii) a fine not exceeding the greater of
    - (a) \$5,000,000 for each contravention, and
    - (b) an amount equal to three times the profit made or loss avoided by the [Dealer Member](#), directly or indirectly, as a result of the contravention,
  - (iv) suspension of membership in [IIROC](#) or of any right or privilege associated with membership, including a direction to cease dealing with clients, for any period of time and on any terms and conditions,
  - (v) imposition of any terms or conditions on the [Dealer Member's](#) continued membership, including on access to a [Marketplace](#),
  - (vi) expulsion from membership and termination of the rights and privileges of membership, including access to a [Marketplace](#),
  - (vii) permanent bar to membership in [IIROC](#),
  - (viii) appointment of a [monitor](#), and
  - (ix) any other [sanction](#) determined to be appropriate under the circumstances.
- (2) A [Dealer Member](#) may be sanctioned under subsection 8209(1) based on the conduct of an [employee](#), partner, [Director](#) or [officer](#).
- (3) A sanction imposed under subsection 8209(1) relating to access to a [Marketplace](#) applies to all [Marketplaces](#).

### **8210. Sanctions for Regulated Persons other than Dealer Members**

- (1) If after a [hearing](#), a [hearing panel](#) finds that an [Approved Person](#), a non-[Dealer Member](#) user or subscriber of a [Marketplace](#) for which [IIROC](#) is the regulation services provider or an employee, partner, director or officer of such a user or subscriber has contravened a [IIROC requirement](#), a [securities legislation](#) requirement, or other requirement relating to trading or advising in respect of securities, commodities contracts, or derivatives, the [hearing panel](#) may impose on such [person](#) one or more of the following sanctions:
  - (i) a reprimand
  - (ii) disgorgement of any amount obtained, including any loss avoided, directly or indirectly, as a result of the contravention,

- (iii) a fine not exceeding the greater of
    - (a) \$5,000,000 for each contravention, and
    - (b) an amount equal to three times the profit made or loss avoided by the [person](#), directly or indirectly, as a result of the contravention,
  - (iv) suspension of the [person's](#) approval or any right or privilege associated with such approval, including access to a [Marketplace](#), for any period of time and on any terms and conditions,
  - (v) imposition of any terms or conditions on the [person's](#) continued approval or continued access to a [Marketplace](#),
  - (vi) prohibition of approval in any capacity, for any period of time, including access to a [Marketplace](#),
  - (vii) revocation of approval,
  - (viii) a permanent bar to approval in any capacity or to access to a [Marketplace](#),
  - (ix) a permanent bar to employment in any capacity by a [Regulated Person](#), and
  - (x) any other [sanction](#) determined to be appropriate under the circumstances.
- (2) A [sanction](#) imposed under subsection 8210(1) relating to access to a [Marketplace](#) applies to all [Marketplaces](#).
  - (3) A director or officer of a [Regulated Person](#) may be sanctioned under subsection 8210(1) based on the conduct of the [Regulated Person](#) with which he or she is associated.
  - (4) A [Regulated Person](#) must not employ, hire, retain, or otherwise engage, in any capacity, a [person](#) who is sanctioned under clause 8210(1)(ix).

### 8211. Temporary Orders

- (1) On application by [Enforcement Staff](#), if a [hearing panel](#) is satisfied that the length of time required to conclude a [hearing](#) could be prejudicial to the public interest, the [hearing panel](#) may, without notice to the [respondent](#), make a temporary order that suspends or restricts a [Regulated Person's](#) rights and privileges and may impose terms and conditions that the [hearing panel](#) considers appropriate.
- (2) A temporary order that is made without notice under subsection 8211(1) expires fifteen calendar days after the date on which it is made, unless:
  - (i) a [hearing](#) is commenced within that period to confirm or set aside the temporary order,
  - (ii) the [Regulated Person](#) consents to an extension of the temporary order, or
  - (iii) a [securities regulatory authority](#) orders otherwise.
- (3) [IIROC](#) must immediately give written notice of a temporary order under subsection 8211(1) to every [person](#) directly affected by it.

### 8212. Protective Orders

- (1) On application by [Enforcement Staff](#), a [hearing panel](#) may hold a [hearing](#) to consider a request for an order under subsection 8212(4), following notice to the [respondent](#) in accordance with subsection 8426(1).
- (2) After a [hearing](#) under this section with respect to a Dealer Member, a [hearing panel](#) may make one or more of the orders set out in subsection 8212(4), if it finds that
  - (i) the [Dealer Member](#) or a parent corporation or control person of the [Dealer Member](#) has made a general assignment for the benefit of creditors or an authorized

- assignment or proposal to its creditors, has been declared bankrupt, or is the subject of a winding-up order, an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, or similar legislation or an application for its liquidation or dissolution,
- (ii) a receiver or receiver-manager has been appointed in respect of all or part of the [Dealer Member's](#) undertaking or property or all or part of the undertaking or property of a parent corporation or control person of the [Dealer Member](#),
  - (iii) the [Dealer Member](#) has tendered its resignation, is not carrying on business as an investment dealer or is in the process of winding up or terminating its business as an investment dealer,
  - (iv) the [Dealer Member's](#) registration as a dealer under [securities legislation](#) has lapsed or been suspended or terminated,
  - (v) a [securities regulatory authority](#), stock exchange, self-regulatory organization or clearing agency has suspended the [Dealer Member's](#) membership or privileges,
  - (vi) the [Dealer Member](#) has been convicted of contravening a [law](#) relating to theft, fraud, misappropriation of funds or securities, forgery, money laundering, market manipulation, insider trading, misrepresentation or unauthorized trading,
  - (vii) the [Dealer Member's](#) continued operation would create a risk of imminent harm to its clients, investors, other [Regulated Persons](#) or [IIROC](#) because the [Dealer Member](#)
    - (a) is in financial or operating difficulty, or
    - (b) has failed to cooperate in respect of an investigation under Rule 8100 (Enforcement Investigations), or
  - (viii) the [Dealer Member](#) has not complied with terms or conditions of a [sanction](#) or a prohibition under Dealer Member Rule 30 (early warning level 2) to which it is subject.
- (3) After a [hearing](#) under this section with respect to a [Regulated Person](#), other than a [Dealer Member](#), a [hearing panel](#) may make one or more of the orders set out in subsection 8212(4), if it finds that:
- (i) the [person's](#) registration under [securities legislation](#) has lapsed or been suspended or terminated,
  - (ii) a [securities regulatory authority](#) has made an order prohibiting the [person](#) from trading in securities, acting as a director or officer of a market participant or as a promoter, or engaging in investor relations activities, or has denied the [person](#) the use of an exemption under [securities legislation](#),
  - (iii) a stock exchange, self-regulatory organization or clearing agency has suspended the [person](#) or the [person's](#) privileges,
  - (iv) the [person](#) has been convicted of contravening a [law](#) relating to theft, fraud, misappropriation of funds or securities, forgery, money laundering, market manipulation, insider trading, misrepresentation or unauthorized trading,
  - (v) the [person's](#) continued approval would create a risk of imminent harm to clients, investors, other [Regulated Persons](#) or [IIROC](#) because the [person](#) has failed to cooperate in respect of an investigation under Rule 8100 (Enforcement Investigations), or
  - (vi) the [person](#) has not complied with terms or conditions of a [sanction](#) to which the

- [person](#) is subject.
- (4) After a [hearing](#) under this section, a [hearing panel](#) may make an order:
    - (i) suspending membership, approval or access to a [Marketplace](#) on any terms and conditions,
    - (ii) with terms and conditions, requiring a [Dealer Member](#) that is suspended under this section to take steps to facilitate the orderly transfer of its client accounts to another [Dealer Member](#),
    - (iii) imposing terms and conditions on continued membership, approval or access to a [Marketplace](#),
    - (iv) directing immediate cessation of any or all dealing with clients or any other [persons](#),
    - (v) expelling a [Dealer Member](#) from [IIROC](#) and terminating the rights and privileges of membership,
    - (vi) revoking approval or access to a [Marketplace](#), or
    - (vii) appointing a [monitor](#) over a [Dealer Member's](#) business and affairs.
  - (5) A [person](#) may request, in writing, a review by a [hearing panel](#) of a [decision](#) made after a [hearing](#) under this section, within thirty days after the effective date of the [decision](#).
  - (6) A [hearing](#) shall be held as soon as practicable, and no later than twenty-one days, after a review is requested under subsection 8212(5), unless the [person](#) requesting the review and [Enforcement Staff](#) agree otherwise.
  - (7) A member of a [hearing panel](#) whose [decision](#) is the subject of a review under this section may not be a member of the [hearing panel](#) on the review.
  - (8) A [hearing panel](#) may stay an order made under subsection 8212(4), subject to any terms and conditions it considers appropriate.
  - (9) On a review under this section, a [hearing panel](#) may:
    - (i) affirm the order,
    - (ii) quash the [decision](#),
    - (iii) vary the [decision](#) or order, or
    - (iv) make any order authorized by subsection 8212(4).

### **8213. Monitor**

- (1) If a [hearing panel](#) appoints a [monitor](#) under section 8209 or section 8212 with respect to the business and affairs of a [Dealer Member](#), the [monitor](#) has authority to supervise and monitor the [Dealer Member's](#) business and affairs in accordance with the terms and conditions imposed by the [hearing panel](#).
- (2) A [hearing panel](#) may impose any terms and conditions, and any time periods, on a [monitor's](#) authority with respect to a [Dealer Member's](#) business and affairs that the [hearing panel](#) considers appropriate, including authority to:
  - (i) enter the [Dealer Member's](#) premises and conduct day-to-day monitoring of the [Dealer Member's](#) business activities,
  - (ii) monitor and review accounts receivable, accounts payable, client accounts, margin, client free credits, banking arrangements and transactions, trading conducted by the [Dealer Member](#) for clients and for its own account, payment of



- debts, creation of new debt and the [Dealer Member's](#) books and [records](#),
- (iii) make copies of any [records](#) or other documents and provide copies of such [records](#) and documents to [IIROC](#) or any other regulatory or self-regulatory authority,
  - (iv) report the [monitor's](#) findings or observations, on an ongoing or other basis, to [IIROC](#) or any other regulatory or self-regulatory authority,
  - (v) monitor the [Dealer Member's](#) compliance with any terms or conditions imposed on the [Dealer Member](#) by [IIROC](#) or any other regulatory or self-regulatory authority or by the [hearing panel](#), including compliance with any early warning terms and conditions,
  - (vi) verify and assist with the preparation of any regulatory filings, including the calculation of *risk adjusted capital*,
  - (vii) conduct or have conducted an appraisal of the [Dealer Member's](#) net worth or a valuation of any of the [Dealer Member's](#) assets,
  - (viii) assist the [Dealer Member's employees](#) in facilitating the orderly transfer of the [Dealer Member's](#) client accounts, and
  - (ix) pre-authorize cheques issued or payments made by or on behalf of the [Dealer Member](#) or distribution of any of the [Dealer Member's](#) assets.
- (3) A [Dealer Member](#) must cooperate with the [monitor](#), require its [employees](#), partners, [Directors](#) and [officers](#) to cooperate with the [monitor](#) and take all reasonable steps to have its [affiliates](#) and service providers cooperate with the [monitor](#) with respect to the exercise by the [monitor](#) of its authority under this section.
- (4) The [Dealer Member](#) must pay all expenses relating to a [monitor](#) appointed to monitor the [Dealer Member's](#) business and affairs, including the [monitor's](#) fees.
- (5) [IIROC](#) staff, a [monitor](#), or a [Dealer Member](#) subject to a [monitor](#) may at any time apply to a [hearing panel](#) for directions concerning the [monitor's](#) authority or the conduct of the [monitor's](#) activities.
- (6) On an application under subsection 8213(5), a [hearing panel](#) may make any order it considers appropriate.

