



CIRCULAR 028-26

March 12, 2026

SELF-CERTIFICATION

INTRODUCTION OF A REMEDIATION PROCESS AND UPDATE TO THE RULES REGARDING THE CONDUCT OF REGULATORY FUNCTIONS

On December 8th, 2025, the Self-Regulatory Oversight Committee of Bourse de Montréal Inc. (the "**Bourse**"), on recommendation of the Advisory Committee on Self-Regulation, approved amendments to the Rules of the Bourse to introduce a remediation process that will replace the imposition of fines for minor violations and update other rules regarding the conduct of regulatory functions.

These amendments were self-certified in accordance with the self-certification process as established in the *Derivatives Act* (CQLR, Chapter I-14.01).

The amended version of the articles attached herewith will become effective on **March 12, 2026**, after market close. Please note that the revised articles will also be available on the Bourse's website (www.m-x.ca).

The amendments described in the present circular were the subject of a request for comments published by the Regulatory Division of the Bourse on December 11, 2025 (see Circular [165-25](#)). Please find attached a summary of the comments received as well as responses from the Regulatory Division.

For additional information, please contact the Legal Affairs of the Regulatory Division by email at mxrlegal@tmx.com.

APPENDIX A — BLACKLINE VERSION

PART 1 - GENERAL PROVISIONS AND DEFINITIONS

[...]

Chapter B — Definitions

[...]

Article 1.101 Definitions

The meanings of terms, and the corresponding term in French, are as follows:

[...]

[Review Committee \(Comité de Révision\)](#) means the committee constituted to review an application for review as provided for in Article 4.900.

[...]

2020.02.07, 2020.10.14, 2023.05.02, 2023.12.15, 2024.01.15, 2024.05.31, 2024.06.28, 2025.02.28, 2025.08.22, [2026.03.12](#)

[...]

PART 4 - THE CONDUCT OF THE REGULATORY FUNCTIONS OF THE BOURSE

Chapter A — Definitions and General Provisions

Article 4.1 Definitions

The terms defined in this Chapter have the meanings, and the corresponding term in French, set out as follows for purposes of Part 4 of the Rules:

[...]

Disciplinary Complaint (Plainte Disciplinaire) means a disciplinary complaint filed by the ~~Bourse~~ [Regulatory Division](#) against one or more Regulated Persons.

[...]

Member (Membre) means an individual whom the Secretary has selected to sit on a Disciplinary Committee or a Review Committee under Article 4.600 and who has accepted that selection.

Notice of Proceedings (Avis de Procédure) means a notice sent by the ~~Bourse~~Regulatory Division to a Respondent under Article 4.202.

Party (Partie) means, with respect to a given hearing, the Regulatory Division and each Respondent.

[...]

[2026.03.12](#)

Article 4.2 Jurisdiction

- (a) The Bourse has jurisdiction over all Regulated Persons in the conduct of its regulatory functions through the Regulatory Division.
- (b) Part 4 of the Rules sets out the powers of the ~~Bourse~~Regulatory Division to carry out its functions pursuant to Article 2.101, and the rights and obligations of Regulated Persons with respect to such regulatory functions.
- (c) A person who has ceased to be a Regulated Person shall remain subject to the Bourse's jurisdiction as though they were a Regulated Person, but no proceedings shall be commenced under Part 4 of the Rules against a former Regulated Person unless a Notice of Proceedings has been served upon that former Regulated Person no later than five years from the date upon which they ceased to hold that status.

[2026.03.12](#)

[...]

Chapter B — Conduct of Regulatory Activities

Article 4.100 Request for Information

- (a) In connection with the exercise ~~by the Bourse~~ of its duties pursuant to Article 2.101, the Regulatory Division may request Documents or information, in writing or otherwise, from any Person, including a client of an Approved Participant.
- (b) The Regulatory Division can request Documents and information as follows:
 - (i) for the Regulatory Division to carry out its duties pursuant to Article 2.101 and ensuring that the supervision of the regulatory functions of the Bourse are carried out efficiently and fairly in accordance with Article 2.100;

- (ii) when the Bourse receives a request in connection with an investigation being carried out by any exchange, self-regulatory organization, securities commission or any similar authority, to the jurisdiction of which the Approved Participant is subject in any manner or with which the Bourse has entered into an agreement pursuant to Article 4.105 and subject to all applicable legislation relating to the protection of personal information; or
- (iii) as may otherwise be authorized or required by law.

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Article 4.101 Obligation to respond and cooperate

- (a) Regulated Persons shall provide Documents and information as requested under Article 4.100, and shall fully cooperate in the manner determined by the Regulatory Division.
- (b) All Regulated Persons shall:
 - (i) promptly, fully and truthfully cooperate with the Regulatory Division, including by replying to all requests made, submitting and allowing free access to the Regulatory Division to any Document or information;
 - (ii) give free access to and provide any Documents and information, in their possession or under their control, that the Regulatory Division may require, regardless of the nature of the medium and the form in which such information, register, data, file, documents or exhibit can be accessed;
 - (iii) provide, on demand, copies of Documents and information, in the manner and form required by the Regulatory Division, including in recorded form or electronically; and
 - (iv) for purposes of Article 4.100(b)(ii), submit the requested information directly to the requesting exchange, self-regulatory organization, securities commission or any similar authority, in the form and manner prescribed in the request.
- (c) Approved Participants must make reasonable efforts to ensure the cooperation, in connection with the exercise by the [BourseRegulatory Division](#) of its authority under Part 4 of the Rules, of any Person over which they have any control or direction or with which they are in a business relationship, including their clients.
- (d) Compliance with the provisions of this Article shall not create any liability towards any other Approved Participant, employee of an Approved Participant, Approved Person, or client.

[2026.03.12](#)

[...]

Chapter C — Disciplinary Proceedings

Article 4.200 Disciplinary Proceedings

- (a) The [BourseRegulatory Division](#) can initiate proceedings against a Regulated Person under Part 4 of the Rules for violation of any of the Regulations of the Bourse.
- (b) The [BourseRegulatory Division](#) shall commence and administer a disciplinary proceeding in accordance with the provisions under this Chapter.
- (c) This provision is in addition to the powers that the Bourse may hold and choose to exercise pursuant to any powers that may be delegated by a securities commission.

[2026.03.12](#)

Sub-part 1: Proceedings

Article 4.201 Service of documents

- (a) Any document required to be served on the [BourseRegulatory Division](#) must be addressed to the attention of the Chief Legal Officer [of the Regulatory Division](#) and delivered to the email address designated by the [BourseRegulatory Division](#).
- (b) Any document required to be served on any Person other than the [BourseRegulatory Division](#) must be served by:
 - (i) delivering it directly to the Person or their legal counsel;
 - (ii) in the case of an individual, delivery to an adult person at the individual's residence, place of employment or place of business or the place of business of the party's legal counsel or agent;
 - (iii) in the case of a Person that is not an individual, delivery to a director or officer, or other person holding or exercising, or appearing to hold or exercise, managerial authority at the Person's place of business; or
 - (iv) in all cases, either :
 - a. by registered mail addressed to the Person to their last known address; or

- b. by electronic means to the Person's last known email address;
- (v) If none of the foregoing methods are possible, the [BourseRegulatory Division](#) may effect service by any other means that is likely to bring the document to the attention of the Person.
- (bc) An affidavit signed by an employee or representative of the [BourseRegulatory Division](#) attesting that the foregoing service requirements have been complied with is sufficient proof of service.
- (ed) A Foreign Approved Participant shall ensure that the appointment of an agent for the service of process under Article 3.3 remains valid for so long as the Foreign Approved Participant maintains that status and for a period of no fewer than five years thereafter. A Foreign Approved Participant shall immediately notify the [BourseRegulatory Division](#) of any change in their Agent for Service or the Agent for Service's contact information.
- (de) Any document required to be served on a Foreign Approved Participant may be served on the Foreign Approved Participant or on its Agent for Service.
- (ef) Service made at the address of a Regulated Person or an Agent for Service (as the case may be) most recently provided for that purpose to the Chief Legal Officer [of the Regulatory Division](#) shall be deemed to be valid.

[2026.03.12](#)

Article 4.202 Notice of Proceedings

- (a) The [BourseRegulatory Division](#) shall serve a Notice of Proceedings to any Regulated Person against whom it has initiated disciplinary proceedings in accordance with Article 4.200. The Notice of Proceedings shall include the following, as applicable:
 - (i) a reference (which may be in the form of an excerpt) to any Rule that the [BourseRegulatory Division](#) alleges that the recipient of the Notice of Proceedings has violated, along with an indication of the URL address (Web address) where the full text of the Rules may be consulted;
 - (ii) an indication that the date, time, and location of the hearing will follow in a notice of hearing;
 - (iii) a statement to the effect that a Party at a hearing is entitled to:
 - a. represent themselves or be represented by legal counsel, as per Article ~~4.103~~[4.304](#)(db);
 - b. a pre-hearing conference, as per Article 4.303; and

- c. seek to negotiate a settlement with the [BourseRegulatory Division](#), as per Article 4.210 and following;
 - (iv) a warning that failure to file a reply by the prescribed deadline may result in foreclosure from producing any evidence or witness at the hearing; and
 - (v) an indication that the evidence that will be presented at the hearing will be provided to the Respondent in accordance with the Regulations of the Bourse;
 - (vii) any other information or content that the Regulatory Division deems appropriate.
- (b) Except when a ~~Notice of Proceedings~~[notice of hearing](#) is being sent in connection with a summary proceeding under Chapter I, a Disciplinary Complaint shall be attached to the Notice of Proceedings and include:
 - (i) a summary statement of the facts alleged and intended to be relied upon by the Regulatory Division and the conclusions drawn by the Regulatory Division based on the alleged facts; and
 - (ii) the potential sanction(s) that may be imposed as a result of the allegations.
- (c) This provision in no way affects the Bourse's ability to exercise any powers that a competent Securities Regulator may have delegated to it.

[2026.03.12](#)

Article 4.203 Reply

- (a) A Regulated Person having received a Notice of Proceedings shall reply thereto within 20 Business Days of such receipt. The reply, which shall be signed by the Regulated Person or an individual authorized to sign on the Regulated Person's behalf, shall contain the following:
 - (i) individually, for each fact alleged in the Notice of Proceedings, an indication as to whether that fact is admitted or denied, and if denied, a summary of grounds for the denial;
 - (ii) a statement of the Person's position with regard to the conclusions drawn by the [BourseRegulatory Division](#) in the Disciplinary Complaint and a statement of any additional facts relied on by the Person;
 - (iii) a preliminary list of the witnesses that the Person intends to call at the hearing.

- (b) A Disciplinary Committee may accept as proven each fact alleged that is neither specifically admitted nor denied, or which are denied without the grounds being specified, under paragraph (a).
- (c) Failure to file a reply by the prescribed deadline shall result in:
 - (i) the Regulated Person being foreclosed from producing any witnesses or evidence at the hearing; and
 - (ii) the Regulatory Division holding a hearing without further notice.
- (d) Notwithstanding the foregoing, the Regulatory Division may halt the calculation of the deadline to reply set forth at paragraph (a) above if it determines, in its sole discretion:
 - (i) that a Regulated Person having received a Notice of Proceedings is engaged in good-faith negotiations with the Regulatory Division in view of concluding a settlement agreement; or
 - (ii) that, for reasons of procedural fairness, there exist sufficient grounds to do so with respect to any Regulated Person that has received a Notice of Proceedings.

