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**CIRCULAR 063-17**  
May 10, 2017

## **SELF-CERTIFICATION**

### **INTRODUCTION OF A PROCESS TO IMPOSE FINES FOR MINOR VIOLATIONS**

#### **ADOPTION OF ARTICLES 4220 TO 4224 OF RULE FOUR OF BOURSE DE MONTRÉAL INC. AND ABROGATION OF ARTICLE 6389A OF RULE SIX OF BOURSE DE MONTRÉAL INC.**

The Rules and Policies Committee and the Special Committee Regulatory Division of Bourse de Montréal Inc. (the “Bourse”) have approved the adoption of articles 4220 to 4224 of Rule Four of the Bourse and the abrogation of article 6389A of Rule Six of the Bourse in order to adopt the new rules governing disciplinary matters by the Regulatory Division.

These modifications, as attached, were self-certified in accordance with the self-certification process as defined in the Derivatives Act (CQLF, Chapter I-14.01) and will take effect upon the publication of the present circular. Please note that these articles will also be available on the Bourse's website ([www.m-x.ca](http://www.m-x.ca)).

The Bourse wants to clarify certain points with respect to the adoption of articles 4220 to 4224 of Rule Four and the abrogation of article 6389A of Rule Six of the Bourse. These clarifications are provided in Appendix 1.

The modifications under the present circular were published for public comment by the Bourse on November 22, 2016 (see [Circular 146-16](#)). Pursuant to the publication of this circular, the Bourse received four comment letters. A summary including comments received and responses from the Bourse is attached.

For additional information, please contact Julie Rochette, Vice-President and Chief Regulatory Officer by telephone at 514-787-3516 or by email at [julie.rochette@tmx.com](mailto:julie.rochette@tmx.com).

Sabia Chicoine  
Chief Legal Officer

## **APPENDIX 1 – CLARIFICATION**

In light of the comments received, the Bourse wishes to further clarify the nature of the rule modifications:

- The Process introduced by articles 4220 to 4224 (the "Process") is an alternative enforcement process.
- This Process differs from late fees that can be imposed by the Bourse for the late filing of reports or regulatory notices which process remains the same.
- This Process does not qualify any violation as "minor". Only the circumstances leading to the commission of a violation as listed in article 4220 can be considered as "minor" and, as such, justify a decision from the Vice-President of the Regulatory Division (the "Division") to opt for the imposition of a fine instead of the filing of a disciplinary complaint.
- In all cases, a formal investigation will be conducted to determine whether a violation has been committed.
- The Bourse removed "Article 6376 - Order Identification" and "Article 6377 - Keeping Records of Orders" of the list of violations that may be subject to the imposition of a fine. If applicable, enforcement of any violations to one of those articles will proceed by way of filing of a disciplinary complaint.
- Article 4220 as proposed was modified to include a list of articles of the Rules of the Bourse that may be subject to the Process.
- Article 4223 as proposed was modified to provide that, if the Vice-President of the Division decides not to impose a fine after considering the observations received from the approved participant or approved person, a notice advising of the closing of the matter will be sent to the approved participant or the approved person.
- The *List of Fines for Minor Violations* as proposed was modified to stipulate that a first violation by an Approved Participant or an Approved Person within a consecutive 24-month period will be subject to a reminder letter.
- The *List of Fines for Minor Violations* as proposed was modified to replace the terms "initial registration" by "date of access to the automated system without authorization" pertaining to articles 6366A) and 7403 of the Rules of the Bourse.

## **D. Fine for Minor Violation**

### **4220 Fine for Minor Violation (00.00.0000)**

- a) The Vice-President of the Regulatory Division may in accordance with the procedure provided in articles 4222 and following, for any violation appearing in the *List of Fines for Minor Violations* published on the website of the Bourse, impose a predetermined fine that cannot exceed \$5000 per violation, against an approved participant or an approved person. The violations included in the *List of Fines for Minor Violations* are:
- i) Incomplete or inaccurate report pertaining to the accumulation of positions for derivatives instruments (article 14102(1));
  - ii) Exceeding position limits (article 14157);
  - iii) Non-compliance with the time limit for reporting an exchange for physical transaction, or an exchange for risk (EFP/EFRP) (articles 6815 h) and 6815A j);
  - iv) Non-compliance with the time of market exposure (article 6380);
  - v) Failure to send a notice of non compliance or a notice of exceeding position limits, within the prescribed time (articles 4002 and 14102(7));
  - vi) Prohibited use of the "hidden liquidity" functionality (article 6380);
  - vii) Granting unapproved access to the automated system (articles 6366 A) and 7403).
- b) The Vice-President of the Regulatory Division, may impose a fine for any violation included in the *List of Fines for Minor Violations* against a former approved participant or former approved person, on the condition that a notice of minor violation is served within the delay provided in article 4101 b).
- c) Notwithstanding the possibility of imposing a fine for a minor violation included in the *List of Fines for Minor Violations* in accordance with paragraphs a), and b) the Vice-President of the Regulatory Division, may, at his discretion, choose to file a complaint in accordance with the procedure provided in articles 4151 and following.