#### **8214. Costs**

- (1) After a [hearing](#) under this Rule, other than a [hearing](#) under section 8211, a [hearing panel](#) may order a [person](#) who is the subject of a [sanction](#) to pay any costs incurred by or on behalf of [IIROC](#) in connection with the [hearing](#) and any investigation related to the [hearing](#).
- (2) Costs ordered under subsection 8214(1) may include:
- (i) costs for time spent by [IIROC](#) staff,
  - (ii) fees paid by [IIROC](#) for legal or accounting services or for services rendered by an expert witness,
  - (iii) witness fees and expenses,
  - (iv) costs of recording and transcribing evidence and preparation of transcripts, and
  - (v) disbursements, including travel costs.

#### **8215. Settlements and Settlement Hearings**

- (1) [Enforcement Staff](#) may agree in a [settlement agreement](#) to settle a proceeding or proposed proceeding against a [Regulated Person](#) at any time prior to the conclusion of a [disciplinary hearing](#).

- (2) A [settlement agreement](#) must contain:
- (i) a statement of the contraventions agreed to by the [respondent](#), with references to the relevant [IIROC requirements](#) and [laws](#),
  - (ii) the agreed facts,
  - (iii) the [sanctions](#) and costs to be imposed on the [respondent](#),
  - (iv) a waiver by the [respondent](#) of all rights to any further [hearing](#), appeal and review,
  - (v) a provision that [Enforcement Staff](#) will not initiate any further action against the [respondent](#) in relation to the matter addressed in the [settlement agreement](#),
  - (vi) a provision that the [settlement agreement](#) is conditional on acceptance by a [hearing panel](#),
  - (vii) a provision that the [settlement agreement](#) and its terms are confidential, unless and until it has been accepted by a [hearing panel](#),
  - (viii) a provision that the [parties](#) will not make any public statement that is inconsistent with the [settlement agreement](#), and
  - (ix) any other provisions not inconsistent with clauses 8215(2)(i) to 8215(2)(viii) that the [parties](#) agree to include in the [settlement agreement](#).
- (3) Discussions relating to settlement are on a without prejudice basis to [Enforcement Staff](#) and any other [person](#) participating in the discussions and must not be used as evidence or referred to in any proceeding.
- (4) A [settlement agreement](#) may impose any obligations on a [respondent](#) to which the [respondent](#) agrees, whether or not they could be imposed by a [hearing panel](#) under this Rule.
- (5) After a [settlement hearing](#), a [hearing panel](#) may accept or reject a [settlement agreement](#).
- (6) A [settlement agreement](#) becomes effective and binding on the [parties](#) to it upon acceptance by a [hearing panel](#).
- (7) If a [settlement agreement](#) is accepted by a [hearing panel](#), any [sanction](#) imposed under it is deemed to have been imposed under this Rule.
- (8) If a [settlement agreement](#) is rejected by a [hearing panel](#),
- (i) either:
    - (a) the [parties](#) may agree to enter another [settlement agreement](#), or
    - (b) [Enforcement Staff](#) may proceed to a [disciplinary hearing](#) based on the same or related allegations and charges,and
  - (ii) the [hearing panel's](#) reasons for rejecting the [settlement agreement](#) must be made available to a [hearing panel](#) considering a subsequent [settlement agreement](#) based on the same or related allegations and charges, but must not be made public or referred to in a subsequent [disciplinary hearing](#).
- (9) A member of a [hearing panel](#) that rejects a [settlement agreement](#) may not be a member of a [hearing panel](#) that considers a subsequent [settlement agreement](#) or conducts a [disciplinary hearing](#) based on the same or related allegations.

#### **8216. Failure to Pay Fine or Costs**

- (1) If a [Regulated Person](#) does not pay a fine, costs or other amount ordered to be paid by a [hearing panel](#) or required to be paid under a [settlement agreement](#), [IIROC](#) may, seven days

after sending written notice, summarily suspend the membership of the [Dealer Member](#) and all rights and privileges of the [Regulated Person](#) relating to approval or access to a [Marketplace](#), until the fine, costs or other amount has been paid.

**8217. Review by a Securities Regulatory Authority**

- (1) A [party](#) to a proceeding under this Rule may apply to the [securities regulatory authority](#) in the relevant [District](#) for review of a final [decision](#) in the proceeding.
- (2) A [person](#) who is entitled to request a review of a [decision](#) under section 8212 or is the subject of a [decision](#) making a temporary order under section 8211 may not apply to a [securities regulatory authority](#) for review of the [decision](#), unless the [person](#) has requested a review or other [hearing](#) by a [hearing panel](#) and the [hearing panel](#) has made a final [decision](#).
- (3) For purposes of subsection 8217(1), [Enforcement Staff](#) is directly affected by a [decision](#) in a proceeding in which [Enforcement Staff](#) is a [party](#).

## Rule 8300 Hearing Committees

### 8301. Introduction

- (1) This Rule requires a [hearing committee](#) in each [District](#) from which [hearing panels](#) must be selected for enforcement and other proceedings and sets out the process for appointing and removing members of [hearing committees](#).

### 8302. Definitions

- (1) In this Rule,  
“Corporate Governance Committee” means the Corporate Governance Committee established by [IIROC’s](#) Board of Directors.  
“public member nominating committee” means, in each [District](#), a committee composed of the chair of the [Corporate Governance Committee](#), the chair of the [District Council](#) and the President of [IIROC](#).

### 8303. Hearing Committees

- (1) A [hearing committee](#) must be appointed for each [District](#).
- (2) A member of a [hearing committee](#) of a [District](#) must reside in the [District](#).
- (3) Two thirds of the members of a [hearing committee](#), to the extent practicable, must be [industry members](#).
- (4) One third of the members of a [hearing committee](#), to the extent practicable, must be [public members](#).
- (5) The chair of a [hearing committee](#) must be a [public member](#).

### 8304. Nominations

- (1) A [District Council](#) must nominate [individuals](#) to be [industry members](#) of the [hearing committee](#) in its [District](#).
- (2) A [Marketplace Member](#) must nominate [individuals](#) to be [industry members](#) of the [hearing committee](#) in a [District](#) in which the [Marketplace Member](#)
  - (i) is recognized or exempt from recognition as an Exchange or QTRS under applicable [securities legislation](#), or
  - (ii) if an ATS, is registered under applicable [securities legislation](#).
- (3) The [public member nominating committee](#) in each [District](#) must nominate [individuals](#) to be [public members](#) of the [hearing committee](#) in the [District](#).
- (4) To the extent practicable, two thirds of the [individuals](#) who are nominated in a [District](#) must be nominated by a [District Council](#) or a [Marketplace Member](#) and one third must be nominated by the [public member nominating committee](#).

### 8305. Appointment

- (1) The [Corporate Governance Committee](#) must appoint to the [hearing committee](#) of each [District](#) a number of suitable and qualified [individuals](#) sufficient to conduct [hearings](#) in the [District](#).
- (2) In considering the suitability and qualifications of an [individual](#) who is nominated for membership on a [hearing committee](#), the [Corporate Governance Committee](#) must take into account the [individual’s](#)
  - (i) general knowledge of business practices and [securities legislation](#),
  - (ii) experience,

- (iii) regulatory background,
  - (iv) availability for [hearings](#),
  - (v) reputation in the securities industry,
  - (vi) ability to conduct [hearings](#) in French or English, and
  - (vii) [Districts](#) in which [individuals](#) would be entitled to serve.
- (3) An [individual](#) who
- (i) is currently or has been within the previous eighteen months an employee of a [Member](#), a [Regulated Person](#), or an [affiliate](#) of a [Member](#) or [Regulated Person](#),
  - (ii) represents any [parties](#) to enforcement or other proceedings under [IIROC requirements](#) or any [person](#) in connection with [IIROC requirements](#), or
  - (iii) would otherwise raise a reasonable apprehension of bias with respect to matters that may come before a [hearing panel](#),
- is not eligible for appointment or membership as a [public member](#) of a [hearing committee](#).
- (4) The [Corporate Governance Committee](#) must appoint a chair of each [hearing committee](#).

### **8306. Term of Appointment**

- (1) Appointment of an [individual](#) to a [hearing committee](#) is for a three-year term.
- (2) A [hearing committee](#) member may be reappointed to successive terms.
- (3) If a [hearing committee](#) member's term expires without reappointment during a [hearing](#) in which the member is serving on the [hearing panel](#), the member's term is extended automatically until the completion of the [hearing](#) or if the [hearing](#) is a [hearing](#) on the merits, the proceeding.

### **8307. Removal**

- (1) The [Corporate Governance Committee](#) may remove a [hearing committee](#) member who
  - (i) ceases to reside in the [hearing committee's District](#),
  - (ii) is precluded from acting as a [hearing committee](#) member by a [law](#) applicable in the [District](#),
  - (iii) in the [Corporate Governance Committee](#) opinion, will raise a reasonable apprehension of bias with respect to matters that may come before a [hearing panel](#), or
  - (iv) for any other reason, ceases to be suitable or qualified to be a [hearing committee](#) member.
- (2) An [individual](#) who is removed by the [Corporate Governance Committee](#) must not continue to serve on a [hearing panel](#) in any proceeding.

**Rule 8400**  
**Rules of Practice and Procedure**

**GENERAL**

**8401. Introduction**

- (1) The Rules of Practice and Procedure (the “Rules of Procedure”) set out the rules that govern the conduct of [IIROC’s](#) enforcement proceedings and regulatory review hearings to secure fair and efficient proceedings and just determinations.

**8402. Definitions**

- (1) The following terms have the meaning set out when used in this Rule:
  - “application” means an application that commences a proceeding under Rule 8200 (Enforcement Proceedings) and includes an application for a temporary order or a protective order.
  - “commencing notice” means a notice of hearing, notice of application, notice of motion, notice of prehearing conference and notice of request for review.
  - “decision” means a determination made by a [hearing panel](#).
  - “document” includes a [record](#), sound recording, videotape, film, photograph, chart, graph, map, plan, survey, book of account, and information recorded or stored by means of any electronic or other device.
  - “electronic hearing” means a [hearing](#) held by conference telephone or another form of electronic technology that allows persons to hear one another.
  - “file” means file with the [National Hearing Coordinator](#) in accordance with section 8406.
  - “oral hearing” means a [hearing](#) at which the [parties](#) or their counsel or agents attend before a [hearing panel](#) in person.
  - “prehearing conference” means a prehearing conference held pursuant to section 8416.
  - “regulatory decision” means a decision made under sections 9204, 9206 or 9207 or Dealer Member Rule 30.
  - “requesting party” means a [person](#) who requests a review [hearing](#) under sections 8427 or 8430.
  - “responding party” means a [person](#) responding to a motion or to a request for a review hearing under sections 8427 or 8430.
  - “written hearing” means a [hearing](#) held by means of an exchange of documents, whether in hard copy or by electronic means.

**8403. General Principles**

- (1) The [Rules of Procedure](#) shall be interpreted and applied to secure a fair hearing and just determination of a proceeding on its merits and the most expeditious and least expensive conduct of the proceeding.
- (2) No proceeding, [document](#) or [decision](#) in a proceeding is invalid by reason of a defect or other irregularity in form.
- (3) Subject to a requirement in the [Rules of Procedure](#), a [hearing panel](#) has authority to control the process of a proceeding before it and may exercise any of its powers on its own initiative or at the request of a [party](#), including
  - (i) issuing procedural directions or orders with respect to the application of the [Rules of](#)



- (7) If counsel or an agent for a [party](#) seeks to withdraw as counsel or agent less than thirty days prior to the date on which a matter is scheduled to be heard by a [hearing panel](#), the counsel or agent may withdraw only with leave of the [hearing panel](#) obtained on a motion.
- (8) Where a [party](#) is represented by counsel or an agent,
  - (i) [documents](#) served on the [party](#) must be served on the [party's](#) counsel or agent, unless the [Rules of Procedure](#) require otherwise,
  - (ii) communications with the [party](#) must be with the [party's](#) counsel or agent, and
  - (iii) the [party](#) must address a [hearing panel](#) through the [party's](#) counsel or agent.