[2026.03.12](#)

Article 4.204 Disclosure of evidence

- (a) As soon as is reasonably practicable, and no later than 20 Business Days before the commencement of the hearing ~~on the merits~~, the Regulatory Division must disclose to, and make available for inspection by a Respondent any evidence in the Regulatory Division's possession or control that are relevant to the proceedings.
- (b) No later than 20 Business Days before the commencement of the hearing, each Party must, unless otherwise agreed to by the Parties or decided by the chair of the Disciplinary Committee, provide each other Party with:
 - (i) any evidence that the Party intends to produce at the hearing on the merits; and
 - (ii) a final list of all witnesses that they intend to call at the hearing.
- (c) The final list of witnesses, provided under subparagraph (b) (ii), shall include a summary of the evidence that the witness is expected to give at the hearing and in the case of an expert witness, a signed copy of the expert's report.
- (d) At a hearing, a Party may not produce any evidence or call any witnesses that were not disclosed in accordance with paragraph (b) above except with the authorization of the Disciplinary Committee.

- (e) Notwithstanding the foregoing, a written report prepared by the Regulatory Division will only be disclosed in accordance with this Article if the Regulatory Division proposes to table that report at the hearing.

[2026.03.12](#)

Sub-part 2: Settlement Agreements

Article 4.210 General Principles

- (a) The Regulatory Division may, at any time after service of a Notice of Proceedings, negotiate a settlement agreement with any or all of the Respondents. All discussions in relation with ~~an offer of a~~ settlement [agreement](#) are without prejudice. No part of such a discussion must be used as evidence or referred to in any proceedings whatsoever.
- (b) A settlement agreement must be in writing, in the form prescribed by the Regulatory Division, signed by the Parties, and contain the following:
- (i) the provisions of the Regulations of the Bourse that the Respondent acknowledges having breached;
 - (ii) a statement of the facts;
 - (iii) the disposition of the matter, including any sanction to be imposed and the amount of costs and expenses of the ~~Bourse~~[Regulatory Division](#) to be paid by the Respondent;
 - (iv) the Respondent's consent to the settlement;
 - (v) a provision that the settlement agreement and its terms are confidential, unless and until it has been accepted by the Disciplinary Committee;
 - (vi) a provision that the Respondent will not make any public statement that is inconsistent with the settlement agreement;
 - (vii) a provision that the Regulatory Division will not initiate any further action against the Respondent in relation to the matter addressed in the settlement agreement;
 - (viii) a statement that the settlement must be accepted, [if applicable](#), by the Disciplinary Committee ~~or the President, Regulatory Division, as the case may be~~, failing which it shall not bind the Parties involved, and the Bourse shall proceed with the hearing of the matter;
 - (ix) a waiver by the Respondent of all rights under the Regulations of the Bourse to a hearing or to an ~~appeal should the settlement agreement be accepted in accordance with Article 4.211~~[application for review](#); and

- (x) any other provisions not inconsistent with the Regulations of the Bourse that the Parties agree to include in the settlement agreement.
- (c) A settlement agreement may impose any obligations on a Respondent to which the Respondent agrees, whether or not they could be imposed by a Disciplinary Committee.

2023.05.02, 2026.03.12

Article 4.211 Submission of Settlement Agreements

- (a) Each settlement agreement shall be submitted for acceptance to the Disciplinary Committee, which ~~shall proceed with a hearing to~~ may either accept or reject a settlement agreement it on the face of the record or following a hearing.
- (b) Notwithstanding the foregoing, a settlement agreement may be ~~accepted entered into~~ by the President, Regulatory Division, without a hearing, if submitting it to a Disciplinary Committee for acceptance when the sanction to be imposed is a reprimand, the sanction provided in subparagraph 4.400 (a) (x), a fine not exceeding ~~\$5,000~~ 25,000 in the aggregate, or a combination of the three.
- (c) If a settlement agreement is accepted under ~~this Article 4.211~~ paragraph (a) or entered into by the President, Regulatory Division under subparagraph (b):
 - (i) the matter becomes final and the settlement ~~constitutes a decision~~ agreement binds the parties ;
 - (ii) there can be no appeal or application for review of the matter;
 - (iii) as part of a settlement agreement accepted under paragraph (a), the Secretary shall distribute a copy of the decision to the Respondents, file it in the records of the Bourse and make it available to the public on the website of the Bourse;
 - (iv) the Disciplinary Committee ~~or the President, Regulatory Division (as the case may be)~~ must give written reasons supporting the decision; and
 - (v) the decision accepting the settlement agreement shall refer to the existence of any previous, rejected settlement agreement entered into between the Regulatory Division and that Respondent related to the same proceedings, without describing the reasons for which it was rejected.

- (d) If a settlement agreement is rejected, the Bourse must proceed with the hearing of the matter unless the Parties agree to negotiate a new settlement agreement. Any subsequent settlement agreement shall be submitted to a Disciplinary Committee that includes no Member who was a Member of the Disciplinary Committee that rejected the previous settlement agreement.

2022.02.18, 2023.05.02, [2026.03.12](#)

Chapter D — Hearing

Article 4.300 General Principles

- (a) Part 4 shall be interpreted and applied to secure a fair hearing and just determination of a proceeding on its merits as well as the most expeditious and least expensive conduct of the proceeding.
- (b) No proceeding, document, decision or hearing in a proceeding is invalid by reason of a defect or other irregularity in form.
- (c) Subject to a requirement under Part 4 of the Rules, a Disciplinary Committee 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.
- (d) At the request of a Party, a Disciplinary Committee may provide for any procedural or evidentiary matter that is not provided for under Part 4 of the Rules by analogy thereto or by reference to the rules of procedure of another self-regulatory organization or professional association, or to the provisions of the *Code of Civil Procedure (Quebec)* or the *Civil Code of Québec*.
- (e) The Secretary shall be responsible for the administration of a hearing in accordance with the provisions in this Chapter and Article 4.601.

[2026.03.12](#)

Article 4.301 Notice of Hearing

- (a) When the Regulatory Division determines that a hearing is required, the ~~Bourse~~[Regulatory Division](#) shall, at least 30 Business Days before the hearing, serve a notice of hearing on the Persons to whom the Notice of Proceedings was served.
- (b) The notice of hearing shall include:
- (i) the date, time and place of the hearing; and
 - (ii) a statement requiring the Person to attend the hearing, failing which the Disciplinary Committee may proceed with the hearing of the matter in that Person's absence.

[2026.03.12](#)

Article 4.302 Public hearing

- (a) All hearings are held in public, except for those pertaining to settlement agreements and pre-hearing conferences.
- (b) Notwithstanding the foregoing, the Disciplinary Committee hearing a matter may, on its own initiative or upon request by a Party, order that a hearing be held *in camera*, in part or in whole, or prohibit the publication or disclosure of specific information or documents, in the interest of good morals or public order, particularly to preserve confidential business information or privileged communications or to preserve an individual's privacy or reputation.
- (c) The Secretary shall publish an announcement of a hearing on the website of the Bourse.

Article 4.303 Pre-hearing conference

- (a) The chair of the Disciplinary Committee may, either on their own initiative or at the request of a Party, order a pre-hearing conference. The purpose of such a conference shall be to seek agreement between the Parties on any matter related to the proceedings such that their advancement or outcome be more just, harmonious or expeditious.
- (b) The pre-hearing conference shall be chaired by the chair of the Disciplinary Committee formed to hear the matter, who may make any order related to the proceedings or the hearing to which the Parties both consent and that is not inconsistent with these Rules. The chair shall circulate the text of any such order for comment to both Parties before signing it, upon which it shall have binding effect and be filed with the Disciplinary Committee.
- (c) The Secretary shall draft minutes of the pre-hearing conference, which the chair of the Disciplinary Committee shall sign.

[2026.03.12](#)

Article 4.304 Hearing Procedure

- (a) A hearing may be held either in person or, if the chair of the Disciplinary Committee deems it more appropriate in the circumstances, by videoconference. In determining whether it is more appropriate that a hearing be held by videoconference, the chair of the Disciplinary Committee shall consider any representations made by any Party.
- (b) Each Respondent is entitled to be represented by legal counsel eligible to undertake such representation under the *Act respecting the Barreau du Québec*.

- (c) The Regulatory Division may call and question a Regulated Person who is alleged to have breached a provision of the Regulations of the Bourse, as well as any other witnesses it or another Party considers useful to have them give an account of the facts of which they have personal knowledge or produce any document relating to the matter, and that Person shall be obliged to answer all questions.
- (d) Prior to testifying before the Disciplinary Committee, an individual must make a solemn declaration to tell the truth, the whole truth and nothing but the truth.
- (e) At each hearing, the sequence of events shall be as follows:
 - (i) the Regulatory Division shall make an opening address;
 - (ii) each Respondent may make an opening address;
 - (iii) the Regulatory Division shall present its evidence and call its witnesses;
 - (iv) each Respondent may cross-examine any witness called by the Regulatory Division;
 - (v) each Respondent may present its evidence and call its witnesses;
 - (vi) the Regulatory Division may cross-examine any witness called by a Respondent;
 - (vii) the Regulatory Division shall make a closing address; and
 - (viii) each Respondent may make a closing address.
- (f) The Secretary shall draft minutes of the hearing, which the chair of the Disciplinary Committee shall sign.
- (g) The Disciplinary Committee may admit as evidence any documentary proof without a witness if the Disciplinary Committee is of the opinion that the rights of cross-examination would not be affected.

[2026.03.12](#)

Article 4.305 Failure to Appear

If a Respondent fails to appear at a hearing as specified in the notice of hearing, then with respect to that Respondent the Disciplinary Committee shall proceed with the hearing and disposition of the matter on the date and at the time and place set out in the Notice of Proceedings without further notice and in the absence of that Respondent, even if that Respondent has served a reply.

2022.02.18, [2026.03.12](#)

Chapter E — Decision

Article 4.400 Sanctions

- (a) Upon finding a Respondent guilty of one or more offences, the Disciplinary Committee may, with respect to each offence, impose any one or more of the following sanctions or Rulings:
- (i) a reprimand;
 - (ii) disgorgement of any amount obtained, including any loss avoided, directly or indirectly, as a result of the offence;
 - (iii) a fine not exceeding the greatest of (a) \$5,000,000, (b) four times the profit realized, or (c) four times the amounts invested in the transaction or series of transactions;
 - (iv) suspension or revocation of the Respondent's rights or privileges as an Approved Participant or Approved Person for such period and upon such conditions, including conditions of reinstatement, as the Disciplinary Committee may determine;
 - (v) a prohibition on obtaining or surrendering any approval required under these Rules for the time and upon such conditions determined by the Disciplinary Committee, including the conditions for the release of such a prohibition. The Disciplinary Committee may also impose such a prohibition on any affiliated corporations or subsidiaries of the Respondent;
 - (vi) revocation of the Respondent's Bourse Approval as an Approved Participant;
 - (vii) making restitution to any Person who has suffered a loss as a result of the Respondent's acts or omissions;
 - (viii) appointment of a monitor to exercise powers granted by the Disciplinary Committee, which may include monitoring an Approved Participant's business and affairs;
 - (ix) an obligation, for an Approved Person, to take one or more courses or to receive any other training or education deemed appropriate; or
 - (x) reimbursement in whole or in part of the costs and expenses (including professional fees) paid or incurred by the [Bourse Regulatory Division](#) in connection with the Disciplinary Complaint and the matters out of which it arose including all investigations, hearings, appeals, [applications for review](#) and other proceedings before or after the Disciplinary Complaint.