### **4221 Notice of Minor Violation (00.00.0000)**

- a) Before imposing a fine, the Vice-President of the Regulatory Division shall serve a notice of a minor violation to the approved participant or the approved person.
- b) The notice of minor violation shall:
- i) Be in writing;
  - ii) Be signed by the Vice-President of the Regulatory Division;
  - iii) Contain the following items for each violation:
    - a) the alleged violation;
    - b) the regulatory provision or provisions related to the alleged violation;

- c) the date of the violation;
- d) a summary statement of the facts on which the violation is based;
- e) the amount of the fine for the violation;
- f) the delay of time provided by article 4222 during which the approved participant or the approved person may submit observations or serve a request for the matter to be heard by a Disciplinary Committee;
- g) a notice that failure to submit observations or a response results in foreclosure from contesting any fine to be imposed.

**4222 Observations or Challenge from the Approved Participant or the Approved Person  
(00.00.0000)**

- a) Once a notice of minor violation has been served, the approved participant or the approved person may, within twenty business days:
  - i) Submit observations in writing to the Vice-President of the Regulatory Division. These observations must confirm or refute the facts. As part of the process to impose a fine for a minor violation, a defence of due diligence is neither allowed nor receivable; or
  - ii) Contest the notice of minor violation by serving the Vice-President of the Regulatory Division with a request for the matter to be heard by a Disciplinary Committee in accordance with articles 4102 and following, which request must be accompanied by a response as described in article 4152. In this instance, the notice of minor violation is deemed a complaint under article 4101.
- b) If observations are not submitted and the notice of minor violation is not contested within the prescribed time, the approved participant or the approved person will be deemed to have agreed to pay the fine and to have relinquished all rights under the regulations of the Bourse concerning the hearing and contesting the violation.

**4223 Notice of Fine for Minor Violation  
(00.00.0000)**

- a) Upon expiry of the delay provided for in article 4222, and after having considered the observations of the approved participant or the approved person, if any, the Vice-President of the Regulatory Division may impose the fine prescribed in *List of Fines for Minor Violations* on this approved participant or this approved person by serving a notice of a fine for violation or decide not to impose a fine for minor violation. In this case, a notice advising of the closing of the matter will be sent to the Approved Participant or an Approved Person.
- b) The decision by the Vice-President of the Division to impose a fine for minor violation may be appealed to the Special Committee in accordance with articles 4251 and following. A defence of due diligence is neither allowed nor receivable during the appeal before the Special Committee.
- c) The fine for minor violation imposed against the approved participant or the approved person is payable within the ten business days following service of the notice of fine for minor violation.

**4224 Publication of Information Regarding Fines Imposed for Minor Violations  
(00.00.0000)**

The Regulatory Division will make information publicly available, on an anonymous basis, regarding fines imposed for minor violations, including the nature of the minor violations, the fines imposed during the period as well as any other information that the Regulatory Division considers relevant.

**6389A Levy of a Fine  
(24.09.01, abr. 00.00.0000)**

~~Any official of the Bourse who has been informed of, or has witnessed a trading infraction or unethical conduct has the authority to investigate the matter and levy a fine not exceeding \$5,000. Such a decision must be ratified by at least two senior officers of the Bourse before being communicated to the person at fault. Such a decision can be appealed to the Special Committee—Regulatory Division.~~