#### **8406. Service and Filing**

- (1) A document required to be served under the [Rules of Procedure](#) must be served on all [parties](#) to the proceeding.
- (2) A notice of hearing under section 8414, a notice of application under section 8425 or 8426, a notice of request for review from a [decision](#) made under Rule 9200 (Approvals and Regulatory Supervision) and a [decision](#) of a [hearing panel](#) on the merits of such a proceeding that is served on an [Approved Person](#) must, for information purposes, be sent concurrently to the [Dealer Member](#) that employs the [Approved Person](#).
- (3) Subject to subsection 8406(4), a [document](#) required to be served must be served by one of the following methods:
  - (i) personal delivery to the [party](#),
  - (ii) delivery to the [party's](#) counsel or agent,
  - (iii) delivery to an adult person at the [party's](#) place of residence, employment or business or the place of business of the [party's](#) counsel or agent,
  - (iv) if the [party](#) is a corporation, delivery to an officer, director or agent of the corporation or a [person](#) at any place of business of the corporation who appears to be in control or management of the place of business,
  - (v) if the [party](#) is a partnership, delivery to a partner or a [person](#) at any place of business of the partnership who appears to be in control or management of the place of business,
  - (vi) mail or courier to the last known address of the [party](#) or the [party's](#) counsel or agent,
  - (vii) electronic transmission to the facsimile number or e-mail address of the [party](#) or the [party's](#) counsel or agent, or
  - (viii) by any other means authorized by a [hearing panel](#).
- (4) A notice of hearing and a notice of application must be served by
  - (i) personal delivery to the [party](#),
  - (ii) registered mail to the [party's](#) last known address,
  - (iii) delivery to the [party's](#) counsel or agent, with the consent of counsel or the agent,
  - (iv) any other method set out in subsection 8406(3) to which the [party](#) consents, or
  - (v) any other means authorized by a [hearing panel](#).
- (5) Service of a [document](#) is deemed to be effective, when delivered no later than 4 p.m. in the time zone of the recipient,
  - (i) by delivery, on the day of delivery,
  - (ii) by mail, on the fifth day after mailing,
  - (iii) electronically, on the day of transmission,
  - (iv) by courier, on the earlier of the day noted on the delivery receipt or the second day



- after the day on which it was given to the courier, or
- (v) by any other means authorized by a [hearing panel](#), on the day the [document](#) is served by the means so authorized.
- (6) Service of a [document](#) may be proved by an affidavit of the *person* who served it.
  - (7) A [document](#) required to be [filed](#) under the [Rules of Procedure](#) must be [filed](#) by delivering or sending by mail, courier or facsimile transmission four copies of the [document](#), with proof of service, to the [National Hearing Coordinator](#) at [IIROC's](#) offices in the [District](#) in which the proceeding is conducted.
  - (8) The [National Hearing Coordinator](#) may
    - (i) require more or permit fewer than four copies of a [document](#) to be [filed](#), and
    - (ii) permit or require [filing](#) of a [document](#) by e-mail, provided that the [party](#) also [files](#) four printed copies forthwith.
  - (9) A [party](#) who serves or [files](#) a [document](#) must include with it
    - (i) the [party's](#) name, address, telephone number, facsimile number and e-mail address, as applicable, or
    - (ii) if the [party](#) is represented by counsel or an agent, the name, address, telephone number, facsimile number and e-mail address of the [party's](#) counsel or agent,
    - (iii) the name of the proceeding to which the [document](#) relates, and
    - (iv) the name of each [party](#), counsel or agent served with the [document](#).
  - (10) Subject to [IIROC requirements](#), a [document](#) that is [filed](#) must be made available by the [National Hearing Coordinator](#) for public inspection in the office in which the [document](#) is filed during [IIROC's](#) normal business hours, unless confidentiality is requested and a [hearing panel](#) applying the standard in clause 8203(5)(iii) or 8203(5)(iv) orders otherwise.

#### **8407. National Hearing Coordinator**

- (1) The [National Hearing Coordinator](#) administers all proceedings brought pursuant to the [Rules of Procedure](#), including
  - (i) the selection of members of [hearing panels](#),
  - (ii) scheduling and arranging [hearings](#) and [prehearing conferences](#),
  - (iii) care, custody and distribution to members of [hearing panels](#) of [filed documents](#),
  - (iv) maintaining a [hearing](#) record, including original exhibits,
  - (v) dating and distributing written [hearing panel decisions](#) and reasons to [parties](#) to a proceeding,
  - (vi) issuing and serving a notice or summons to attend and testify or produce [documents](#), where so authorized by a [decision](#) of a [hearing panel](#), and
  - (vii) any other administrative functions that are reasonably necessary for the efficient conduct of a proceeding.
- (2) The [National Hearing Coordinator](#) acts as liaison between members of a [hearing panel](#) and [parties](#) to a proceeding and, other than in the course of an [oral hearing](#) or [electronic hearing](#), a [party](#) must communicate to a [hearing panel](#) through the [National Hearing Coordinator](#) and serve all other [parties](#) with the communication.
- (3) The [National Hearing Coordinator](#) may seek the advice of the chair of a [hearing committee](#) with respect to legal, administrative or procedural issues.
- (4) The [National Hearing Coordinator](#), after consultation with the chairs of the [hearing committees](#)

- in all *Districts*, may publish on *IIROC's* website guidelines concerning practices to be followed under the *Rules of Procedure*.
- (5) The *National Hearing Coordinator* may prescribe the form and format of *documents* and forms that are required to be *filed* under the *Rules of Procedure*.
  - (6) The *National Hearing Coordinator* may designate individuals to perform the functions for which the *National Hearing Coordinator* is responsible under the *Rules of Procedure*.

#### **8408. Hearing Panels**

- (1) The *National Hearing Coordinator* is responsible for the selection of members of a *hearing panel* from members of a *hearing committee*.
- (2) In connection with the selection of a *hearing panel*, the *National Hearing Coordinator* may consult with or seek the advice of the chair of a *hearing committee*.
- (3) For a *hearing* under sections 8209, 8210, 8215 or Rule 9300 (Regulatory Review Proceedings), the *National Hearing Coordinator* must, subject to subsections 8408(4) and 8408(6), select two *industry members* and one *public member* from the *hearing committee* of the applicable *District* as members of the *hearing panel*.
- (4) If the chairs of both *hearing committees* consent, the *National Hearing Coordinator* may select a member of a *hearing committee* in one *District* to serve on a *hearing panel* in another *District*, but a *hearing panel* that considers a matter that relates to conduct in Quebec must have a majority of members who reside in Quebec.
- (5) The *National Hearing Coordinator* must appoint a *public member* as the chair of a *hearing panel*, and if the matter relates to conduct in Quebec, the chair must be a *public member* of the *hearing committee* in the Quebec District.
- (6) The *National Hearing Coordinator* may appoint a one-member *hearing panel* consisting of a *public member* of a *hearing committee* in a proceeding under section 8211 or section 8212, a motion or *prehearing conference*, or to act as case manager of a proceeding.
- (7) The *National Hearing Coordinator* must not select an *individual* to be a member of a *hearing panel*, if the *individual*
  - (i) is an officer, partner, director, employee or *associate* of, or is providing services to, a *party* or if a *party* is an affiliate, *associate* or employee of another *person* with whom the *individual* is in such a relationship,
  - (ii) has or had another relationship to a *party* or matter that may create a reasonable apprehension of bias,
  - (iii) is precluded from acting as a member of the *hearing panel* by a *IIROC requirement*, any *law* applicable in the *District* in which the *hearing* is held or by the recognition order or registration under *applicable securities legislation* of a *Marketplace* whose rules are the subject of the *hearing*, or
  - (iv) was consulted by or advised the *National Hearing Coordinator* in connection with the selection of the *hearing panel*.
- (8) The *National Hearing Coordinator* may not select an *individual* who is a member of a *hearing panel* in a proceeding under sections 8211 or 8212 as a member of a *hearing panel* on a subsequent *hearing* relating to the same matter, including a motion for a stay of a sanction imposed under section 8212, unless all *parties* consent to the selection of the member.
- (9) The *National Hearing Coordinator* may not select a member of a *hearing panel* who participates in a *prehearing conference* or who case manages a proceeding to be a member of the *hearing*

- [panel](#) on the merits, unless all [parties](#) consent to the selection of the member.
- (10) If a member of a [hearing panel](#) becomes unable to continue to serve as a member of the [hearing panel](#) for any reason, the remaining members may continue to hear the matter and render a [decision](#), but only with the consent of all [parties](#), and if neither of the remaining members is the chair, the [hearing panel](#) may retain its own legal counsel to advise it on legal and procedural issues, but not on the merits of the proceeding.
- (11) A [decision](#) of a [hearing panel](#) must be made by a majority of its members, and if the [hearing panel](#) consists of two members, must be unanimous.

#### **8409. Form of Hearings**

- (1) Subject to subsections 8409(2) to 8409(9), a [hearing panel](#) may conduct a [hearing](#) as an [oral hearing](#), [electronic hearing](#) or [written hearing](#).
- (2) Subject to subsections 8409(3) to 8409(9), a [written hearing](#) may be held only for
- (i) a motion relating to procedural issues,
  - (ii) a [hearing](#) on agreed facts, and
  - (iii) any other motion or [hearing](#) that a [hearing panel](#) considers appropriate.
- (3) In determining whether to hold a [hearing](#) as an [oral hearing](#), [electronic hearing](#) or [written hearing](#), a [hearing panel](#) may consider any relevant factors, including
- (i) the nature of the [hearing](#), the subject matter of the [hearing](#), and the issues to be addressed, including whether they are issues of fact, law or procedure,
  - (ii) the evidence to be presented, including whether facts are in dispute and credibility is an issue,
  - (iii) the cost, efficiency and timeliness of the [hearing](#) or the proceeding,
  - (iv) the fairness of the [hearing](#) process to, and the convenience of, each of the [parties](#), and
  - (v) accessibility to the public.
- (4) A [party](#) may request an [electronic hearing](#) or [written hearing](#) in a [commencing notice](#).
- (5) If an [electronic hearing](#) or [written hearing](#) is requested
- (i) in a notice of hearing, a [party](#) may object to the requested form of [hearing](#) in the [party's](#) response or by bringing a motion,
  - (ii) in a [commencing notice](#) other than a notice of hearing, a [party](#) may object to the requested form of [hearing](#) by serving and [filing](#) a notice of objection within three days after the [commencing notice](#) is served on the [party](#).
- (6) A notice of objection must state the reasons for the objection, including any prejudice the requested form of [hearing](#) may cause the [party](#) and the facts on which the [party](#) relies and may be accompanied by any evidence on which the [party](#) relies for the objection.
- (7) A [hearing panel](#) that receives a notice of objection may
- (i) accept the objection and refer the matter to the [National Hearing Coordinator](#) to set a date for an [oral hearing](#) or, with the consent of all [parties](#), set a date for an [electronic hearing](#) or schedule for a [written hearing](#),
  - (ii) reject the objection, or
  - (iii) order a [written hearing](#) to consider the objection and provide other [parties](#) an opportunity to respond to the notice of objection in a manner and time that the [hearing panel](#) directs.
- (8) If a notice of objection is filed, the [hearing panel](#) must render its [decision](#) on the form of [hearing](#)

- in writing as expeditiously as possible, taking into consideration the date and nature of the [hearing](#) and proceeding and the needs of the [parties](#) to present evidence and prepare and serve submissions and responding submissions.
- (9) Unless a [party](#) objects, a [hearing panel](#) may, on its own motion, at any stage of a proceeding make an order continuing
- (i) an [electronic hearing](#) or [written hearing](#) as an [oral hearing](#),
  - (ii) an [oral hearing](#) or a [written hearing](#) as an [electronic hearing](#), and
  - (iii) an [oral hearing](#) or an [electronic hearing](#), as a [written hearing](#).
- (10) A [hearing panel](#) that orders an [electronic hearing](#) may require one or more of the [parties](#)
- (i) to make the arrangements for the [hearing](#), and
  - (ii) to pay all or part of the costs of conducting the [hearing](#) as an [electronic hearing](#).