- (b) These sanctions and Rulings shall be in addition to such other action as the Bourse may take pursuant to any other provision of the Regulations of the Bourse.

[2026.03.12](#)

[...]

Article 4.402 Decision of the Disciplinary Committee

- (a) All decisions of the Disciplinary Committee must be made by majority vote of the Members and must be set forth in writing.
- (b) The Disciplinary Committee must provide written reasons supporting its decision.
- (c) The Secretary shall:
 - (i) give notice of the decision to each Respondent and to any other Persons designated by the Disciplinary Committee hearing the matter;
 - (ii) file the decision in the records of the [BourseRegulatory Division](#); and
 - (iii) make the decision available on the website of the Bourse (except in the case of a decision rejecting a settlement agreement).
- (d) A decision of the Disciplinary Committee takes effect immediately upon the issuance of the written decision, unless otherwise specified in that decision. Any fine, cost or other financial sanction is payable within 30 days of the date of service of the written decision imposing it.

2022.02.18, [2026.03.12](#)

Chapter F — ~~Review Under the Derivatives Act~~ [\[REPEALED\]](#)

Article 4.500 ~~Review by the Financial Markets Administrative Tribunal~~ [\[REPEALED\]](#)

~~A Party may submit a decision of a Disciplinary Committee for review in accordance with the Derivatives Act (Quebec).~~

[\[REPEALED\]](#)

2022.02.18, [2026.03.12](#)

Chapter G — Disciplinary Committee

Article 4.600 Composition of Disciplinary Committee

- (a) To be eligible to sit on a Disciplinary Committee, an individual must have been approved by the Bourse Self-Regulatory Oversight Committee. The Secretary shall maintain a list of such individuals. An individual's name shall be deleted from that list upon the instructions of either the individual or the Bourse Self-Regulatory Oversight Committee.
- (b) A Disciplinary Committee shall be composed of three Members, one of whom shall be a Qualified Lawyer who shall chair the Disciplinary Committee, and two of whom shall be Industry Representatives. None of the Members may be ineligible under Article 4.602.
- (c) The Secretary shall be responsible for selecting the Members and shall inform the individuals selected in writing, who shall accept or refuse that selection within one Business Day. Upon receipt of a refusal or in the absence of a response within one Business Day, the Secretary shall promptly select another individual. Promptly after receiving acceptance from each individual selected, the Secretary shall notify the Regulatory Division and each Respondent of the composition of the Disciplinary Committee.
- (d) If it is impossible to form a Disciplinary Committee that complies with the composition requirements set forth in the preceding paragraph, the Secretary may disregard those requirements to the extent necessary to constitute the Disciplinary Committee.
- (e) The Disciplinary Committee shall remain constituted until such time as the proceedings for which it was constituted are definitely resolved and no longer susceptible to appeal or review. The deletion of the name of a Member from the list maintained under paragraph (a) above has no effect on their status as a Member of any existing Disciplinary Committee.
- (f) Upon accepting their appointment, each Member shall sign an acknowledgement and undertaking to be bound by the code of ethics for Disciplinary Committee Members then in effect.

2023.05.02, [2026.03.12](#)

Article 4.601 Secretary

- (a) The Bourse Self-Regulatory Oversight Committee shall appoint the Secretary and may appoint any number of assistant secretaries. An assistant secretary may perform any function of the Secretary if the latter is unable or unwilling to do so. The Secretary and each assistant secretary shall remain in office until their resignation, removal or death.

- (b) The Secretary:
- (i) selects Members for each Disciplinary Committee and Review Committee;
 - (ii) schedules and arranges each hearing and pre-hearing conference;
 - (iii) transmits documents to Members and the Parties;
 - (iv) maintains a record and minutes of each hearing and pre-hearing conference;
 - (v) transmits written decisions and reasons to the Parties;
 - (vi) receives and processes applications for ~~appeal to the Bourse Self-Regulatory Oversight~~ review to the Review Committee under Article 4.900; and
 - (vii) performs any other duties assigned to the Secretary in these Rules or otherwise determined by a Disciplinary Committee, a Review Committee or the Bourse Self-Regulatory Oversight Committee.

2023.05.02, 2026.03.12

Article 4.602 Conflict of interest

- (a) An individual is ineligible to act as a Member if the individual:
- (i) is or has been, in the three years preceding the date of the relevant Notice of Proceedings, a director, officer or partner of either the Bourse or of the Respondent (if the Respondent is not an individual), or any of their affiliated corporations or entities;
 - (ii) has an Immediate Family Member who is or has been, in the three years preceding the date of the relevant Notice of Proceedings, a director, officer or partner of either the Bourse or any of its affiliated corporations or subsidiaries, or of a Respondent (if the Respondent is not an individual) or any of ~~its~~their affiliated corporations or subsidiaries;
 - (iii) receives a consulting, advisory or other compensatory fee from the Bourse or any Respondent, other than as remuneration as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee, or the receipt of fixed amounts of deferred compensation for prior service with the Bourse or the Respondent that is not contingent on continued service;

- (iv) is, with respect to any Respondent or any employee of the Regulatory Division, in one of the situations described at Articles 202 or 203 of the Code of Civil Procedure (with the necessary modifications); or
 - (v) has or had another relationship to a Party, or is in any other situation, that may create a reasonable apprehension of bias.
- (b) An individual who is selected for a Disciplinary Committee despite knowing that they are in one of the aforementioned situations shall decline the selection, advising the Secretary of the reasons therefor. A Member who enters, or learns that he is in, one of the aforementioned situations after accepting to sit on a Disciplinary Committee shall immediately notify the Secretary, who shall in turn notify the Bourse Self-Regulatory Oversight Committee. The Secretary shall also immediately notify the Bourse Self-Regulatory Oversight Committee if he or she is advised by any other Person that a Member is in one of the aforementioned situations.
- (c) The Bourse Self-Regulatory Oversight Committee shall promptly consider the matter and determine whether to remove the Member (in which case it shall proceed as described in accordance with Article 4.603).

2023.05.02, [2026.03.12](#)

Article 4.603 Inability to Act

- (a) Where, prior to a hearing being commenced, one or more Members are unable to act, the Secretary shall identify an equal number of new Members in accordance with the procedure and composition requirements set forth at Article 4.600.
- (b) Where, after a hearing has commenced, one of the Members is unable to act, the two remaining Members may validly proceed with the hearing and render a decision on the conviction and the sanction, provided that all of the Parties consent. Failing such consent, the Disciplinary Committee shall be dissolved and a new hearing shall be held before a new Disciplinary Committee to be constituted by the Secretary in accordance with the procedure and composition requirements set forth at Article 4.600.
- (c) Where, after a hearing has commenced, more than one Member is unable to act, the Disciplinary Committee shall be dissolved and a new hearing shall be held before a new Disciplinary Committee to be constituted by the Secretary in accordance with the procedure and composition requirements set forth at Article 4.600.

2022.02.18, [2026.03.12](#)

Chapter H—Minor Violations

Article 4.700—Fine for Minor Violation

- ~~(a) — The President, Regulatory Division may, in accordance with the procedure provided in Articles 4.702 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 \$5,000 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 Derivative Instruments (Article 6.500 (a));~~
 - ~~(ii) Exceeding position limits (Article 6.310);~~
 - ~~(iii) Non-compliance with the time of market exposure (Article 6.205);~~
 - ~~(iv) Failure to send a notice of non-compliance or a notice of exceeding position limits, within the prescribed time (Articles 3.105 and 6.500 (j));~~
 - ~~(v) Prohibited use of the "hidden volume" functionality (Article 6.204);~~
 - ~~(vi) Granting unapproved access to the Electronic Trading System (Articles 3.4 (a) and 3.400).~~
- ~~(b) — The President, 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 4.2 (c).~~
- ~~(c) — imposing a fine for a minor violation included in the List of Fines for Minor Violations in accordance with paragraphs a) and b) the President, Regulatory Division, may choose to file a complaint in accordance with the procedure provided under Chapter C, Part 4 of the Rules.~~

2023.05.02

Article 4.701—Notice of Minor Violation

- ~~(a) — Before imposing a fine, the President, 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 President, 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 4.702 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.~~

2023.05.02

~~Article 4.702 — Observations or Contestation~~

- ~~(a) Once a notice of minor violation has been served, the Approved Participant or the Approved Person may, within 20 Business Days:
 - ~~(i) Submit observations in writing to the President, Regulatory Division. These observations must admit or deny the facts; or~~
 - ~~(ii) Contest the notice of minor violation by notifying the President, Regulatory Division of their desire for the matter to be heard by a Disciplinary Committee in accordance with Chapter G, which notice must be accompanied by a reply as described in Article 4.203. In this instance, the notice of minor violation is deemed a complaint under Article 4.200.~~~~
- ~~(b) A defense of due diligence is neither allowed nor receivable in connection with the process to impose a fine for a minor violation.~~
- ~~(c) 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.~~

2023.05.02

Article 4.703 — Notice of Fine for Minor Violation

- (a) — Upon expiry of the deadline provided for in Article 4.702, and after having considered the observations of the Approved Participant or the Approved Person, if any, the President, 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 the Approved Person.
- (b) — The fine for minor violation imposed against the Approved Participant or the Approved Person is payable within the 10 Business Days following service of the notice of fine for minor violation.

2023.05.02

Article 4.704 — Publication of Information Regarding Fines Imposed for Minor Violations

The Regulatory Division will make information publicly available on the website of the Bourse, 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.

2022.02.18

Chapter H — Remediation

Article 4.700 Remediation Process

- (a) When the Regulatory Division concludes to a possible contravention of the Regulations of the Bourse, it may initiate a remediation process with the Regulated Person for the purpose of entering into an agreement in accordance with Article 4.703.
- (b) Notwithstanding the possibility of using the remediation process and at any time prior to entering into a remediation agreement or in the event of failure in the process, the President, Regulatory Division, may choose, at their discretion, to file a Disciplinary Complaint in accordance with the procedure provided under Chapter C, Part 4 of the Rules.

2023.05.02, 2026.03.12

Article 4.701 Notice of Remediation

- (a) Before initiating the remediation process, the Regulatory Division shall transmit a notice of remediation.