## **D. Fine for Minor Violation**

### **4220 Fine for Minor Violation (00.00.0000)**

- a) The Vice-President of the Regulatory Division may in accordance with the procedure provided in articles 4222 and following, for any violation appearing in the *List of Fines for Minor Violations* published on the website of the Bourse, impose a predetermined fine that cannot exceed \$5000 per violation, against an approved participant or an approved person. The violations included in the *List of Fines for Minor Violations* are:
- i) Incomplete or inaccurate report pertaining to the accumulation of positions for derivatives instruments (article 14102(1));
  - ii) Exceeding position limits (article 14157);
  - iii) Non-compliance with the time limit for reporting an exchange for physical transaction, or an exchange for risk (EFP/EFRP) (articles 6815 h) and 6815A j);
  - iv) Non-compliance with the time of market exposure (article 6380);
  - v) Failure to send a notice of non compliance or a notice of exceeding position limits, within the prescribed time (articles 4002 and 14102(7));
  - vi) Prohibited use of the "hidden liquidity" functionality (article 6380);
  - vii) Granting unapproved access to the automated system (articles 6366 A) and 7403).
- b) The Vice-President of the Regulatory Division, may impose a fine for any violation included in the *List of Fines for Minor Violations* against a former approved participant or former approved person, on the condition that a notice of minor violation is served within the delay provided in article 4101 b).
- c) Notwithstanding the possibility of imposing a fine for a minor violation included in the *List of Fines for Minor Violations* in accordance with paragraphs a), and b) the Vice-President of the Regulatory Division, may, at his discretion, choose to file a complaint in accordance with the procedure provided in articles 4151 and following.

### **4221 Notice of Minor Violation (00.00.0000)**

- a) Before imposing a fine, the Vice-President of the Regulatory Division shall serve a notice of a minor violation to the approved participant or the approved person.
- b) The notice of minor violation shall:
- iv) Be in writing;
  - v) Be signed by the Vice-President of the Regulatory Division;
  - vi) Contain the following items for each violation:
    - h) the alleged violation;
    - i) the regulatory provision or provisions related to the alleged violation;

- j) the date of the violation;
- k) a summary statement of the facts on which the violation is based;
- l) the amount of the fine for the violation;
- m) the delay of time provided by article 4222 during which the approved participant or the approved person may submit observations or serve a request for the matter to be heard by a Disciplinary Committee;
- n) a notice that failure to submit observations or a response results in foreclosure from contesting any fine to be imposed.

**4222 Observations or Challenge from the Approved Participant or the Approved Person  
(00.00.0000)**

- a) Once a notice of minor violation has been served, the approved participant or the approved person may, within twenty business days:
  - i) Submit observations in writing to the Vice-President of the Regulatory Division. These observations must confirm or refute the facts. As part of the process to impose a fine for a minor violation, a defence of due diligence is neither allowed nor receivable; or
  - ii) Contest the notice of minor violation by serving the Vice-President of the Regulatory Division with a request for the matter to be heard by a Disciplinary Committee in accordance with articles 4102 and following, which request must be accompanied by a response as described in article 4152. In this instance, the notice of minor violation is deemed a complaint under article 4101.
- b) If observations are not submitted and the notice of minor violation is not contested within the prescribed time, the approved participant or the approved person will be deemed to have agreed to pay the fine and to have relinquished all rights under the regulations of the Bourse concerning the hearing and contesting the violation.

**4223 Notice of Fine for Minor Violation  
(00.00.0000)**

- a) Upon expiry of the delay provided for in article 4222, and after having considered the observations of the approved participant or the approved person, if any, the Vice-President of the Regulatory Division may impose the fine prescribed in *List of Fines for Minor Violations* on this approved participant or this approved person by serving a notice of a fine for violation or decide not to impose a fine for minor violation. In this case, a notice advising of the closing of the matter will be sent to the Approved Participant or an Approved Person.
- b) The decision by the Vice-President of the Division to impose a fine for minor violation may be appealed to the Special Committee in accordance with articles 4251 and following. A defence of due diligence is neither allowed nor receivable during the appeal before the Special Committee.
- c) The fine for minor violation imposed against the approved participant or the approved person is payable within the ten business days following service of the notice of fine for minor violation.

**4224 Publication of Information Regarding Fines Imposed for Minor Violations  
(00.00.0000)**

The Regulatory Division will make information publicly available, on an anonymous basis, regarding fines imposed for minor violations, including the nature of the minor violations, the fines imposed during the period as well as any other information that the Regulatory Division considers relevant.