#### **8410. Hearing Panel Decisions**

- (1) A [decision](#) of a [hearing panel](#) and the reasons for the [decision](#) must be dated by the [National Hearing Coordinator](#) and served on each [party](#) in accordance with subsection 8406(3).
- (2) [IIROC](#) must publish on its website a summary of the [decision](#) of a [hearing panel](#), except a [decision](#) in a [prehearing conference](#), containing
- (i) [IIROC requirement](#) or [law](#) that was contravened,
  - (ii) the essential facts,
  - (iii) the [decision](#), including any sanction and costs, and
  - (iv) except where the [decision](#) rejects a [settlement agreement](#), a statement that a copy of the [decision](#) may be obtained on [IIROC's](#) website.
- (3) [IIROC](#) must publish on its website a [decision](#) of a [hearing panel](#) and the reasons for the [decision](#), except a [decision](#) and reasons rejecting a [settlement agreement](#).
- (4) A [decision](#) made by a [hearing panel](#) on the merits of a proceeding must be recorded in the record maintained by [IIROC](#) with respect to the [respondent](#).
- (5) In addition to a [decision](#) accepting a [settlement agreement](#) and the reasons for it, [IIROC](#) must publish and record information concerning the accepted [settlement agreement](#) in accordance with subsections 8410(2) to 8410(4), as if the [settlement agreement](#) were a [decision](#) on the merits.

#### **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.

#### **8412. Commencement and Abandonment of Proceedings**

- (1) A proceeding, and a step in a proceeding that requires a notice, is commenced upon the issuance by the [National Hearing Coordinator](#) of a [commencing notice](#) at the request of a [party](#).
- (2) A [party](#) who requests the issuance of a [commencing notice](#) must first obtain a date from the [National Hearing Coordinator](#) for,
  - (i) if the [commencing notice](#) is a notice of hearing, an initial appearance before a [hearing panel](#),
  - (ii) if the [commencing notice](#) is a notice of application, the [hearing](#) of the [application](#),
  - (iii) if the [commencing notice](#) is a notice of motion, the [hearing](#) of the motion,
  - (iv) if the [commencing notice](#) is a notice of prehearing conference, the [prehearing conference](#), or
  - (v) if the [commencing notice](#) is a notice of request for review pursuant to sections 8427 or 8430, the review [hearing](#),and must submit a copy of the [commencing notice](#) to the [National Hearing Coordinator](#) with a request that it be issued.
- (3) A request under subsection 8412(2) to the [National Hearing Coordinator](#) for a date or the issuance of a [commencing notice](#) must be made on a form prescribed by the [National Hearing Coordinator](#).
- (4) If a [hearing panel](#) sets a date for a [prehearing conference](#), or other [hearing](#) other than in connection with a [commencing notice](#), the [National Hearing Coordinator](#) must give written notice of the date to the [parties](#) by mail or electronic transmission in accordance with clause 8406(3)(vi) or 8406(3)(vii).
- (5) Upon issuing a [commencing notice](#) or other notice of a [hearing](#), the [National Hearing Coordinator](#) must place a copy of the [commencing notice](#) or other notice in a file maintained for the proceeding.
- (6) [IIROC](#) must publish on [IIROC's](#) website an announcement of and copy of a [commencing notice](#) or other notice as soon as practicable after it is issued by the [National Hearing Coordinator](#), unless the [commencing notice](#) is for an [application](#) under section 8211 made without notice to the [respondent](#) or is a notice of prehearing conference.
- (7) A [party](#) who initiates a proceeding or a step in a proceeding that requires a notice may abandon the proceeding or step before it has been decided by a [hearing panel](#) by serving and [filing](#) a notice of abandonment.
- (8) If a proceeding or a step in a proceeding is abandoned, [IIROC](#) must publish on [IIROC's](#) website an announcement of and a copy of the notice of abandonment as soon as practicable after it is [filed](#), unless the [commencing notice](#) for the proceeding or step has not been so published.

#### **8413. Motions**

- (1) A motion must be commenced by a notice of motion.
- (2) A motion may be brought
  - (i) with the consent of a [hearing panel](#), prior to, or
  - (ii) at any time afterthe commencement of a proceeding.
- (3) A [party](#) who brings a motion must serve and [file](#) a motion record at least fourteen days prior to

- the date of the motion, unless the motion is brought during a [hearing](#), in which case the [hearing panel](#) may determine the procedure to be followed for the motion.
- (4) A [hearing panel](#) may permit a [party](#) to bring a motion without notice to the [respondent](#), if the nature of the motion or the circumstances make service of a notice of motion impractical.
  - (5) A notice of motion must contain:
    - (i) the date, time and location of the [hearing](#) of the motion,
    - (ii) the relief sought,
    - (iii) a summary of the grounds for the relief sought, including reference to any [IIROC requirements](#) or [laws](#),
    - (iv) a list of evidence and other materials to be relied on, and
    - (v) whether it is proposed that the motion be heard as an [oral hearing](#), [electronic hearing](#) or [written hearing](#).
  - (6) A motion record must contain
    - (i) the notice of motion, and
    - (ii) copies of the evidence, including affidavits and other materials relied on.
  - (7) A [responding party](#) may serve and [file](#) a responding record at least nine days prior to the date of the motion, unless the motion is brought during a [hearing](#) and the [hearing panel](#) orders otherwise.
  - (8) A responding record must contain
    - (i) the order requested by the [responding party](#), including a statement of the reasons for the order requested, and
    - (ii) copies of any additional evidence, including affidavits and other materials relied on.
  - (9) A [party](#) who is served with a responding record that contains affidavit evidence may serve and [file](#) a reply record containing additional affidavit evidence at least seven days before the date of the motion.
  - (10) A [party](#) who [files](#) an affidavit in connection with a motion must make the affiant reasonably available to be cross-examined by an adverse [party](#) prior to the [hearing](#) of the motion.
  - (11) A [party](#) who brings a motion may serve and [file](#) a memorandum of fact and law at least five days before the date of the motion.
  - (12) A [responding party](#) may serve and [file](#) a memorandum of fact and law at least two days before the date of the motion.
  - (13) A motion must be heard by a [hearing panel](#).
  - (14) A [hearing panel](#) may, on any terms and conditions it considers appropriate, permit oral testimony to be adduced at the [hearing](#) of a motion on any matter in issue and allow cross-examination of an affiant.
  - (15) A [hearing panel](#) may
    - (i) grant the relief requested in a motion,
    - (ii) dismiss or adjourn the motion in whole or in part, with or without terms, or
    - (iii) make another [decision](#) it considers appropriate, including adjourning the motion to be heard by the [hearing panel](#) that hears the proceeding on its merits.

## **ENFORCEMENT PROCEEDINGS**

### **8414. Commencement of Disciplinary Proceedings**

- (1) Forthwith after a proceeding pursuant to section 8209 or 8210 is commenced, [Enforcement](#)

- Staff* must serve the *respondent* with, and *file*, the notice of hearing and a statement of allegations.
- (2) A notice of hearing must contain:
    - (i) the date, time and location of an initial appearance before a *hearing panel*,
    - (ii) a statement of the purpose of the proceeding,
    - (iii) a statement that the allegations on which the proceeding is based are contained in the statement of allegations,
    - (iv) a reference to *IIROC requirements* under which the proceeding is brought,
    - (v) the nature of the sanctions that may be imposed,
    - (vi) if the notice of hearing states that the *hearing* is to be an *electronic hearing* or *written hearing*, a statement that the *respondent* may object to the type of *hearing* and the procedure to be followed for an objection,
    - (vii) a statement that the *respondent* must provide a response to the notice of hearing in accordance with section 8415, the time within which a response must be served and *filed* and the consequences of failing to do so,
    - (viii) a statement that the initial appearance will be followed immediately by an initial *prehearing conference*, for which a *prehearing conference* form must be *filed* in accordance with subsection 8416(5), and
    - (ix) any other information that *Enforcement Staff* considers advisable.
  - (3) A statement of allegations may accompany or comprise part of a notice of hearing and must contain:
    - (i) a reference to *IIROC requirements* or *laws* that the *respondent* is alleged to have contravened,
    - (ii) the facts alleged in support of the alleged contraventions, and
    - (iii) the conclusions of *Enforcement Staff* based on the alleged facts.
  - (4) The date of an initial appearance set out in a notice of hearing must not be less than 45 days after the notice of hearing is served, unless the *respondent* consents to an earlier date.

#### **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.

## 8416. Prehearing Conferences

- (1) At any time prior to commencement of the [hearing](#) of a proceeding on the merits,
  - (i) a [hearing panel](#) may order a [prehearing conference](#), or
  - (ii) a [party](#) may request a [prehearing conference](#) by serving and [filing](#) a notice of prehearing conference at least fourteen days before the date of the [prehearing conference](#).
- (2) A notice of prehearing conference must contain:
  - (i) the date, time, location and purpose of the [prehearing conference](#),
  - (ii) any order of a [hearing panel](#) concerning the obligations of the [parties](#) with respect to the [prehearing conference](#), including
    - (a) any requirement concerning the exchange or [filing](#) of [documents](#) or submissions pursuant to subsection 8416(7), and if so the issues to be addressed and the date by which the [documents](#) and/or submissions must be exchanged and [filed](#),
    - (b) whether the [parties](#) must attend in person,
  - (iii) a statement that the [parties](#) may be represented by counsel or an agent who, if a [party](#) is not required to attend, must have authority to make agreements and undertakings on the [party's](#) behalf,
  - (iv) whether it is proposed that the [prehearing conference](#) is to be heard orally, electronically or in writing,
  - (v) a statement that if a [party](#) does not attend in person or by counsel or an agent, the [hearing panel](#) may proceed with the [prehearing conference](#) in the [party's](#) absence, and
  - (vi) a statement that any orders made by the [hearing panel](#) will be binding on the [parties](#).
- (3) If a [hearing panel](#) orders a [prehearing conference](#), the [National Hearing Coordinator](#) must set a date for the [prehearing conference](#), if necessary, and serve a notice of prehearing conference on the [parties](#) with a copy of the [decision](#) of the [hearing panel](#).
- (4) If a [respondent](#) has served and [filed](#) a response in accordance with subsection 8415(1), the initial appearance provided in a notice of hearing must be followed immediately by an initial [prehearing conference](#), for which no notice of prehearing conference is required.
- (5) If a response has been served and [filed](#), the [parties](#) must serve and [file](#) a [prehearing conference](#) form, in a form prescribed by the [National Hearing Coordinator](#), at least five days before the date of the initial appearance specified in the notice of hearing.
- (6) At a [prehearing conference](#), a [hearing panel](#) may consider any issue that may assist in a just and expeditious resolution of the proceeding, including
  - (i) identification, simplification and clarification of the issues,
  - (ii) disclosure of [documents](#), including expert reports,
  - (iii) facts or evidence on which the [parties](#) agree,
  - (iv) admissibility of evidence, including evidence to be admitted on consent and identification of objections,
  - (v) scheduling of motions,
  - (vi) procedural issues, including identifying and setting dates by which steps in the proceeding are to be commenced or taken, the estimated duration of a [hearing](#) and the dates on which the [hearing](#) will commence and be conducted,
  - (vii) settlement of any or all issues in the proceeding, and