- (b) The notice of remediation shall:
 - (i) Be in writing;
 - (ii) Be signed by the President, Regulatory Division;
 - (iii) Contain the following items for each violation:
 - (1) the alleged violation;
 - (2) the regulatory provision or provisions related to the alleged violation;
 - (3) the date of the violation;
 - (4) a summary statement of the facts on which the violation is based;
 - (5) the delay of time provided for in Article 4.702 during which the Regulated Person must confirm compliance with the remediation undertakings;
 - (6) the sanctions that may result from the allegations.

2023.05.02, 2026.03.12

Article 4.702 Remediation Undertaking

- (a) Once a notice of remediation has been transmitted, the Regulated Person must, within 10 Business Days, confirm in writing to the President, Regulatory Division that they will comply with the following:
 - (i) An undertaking to cooperate fully with the Regulatory Division and to provide all relevant and reliable documents and information relating to the matter in question;
 - (ii) An undertaking to negotiate in good faith, with the staff of the Regulatory Division, a remediation agreement in the form prescribed in Article 4.703; and
 - (iii) An undertaking to provide written notice to the Regulatory Division as soon as possible if they wish to terminate the remediation process.

- (b) If the undertakings are not submitted within the prescribed time or are not complied with, the Regulated Person will be deemed to have terminated the remediation process.

2023.05.02, 2026.03.12

Article 4.703 Remediation Agreement

- (a) The remediation agreement must be in writing, in the form prescribed by the Regulatory Division, signed by the parties, and contain the following:
- (i) the provisions of the Regulations of the Bourse that the Regulated Person acknowledges having breached;
 - (ii) a statement of facts;
 - (iii) the corrective measures agreed upon as part of the remediation process;
 - (iv) the sanctions to be imposed and the applicable delay of time;
 - (v) the Regulated Person's consent to the remediation;
 - (vi) a provision that the Regulated Person will not make any public statement that is inconsistent with the remediation agreement;
 - (vii) a provision that the Regulatory Division will not initiate any further action against the Regulated Person in relation with the matter addressed in the remediation agreement;
 - (viii) a waiver by the Regulated Person of all rights under the Regulations of the Bourse to a hearing or to an application for review; and
 - (ix) any other provision not inconsistent with the Regulations of the Bourse that the parties agree to include in the remediation agreement.
- (b) When a remediation agreement is entered into under this Chapter:
- (i) the matter becomes final and the remediation agreement binds the parties;
 - (ii) there can be no appeal or application for review of the matter;
 - (iii) the Regulatory Division shall publish, on the website of the Bourse, information relating to the remediation agreement entered into, including the nature of the violations covered by the agreement, the sanctions imposed and any other information it deems relevant.

[2023.05.02, 2026.03.12](#)

[Article 4.704 \[REPEALED\]](#)

[\[REPEALED\]](#)

[2022.02.18, 2026.03.12](#)

Chapter I — Summary Proceedings

Article 4.800 Grounds for Summary Proceedings

- (a) Where the President, Regulatory Division determines that the methods or practices adopted by an Approved Participant or Approved Person are detrimental to the reputation of the Bourse or to the interests or welfare of the Bourse or the public, the [Bourse Regulatory Division](#) shall serve a notice of hearing on the Respondent in accordance with Article 4.802. Such methods or practices may include, without limitation:
- (i) the Approved Participant or Approved Person is convicted of a crime or of an infraction in connection with trading in Securities or Derivative Instruments or of an offence under any statute or regulation applicable to Securities or Derivative Instruments;
 - (ii) the Approved Participant or Approved Person refuses or neglects to provide Documents and information or to appear in the manner prescribed by the Regulations of the Bourse;
 - (iii) the financial or general condition of the Approved Participant or Approved Person is such that it is or may become detrimental to the reputation of the Bourse or to the interests or welfare of the Bourse or the public; or
 - (iv) the system of book or record keeping used by the Approved Participant is unsatisfactory.
- (b) The President, Regulatory Division may, pending the hearing, recommend to the Bourse Self-Regulatory Oversight Committee that it take action by way of summary proceedings in accordance with this Chapter.
- (c) The President, Regulatory Division may also recommend to the Bourse Self-Regulatory Oversight Committee that it take action by way of summary proceedings in accordance with this Chapter if:

- (i) the Approved Participant or Approved Person fails to pay on demand any assessment, fee or charge which has become due to the Bourse pursuant to the Regulations of the Bourse or its list of fees, or any other indebtedness to the Bourse, such as a fine, or the costs of a hearing, investigation or surveillance operation; or
- (ii) the Approved Participant or the Approved Person fails to meet or admits or discloses their inability to meet their liabilities or obligations to the Bourse, another Approved Participant or to the public.

2023.05.02, [2026.03.12](#)

Article 4.801 Summary Actions

- (a) Notwithstanding anything to the contrary contained in any other provision of the Regulations of the Bourse, in any of the circumstances described at subparagraph 4.800 (a), the Bourse Self-Regulatory Oversight Committee may impose without any notice, hearing or formality whatsoever, one or more of the following orders:
 - (i) the suspension of an Approved Participant or Approved Person, which may be limited to a suspension of specific rights and privileges, for a period and upon any terms and conditions determined by the Bourse Self-Regulatory Oversight Committee;
 - (ii) the amendment of the terms and conditions of a previously granted Bourse Approval;
 - (iii) the imposition of any terms and conditions that must be satisfied by a Person to continue as an Approved Participant or Approved Person, which may include, without limitation:
 - a. restricting one or more sectors of the Approved Participant's operations or;
 - b. requiring the presence of employees or representatives of the Bourse at the Approved Participant's premises for the surveillance of its trading activities on the Listed Products; or
 - c. requiring the mailing of notices to the Approved Participant's clients, the contents of which are to be specified by the Regulatory Division.

- (b) All orders imposed by the Bourse Self-Regulatory Oversight Committee under subparagraph (a) are interim orders that take effect immediately upon delivery of the notification to the Approved Participant or Approved Person and remain in force until a hearing is held, at which time any such order may be confirmed, set aside or modified.
- (c) In any of the circumstances described at paragraph 4.800 (c), the Bourse Self-Regulatory Oversight Committee may, without any notice, hearing or formality whatsoever:
 - (i) declare an Approved Participant or Approved Person a Defaulter, upon which the Approved Participant or the Approved Person shall automatically be suspended; and
 - (ii) within 10 Business Days after being declared a Defaulter, or such other period as the Bourse Self-Regulatory Oversight Committee may decide, suspend or revoke the Bourse Approval of an Approved Participant or Approved Person if the cause of such default is not remedied to the satisfaction of the Bourse Self-Regulatory Oversight Committee.
- (d) No Approved Participant shall allow a Person declared as a Defaulter to conduct any trading activities on the Bourse without the written consent of the Bourse Self-Regulatory Oversight Committee.

2023.05.02, [2026.03.12](#)

Article 4.802 Summary Proceedings Hearing

- (a) Unless the Parties agree to an extension of the period or to a waiver of the hearing, the ~~Bourse~~[Regulatory Division](#) shall, at least 10 Business Days before the hearing, serve a notice of hearing on the Respondent.
- (b) The hearing procedures applicable to a disciplinary proceeding shall, with the necessary modifications, apply to any hearing under this Part.
- (c) Upon consideration of the grounds for proceedings invoked under Article 4.800, the Disciplinary Committee may render a decision to:
 - (i) set aside or modify an interim order imposed by the Bourse Self-Regulatory Oversight Committee under Article 4.801 (b);
 - (ii) suspend an Approved Participant or Approved Person, which may be limited to a suspension of specific rights and privileges, for a period and upon any terms and conditions determined by the Disciplinary Committee;
 - (iii) revoke a Bourse Approval;

- (iv) amend of the terms and conditions of a previously granted Bourse Approval; or
- (v) impose any terms and conditions that must be satisfied by a Person to continue as an Approved Participant or Approved Person, including, without limitation:
 - a. restricting one or more sectors of the Approved Participant's operations; or
 - b. requiring the presence of employees or representatives of the Bourse at the Approved Participant's premises for the surveillance of its trading activities on the Listed Products; or
 - c. requiring the mailing of notices to the Approved Participant's clients, the contents of which are to be specified by the Regulatory Division.

2022.02.18, 2023.05.02, [2026.03.12](#)

Chapter J — ~~Appeal efore the Bourse Self-Regulatory Oversight~~ Application for Review Before the Review Committee

Article 4.900 ~~Jurisdiction of the Bourse Self-Regulatory Oversight~~ Application for Review Before the Review Committee

An ~~appeal from~~ application for review of a decision of the Regulatory Division (~~other than of a Disciplinary Committee~~) may be brought before ~~the Bourse Self-Regulatory Oversight~~ a Review Committee.

2023.05.02, [2026.03.12](#)

Article 4.901 Time to ~~Appeal~~ Apply for a Review

The ~~appeal~~ application for review must be brought within 10 Business Days of the ~~service~~ transmission of the written decision.

[2026.03.12](#)

Article 4.902 Form of the Application for Appeal Review

Any ~~appeal~~application for review of a decision referred to ~~at~~under Article 4.900 must be brought by sending a written ~~notice~~application to the Secretary and to the Chief Legal Officer of the Regulatory Division. The ~~notice~~application for review must contain ~~a brief statement of the grounds for appeal~~the claims and arguments put forward by the applicant, the conclusions sought, and any provisional or preliminary requests made by the applicant to the Review Committee.

2026.03.12

Article 4.903 Security for Costs

When the ~~appeal~~application for review appears abusive, dilatory, frivolous, or for some other special reason, the ~~Bourse Self-Regulatory Oversight~~Review Committee may, upon request or its discretion, order the appellant to furnish, within a prescribed period, Security to guarantee, in whole or in part, the payment of the costs of ~~appeal~~the review, the amount of the fine and the costs and expenses listed in Article 4.106, if the ~~appeal~~application for review is dismissed. If the ~~appellant~~applicant does not furnish Security within the ~~prescribed period, the Bourse Self-Regulatory Oversight~~period prescribed by the Review Committee, the Review Committee may dismiss the appeal.

2023.05.02, 2026.03.12

Article 4.904 Stay of Decision

~~Unless otherwise ordered by the Bourse Self-Regulatory Oversight Committee, an appeal suspends the execution of the decision of the Regulatory Division provided however, suspension of the rights of an Approved Participant or Approved Person, prohibition to obtain Bourse Approval, expulsion of an Approved Participant and revocation of Bourse Approval is executory, notwithstanding appeal, unless otherwise ordered by the Bourse Self-Regulatory Oversight Committee.~~

The application for review suspends the execution of the decision of the Regulatory Division, except for the suspension or revocation of an Approved Person, which remains executory, unless otherwise ordered by the Review Committee.

2023.05.02, 2026.03.12

Article 4.905 Basis of the Appeal Review

The ~~appeal~~application for review is argued on the basis of the file, provided however that, in exceptional circumstances and if justice so requires, the ~~Bourse Self-Regulatory Oversight~~Review Committee may authorize the presentation of additional evidence.

2023.05.02, [2026.03.12](#)

Article 4.906 Applicable Procedures

Subject to the provisions in this Chapter, the procedures applicable to a hearing before a Disciplinary Committee shall apply to any hearing ~~before the Bourse Self-Regulatory Oversight Committee~~ [to review a decision of the Regulatory Division](#), with the necessary modifications.