**6389A Levy of a Fine  
(24.09.01, abr. 00.00.0000)**





## **List of Fines for Minor Violations**

**Effective May 10, 2017**

The *List of Fines for Minor Violations* identifies the violations subject to the imposition of fines by the Vice-President of the Regulatory Division of Bourse de Montréal inc. (the “Division”) and contains the fines for each of these violations (articles 4220 to 4224 of the Rules of Bourse de Montréal). The violations and corresponding fines that may be imposed are:

- a) Incomplete or inaccurate report pertaining to the accumulation of positions for derivative instruments (article 14102(1) of the Rules of the Bourse)

<b>Per business day within a consecutive period of 24 months</b>	<b>Fine</b>
First violation	Reminder letter
Second violation	\$250
Third violation	\$500
From the fourth to the tenth violation	\$1,000
Subsequent violations	Disciplinary complaint

- b) Exceeding position limits (article 14157 of the Rules of the Bourse)

<b>Per beneficiary within a consecutive period of 24 months</b>	<b>Fine</b>
First violation	Reminder letter
Second violation	\$2,000
Third violation	\$3,000
Fourth and fifth violation	\$5,000
Subsequent violations	Disciplinary complaint

- c) Non-compliance with the time limit for reporting an exchange for physical transaction, or an exchange for risk (EFP/EFRP) (articles 6815 h) and 6815A j) of the Rules of the Bourse)

<b>Per transaction within a consecutive period of 24 months</b>	<b>Fine</b>
First violation	Reminder letter
Second violation	\$500
Third violation	\$1,500
Subsequent violations	\$3,000

- d) Non-compliance with the time of market exposure (article 6380 of the Rules of the Bourse)

<b>Per transaction within a consecutive period of 24 months</b>	<b>Fine</b>
First violation	Reminder letter
Second violation	\$2,000
Third violation	\$3,000
Fourth violation	\$5,000
Subsequent violations	Disciplinary complaint

- e) Failure to send a notice of noncompliance or a notice of exceeding position limits, within the prescribed time (articles 4002 and 14102(7) of the Rules of the Bourse)

<b>Per finding within a consecutive period of 24 months</b>	<b>Fine</b>
First violation	Reminder letter
Second violation	\$1,000
Third violation	\$2,500
Subsequent violations	\$5,000

- f) Prohibited use of the “hidden liquidity” functionality (article 6380 of the Rules of the Bourse)

<b>Per transaction within a consecutive period of 24 months</b>	<b>Fine</b>
First violation	Reminder letter
Second violation	\$2,000
Third violation	\$3,000
Fourth violation	\$5,000
Subsequent violations	Disciplinary complaint

- g) Granting unauthorized access to the automated system (articles 6366 A) and 7403 of the Rules of the Bourse)

<b>Criteria per person</b>	<b>Fine</b>
Number of years = date of access to the automated system without authorization + each subsequent calendar year	\$500 X number of years
Number of contracts executed	\$0.10 per executed contract

**Circular 146-16: Summarized comments and responses**

No.	Date comments received	Commenting participant category	Summary of comments	Summary of response
1.	Dec. 20, 2016	Broker	<p>This Commenter expresses that the process to impose fines for minor violations should not be applied under certain circumstances where the participant does not have, due to the nature of the trading activities, all the relevant information. Such cases includes position limits and non-compliance with the identification of orders requirement.</p>	<p>The Bourse thanks the Commenter for its time and comments. The Bourse considers that it is the responsibility of an Approved Participant of the Bourse to ensure that each client’s accounts do not hold or control a position in excess of the established position limit. Nonetheless, all circumstances of a potential violation are reviewed as part of all investigations.</p> <p>The Bourse revised its proposal and removed article 6376, which relates to the identification of orders, from the List of Fines for Minor Violations.</p>
2.	Dec. 22, 2016	Broker	<p>This Commenter supports efficiency and cost reduction initiatives deployed by the Bourse concerning its enforcement process.</p> <p>The Commenter views the Bourse’s “minor violations” as not impacting the overall market integrity, the clients or the reputation of the Bourse.</p> <p>The Commenter would like to know that there are control mechanisms in place to ensure that the effect of the proposal does not increase the scope of sanction activity beyond activities considered violations under the current process.</p>	<p>The Bourse thanks the Commenter for its time and comments.</p> <p>The Bourse considers any violation referenced in the Process to impact overall market integrity. The proposed modifications do not intend to describe certain violations as “minor”, but only the circumstances leading the Bourse to consider the violation as such and therefore, opt for the levy of a fine. This determination will be made by the Vice-President on a case-by-case basis. All Rules of the Bourse serve the purpose of protecting overall market integrity.</p> <p>The investigation process will remain consistent with the current process whether it is leading to the conclusion of a violation or not. The proposal does not change the scope of sanction activity as it intends to provide an alternative enforcement tool. Therefore, the Bourse will conduct a full investigation to conclude to the occurrence of a violation before sending a Notice of Minor Violation or filing a Disciplinary Complaint.</p>