- (viii) any other procedural or substantive matters.
- (7) A [hearing panel](#) at a [prehearing conference](#) may
- (i) set a timetable for steps preceding a [hearing](#) and for the [hearing](#),
  - (ii) schedule further [prehearing conferences](#), preliminary motions and the [hearing](#) of the proceeding on its merits,
  - (iii) amend an existing schedule or timetable,
  - (iv) set the issues to be addressed at a further [prehearing conference](#) or in a motion,
  - (v) order the [parties](#) to exchange or [file](#) by a specified date [documents](#) or submissions for purposes of a further [prehearing conference](#) or a motion,
  - (vi) order that the proceeding be case managed by the [hearing panel](#) or another [hearing panel](#) to be selected by the [National Hearing Coordinator](#), with or without the consent of the [parties](#),
  - (vii) exercise the authority conferred by section 8208 to require a [person](#) to attend and give evidence or produce [documents](#) at a [hearing](#) and
  - (viii) with the consent of the [parties](#), make an order resolving any matter, including matters relating to
    - (a) facts or evidence agreed on,
    - (b) disclosure of [documents](#) or evidence,
    - (c) the resolution of any or all of the issues in the proceeding, and
  - (ix) make any other procedural order that the [hearing panel](#) believes will further the just and expeditious conduct of the proceeding.
- (8) A [hearing panel](#) that case manages a proceeding must preside over all [prehearing conferences](#) and preliminary motions in the proceeding, unless the [hearing panel](#) orders otherwise.
- (9) An order, agreement or undertaking that is made or given at a [prehearing conference](#) must be recorded in a prehearing memorandum that is
- (i) prepared by or under the direction of the [hearing panel](#) taking into account the principles in subsections 8416(12) and 8416(13),
  - (ii) circulated to the [parties](#) for comment,
  - (iii) approved and signed by the [hearing panel](#), and
  - (iv) distributed to the [parties](#) and any other [person](#) that the [hearing panel](#) directs.
- (10) A prehearing memorandum must be [filed](#) and provided to the [hearing panel](#) at subsequent [hearings](#) in the proceeding.
- (11) An order, agreement or undertaking recorded in a prehearing memorandum is binding on the [parties](#), unless a [hearing panel](#) orders otherwise.
- (12) Unless recorded in a prehearing memorandum, all statements and written submissions made at a [prehearing conference](#) are without prejudice and must not be communicated to a [hearing panel](#), except at a subsequent [prehearing conference](#).
- (13) A [prehearing conference](#) must be held in the absence of the public, and subject to subsections 8416(9) and 8416(10), prehearing [documents](#), exhibits, submissions and transcripts must not be disclosed to the public.
- (14) A prehearing agreement to settle all of the issues in a proceeding is subject to approval by another [hearing panel](#) pursuant to section 8215.

## 8417. Disclosure

- (1) As soon as is reasonably practicable after a response is served and *filed*, *Enforcement Staff* must disclose to, and make available for inspection by, a *respondent* all *documents* and things in *IIROC's* possession or control that are relevant to the proceeding, including *documents* and things that are relevant to the *respondent's* ability to make full answer and defence.
- (2) *Enforcement Staff* must provide copies to, in hard copy or electronic form, or permit a *respondent* to make copies of all *documents* and things specified in subsection 8417(1) as soon as is reasonably practicable after it makes disclosure and no later than forty days before the commencement of the *hearing* on the merits.
- (3) As soon as is reasonably practicable after a response is served and *filed*, and no later than forty days before the commencement of the *hearing* on the merits, each *party* to a proceeding must serve every other *party* with
  - (i) all *documents* that the *party* intends to produce or enter as evidence at the *hearing* on the merits, and
  - (ii) a list of items, other than *documents*, that the *party* intends to produce or enter as evidence at the *hearing* on the merits.
- (4) At any stage of a proceeding, a *hearing panel* may order a *party* to provide to another *party* any *document* or other information that the *hearing panel* considers appropriate, within a time period and on terms and conditions determined by the *hearing panel*.
- (5) A *party* who does not disclose a *document* or thing in compliance with subsections 8417(3) and 8417(4) may not introduce in evidence or refer to the *document* or thing at a *hearing* on the merits without leave of the *hearing panel* on terms and conditions the *hearing panel* considers just.

## 8418. Witness Lists and Statements

- (1) Subject to section 8417, as soon as reasonably practicable after a response is served and *filed*, and no later than thirty days before the commencement of the *hearing* on the merits, *Enforcement Staff* must serve
  - (i) a list of the witnesses *Enforcement Staff* intends to call to testify at the *hearing*, and
  - (ii) in respect of each witness named on the list, a summary of the evidence the witness is expected to give at the *hearing*, a witness statement signed by the witness or a transcript of a recorded statement of the witness.
- (2) Subject to section 8417, as soon as reasonably practicable after a response is served and *filed*, and no later than twenty days before the commencement of the *hearing* on the merits, a *respondent* must serve
  - (i) a list of the witnesses, not including the *respondent*, whom the *respondent* intends to call to testify at the *hearing*, and
  - (ii) in respect of each witness named on the list, a summary of the evidence the witness is expected to give at the *hearing*, a witness statement signed by the witness or a transcript of a recorded statement of the witness, unless the transcript was disclosed by *Enforcement Staff* pursuant to section 8417 or subsection 8418(1).
- (3) A summary of expected evidence, witness statement or transcript served in accordance with subsection 8418(1) or 8418(2) must contain
  - (i) the substance of the evidence of the witness,
  - (ii) a reference to any *document* the witness will refer to, and

- (iii) the name, address and telephone number of the witness or of a person through whom the witness can be contacted.
- (4) A [party](#) who does not include a [person](#) in a witness list or disclose the [person's](#) expected evidence in accordance with subsections 8418(1) to 8418(3) may not call the [person](#) as a witness at the [hearing](#) without leave of the [hearing panel](#) on terms and conditions the [hearing panel](#) considers just.
- (5) A witness may not testify to matters not disclosed in accordance with subsection 8418(3) without leave of the [hearing panel](#) on terms and conditions the [hearing panel](#) considers just.

#### **8419. Expert Witnesses**

- (1) A [party](#) who intends to call an expert witness at a [hearing](#) must, at least forty-five days before the commencement of the [hearing](#), serve a written report signed by the expert.
- (2) A [party](#) who intends to call an expert witness in response to an expert's report served pursuant to subsection 8419(1) must, at least twenty days before the commencement of the [hearing](#), serve a written report signed by the expert.
- (3) A [party](#) who intends to call expert evidence to reply to a responding expert's report served pursuant to subsection 8419(2) must, at least ten days before the commencement of the [hearing](#), serve a written report in reply signed by the expert.
- (4) An expert's report must contain
  - (i) the name, address and qualifications of the expert,
  - (ii) the substance of the expert's evidence, and
  - (iii) a reference to any [document](#) the expert will refer to.
- (5) A [party](#) who does not comply with subsection 8419(1), 8419(2) or 8419(4) may not call the expert as a witness or introduce in evidence or refer to the expert's report or opinion at a [hearing](#), without leave of the [hearing panel](#) on terms and conditions the [hearing panel](#) considers just.
- (6) If the [party](#) who calls an expert witness has not complied with subsection 8419(3), the expert witness may not testify to matters for which an expert's report in reply was required, without leave of the [hearing panel](#) on terms and conditions the [hearing panel](#) considers just.

#### **8420. Deemed Undertaking**

- (1) In this section, "information" means evidence and information obtained from a [party](#) that is required to be disclosed or provided pursuant to sections 8416, 8417, 8418 and 8419 prior to a [hearing](#) on the merits, including evidence and information disclosed or provided in a [prehearing conference](#), and any information obtained from such evidence or information.
- (2) This section does not apply to [information](#) obtained otherwise than under section 8416, 8417, 8418 or 8419 or in a [prehearing conference](#).
- (3) A [party](#) and its counsel or agent are deemed to undertake not to disclose or use [information](#) for any purposes other than those of the proceeding in which the [information](#) was obtained, without the consent of the [party](#) who disclosed or provided the [information](#) or [information](#) on the basis of which the [information](#) was obtained.
- (4) Subsection 8420(3) does not prohibit use of [information](#) that is
  - (i) [filed](#) with the [National Hearing Coordinator](#),
  - (ii) given or referred to during a [hearing](#), or

- (iii) obtained from [information](#) referred to in clauses 8420(4)(i) and 8420(4)(ii).
- (5) Notwithstanding subsection 8420(3), [information](#) may be used to impeach the testimony of a witness in another proceeding.
- (6) A [hearing panel](#) may permit the use of [information](#) that is subject to this section for purposes other than those of the proceeding in which it was disclosed or provided, if the [hearing panel](#) is satisfied that the public interest outweighs any prejudice that would result to the [party](#) who disclosed the [information](#) or the [person](#) from whom it was obtained by that [party](#), subject to any terms and conditions the [hearing panel](#) considers just.

#### **8421. Order to Attend and Issue of Summons**

- (1) At any stage of a proceeding, a [party](#) may request a [hearing panel](#) to exercise its authority under section 8208 to require a [person](#) to attend and give evidence or produce [documents](#) at a [hearing](#).
- (2) If a [hearing panel](#) orders a [person](#) who is subject to [IIROC's](#) contractual jurisdiction to attend and give evidence or produce [documents](#), the [National Hearing Coordinator](#) must serve a notice, in a prescribed form, by personal service in accordance with clause 8406(3)(i), 8406(3)(iv) or 8406(3)(v), requiring the attendance of the [person](#) to give evidence or produce documents, as ordered by the [hearing panel](#).
- (3) If a [hearing panel](#) orders an employee, partner, director or officer of a [Regulated Person](#), who is not an [Approved Person](#), to attend at a [hearing](#), the [National Hearing Coordinator](#) must serve a notice on the [person](#) in accordance with subsection 8421(2) and on the [Regulated Person](#) requiring the [Regulated Person](#) to direct the [person](#) to comply with the order.
- (4) If a [hearing panel](#) orders a person who is not subject to [IIROC's](#) contractual jurisdiction to attend and give evidence or produce [documents](#) in a [District](#) in which the [hearing panel](#) is authorized by law to do so, the [National Hearing Coordinator](#) must serve a summons or subpoena in accordance with the procedure prescribed by law for the issue of a summons or subpoena by a court, regulatory tribunal or analogous decision maker in the [District](#).

#### **8422. Adjournments**

- (1) A [party](#) who decides to request an adjournment of a [hearing](#) on the merits must immediately so advise the other [parties](#) and the [National Hearing Coordinator](#) in writing.
- (2) If the other [parties](#) consent to the request for an adjournment, the [requesting party](#) may serve and [file](#) a written request for the adjournment stating that it is made on consent, and a [hearing panel](#) may
  - (i) refuse the request,
  - (ii) reschedule the [hearing](#) without a [hearing](#) on the request, or
  - (iii) require a [hearing](#) on the request.
- (3) If the [parties](#) do not consent to a request for an adjournment, the [requesting party](#) must bring a motion as soon as possible and the notice of motion must contain,
  - (i) the reasons for the adjournment,
  - (ii) the length of time requested for the adjournment, and
  - (iii) if the motion is brought fewer than forty days before the date of the [hearing](#), a request for an abridgement of the times specified in section 8413, if necessary.
- (4) If a motion requesting an adjournment cannot be heard at least twenty days before the date

for the commencement of the [hearing](#) and the [parties](#) do not consent, the motion must be heard at the commencement of the [hearing](#) and the [requesting party](#) must be prepared to proceed if the motion is denied.

- (5) A [hearing panel](#) may grant or deny an adjournment on any terms and conditions it considers just.