2023.05.02, [2026.03.12](#)

Article 4.907 ~~Disqualification~~ [Constitution of a Review Committee](#)

~~A member of the Bourse Self-Regulatory Oversight Committee who has any grounds for recusal pursuant to Article 4.602 (other than those set forth in subparagraph 4.602 (a) (i)) is not eligible to sit in appeal from a decision.~~

[Subject to the provisions of this Chapter, the rules applicable to the Disciplinary Committee under Chapter G shall apply to the Review Committee responsible for an application for review, with the necessary adaptations.](#)

2023.05.02, [2026.03.12](#)

Article 4.908 ~~Review Under the Derivatives Act~~ [\[REPEALED\]](#)

~~A Party may submit a decision of the Bourse Self-Regulatory Oversight Committee for review in accordance with the Derivatives Act (Quebec), except for an order imposed under Article 4.801.~~

[\[REPEALED\]](#)

2022.02.18, 2023.05.02, [2026.03.12](#)

APPENDIX B — CLEAN VERSION

PART 1 - GENERAL PROVISIONS AND DEFINITIONS

[...]

Chapter B — Definitions

[...]

Article 1.101 Definitions

The meanings of terms, and the corresponding term in French, are as follows:

[...]

Review Committee (Comité de Révision) means the committee constituted to review an application for review as provided for in Article 4.900.

[...]

2020.02.07, 2020.10.14, 2023.05.02, 2023.12.15, 2024.01.15, 2024.05.31, 2024.06.28, 2025.02.28, 2025.08.22, 2026.03.12

[...]

PART 4 - THE CONDUCT OF THE REGULATORY FUNCTIONS OF THE BOURSE

Chapter A — Definitions and General Provisions

Article 4.1 Definitions

The terms defined in this Chapter have the meanings, and the corresponding term in French, set out as follows for purposes of Part 4 of the Rules:

[...]

Disciplinary Complaint (Plainte Disciplinaire) means a disciplinary complaint filed by the Regulatory Division against one or more Regulated Persons.

[...]

Member (Membre) means an individual whom the Secretary has selected to sit on a Disciplinary Committee or a Review Committee under Article 4.600 and who has accepted that selection.

Notice of Proceedings (Avis de Procédure) means a notice sent by the Regulatory Division to a Respondent under Article 4.202.

Party (Partie) means, with respect to a given hearing, the Regulatory Division and each Respondent.

[...]

2026.03.12

Article 4.2 Jurisdiction

- (a) The Bourse has jurisdiction over all Regulated Persons in the conduct of its regulatory functions through the Regulatory Division.
- (b) Part 4 of the Rules sets out the powers of the Regulatory Division to carry out its functions pursuant to Article 2.101, and the rights and obligations of Regulated Persons with respect to such regulatory functions.
- (c) A person who has ceased to be a Regulated Person shall remain subject to the Bourse's jurisdiction as though they were a Regulated Person, but no proceedings shall be commenced under Part 4 of the Rules against a former Regulated Person unless a Notice of Proceedings has been served upon that former Regulated Person no later than five years from the date upon which they ceased to hold that status.

2026.03.12

[...]

Chapter B — Conduct of Regulatory Activities

Article 4.100 Request for Information

- (a) In connection with the exercise of its duties pursuant to Article 2.101, the Regulatory Division may request Documents or information, in writing or otherwise, from any Person, including a client of an Approved Participant.
- (b) The Regulatory Division can request Documents and information as follows:
 - (i) for the Regulatory Division to carry out its duties pursuant to Article 2.101 and ensuring that the supervision of the regulatory functions of the Bourse are carried out efficiently and fairly in accordance with Article 2.100;

- (ii) when the Bourse receives a request in connection with an investigation being carried out by any exchange, self-regulatory organization, securities commission or any similar authority, to the jurisdiction of which the Approved Participant is subject in any manner or with which the Bourse has entered into an agreement pursuant to Article 4.105 and subject to all applicable legislation relating to the protection of personal information; or
- (iii) as may otherwise be authorized or required by law.

00.00.0000

Article 4.101 Obligation to respond and cooperate

- (a) Regulated Persons shall provide Documents and information as requested under Article 4.100, and shall fully cooperate in the manner determined by the Regulatory Division.
- (b) All Regulated Persons shall:
 - (i) promptly, fully and truthfully cooperate with the Regulatory Division, including by replying to all requests made, submitting and allowing free access to the Regulatory Division to any Document or information;
 - (ii) give free access to and provide any Documents and information, in their possession or under their control, that the Regulatory Division may require, regardless of the nature of the medium and the form in which such information, register, data, file, documents or exhibit can be accessed;
 - (iii) provide, on demand, copies of Documents and information, in the manner and form required by the Regulatory Division, including in recorded form or electronically; and
 - (iv) for purposes of Article 4.100(b)(ii), submit the requested information directly to the requesting exchange, self-regulatory organization, securities commission or any similar authority, in the form and manner prescribed in the request.
- (c) Approved Participants must make reasonable efforts to ensure the cooperation, in connection with the exercise by the Regulatory Division of its authority under Part 4 of the Rules, of any Person over which they have any control or direction or with which they are in a business relationship, including their clients.
- (d) Compliance with the provisions of this Article shall not create any liability towards any other Approved Participant, employee of an Approved Participant, Approved Person, or client.

2026.03.12

[...]

Chapter C — Disciplinary Proceedings

Article 4.200 Disciplinary Proceedings

- (a) The Regulatory Division can initiate proceedings against a Regulated Person under Part 4 of the Rules for violation of any of the Regulations of the Bourse.
- (b) The Regulatory Division shall commence and administer a disciplinary proceeding in accordance with the provisions under this Chapter.
- (c) This provision is in addition to the powers that the Bourse may hold and choose to exercise pursuant to any powers that may be delegated by a securities commission.

2026.03.12

Sub-part 1: Proceedings

Article 4.201 Service of documents

- (a) Any document required to be served on the Regulatory Division must be addressed to the attention of the Chief Legal Officer of the Regulatory Division and delivered to the email address designated by the Regulatory Division.
- (b) Any document required to be served on any Person other than the Regulatory Division must be served by:
 - (i) delivering it directly to the Person or their legal counsel;
 - (ii) in the case of an individual, delivery to an adult person at the individual's residence, place of employment or place of business or the place of business of the party's legal counsel or agent;
 - (iii) in the case of a Person that is not an individual, delivery to a director or officer, or other person holding or exercising, or appearing to hold or exercise, managerial authority at the Person's place of business; or
 - (iv) in all cases, either :
 - a. by registered mail addressed to the Person to their last known address; or
 - b. by electronic means to the Person's last known email address;

- (v) If none of the foregoing methods are possible, the Regulatory Division may effect service by any other means that is likely to bring the document to the attention of the Person.
- (c) An affidavit signed by an employee or representative of the Regulatory Division attesting that the foregoing service requirements have been complied with is sufficient proof of service.
- (d) A Foreign Approved Participant shall ensure that the appointment of an agent for the service of process under Article 3.3 remains valid for so long as the Foreign Approved Participant maintains that status and for a period of no fewer than five years thereafter. A Foreign Approved Participant shall immediately notify the Regulatory Division of any change in their Agent for Service or the Agent for Service's contact information.
- (e) Any document required to be served on a Foreign Approved Participant may be served on the Foreign Approved Participant or on its Agent for Service.
- (f) Service made at the address of a Regulated Person or an Agent for Service (as the case may be) most recently provided for that purpose to the Chief Legal Officer of the Regulatory Division shall be deemed to be valid.

2026.03.12

Article 4.202 Notice of Proceedings

- (a) The Regulatory Division shall serve a Notice of Proceedings to any Regulated Person against whom it has initiated disciplinary proceedings in accordance with Article 4.200. The Notice of Proceedings shall include the following, as applicable:
 - (i) a reference (which may be in the form of an excerpt) to any Rule that the Regulatory Division alleges that the recipient of the Notice of Proceedings has violated, along with an indication of the URL address (Web address) where the full text of the Rules may be consulted;
 - (ii) an indication that the date, time, and location of the hearing will follow in a notice of hearing;
 - (iii) a statement to the effect that a Party at a hearing is entitled to:
 - a. represent themselves or be represented by legal counsel, as per Article 4.304(b);
 - b. a pre-hearing conference, as per Article 4.303; and
 - c. seek to negotiate a settlement with the Regulatory Division, as per Article 4.210 and following;

- (iv) a warning that failure to file a reply by the prescribed deadline may result in foreclosure from producing any evidence or witness at the hearing; and
 - (v) an indication that the evidence that will be presented at the hearing will be provided to the Respondent in accordance with the Regulations of the Bourse;
 - (vi) any other information or content that the Regulatory Division deems appropriate.
- (b) Except when a notice of hearing is being sent in connection with a summary proceeding under Chapter I, a Disciplinary Complaint shall be attached to the Notice of Proceedings and include:
 - (i) a summary statement of the facts alleged and intended to be relied upon by the Regulatory Division and the conclusions drawn by the Regulatory Division based on the alleged facts; and
 - (ii) the potential sanction(s) that may be imposed as a result of the allegations.
- (c) This provision in no way affects the Bourse's ability to exercise any powers that a competent Securities Regulator may have delegated to it.

2026.03.12

Article 4.203 Reply

- (a) A Regulated Person having received a Notice of Proceedings shall reply thereto within 20 Business Days of such receipt. The reply, which shall be signed by the Regulated Person or an individual authorized to sign on the Regulated Person's behalf, shall contain the following:
 - (i) individually, for each fact alleged in the Notice of Proceedings, an indication as to whether that fact is admitted or denied, and if denied, a summary of grounds for the denial;
 - (ii) a statement of the Person's position with regard to the conclusions drawn by the Regulatory Division in the Disciplinary Complaint and a statement of any additional facts relied on by the Person;
 - (iii) a preliminary list of the witnesses that the Person intends to call at the hearing.
- (b) A Disciplinary Committee may accept as proven each fact alleged that is neither specifically admitted nor denied, or which are denied without the grounds being specified, under paragraph (a).
- (c) Failure to file a reply by the prescribed deadline shall result in:

- (i) the Regulated Person being foreclosed from producing any witnesses or evidence at the hearing; and
 - (ii) the Regulatory Division holding a hearing without further notice.
- (d) Notwithstanding the foregoing, the Regulatory Division may halt the calculation of the deadline to reply set forth at paragraph (a) above if it determines, in its sole discretion:
 - (i) that a Regulated Person having received a Notice of Proceedings is engaged in good-faith negotiations with the Regulatory Division in view of concluding a settlement agreement; or
 - (ii) that, for reasons of procedural fairness, there exist sufficient grounds to do so with respect to any Regulated Person that has received a Notice of Proceedings.