			<p>The Commenter views that allowing a Self-Regulatory Organization (“SRO”) to impose fines without oversight by an independent Committee further increases concerns on conflicts of interest, particularly for a for-profit entity such as TMX Group.</p> <p>The Commenter believes the regulatory environment in Canada has proven resilient and effective. Changes inspired from a US model have not necessarily been proven effective.</p> <p>The Commenter views that there is no information given in the proposal on how the cost saving from this initiative will be put towards effort on monitoring severe violations. This is the main argument for the proposal but yet no plan or further detail is given.</p> <p>The Commenter believes that the proposal is intended towards Approved Participants who have been unresponsive to warnings of the Bourse on repeated violations and that further enforcement should focus on such firms rather than impose a punitive regime against all Approved Participants.</p>	<p>The Bourse’s Regulatory Division operates according to the Recognition Order No. 2012-PDG-0075 issued by the <i>Autorité des marchés financiers</i> (the “Autorité”). Section VIII (j)(vii) of Part III provides that all fines and other sums received by the Division pursuant to out-of-court settlements and disciplinary proceedings shall be used for: (1) training and information of participants in the derivatives markets and for members of the public or for research costs in this area; (2) payments made to not-for-profit organizations whose purpose is to protect investors or carry on the activities mentioned at (1); (3) education projects and; (4) such other purposes as may be approved by the Autorité. As such, the Regulatory Division has no commercial or financial interest in the levy of fines.</p> <p>The proposal aims to provide the Bourse with an alternative enforcement tool to effectively deter undesirable behavior with appropriate attention. An Approved Participant or an Approved Person will always have the choice to either opt for the Process or proceed with a disciplinary hearing.</p> <p>The Bourse views that the Process’ key beneficial factors are the improvement of efficiency, predictability and consistency in the enforcement of the Rules of the Bourse. The Process aims to reduce the time needed to handle certain files. Approved Participants will benefit from cost savings on lower legal fees and no costs or expenses related to the investigation process normally paid by an Approved Participant or an Approved Person after a decision by a Disciplinary Committee concluding to a violation.</p> <p>The Bourse has revised its proposal so that a first violation results in a reminder letter. This Process applies to all Approved Participants and Approved Persons. Repetition of a violation impacts market integrity and should be properly sanctioned regardless of the Approved Participant or the Approved Person. At times, reminder letters have proven to be ineffective. Nonetheless, not all circumstances require a full disciplinary process.</p>
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		<p>The Commenter believes that the Bourse’s examiners will become an extension of enforcement.</p> <p>The Commenter believes the Bourse cannot use what Members submitted through Gatekeeper Reports as evidence for fines. The Commenter views the Bourse must prove the Participant intended to breach a rule and reaffirm Members are comfortable with the current process.</p> <p>The Commenter appreciates the fact that annually published information on fines imposed be done on an anonymous basis. The Commenter suggests information be published on a more frequent basis.</p> <p>The Commenter realizes that the process is designed to streamline dealing with “minor violations”, but the judgement of whether such violation has occurred should not be left to one individual to enforce at their own will.</p> <p>The Commenter suggests keeping the same fine amount for each instance unless the Approved Participant or Approved Person is unresponsive or has repeat violations instances of the same violation. Then, the issue should be escalated</p>	<p>The Bourse views that the role of the Examinations Unit is to conduct examinations of Approved Participants’ derivatives trading desks. The purpose of these reviews is to verify the compliance of Approved Participants trading practices with the Rules and Policies of the Bourse. Once the examination is complete, a report is issued to the Approved Participant summarizing any deficiency identified in the course of the examination and setting out requirements or recommendations to correct observed deficiencies. Their role does not change as a result of this proposal.</p> <p>Nothing prevents the Bourse from taking enforcement actions with respect to violations to the Rules reported through Gatekeeper according to article 4002. While the filing of a Notice of non-compliance is a requirement, the Bourse considers that reporting an act of non-compliance is a mitigating factor considered by the Bourse in the case of a Disciplinary Complaint. The Bourse has published Guidelines on Disciplinary Sanctions which contains relevant aggravating and mitigating factors.</p> <p>The Bourse thanks the Commenter for its suggestion. The Bourse will reevaluate the frequency of publication according to the number of cases processed through the Process.</p> <p>The Process seeks to be a more efficient enforcement tool in resolving violations for which circumstances are deemed “minor”. Current articles in effect give the Vice-President discretion to make a determination whether or not a Disciplinary Complaint should be filed. Moreover, the Process provides that the Approved Participants’ and Approved Persons may opt for a disciplinary process instead of a fine.</p> <p>The Bourse considers that the fines should be escalated in order to address repeated behavior.</p>