### **8423. Conduct of Hearing on the Merits**

- (1) At a [hearing](#) on the merits a [respondent](#) is entitled to be represented by counsel or an agent and to make submissions.
- (2) At a [hearing](#) on the merits, other than a [written hearing](#), a [respondent](#) is entitled
- (i) to attend and be heard in person,
  - (ii) to call and examine witnesses and present documentary and other evidence, and
  - (iii) to cross-examine witnesses as reasonably required for a full and fair disclosure of all matters relevant to the issues in the proceeding.
- (3) A [hearing](#) on the merits, other than a [written hearing](#), must be conducted in the following order:
- (i) [Enforcement Staff](#) may make an opening address, which may be followed by an opening address by the [respondent](#),
  - (ii) [Enforcement Staff](#) must present its evidence and examine its witnesses, who may be cross-examined by the [respondent](#),
  - (iii) the [respondent](#) may make an opening address and must present its evidence and examine its witnesses, who may be cross-examined by other [parties](#),
  - (iv) [Enforcement Staff](#) may present evidence in reply to any evidence presented for the first time by the [respondent](#) and examine witnesses, who may be cross-examined by the [respondent](#),
  - (v) if the [hearing panel](#) requests or permits, the [parties](#) may serve and [file](#), by dates ordered by the [hearing panel](#), submissions in writing on the facts and legal argument with respect to the contraventions alleged in the notice of hearing, which submissions must not be made public prior to the commencement of the [hearing](#) of the submissions, and, if necessary, the [National Hearing Coordinator](#) must set a date for the [hearing](#) of such submissions,
  - (vi) [Enforcement Staff](#) may make closing submissions, followed by the [respondent's](#) closing submissions and [Enforcement Staff's](#) reply to issues raised by the [respondent](#),
  - (vii) unless the [parties](#) agree otherwise, after the [hearing panel](#) makes its *decision* on the merits of the allegations in the notice of hearing, the [National Hearing Coordinator](#) must set a date for the presentation of additional evidence, if any, and the [hearing](#) of submissions on sanctions and costs, and
  - (viii) the [hearing panel](#) may request or permit the [parties](#) to serve and [file](#) written submissions on sanctions and costs, which submissions must not be made public prior to the commencement of the sanctions [hearing](#).
- (4) After cross-examination of a witness, the [party](#) who called the witness may further examine the witness with respect to matters raised for the first time in cross-examination.
- (5) Following examination and cross-examination of a witness, a [hearing panel](#) may ask questions of the witness, subject to the right of the [parties](#) to ask further questions with respect to matters

- raised by the [hearing panel](#).
- (6) If two or more [respondents](#) are separately represented, the [hearing panel](#) may direct the order of presentation.
  - (7) A [hearing panel](#) may control the scope and manner of questioning of a witness to protect the witness from undue harassment.
  - (8) A [hearing panel](#) may order a witness to be excluded from a [hearing](#) until the witness is called to give evidence, unless the presence of the witness is necessary to instruct a [party's](#) counsel or agent, in which case the [hearing panel](#) may require the witness to be called to give evidence before other witnesses are called.
  - (9) If a [hearing panel](#) orders the exclusion of a witness, evidence given during the witness's absence from the [hearing](#) must not be communicated to the witness until the witness has completed giving evidence, except with leave of the [hearing panel](#).
  - (10) A [hearing panel](#) may permit a [party](#) to present the evidence of a witness or proof of a particular fact or [document](#) by affidavit, unless another [party](#) reasonably requires the attendance of the witness at the [hearing](#) for cross-examination.
  - (11) If a [hearing panel](#) requests or permits the [parties](#) to make written submissions on sanctions and costs, unless the [hearing panel](#) orders otherwise,
    - (i) the date set for the sanctions [hearing](#) must be at least thirty days after the date of the [decision](#) on the merits,
    - (ii) [Enforcement Staff](#) must serve and [file](#) submissions at least fourteen days before the sanctions [hearing](#),
    - (iii) the [respondent](#) must serve and [file](#) submissions at least seven days before the sanctions [hearing](#), and
    - (iv) [Enforcement Staff](#) must serve and [file](#) any reply submissions at least three days before the sanctions [hearing](#).
  - (12) If a [respondent](#) who has been served with a notice of hearing does not attend the [hearing](#) on the merits, the [hearing panel](#)
    - (i) may proceed with the [hearing](#) in the [respondent's](#) absence and may accept as proven the facts and contraventions alleged in the notice of hearing and statement of allegations, and
    - (ii) if it finds that the [respondent](#) committed the alleged contraventions, may hear submissions on sanctions from [Enforcement Staff](#) immediately, without a further [hearing](#) on sanctions and costs, and may impose sanctions and costs pursuant to sections 8209 or 8210, as it considers appropriate.

#### **8424. Written Hearings**

- (1) If a [hearing](#) is a [written hearing](#), the [party](#) who serves a [commencing notice](#) must, with the motion or other record required by the [Rules of Procedure](#) or within a time directed by a [hearing panel](#), serve and [file](#) the [party's](#) written submissions containing, as applicable,
  - (i) a statement of agreed facts,
  - (ii) the [party's](#) factual and legal submissions, and
  - (iii) any material ordered by the [hearing panel](#).
- (2) A [respondent](#) or [responding party](#) may respond, within the time provided in subsection 8413(7) or in a [decision](#) of a [hearing panel](#), by serving and [filing](#) a responding motion record, if

applicable, and the [party's](#) factual and legal submissions.

- (3) A [party](#) may reply to a response served pursuant to subsection 8424(2), within the time provided in subsection 8413(9) or in a [decision](#) of a [hearing panel](#), by serving and [filing](#) a reply record, if applicable, and the [party's](#) factual and legal submissions.
- (4) A [hearing panel](#) may
  - (i) require a [party](#) to serve and [file](#) additional information,
  - (ii) on request of a [party](#), order that a [party](#) present a witness to be examined or cross-examined on any terms and conditions the [hearing panel](#) directs, and
  - (iii) after considering the record, order that the [hearing](#) be continued as an [oral hearing](#) or [electronic hearing](#).

#### **8425. Temporary Orders**

- (1) Where a proceeding pursuant to section 8211 is commenced, [Enforcement Staff](#) must [file](#) a notice of application and application record at least five days prior to the date of the [hearing](#) or a shorter period permitted by a [hearing panel](#).
- (2) An [application](#) under subsection 8425(1) may be made with or without notice to the [respondent](#).
- (3) A notice of application must contain:
  - (i) the date, time and location of the [hearing](#),
  - (ii) whether notice has been given to the [respondent](#),
  - (iii) a statement of the purpose of the proceeding,
  - (iv) the [sanctions](#) requested by [Enforcement Staff](#),
  - (v) the grounds for the [application](#), including a reference to any [IIROC requirements](#) or [laws](#) that the [respondent](#) is alleged to have contravened,
  - (vi) a statement of the facts alleged that support the alleged contraventions and the need for a temporary order,
  - (vii) a list of documentary and other evidence relied on,
  - (viii) whether it is proposed that the [application](#) be heard as an [oral hearing](#), [electronic hearing](#) or [written hearing](#), and
  - (ix) any other information that [Enforcement Staff](#) considers advisable.
- (4) An application record must contain
  - (i) the notice of application, and
  - (ii) copies of the evidence, including affidavit and other materials relied on.
- (5) If an [application](#) under subsection 8425(1) is made with notice, [Enforcement Staff](#) must serve the [respondent](#) with the application record before it is [filed](#) and the [respondent](#) may serve and [file](#) a responding record at least two days prior to the date of the [hearing](#).
- (6) A responding record must contain
  - (i) the order requested by the [respondent](#), including a statement of the reasons for the order requested, and
  - (ii) copies of any additional evidence, including affidavits and other materials relied on.
- (7) A [party](#) to an [application](#) under subsection 8425(1) may serve, if notice is given, and [file](#) a memorandum of fact and law prior to the [hearing](#) of the [application](#).
- (8) A [hearing panel](#) may, at any time, on any terms or conditions it considers appropriate, require

oral testimony to be adduced at the [hearing](#) on any matter in issue and allow cross-examination on an affidavit.

- (9) A [hearing panel](#) may
  - (i) grant the temporary order requested,
  - (ii) dismiss or adjourn the [application](#) in whole or in part, with or without terms, and
  - (iii) make another [decision](#) it considers appropriate.
- (10) If an [application](#) under subsection 8425(1) is made on notice, the [decision](#) and reasons of the [hearing panel](#) constitute the notice required by subsection 8211(3).
- (11) If an [application](#) under subsection 8425(1) is made without notice, a notice of a temporary order pursuant to subsection 8211(3) must contain:
  - (i) a statement that a temporary order has been made with respect to the [respondent](#), describing the terms of the temporary order,
  - (ii) the grounds on which the temporary order was requested and a reference to the notice of application containing them, and
  - (iii) a summary of subsection 8211(2) and the date, time and location of a [hearing](#) pursuant to clause 8211(2)(i).
- (12) A notice of a temporary order under subsection 8425(11) must be accompanied by:
  - (i) a copy of the [decision](#) or order and reasons of the [hearing panel](#),
  - (ii) a copy of the notice of application and application record [filed](#) by [Enforcement Staff](#),
  - (iii) a summary of any oral evidence received by the [hearing panel](#) or a transcript of the [hearing](#),
  - (iv) copies of any documentary or other evidence received by the [hearing panel](#) that is not contained in the application record, and
  - (v) any written submissions presented to the [hearing panel](#).
- (13) A [hearing](#) to extend a temporary order must follow the procedure in section 8413 for a motion.

#### **8426. Protective Orders**

- (1) Where a proceeding pursuant to section 8212 is commenced, [Enforcement Staff](#) must serve the [respondent](#) with, and [file](#), a notice of application and application record at least five days prior to the date of the [hearing](#) or a shorter period permitted by a [hearing panel](#).
- (2) A notice of application must contain:
  - (i) the date, time and location of the [hearing](#),
  - (ii) a statement of the purpose of the proceeding,
  - (iii) the order requested by [Enforcement Staff](#),
  - (iv) the grounds for the [application](#), including a reference to any [IIROC requirements](#) or [laws](#) that the [respondent](#) is alleged to have contravened,
  - (v) a statement of the facts alleged that support the alleged contraventions, the need for a protective order and the order sought,
  - (vi) a list of documentary and other evidence relied on,
  - (vii) whether it is proposed that the [application](#) be heard as an [oral hearing](#), [electronic hearing](#) or [written hearing](#), and
  - (viii) any other information that [Enforcement Staff](#) considers advisable.
- (3) An application record must contain



- (i) the notice of application, and
  - (ii) copies of the evidence, including affidavits and other materials relied on.
- (4) *Enforcement Staff* must serve the application record before it is *filed* and a *respondent* may serve and *file* a responding record.
- (5) A responding record must contain
- (i) the order requested by the *respondent*, including a statement of the reasons for the order requested, and
  - (ii) copies of any additional evidence, including affidavits and other materials relied on.
- (6) A *party* to an *application* under subsection 8426(1) may serve and *file* a memorandum of fact and law prior to the *hearing* of the *application*.
- (7) A *hearing panel* may, at any time, on any terms or conditions it considers appropriate, require oral testimony to be adduced at the *hearing* on any matter in issue and allow cross-examination on an affidavit.
- (8) A *hearing panel* may
- (i) grant the order requested,
  - (ii) dismiss or adjourn the *application* in whole or in part, with or without terms, and
  - (iii) make any other *decision* authorized by subsection 8212(4) that it considers appropriate.

#### **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 *I/ROC 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).

#### **8428. Settlement Hearings**

- (1) If a [settlement agreement](#) is made after a notice of hearing has been issued, a [settlement hearing](#) must be commenced by a notice of motion.
- (2) If a [settlement agreement](#) is made before a notice of hearing is issued, a [settlement hearing](#) must be commenced by a notice of application.
- (3) [Enforcement Staff](#) must serve the [respondent](#) with, and [file](#), a [commencing notice](#) for a [settlement hearing](#) and must [file](#) copies of the [settlement agreement](#) at least seven days prior to the date of the [settlement hearing](#), unless the [hearing](#) on the merits has commenced and the [hearing panel](#) orders otherwise.
- (4) A [commencing notice](#) for a [settlement hearing](#) must contain:
  - (i) the date, time and location of the [settlement hearing](#),
  - (ii) the identity of the [respondent](#),
  - (iii) a statement of the purpose of the [hearing](#),
  - (iv) the general nature of the allegations addressed by the [settlement agreement](#), and
  - (v) whether it is proposed that the [settlement hearing](#) be an [oral hearing](#), [electronic hearing](#) or [written hearing](#).
- (5) A [settlement agreement](#) must not be open for inspection by the public unless it has been accepted by a [hearing panel](#).
- (6) At a [settlement hearing](#), facts that are not contained in the [settlement agreement](#) must not be disclosed to the [hearing panel](#) without the consent of all [parties](#), unless the [respondent](#) does not appear, in which case [Enforcement Staff](#) may disclose additional relevant facts, if requested by the [hearing panel](#).