2026.03.12

Article 4.204 Disclosure of evidence

- (a) As soon as is reasonably practicable, and no later than 20 Business Days before the commencement of the hearing, the Regulatory Division must disclose to, and make available for inspection by a Respondent any evidence in the Regulatory Division's possession or control that are relevant to the proceedings.
- (b) No later than 20 Business Days before the commencement of the hearing, each Party must, unless otherwise agreed to by the Parties or decided by the chair of the Disciplinary Committee, provide each other Party with:
 - (i) any evidence that the Party intends to produce at the hearing on the merits; and
 - (ii) a final list of all witnesses that they intend to call at the hearing.
- (c) The final list of witnesses, provided under subparagraph (b) (ii), shall include a summary of the evidence that the witness is expected to give at the hearing and in the case of an expert witness, a signed copy of the expert's report.
- (d) At a hearing, a Party may not produce any evidence or call any witnesses that were not disclosed in accordance with paragraph (b) above except with the authorization of the Disciplinary Committee.
- (e) Notwithstanding the foregoing, a written report prepared by the Regulatory Division will only be disclosed in accordance with this Article if the Regulatory Division proposes to table that report at the hearing.

2026.03.12

Sub-part 2: Settlement Agreements

Article 4.210 General Principles

- (a) The Regulatory Division may, at any time after service of a Notice of Proceedings, negotiate a settlement agreement with any or all of the Respondents. All discussions in relation with a settlement agreement are without prejudice. No part of such a discussion must be used as evidence or referred to in any proceedings whatsoever.
 - (b) A settlement agreement must be in writing, in the form prescribed by the Regulatory Division, signed by the Parties, and contain the following:
 - (i) the provisions of the Regulations of the Bourse that the Respondent acknowledges having breached;
 - (ii) a statement of the facts;
 - (iii) the disposition of the matter, including any sanction to be imposed and the amount of costs and expenses of the Regulatory Division to be paid by the Respondent;
 - (iv) the Respondent's consent to the settlement;
 - (v) a provision that the settlement agreement and its terms are confidential, unless and until it has been accepted by the Disciplinary Committee;
 - (vi) a provision that the Respondent will not make any public statement that is inconsistent with the settlement agreement;
 - (vii) a provision that the Regulatory Division will not initiate any further action against the Respondent in relation to the matter addressed in the settlement agreement;
 - (viii) a statement that the settlement must be accepted, if applicable, by the Disciplinary Committee, failing which it shall not bind the Parties involved, and the Bourse shall proceed with the hearing of the matter;
 - (ix) a waiver by the Respondent of all rights under the Regulations of the Bourse to a hearing or to an application for review; and
 - (x) any other provisions not inconsistent with the Regulations of the Bourse that the Parties agree to include in the settlement agreement.
 - (c) A settlement agreement may impose any obligations on a Respondent to which the Respondent agrees, whether or not they could be imposed by a Disciplinary Committee.
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2023.05.02, 2026.03.12

Article 4.211 Submission of Settlement Agreements

- (a) Each settlement agreement shall be submitted for acceptance to the Disciplinary Committee, which may either accept or reject it on the face of the record or following a hearing.
- (b) Notwithstanding the foregoing, a settlement agreement may be entered into by the President, Regulatory Division without submitting it to a Disciplinary Committee for acceptance when the sanction to be imposed is a reprimand, the sanction provided in subparagraph 4.400 (a) (x), a fine not exceeding \$25,000 in the aggregate, or a combination of the three.
- (c) If a settlement agreement is accepted under paragraph (a) or entered into by the President, Regulatory Division under subparagraph (b):
 - (i) the matter becomes final and the settlement agreement binds the parties ;
 - (ii) there can be no appeal or application for review of the matter;
 - (iii) as part of a settlement agreement accepted under paragraph (a), the Secretary shall distribute a copy of the decision to the Respondents, file it in the records of the Bourse and make it available to the public on the website of the Bourse;
 - (iv) the Disciplinary Committee must give written reasons supporting the decision; and
 - (v) the decision accepting the settlement agreement shall refer to the existence of any previous, rejected settlement agreement entered into between the Regulatory Division and that Respondent related to the same proceedings, without describing the reasons for which it was rejected.
- (d) If a settlement agreement is rejected, the Bourse must proceed with the hearing of the matter unless the Parties agree to negotiate a new settlement agreement. Any subsequent settlement agreement shall be submitted to a Disciplinary Committee that includes no Member who was a Member of the Disciplinary Committee that rejected the previous settlement agreement.

2022.02.18, 2023.05.02, 2026.03.12

Chapter D — Hearing

Article 4.300 General Principles

- (a) Part 4 shall be interpreted and applied to secure a fair hearing and just determination of a proceeding on its merits as well as the most expeditious and least expensive conduct of the proceeding.
- (b) No proceeding, document, decision or hearing in a proceeding is invalid by reason of a defect or other irregularity in form.
- (c) Subject to a requirement under Part 4 of the Rules, a Disciplinary Committee 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.
- (d) At the request of a Party, a Disciplinary Committee may provide for any procedural or evidentiary matter that is not provided for under Part 4 of the Rules by analogy thereto or by reference to the rules of procedure of another self-regulatory organization or professional association, or to the provisions of the *Code of Civil Procedure* (Quebec) or the *Civil Code of Québec*.
- (e) The Secretary shall be responsible for the administration of a hearing in accordance with the provisions in this Chapter and Article 4.601.

2026.03.12

Article 4.301 Notice of Hearing

- (a) When the Regulatory Division determines that a hearing is required, the Regulatory Division shall, at least 30 Business Days before the hearing, serve a notice of hearing on the Persons to whom the Notice of Proceedings was served.
- (b) The notice of hearing shall include:
 - (i) the date, time and place of the hearing; and
 - (ii) a statement requiring the Person to attend the hearing, failing which the Disciplinary Committee may proceed with the hearing of the matter in that Person's absence.

2026.03.12

Article 4.302 Public hearing

- (a) All hearings are held in public, except for those pertaining to settlement agreements and pre-hearing conferences.

- (b) Notwithstanding the foregoing, the Disciplinary Committee hearing a matter may, on its own initiative or upon request by a Party, order that a hearing be held *in camera*, in part or in whole, or prohibit the publication or disclosure of specific information or documents, in the interest of good morals or public order, particularly to preserve confidential business information or privileged communications or to preserve an individual's privacy or reputation.
- (c) The Secretary shall publish an announcement of a hearing on the website of the Bourse.

Article 4.303 Pre-hearing conference

- (a) The chair of the Disciplinary Committee may, either on their own initiative or at the request of a Party, order a pre-hearing conference. The purpose of such a conference shall be to seek agreement between the Parties on any matter related to the proceedings such that their advancement or outcome be more just, harmonious or expeditious.
- (b) The pre-hearing conference shall be chaired by the chair of the Disciplinary Committee formed to hear the matter, who may make any order related to the proceedings or the hearing to which the Parties both consent and that is not inconsistent with these Rules. The chair shall circulate the text of any such order for comment to both Parties before signing it, upon which it shall have binding effect and be filed with the Disciplinary Committee.
- (c) The Secretary shall draft minutes of the pre-hearing conference, which the chair of the Disciplinary Committee shall sign.

2026.03.12

Article 4.304 Hearing Procedure

- (a) A hearing may be held either in person or, if the chair of the Disciplinary Committee deems it more appropriate in the circumstances, by videoconference. In determining whether it is more appropriate that a hearing be held by videoconference, the chair of the Disciplinary Committee shall consider any representations made by any Party.
- (b) Each Respondent is entitled to be represented by legal counsel eligible to undertake such representation under the *Act respecting the Barreau du Québec*.
- (c) The Regulatory Division may call and question a Regulated Person who is alleged to have breached a provision of the Regulations of the Bourse, as well as any other witnesses it or another Party considers useful to have them give an account of the facts of which they have personal knowledge or produce any document relating to the matter, and that Person shall be obliged to answer all questions.

- (d) Prior to testifying before the Disciplinary Committee, an individual must make a solemn declaration to tell the truth, the whole truth and nothing but the truth.
- (e) At each hearing, the sequence of events shall be as follows:
 - (i) the Regulatory Division shall make an opening address;
 - (ii) each Respondent may make an opening address;
 - (iii) the Regulatory Division shall present its evidence and call its witnesses;
 - (iv) each Respondent may cross-examine any witness called by the Regulatory Division;
 - (v) each Respondent may present its evidence and call its witnesses;
 - (vi) the Regulatory Division may cross-examine any witness called by a Respondent;
 - (vii) the Regulatory Division shall make a closing address; and
 - (viii) each Respondent may make a closing address.
- (f) The Secretary shall draft minutes of the hearing, which the chair of the Disciplinary Committee shall sign.
- (g) The Disciplinary Committee may admit as evidence any documentary proof without a witness if the Disciplinary Committee is of the opinion that the rights of cross-examination would not be affected.

2026.03.12

Article 4.305 Failure to Appear

If a Respondent fails to appear at a hearing as specified in the notice of hearing, then with respect to that Respondent the Disciplinary Committee shall proceed with the hearing and disposition of the matter on the date and at the time and place set out in the Notice of Proceedings without further notice and in the absence of that Respondent, even if that Respondent has served a reply.

2022.02.18, 2026.03.12

Chapter E — Decision

Article 4.400 Sanctions

- (a) Upon finding a Respondent guilty of one or more offences, the Disciplinary Committee may, with respect to each offence, impose any one or more of the following sanctions or Rulings:
 - (i) a reprimand;
 - (ii) disgorgement of any amount obtained, including any loss avoided, directly or indirectly, as a result of the offence;
 - (iii) a fine not exceeding the greatest of (a) \$5,000,000, (b) four times the profit realized, or (c) four times the amounts invested in the transaction or series of transactions;
 - (iv) suspension or revocation of the Respondent's rights or privileges as an Approved Participant or Approved Person for such period and upon such conditions, including conditions of reinstatement, as the Disciplinary Committee may determine;
 - (v) a prohibition on obtaining or surrendering any approval required under these Rules for the time and upon such conditions determined by the Disciplinary Committee, including the conditions for the release of such a prohibition. The Disciplinary Committee may also impose such a prohibition on any affiliated corporations or subsidiaries of the Respondent;
 - (vi) revocation of the Respondent's Bourse Approval as an Approved Participant;
 - (vii) making restitution to any Person who has suffered a loss as a result of the Respondent's acts or omissions;
 - (viii) appointment of a monitor to exercise powers granted by the Disciplinary Committee, which may include monitoring an Approved Participant's business and affairs;
 - (ix) an obligation, for an Approved Person, to take one or more courses or to receive any other training or education deemed appropriate; or
 - (x) reimbursement in whole or in part of the costs and expenses (including professional fees) paid or incurred by the Regulatory Division in connection with the Disciplinary Complaint and the matters out of which it arose including all investigations, hearings, appeals, applications for review and other proceedings before or after the Disciplinary Complaint.

- (b) These sanctions and Rulings shall be in addition to such other action as the Bourse may take pursuant to any other provision of the Regulations of the Bourse.

2026.03.12

[...]