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			<p>before a disciplinary committee.</p> <p>The Commenter suggests reminder letters should be sent before a first fine is given to a firm.</p> <p>The Commenter suggests the reduction of the consecutive 24-month period to a 6-month period.</p> <p>The Commenter suggests the fine calculation regarding unauthorized access to the automated system should be done retroactively to the date of initial registration.</p> <p>The Commenter suggests there should be transparency on how the Bourse determines there is a violation.</p> <p>The Commenter views that order identification violations could technically be considered as a violation inappropriate or incomplete recordkeeping of orders. The same violation should not be fined twice under different articles.</p> <p>The Commenter views that there seems to be little consideration for circumstances that may have contributed to a violation.</p> <p>The Commenter wants clarity on the rationale that certain fines are at higher amounts than others for first and subsequent violations.</p>	<p>The Bourse has revised its proposal. For the initial violation, the Vice-President will only issue a reminder letter.</p> <p>Based on a comparative analysis, the Bourse considers it reasonable to have a 24-month period.</p> <p>The Bourse considers there is a violation from the date that access is granted to an individual up to when such individual is granted approval by the Bourse or ceases trading activity. The description in the List of Fines for Minor Violations has been modified accordingly.</p> <p>The Bourse follows its usual investigation process and maintains an open dialogue with the concerned Approved Participant or Approved Person throughout the investigation process.</p> <p>The Bourse revised the inclusion of article 6376 and 6377 and removed such articles from the List of Fines for Minor Violations.</p> <p>The Bourse reiterates that a full investigation is conducted to determine whether or not a violation has occurred. All relevant circumstances are taken into account before reaching a conclusion.</p> <p>The main factor considered by the Bourse is whether a violation due to its nature has a potential impact on the overall market integrity or whether it is a requirement owed to the Bourse. Also, a fine for an incomplete or inaccurate report pertaining to the accumulation of positions (article 14102(1)) should be of a lesser amount than a fee for late filing.</p>
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		<p>The Commenter believes the fine structure does not take into account the relative volume of a Member’s participation on the Bourse. This would seem to penalize more active Members since, by its nature, the more volume a participant executes, the more potential there is for errors or omissions to occur. The sliding scale nature of the fine structure based on absolute numbers of errors penalizes active Participants. A more prudent approach would be to gauge the level of infraction based on a proportion of the Participant’s overall activity.</p> <p>The Commenter suggests the Bourse should consider the provision of a mechanism for self-identification and reporting of certain minor infractions, similar to the IIROC’s regulatory Marker Correction System, for which Participant would receive safe harbor from the imposition of fines.</p> <p>The Commenter wants clarity on which category of fines scenarios are explicitly applicable to an Approved Participant or an Approved Person.</p> <p>The Commenter asks if an Approved Participant will be informed if its associated Approved Person is subject to an alleged minor violation.</p> <p>The Commenter believes that the process should not be used retroactively to fine previous violations if the process is self-certified. In other words, a fine paid by a firm in the past should not be held against the firm if the process is self-certified.</p>	<p>The Bourse believes it would be unequal to modulate fines according to the relative volume of an Approved Participant. The Bourse’s objective is for fines to be applied equally among all Approved Participants and Approved Persons.</p> <p>The Bourse considers that self-reporting a violation is currently a requirement and a mitigating factor. Nonetheless, the Bourse will further review the possibility of implementing such a correction system and undergo a feasibility study of similar mechanisms. The Bourse revised its inclusion of article 6376 and removed such article from the List of Fines for Minor Violations.</p> <p>The Bourse considers articles covered by the Process to explicitly specify who is subject to such violations.</p> <p>The Bourse will send a Notice of Minor Violation concerning an Approved Person both to the Approved Person and to the Chief Compliance Officer of the Approved Participant associated with the concerned Approved Person.</p> <p>The Bourse considers that the starting point begins on the self-certification date. A first violation after such date will therefore result in a reminder letter.</p>
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