#### **8429. Monitor**

- (1) A request for directions by [Enforcement Staff](#) or a [monitor](#) must be made by bringing a motion in accordance with section 8413.

### **REVIEW PROCEEDINGS**

#### **8430. Regulatory Review Hearings**

- (1) A [party](#) who requests a review of a [regulatory decision](#) must serve and [file](#), within the time specified in [IIROC requirements](#) relating to the [regulatory decision](#) and
  - (i) in the case of a decision made under section 9204, 9206 or 9207, at least fourteen

- days, and
- (ii) in the case of a decision under Dealer Member Rule 30, no more than the number of days specified in Dealer Member Rule 30,
- prior to the date of the [hearing](#), 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,
    - (ii) any notice of the [regulatory decision](#) received by the [requesting party](#),
    - (iii) the [regulatory decision](#) and any reasons for the [regulatory decision](#),
    - (iv) any materials that accompanied the notice of the [regulatory decision](#) or the [regulatory decision](#) received by the [requesting party](#),
    - (v) copies of any additional evidence, including affidavits and other materials relied on.
  - (4) A [responding party](#) may serve and [file](#) a reply no later than seven days prior to the date of the review [hearing](#).
  - (5) 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.
  - (6) 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](#).
  - (7) 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](#).
  - (8) 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.
  - (9) A member of a [District Council](#) whose [decision](#) is the subject of a request for review may not be a member of the [hearing panel](#) on the review [hearing](#).

## **SECURITIES REGULATORY AUTHORITY REVIEW**

### **8431. Record for Review**

- (1) A [party](#) who applies to a [securities regulatory authority](#) for review of a final [decision](#) of a [hearing panel](#) may obtain a copy of the record of the proceeding in which the [decision](#) was made by

- sending a request for the record, in prescribed form, to the [National Hearing Coordinator](#).
- (2) The [National Hearing Coordinator](#) must provide a copy of the record of the proceeding to the [party](#) within a reasonable time after receipt of a request under subsection 8431(1), subject to payment of any applicable costs or fees.
- (3) Subject to subsection 8431(4), the record of a proceeding must include copies of:
- (i) the [commencing notice](#) in the proceeding,
  - (ii) any interim orders made in the proceeding,
  - (iii) any preconference memorandums,
  - (iv) documentary and other evidence adduced in the proceeding, subject to any limitations imposed under [IIROC requirements](#) by a [hearing panel](#) or by [law](#),
  - (v) any other [documents](#) in the proceeding requested by a [party](#),
  - (vi) a transcript of oral evidence given at the [hearing](#) on the merits, and
  - (vii) the [decision](#) and reasons of the [hearing panel](#).
- (4) The [National Hearing Coordinator](#) may omit any [documents](#) from the record of a proceeding, if
- (i) the [parties](#) consent and the [hearing panel](#) agrees, or
  - (ii) the [hearing panel](#) so directs.
- (5) The [National Hearing Coordinator](#) may require the [party](#) who requests the record of a proceeding to pay the costs of preparing a copy of the record and a reasonable fee for its preparation.

## **Rule 9100**

### **Compliance Examinations**

#### **9101. Introduction**

- (1) This Rule sets out the powers of [IIROC](#) to initiate and conduct compliance examinations and request information and the rights and obligations of [Regulated Persons](#) with respect to such examinations.

#### **9102. Examinations**

- (1) An examination under this Rule includes a request for information made by [IIROC](#) staff.

#### **9103. Conducting Examinations**

- (1) [IIROC](#) staff may examine the conduct, business and affairs of a [Regulated Person](#) with respect to [IIROC requirements](#), [applicable laws](#), or trading or advising in respect of securities, commodities contracts or derivatives.
- (2) [IIROC](#) staff may initiate an examination where they consider it advisable to do so.

#### **9104. Examination Powers**

- (1) In connection with an examination, [IIROC](#) staff may, by written or electronic request, require a [Regulated Person](#) or an [employee](#), partner, [Director](#), officer or [approved investor](#) to:
  - (i) provide a written report with respect to any matter;
  - (ii) produce for inspection any [records](#) and documents in the [person's](#) possession or control that [IIROC](#) staff believe may be relevant to the examination, whether written, electronically stored, or recorded;
  - (iii) provide copies of any such [records](#) and documents in the manner and form, including electronically and recorded, that [IIROC](#) staff requests; and
  - (iv) answer questions with respect to any matter.
- (2) In a request made under subsection 9104(1), [IIROC](#) staff may require production of original documents and must provide a receipt for any original documents received.
- (3) In connection with an examination, [IIROC](#) staff
  - (i) may, with or without prior notice, enter the business premises of any [Regulated Person](#) during business hours;
  - (ii) are entitled to free access to and to make and keep copies of all books of account, securities, cash, documents, bank accounts, vouchers, correspondence and [records](#) of every description that [IIROC](#) staff believe may be relevant to the examination, including by taking an image of the computer hard drives of the [Regulated Person](#); and
  - (iii) may remove the original of any document or [record](#) obtained under clause 9104(3)(ii), and where an original document or [record](#) is removed from the premises, [IIROC](#) staff must provide a receipt for the removed document or [record](#).

#### **9105. Obligations of Regulated Persons and Other Persons**

- (1) A [person](#) who receives a request made under section 9104 must comply with the request within the time specified in it.
- (2) A [Regulated Person](#) must cooperate with [IIROC](#) staff who are conducting an examination, and a [Regulated Person](#) must require its employees, partners, directors and officers to cooperate with [IIROC](#) staff conducting an examination and to comply with a request made under section 9104.
- (3) A [person](#) who is aware that [IIROC](#) staff is conducting an examination must not conceal or

destroy any [record](#), document or thing that contains information that may be relevant to the examination or ask or encourage any other [person](#) to do so.

**9106. Use of Information**

- (1) [IIROC](#) staff may refer any information obtained from an examination to [Enforcement Staff](#), other [IIROC](#) staff, or a securities, commodities or derivatives regulatory authority.
- (2) [IIROC](#) staff may take any other appropriate action based on information obtained from an examination.

**Rule 9200**  
**Approvals and Regulatory Supervision**

**9201. Introduction**

- (1) This Rule sets out the authority of [IIROC](#) to approve individuals employed by or otherwise acting on behalf of [Dealer Members](#), to grant exemptions from [IIROC](#)'s proficiency and educational requirements, to grant exemptions from [IIROC](#)'s introducing/carrying broker requirements, to impose terms and conditions on approvals and membership, to suspend and revoke approvals, and rights of review available to [parties](#) to such decisions.

**9202. Definitions**

- (1) In this Rule,  
“application” means an application for approval or an exemption under this Rule, but does not include a request for a review of a decision on such an application under Rule 9300 (Regulatory Review Proceedings).  
“decision” means a determination made by a [District Council](#), a [Registration Subcommittee](#), [Registration Staff](#) or [IIROC](#) under this Rule.  
“District Council panel” means a panel of three members of a [District Council](#) appointed by the [National Hearing Coordinator](#) to conduct a [hearing](#) under section 9209.  
“Registration Staff” means registration staff of [IIROC](#).  
“Registration Subcommittee” means a subcommittee of a [District Council](#) to whom authority has been delegated under subsection 9203(1).

**9203. Decisions of a District Council**

- (1) A [District Council](#) may delegate its authority to make *decisions* under this Rule to a [Registration Subcommittee](#) of at least three [industry members](#) of the [District Council](#) or, except for its authority under section 9205 and subsection 9207(2), to [Registration Staff](#).
- (2) Notice of a [decision](#) of a [District Council](#) must be given to an applicant or other [person](#) who is its subject.
- (3) A [District Council](#) must not
  - (i) refuse an [application](#),
  - (ii) impose terms and conditions on an approval, or
  - (iii) suspend or revoke an approval,unless the applicant or [Approved Person](#) has been given an opportunity to be heard.
- (4) Written reasons must be provided with notice of a [decision](#) that
  - (i) refuses an [application](#),
  - (ii) imposes terms and conditions on an approval, or
  - (iii) suspends or revokes an approval.
- (5) A [decision](#) is effective on the date on which notice of the [decision](#) is provided to the [parties](#), unless
  - (i) the [decision](#) provides otherwise, in which case the [decision](#) is effective on the date so provided; or
  - (ii) unless the [decision](#) is stayed under subsection 9209(4) or by a [hearing panel](#).

#### **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.

#### **9205. Membership Approval Applications**

- (1) The *District Council* shall make a recommendation to the Board of Directors to:
  - (i) approve an *application* for *Dealer Member* membership in *IIROC* made pursuant to section 3.5 of General By-law No. 1,
  - (ii) approve the *application* subject to such terms and conditions as may be considered just and appropriate, or
  - (iii) refuse the *application* if, in its opinion,
    - (a) the applicant does not comply with one or more of *IIROC requirements*,
    - (b) one or more *IIROC requirement* will not be complied with by the applicant,
    - (c) the applicant is not qualified for approval by reason of integrity, solvency, or experience, or
    - (d) such approval is not in the public interest.
- (2) Prior to consideration of an *application* for *Dealer Member* membership in *IIROC* by the Board of Directors, the applicant shall be informed that it has an opportunity to be heard by the Board of Directors before the Board of Directors decides on the *application* and shall be given a copy of the *District Council's* recommendation and informed in writing of the reasons for it.
- (3) The Board of Directors shall have the power to:
  - (i) approve an *application* for *Dealer Member* membership in *IIROC* made pursuant to section 3.5 of General By-law No. 1,
  - (ii) approve the *application* subject to such terms and conditions as may be considered just and appropriate; or
  - (iii) refuse the *application* if, in its opinion,
    - (a) the applicant does not comply with one or more of *IIROC requirement*,
    - (b) one or more *IIROC requirement* will not be complied with by the applicant,
    - (c) the applicant is not qualified for approval by reason of integrity, solvency, or



- experience, or
- (d) such approval is not in the public interest.
- (4) A decision of the Board of Directors under subsection 9205(3) is a final decision for which no further review or appeal is provided under [IIROC requirement](#).

#### **9206. Exemption Applications**

- (1) An [individual](#) or a [Dealer Member](#), with respect to proficiency requirements applicable to its [Approved Persons](#), may [apply](#) to a [District Council](#) for an exemption from the proficiency requirements under Dealer Member Rule 2900, Part I or an examination requirement under Dealer Member Rule 2900, Part II, or for an extension of or exemption from a continuing education requirement under Dealer Member Rule 2900, Part III.
- (2) A [Dealer Member](#) may [apply](#) to a [District Council](#) for an exemption from the introducing / carrying broker requirements under Dealer Member Rule 35.
- (3) On an [application](#) under subsection 9206(1) or 9206(2), the [District Council](#) may grant an exemption or extension in accordance with any standards in the relevant rule, subject to any terms and conditions it considers appropriate.

#### **9207. Continued Approval**

- (1) A [District Council](#) may, in its discretion, impose terms and conditions on the continued approval of an [Approved Persons](#) to ensure continuing compliance with [IIROC requirements](#).
- (2) A [District Council](#) may suspend or revoke the approval of an [Approved Persons](#), if it appears to the [District Council](#) that
- (i) the [Approved Persons](#) is not suitable for approval by reason of integrity, solvency, training or experience,
  - (ii) the [Approved Persons](#) has failed to comply with [IIROC requirement](#), or
  - (iii) the approval is otherwise not in the public interest.

#### **9208. Terms and Conditions on Membership**

- (1) [IIROC](#) may impose terms and conditions on a [Dealer Member's](#) membership, where [IIROC](#) considers it appropriate to ensure continuing compliance with [IIROC requirements](#).
- (2) [IIROC](#) must not impose terms and conditions on a membership, unless the [Dealer Member](#) has been given an opportunity to be heard.
- (3) Notice of a [decision](#) imposing terms and conditions under subsection 9208(1) must be given to the [Dealer Member](#) and must be accompanied by written reasons for the [decision](#).