Article 4.402 Decision of the Disciplinary Committee

- (a) All decisions of the Disciplinary Committee must be made by majority vote of the Members and must be set forth in writing.
- (b) The Disciplinary Committee must provide written reasons supporting its decision.
- (c) The Secretary shall:
 - (i) give notice of the decision to each Respondent and to any other Persons designated by the Disciplinary Committee hearing the matter;
 - (ii) file the decision in the records of the Regulatory Division; and
 - (iii) make the decision available on the website of the Bourse (except in the case of a decision rejecting a settlement agreement).
- (d) A decision of the Disciplinary Committee takes effect immediately upon the issuance of the written decision, unless otherwise specified in that decision. Any fine, cost or other financial sanction is payable within 30 days of the date of service of the written decision imposing it.

2022.02.18, 2026.03.12

Chapter F — [REPEALED]

Article 4.500 [REPEALED]

[REPEALED]

2022.02.18, 2026.03.12

Chapter G — Disciplinary Committee

Article 4.600 Composition of Disciplinary Committee

- (a) To be eligible to sit on a Disciplinary Committee, an individual must have been approved by the Bourse Self-Regulatory Oversight Committee. The Secretary shall maintain a list of such individuals. An individual's name shall be deleted from that list upon the instructions of either the individual or the Bourse Self-Regulatory Oversight Committee.
- (b) A Disciplinary Committee shall be composed of three Members, one of whom shall be a Qualified Lawyer who shall chair the Disciplinary Committee, and two of whom shall be Industry Representatives. None of the Members may be ineligible under Article 4.602.
- (c) The Secretary shall be responsible for selecting the Members and shall inform the individuals selected in writing, who shall accept or refuse that selection within one Business Day. Upon receipt of a refusal or in the absence of a response within one Business Day, the Secretary shall promptly select another individual. Promptly after receiving acceptance from each individual selected, the Secretary shall notify the Regulatory Division and each Respondent of the composition of the Disciplinary Committee.
- (d) If it is impossible to form a Disciplinary Committee that complies with the composition requirements set forth in the preceding paragraph, the Secretary may disregard those requirements to the extent necessary to constitute the Disciplinary Committee.
- (e) The Disciplinary Committee shall remain constituted until such time as the proceedings for which it was constituted are definitely resolved and no longer susceptible to appeal or review. The deletion of the name of a Member from the list maintained under paragraph (a) above has no effect on their status as a Member of any existing Disciplinary Committee.
- (f) Upon accepting their appointment, each Member shall sign an acknowledgement and undertaking to be bound by the code of ethics for Disciplinary Committee Members then in effect.

2023.05.02, 2026.03.12

Article 4.601 Secretary

- (a) The Bourse Self-Regulatory Oversight Committee shall appoint the Secretary and may appoint any number of assistant secretaries. An assistant secretary may perform any function of the Secretary if the latter is unable or unwilling to do so. The Secretary and each assistant secretary shall remain in office until their resignation, removal or death.

- (b) The Secretary:
- (i) selects Members for each Disciplinary Committee and Review Committee;
 - (ii) schedules and arranges each hearing and pre-hearing conference;
 - (iii) transmits documents to Members and the Parties;
 - (iv) maintains a record and minutes of each hearing and pre-hearing conference;
 - (v) transmits written decisions and reasons to the Parties;
 - (vi) receives and processes applications for review to the Review Committee under Article 4.900; and
 - (vii) performs any other duties assigned to the Secretary in these Rules or otherwise determined by a Disciplinary Committee, a Review Committee or the Bourse Self-Regulatory Oversight Committee.

2023.05.02, 2026.03.12

Article 4.602 Conflict of interest

- (a) An individual is ineligible to act as a Member if the individual:
- (i) is or has been, in the three years preceding the date of the relevant Notice of Proceedings, a director, officer or partner of either the Bourse or of the Respondent (if the Respondent is not an individual), or any of their affiliated corporations or entities;
 - (ii) has an Immediate Family Member who is or has been, in the three years preceding the date of the relevant Notice of Proceedings, a director, officer or partner of either the Bourse or any of its affiliated corporations or subsidiaries, or of a Respondent (if the Respondent is not an individual) or any of their affiliated corporations or subsidiaries;
 - (iii) receives a consulting, advisory or other compensatory fee from the Bourse or any Respondent, other than as remuneration as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee, or the receipt of fixed amounts of deferred compensation for prior service with the Bourse or the Respondent that is not contingent on continued service;

- (iv) is, with respect to any Respondent or any employee of the Regulatory Division, in one of the situations described at Articles 202 or 203 of the Code of Civil Procedure (with the necessary modifications); or
 - (v) has or had another relationship to a Party, or is in any other situation, that may create a reasonable apprehension of bias.
- (b) An individual who is selected for a Disciplinary Committee despite knowing that they are in one of the aforementioned situations shall decline the selection, advising the Secretary of the reasons therefor. A Member who enters, or learns that he is in, one of the aforementioned situations after accepting to sit on a Disciplinary Committee shall immediately notify the Secretary, who shall in turn notify the Bourse Self-Regulatory Oversight Committee. The Secretary shall also immediately notify the Bourse Self-Regulatory Oversight Committee if he or she is advised by any other Person that a Member is in one of the aforementioned situations.
- (c) The Bourse Self-Regulatory Oversight Committee shall promptly consider the matter and determine whether to remove the Member (in which case it shall proceed as described in accordance with Article 4.603).

2023.05.02, 2026.03.12

Article 4.603 Inability to Act

- (a) Where, prior to a hearing being commenced, one or more Members are unable to act, the Secretary shall identify an equal number of new Members in accordance with the procedure and composition requirements set forth at Article 4.600.
- (b) Where, after a hearing has commenced, one of the Members is unable to act, the two remaining Members may validly proceed with the hearing and render a decision on the conviction and the sanction, provided that all of the Parties consent. Failing such consent, the Disciplinary Committee shall be dissolved and a new hearing shall be held before a new Disciplinary Committee to be constituted by the Secretary in accordance with the procedure and composition requirements set forth at Article 4.600.
- (c) Where, after a hearing has commenced, more than one Member is unable to act, the Disciplinary Committee shall be dissolved and a new hearing shall be held before a new Disciplinary Committee to be constituted by the Secretary in accordance with the procedure and composition requirements set forth at Article 4.600.

2022.02.18, 2026.03.12

Chapter H — Remediation

Article 4.700 Remediation Process

- (a) When the Regulatory Division concludes to a possible contravention of the Regulations of the Bourse, it may initiate a remediation process with the Regulated Person for the purpose of entering into an agreement in accordance with Article 4.703.
- (b) Notwithstanding the possibility of using the remediation process and at any time prior to entering into a remediation agreement or in the event of failure in the process, the President, Regulatory Division, may choose, at their discretion, to file a Disciplinary Complaint in accordance with the procedure provided under Chapter C, Part 4 of the Rules.

2023.05.02, 2026.03.12

Article 4.701 Notice of Remediation

- (a) Before initiating the remediation process, the Regulatory Division shall transmit a notice of remediation.
- (b) The notice of remediation shall:
 - (i) Be in writing;
 - (ii) Be signed by the President, Regulatory Division;
 - (iii) Contain the following items for each violation:
 - (1) the alleged violation;
 - (2) the regulatory provision or provisions related to the alleged violation;
 - (3) the date of the violation;
 - (4) a summary statement of the facts on which the violation is based;
 - (5) the delay of time provided for in Article 4.702 during which the Regulated Person must confirm compliance with the remediation undertakings;
 - (6) the sanctions that may result from the allegations.

2023.05.02, 2026.03.12

Article 4.702 Remediation Undertaking

- (a) Once a notice of remediation has been transmitted, the Regulated Person must, within 10 Business Days, confirm in writing to the President, Regulatory Division that they will comply with the following:
 - (i) An undertaking to cooperate fully with the Regulatory Division and to provide all relevant and reliable documents and information relating to the matter in question;
 - (ii) An undertaking to negotiate in good faith, with the staff of the Regulatory Division, a remediation agreement in the form prescribed in Article 4.703; and
 - (iii) An undertaking to provide written notice to the Regulatory Division as soon as possible if they wish to terminate the remediation process.
- (b) If the undertakings are not submitted within the prescribed time or are not complied with, the Regulated Person will be deemed to have terminated the remediation process.

2023.05.02, 2026.03.12

Article 4.703 Remediation Agreement

- (a) The remediation agreement must be in writing, in the form prescribed by the Regulatory Division, signed by the parties, and contain the following:
 - (i) the provisions of the Regulations of the Bourse that the Regulated Person acknowledges having breached;
 - (ii) a statement of facts;
 - (iii) the corrective measures agreed upon as part of the remediation process;
 - (iv) the sanctions to be imposed and the applicable delay of time;
 - (v) the Regulated Person's consent to the remediation;
 - (vi) a provision that the Regulated Person will not make any public statement that is inconsistent with the remediation agreement;
 - (vii) a provision that the Regulatory Division will not initiate any further action against the Regulated Person in relation with the matter addressed in the remediation agreement;

- (viii) a waiver by the Regulated Person of all rights under the Regulations of the Bourse to a hearing or to an application for review; and
 - (ix) any other provision not inconsistent with the Regulations of the Bourse that the parties agree to include in the remediation agreement.
- (b) When a remediation agreement is entered into under this Chapter:
- (i) the matter becomes final and the remediation agreement binds the parties;
 - (ii) there can be no appeal or application for review of the matter;
 - (iii) the Regulatory Division shall publish, on the website of the Bourse, information relating to the remediation agreement entered into, including the nature of the violations covered by the agreement, the sanctions imposed and any other information it deems relevant.

2023.05.02, 2026.03.12

Article 4.704 [REPEALED]

[REPEALED]

2022.02.18, 2026.03.12

Chapter I — Summary Proceedings

Article 4.800 Grounds for Summary Proceedings

- (a) Where the President, Regulatory Division determines that the methods or practices adopted by an Approved Participant or Approved Person are detrimental to the reputation of the Bourse or to the interests or welfare of the Bourse or the public, the Regulatory Division shall serve a notice of hearing on the Respondent in accordance with Article 4.802. Such methods or practices may include, without limitation:
- (i) the Approved Participant or Approved Person is convicted of a crime or of an infraction in connection with trading in Securities or Derivative Instruments or of an offence under any statute or regulation applicable to Securities or Derivative Instruments;
 - (ii) the Approved Participant or Approved Person refuses or neglects to provide Documents and information or to appear in the manner prescribed by the Regulations of the Bourse;

- (iii) the financial or general condition of the Approved Participant or Approved Person is such that it is or may become detrimental to the reputation of the Bourse or to the interests or welfare of the Bourse or the public; or
 - (iv) the system of book or record keeping used by the Approved Participant is unsatisfactory.
- (b) The President, Regulatory Division may, pending the hearing, recommend to the Bourse Self-Regulatory Oversight Committee that it take action by way of summary proceedings in accordance with this Chapter.
- (c) The President, Regulatory Division may also recommend to the Bourse Self-Regulatory Oversight Committee that it take action by way of summary proceedings in accordance with this Chapter if:
 - (i) the Approved Participant or Approved Person fails to pay on demand any assessment, fee or charge which has become due to the Bourse pursuant to the Regulations of the Bourse or its list of fees, or any other indebtedness to the Bourse, such as a fine, or the costs of a hearing, investigation or surveillance operation; or
 - (ii) the Approved Participant or the Approved Person fails to meet or admits or discloses their inability to meet their liabilities or obligations to the Bourse, another Approved Participant or to the public.

2023.05.02, 2026.03.12

Article 4.801 Summary Actions

- (a) Notwithstanding anything to the contrary contained in any other provision of the Regulations of the Bourse, in any of the circumstances described at subparagraph 4.800 (a), the Bourse Self-Regulatory Oversight Committee may impose without any notice, hearing or formality whatsoever, one or more of the following orders:
 - (i) the suspension of an Approved Participant or Approved Person, which may be limited to a suspension of specific rights and privileges, for a period and upon any terms and conditions determined by the Bourse Self-Regulatory Oversight Committee;
 - (ii) the amendment of the terms and conditions of a previously granted Bourse Approval;
 - (iii) the imposition of any terms and conditions that must be satisfied by a Person to continue as an Approved Participant or Approved Person, which may include, without limitation:

- a. restricting one or more sectors of the Approved Participant's operations or;
 - b. requiring the presence of employees or representatives of the Bourse at the Approved Participant's premises for the surveillance of its trading activities on the Listed Products; or
 - c. requiring the mailing of notices to the Approved Participant's clients, the contents of which are to be specified by the Regulatory Division.
- (b) All orders imposed by the Bourse Self-Regulatory Oversight Committee under subparagraph (a) are interim orders that take effect immediately upon delivery of the notification to the Approved Participant or Approved Person and remain in force until a hearing is held, at which time any such order may be confirmed, set aside or modified.
- (c) In any of the circumstances described at paragraph 4.800 (c), the Bourse Self-Regulatory Oversight Committee may, without any notice, hearing or formality whatsoever:
 - (i) declare an Approved Participant or Approved Person a Defaulter, upon which the Approved Participant or the Approved Person shall automatically be suspended; and
 - (ii) within 10 Business Days after being declared a Defaulter, or such other period as the Bourse Self-Regulatory Oversight Committee may decide, suspend or revoke the Bourse Approval of an Approved Participant or Approved Person if the cause of such default is not remedied to the satisfaction of the Bourse Self-Regulatory Oversight Committee.
- (d) No Approved Participant shall allow a Person declared as a Defaulter to conduct any trading activities on the Bourse without the written consent of the Bourse Self-Regulatory Oversight Committee.

2023.05.02, 2026.03.12

Article 4.802 Summary Proceedings Hearing

- (a) Unless the Parties agree to an extension of the period or to a waiver of the hearing, the Regulatory Division shall, at least 10 Business Days before the hearing, serve a notice of hearing on the Respondent.
- (b) The hearing procedures applicable to a disciplinary proceeding shall, with the necessary modifications, apply to any hearing under this Part.

- (c) Upon consideration of the grounds for proceedings invoked under Article 4.800, the Disciplinary Committee may render a decision to:
- (i) set aside or modify an interim order imposed by the Bourse Self-Regulatory Oversight Committee under Article 4.801 (b);
 - (ii) suspend an Approved Participant or Approved Person, which may be limited to a suspension of specific rights and privileges, for a period and upon any terms and conditions determined by the Disciplinary Committee;
 - (iii) revoke a Bourse Approval;
 - (iv) amend of the terms and conditions of a previously granted Bourse Approval; or
 - (v) impose any terms and conditions that must be satisfied by a Person to continue as an Approved Participant or Approved Person, including, without limitation:
 - a. restricting one or more sectors of the Approved Participant's operations; or
 - b. requiring the presence of employees or representatives of the Bourse at the Approved Participant's premises for the surveillance of its trading activities on the Listed Products; or
 - c. requiring the mailing of notices to the Approved Participant's clients, the contents of which are to be specified by the Regulatory Division.

2022.02.18, 2023.05.02, 2026.03.12

Chapter J — Application for Review Before the Review Committee

Article 4.900 Application for Review Before the Review Committee

An application for review of a decision of the Regulatory Division may be brought before a Review Committee.

2023.05.02, 2026.03.12

Article 4.901 Time to Apply for a Review

The application for review must be brought within 10 Business Days of the transmission of the written decision.

2026.03.12

Article 4.902 Form of the Application for Review

Any application for review of a decision referred to under Article 4.900 must be brought by sending a written application to the Secretary and to the Chief Legal Officer of the Regulatory Division. The application for review must contain the claims and arguments put forward by the applicant, the conclusions sought, and any provisional or preliminary requests made by the applicant to the Review Committee.

2026.03.12

Article 4.903 Security for Costs

When the application for review appears abusive, dilatory, frivolous, or for some other special reason, the Review Committee may, upon request or its discretion, order the appellant to furnish, within a prescribed period, Security to guarantee, in whole or in part, the payment of the costs of the review, the amount of the fine and the costs and expenses listed in Article 4.106, if the application for review is dismissed. If the applicant does not furnish Security within the period prescribed by the Review Committee, the Review Committee may dismiss the appeal.

2023.05.02, 2026.03.12

Article 4.904 Stay of Decision

The application for review suspends the execution of the decision of the Regulatory Division, except for the suspension or revocation of an Approved Person, which remains executory, unless otherwise ordered by the Review Committee.

2023.05.02, 2026.03.12

Article 4.905 Basis of the Review

The application for review is argued on the basis of the file, provided however that, in exceptional circumstances and if justice so requires, the Review Committee may authorize the presentation of additional evidence.

2023.05.02, 2026.03.12

Article 4.906 Applicable Procedures

Subject to the provisions in this Chapter, the procedures applicable to a hearing before a Disciplinary Committee shall apply to any hearing to review a decision of the Regulatory Division, with the necessary modifications.

2023.05.02, 2026.03.12

Article 4.907 Constitution of a Review Committee

Subject to the provisions of this Chapter, the rules applicable to the Disciplinary Committee under Chapter G shall apply to the Review Committee responsible for an application for review, with the necessary adaptations.

2023.05.02, 2026.03.12

Article 4.908 [REPEALED]

[REPEALED]

2022.02.18, 2023.05.02, 2026.03.12

APPENDIX C — SUMMARY OF COMMENTS AND RESPONSES

Circular 165-25 : Summarized comments and responses

INTRODUCTION OF A REMEDIATION PROCESS AND UPDATE TO THE RULES REGARDING THE CONDUCT OF REGULATORY FUNCTIONS

No.	Date comments received	Participant Category	Subject	Summary of comments	Summary of responses
1.	January 23, 2026	CIFIC	Replacing Fines for Minor Violations	The historical minor violation process under the Rules of the Bourse was not widely used by market participants, and its limited adoption in the industry highlights the need for a remediation system which is both practical and well understood by participants. CIFIC encourages continued engagement with stakeholders as the details of this new process are finalized.	The Regulatory Division takes note of the comment.
2.	January 23, 2026	CIFIC	Increasing Administrative Thresholds and Enhancing Regulatory	The investment dealers represented by the CIFIC generally support the Regulatory Division's efforts to modernize and recalibrate its regulatory	The Regulatory Division takes note of the comment and appreciates your feedback regarding the Proposal.

			Balance	<p>framework, including the proposed shift toward a remediation-based process for certain violations. The increase in the threshold for fines that may be imposed by the President of the Regulatory Division is a sensible adjustment that aligns regulatory authority with the scale and complexity of contemporary markets. This change reflects an understanding that modest administrative sanctions are often insufficient to address current compliance challenges, while higher thresholds can provide a more effective deterrent and resolution mechanism.</p>	
3.	January 23, 2026	CIFIC	Reduced Centralized Disciplinary Powers	<p>The investment dealers represented by the CIFIC welcome the fact that the Proposal seems to recalibrate the direct disciplinary powers of the President of the Regulatory Division. A less centralized enforcement authority, when paired with appropriate procedural safeguards and oversight, promotes fairness, enhances confidence in regulatory outcomes, and avoids the risks previously seen when similar powers were concentrated without sufficient checks. This was an</p>	<p>The Regulatory Division takes note of the comment and appreciates your feedback regarding the Proposal.</p>

				issue in the past where outcomes varied significantly with the incumbent. The investment dealers represented by the CIFIC believe the current proposal strikes a better balance between effective oversight and procedural fairness.	
4.	January 23, 2026	CIFIC	Operational and interpretive challenges	The CIFIC identifies potential operational and interpretive challenges for dealers that merit further clarification.	The Regulatory Division takes note of the comment. As we move forward with the remediation process, we will address these challenges insofar as they arise and we'll evaluate the necessity for the publication of further guidance.
5.	January 23, 2026	CIFIC	Conflicts of Interest and Procedural Clarity	While supportive of the Proposal in principle, the CIFIC encourages the regulators to consider potential conflicts of interest that may arise under the revised framework. Clear and robust mechanisms should be established to ensure that remediation decisions are insulated from implicit or explicit conflicts, including any situations where the Regulatory Division may have competing interests between enforcement objectives and broader exchange governance priorities (generating profits). Transparent conflict-management	The Regulatory Division takes note of the comment. In accordance with the Autorité des marchés financiers' recognition decision ¹ , the Regulatory Division has policies in place that require (i) operational measures to ensure the confidentiality of the self-regulation activities as well as their segregation and freedom from conflicts of interest with the other activities of the Bourse and the TMX Group, and (ii) the identification of situations of real, potential or perceived conflicts of interest between its self-regulatory

¹ [Decision N° 2023-PDG-0012](#)

				<p>protocols will be essential to maintaining industry trust and perceived impartiality.</p>	<p>activities and the other activities of the Bourse and the TMX Group. Furthermore, the Regulatory Division is required to submit real, potential or perceived conflicts of interest to the Self-Regulatory Oversight Committee.</p> <p>Additionally, the Regulatory Division will continue to comply with the requirements under the recognition decision concerning fines and other sums received by the Regulatory Division pursuant to remediation agreements. Any sums collected from remediation agreements must be kept in separate accounts, not be redistributed to Approved Participants and be used first to compensate for reasonable costs incurred in connection with the administration of hearings and the Self-Regulatory Advisory Committee. Any net excess must only be used, with the approval of the Self-Regulatory Oversight Committee, for prescribed purposes, such as training and research purposes or educational projects.</p> <p>Lastly, in accordance with the Bourse's policies, the principles governing its approach regarding conflict of interests include (i) providing a fair and orderly market with transparency of policies and</p>
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					<p>process, while ensuring that this objective is not overridden by any commercial interests of the Bourse; (ii) prioritizing the conduct of its regulatory functions over the commercial interests of the Bourse and (iii) ensuring that employees refrain from inappropriate influence and that all decisions align with the Bourse's regulatory framework, internal policies, and applicable legal requirements, which includes the proper management of conflicts of interest, notably those of financial nature.</p> <p>Decisions made by the President of the Regulatory Division through a remediation process must therefore remain within the limits and established framework of the conflict of interest requirements as described herein. In line with our analysis of other regulatory authorities and self-regulatory organizations, we believe the amendments strike a fair balance between effectiveness, transparency and the timely handling of violations of the Rules.</p>
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