#### **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](#).

#### **9210. 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 [District Council panel](#) under this Rule.
- (2) A [person](#) who is entitled to request a review by a [District Council panel](#) under section 9209 of a [decision](#) made under section 9206 may not apply to a [securities regulatory authority](#) for review of that [decision](#), unless the [person](#) has requested a review by a [District Council panel](#) and the [District Council panel](#) has made a final [decision](#).
- (3) For purposes of subsection 9210(1), [IIROC](#) staff is directly affected by a [decision](#) in a proceeding in which [IIROC](#) staff is a [party](#).

## **Rule 9300**

### **Regulatory Review Proceedings**

#### **9301. Introduction**

- (1) This Rule sets out the authority of [hearing panels](#) to review a [decision](#) under Rule 9200 (Approvals and Regulatory Supervision) or an early warning level 2 prohibition under Dealer Member Rule 30.

#### **9302. Definitions**

- (1) In this Rule:
  - “application” means an application for approval under section 9204.
  - “approval order” means an order made under section 9207.
  - “compliance order” means an order made under section 9208.
  - “decision” means a determination made by a [District Council](#), a [person](#) to whom decision-making authority is delegated by a [District Council](#), [IIROC](#), or a [hearing panel](#) that makes a decision in a review proceeding under this Rule.
  - “early warning review order” means an order made under Dealer Member Rule 30.

#### **9303. Hearings and Decisions**

- (1) Section 8203 applies to a proceeding under this Rule, with modifications required by the context of this Rule.
- (2) A [decision](#) of a [hearing panel](#) is effective on the date the [decision](#) is dated by the [National Hearing Coordinator](#), unless the [decision](#) provides otherwise, in which case the [decision](#) is effective on the date so provided.

#### **9304. Review Proceedings**

- (1) A request for review of a [decision](#) made on an [application](#), an [approval order](#), a [compliance order](#) or an [early warning review order](#) must be heard by a [hearing panel](#) in accordance with the [Rules of Procedure](#).
- (2) After a [hearing](#) under this section, a [hearing panel](#) may
  - (i) affirm the [decision](#) under review,
  - (ii) quash the [decision](#),
  - (iii) vary or remove any terms and conditions imposed by the [decision](#),
  - (iv) prohibit, as applicable, a further [application](#) for approval under section 9204 by the applicant for a period of time it considers appropriate, or
  - (v) make any [decision](#) authorized by [IIROC requirements](#) under which the [decision](#) was made.
- (3) A member of a [District Council](#) who participates in a [decision](#) on an [decision](#) or in making an [approval order](#), [compliance order](#) or [early warning review order](#) must not be a member of the [hearing panel](#) on a review of the [decision](#).

#### **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

#### 9401. Introduction

- (1) These procedures apply where *IIROC requirements* require an opportunity to be heard before:
  - (i) a *District Council* (including the *District Council's* delegate where authority has been delegated to a *Registration Subcommittee* or *IIROC* staff),
  - (ii) a *senior officer* who has the authority to make a decision concerning an individual or a *Dealer Member*, or
  - (iii) the Board of Directors concerning an *application* for *Dealer Member* membership in *IIROC*.
- (2) These procedures will be followed where, under statutory authority that has been delegated to *IIROC*, *IIROC* makes a registration decision for which an opportunity to be heard is required under applicable *securities legislation*.

#### 9402. Definitions

- (1) In this Rule,

“decision maker” means a *District Council* or *senior officer* with authority to make a decision in a hearing under Rule 9200 (Approvals and Regulatory Supervision).

“District Council” is the applicable District Council that is authorized to act as decision maker for purposes of Rule 9200 (Approvals and Regulatory Supervision) and includes a *Registration Subcommittee* or *Registration Staff* to whom the *District Council* has delegated authority to make approval decisions.

“Registration Staff” refers to registration employees of *IIROC* or employees of *IIROC* who conduct compliance examinations under Rule 9100 (Compliance Examinations).

“Registration Subcommittee” means a subcommittee of a *District Council* to whom authority to make a recommendation under section 9205 has been delegated under subsection 9203(1).

“senior officer” is a senior officer of *IIROC* who has authority to make a decision to impose terms and conditions on a *Dealer Member's* membership under section 9208.

### PART A – OPPORTUNITIES TO BE HEARD BY A DISTRICT COUNCIL OR A SENIOR OFFICER

#### 9403. Opportunities to be heard by a District Council or a senior officer

- (1) The procedures in sections 9404 to 9410 apply where an applicant has requested an opportunity to be heard by a *District Council* or by a *senior officer*.
- (2) These procedures are intended to ensure that opportunities to be heard by a *decision maker* are handled in a way that ensures a fair hearing, without being unnecessarily formal.

#### 9404. Counsel

- (1) A party to a proceeding under this Rule may be represented by counsel or an agent.
- (2) If an applicant, *Approved Person* or *Dealer Member* is represented by counsel or an agent, *Registration Staff* will communicate with the applicant, *Approved Person* or *Dealer Member* through counsel or the agent.

#### 9405. Staff's Notice

- (1) If *Registration Staff* recommends that a *District Council* refuse to grant, revoke, or suspend a

IIROC approval or that terms and conditions be imposed on an approval or membership, Registration Staff must send a letter to the applicant, Approved Person or Dealer Member giving notice of Registration Staff's recommendation and brief reasons for it.

#### **9406. Response of Applicant, Approved Person or Dealer Member**

- (1) If an applicant, Approved Person or Dealer Member wishes to be heard before a decision is made on Registration Staff's recommendation, the applicant, Approved Person or Dealer Member must inform Registration Staff in writing (a "Response").
- (2) A Response must be delivered within ten business days after receipt of IIROC staff's letter, or within such shorter period of time as set out in such letter.
- (3) If a Response is not delivered within the time set out in Registration Staff's letter, Registration Staff will send its recommendation to the decision maker for consideration.

#### **9407. Choice of Written Submissions or Appearance**

- (1) Unless otherwise decided by a decision maker, an opportunity to be heard will be conducted as an exchange of written submissions. However, an applicant, Approved Person, Dealer Member or Registration Staff may request that the opportunity to be heard be conducted as an appearance
  - (i) in the presence of a decision maker,
  - (ii) by telephone conference, or
  - (iii) by other interactive electronic means acceptable to both parties.
- (2) A request that an opportunity to be heard be conducted as an appearance must be made to the decision maker in writing, with a brief statement of the reasons for making the request, and the other party will be given an opportunity to object to the request before the decision maker decides whether to grant a request for an appearance.
- (3) A decision maker may also decide on its own initiative that the opportunity to be heard will be conducted as an appearance, in which case the decision maker must promptly inform the parties of its decision.

#### **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.

#### **9409. Appearance Before a Decision Maker**

- (1) This section describes the process to be followed if the opportunity to be heard is conducted as an appearance.
- (2) An appearance before a [decision maker](#) will generally be an informal proceeding, and the [Rules of Procedure](#) do not apply.
- (3) At an appearance
  - (i) the [decision maker](#) may ask any question and admit any evidence it thinks fit,
  - (ii) witnesses may be called, examined and cross-examined with the consent of the [decision maker](#), and
  - (iii) the applicant, [Approved Person](#) or [Dealer Member](#) and any witnesses may be required to give evidence under oath or affirmation.

#### **9410. Decisions**

- (1) Where an applicant, [Approved Person](#) or [Dealer Member](#) requests that an opportunity to be heard be conducted by exchange of written submissions, but fails to deliver submissions within the required time, the [decision maker](#) may make its decision on [Registration Staff's](#) recommendation and submissions without further notice or delay.

### **PART B – OPPORTUNITIES TO BE HEARD BY THE BOARD OF DIRECTORS**

#### **9411. Opportunities to be heard by the Board of Directors**

- (1) The procedures in sections 9412 through 9417 apply where an applicant has requested an opportunity to be heard by the Board of Directors in relation to an [application](#) for [Dealer Member](#) membership as set out in section 9205.
- (2) These procedures are intended to ensure that opportunities to be heard by the Board of Directors are handled in a way that ensures a fair hearing, without being unnecessarily formal.

#### **9412. Staff's Notice**

- (1) If [IIROC](#) staff recommends that the Board of Directors refuse to grant membership in [IIROC](#), or that terms and conditions be imposed on membership in [IIROC](#), [IIROC](#) staff must send a letter to the applicant giving notice of [IIROC](#) staff's recommendation and brief reasons for it.

#### **9413. Response of Applicant, Approved Person or Dealer Member**

- (1) If an applicant wishes to be heard before a decision is made on [IIROC](#) staff's recommendation, the applicant must inform [IIROC](#) staff in writing (a "Response").
- (2) A Response must be delivered within ten [business days](#) after receipt of [IIROC](#) staff's letter, or within such shorter period of time as set out in such letter.
- (3) If a Response is not delivered within the time set out in [IIROC](#) staff's letter, [IIROC](#) staff will send its recommendation to the Board of Directors for consideration.

#### **9414. Choice of Written Submissions or Appearance**

- (1) An opportunity to be heard will be conducted as an exchange of written submissions, unless an applicant or [IIROC](#) staff requests that the opportunity to be heard be conducted as an appearance
  - (i) in the presence of the Board of Directors,
  - (ii) by telephone conference, or
  - (iii) by other interactive electronic means acceptable to both [parties](#).
- (2) A request that an opportunity to be heard be conducted as an appearance must be made to the Board of Directors in writing, with a brief statement of the reasons for making the request, by delivering a copy of the request to [IIROC's](#) Corporate Secretary. The other [party](#) will be given an opportunity to object to the request before the Board of Directors decides whether to grant a request for an appearance.
- (3) The Board of Directors may also decide on its own initiative that the opportunity to be heard will be conducted as an appearance, in which case the Board of Directors must promptly inform the [parties](#) of its decision.

#### **9415. 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) [IIROC](#) staff must provide the applicant with a written submission setting out the facts and law supporting [IIROC](#) staff's recommendation, which submission must be delivered to the applicant within ten [business days](#) after [IIROC](#) staff receives the applicant's Response.
- (3) An applicant must then provide [IIROC](#) staff with a written submission responding to staff's submission, to be delivered within ten [business days](#) after the applicant receives [IIROC](#) staff's submission.
- (4) Subject to agreement of the [parties](#) or a [decision](#) of the Board of Directors,
  - (i) there will only be one exchange of written submissions so that the Board of Directors may render a [decision](#) without unnecessary delay, and
  - (ii) where the [parties](#) agree to make further submissions or either of them requests that the Board of Directors allow further submissions, such agreement or request must be made within five [business days](#) after delivery of the applicant's submission under subsection 9415(3).
- (5) Unless an agreement or request is made under subsection 9415(4), [IIROC](#) staff's and the applicant's respective submission will be provided to the Board of Directors within five [business days](#) after the applicant's submission is delivered.
- (6) If an agreement or request is made under subsection 9415(4), the submissions of all [parties](#) will be provided to the Board of Directors when all submissions have been delivered or the time for their delivery has elapsed.

#### **9416. Appearance before the Board of Directors**

- (1) This section describes the process to be followed if the opportunity to be heard is conducted as an appearance.
- (2) An appearance before the Board of Directors will generally be an informal proceeding, and the [Rules of Procedure](#) do not apply.
- (3) At an appearance,
  - (i) the Board of Directors may ask any question and admit any evidence it thinks fit,



- (ii) witnesses may be called, examined and cross-examined with the consent of the Board of Directors, and
- (iii) the applicant and any witnesses may be required to give evidence under oath or affirmation.

**9417. Decisions**

- (1) Where an applicant requests that an opportunity to be heard be conducted by exchange of written submissions, but fails to deliver submissions within the required time, the Board of Directors may make its decision on [IIROC](#) staff's recommendation and submissions without further notice or delay.