

OSC Staff Notice 15-705 - Notice of Extension of Time for Public Comment on Proposed Enforcement Initiatives and Continuation of Public Consultation through a Policy Hearing

On October 24, 2011, staff of the Ontario Securities Commission (the "OSC" or "Commission") published OSC Staff Notice 15-704 *Request for Comments on Proposed Enforcement Initiatives* (the "Request for Comments"). Due to the level of public interest in the proposed initiatives, the deadline for submitting written comments is extended to January 16, 2012 and a policy hearing will be held by the Commission to seek additional input on the proposed initiatives, particularly the proposed No-Contest Settlement proposal.

The Proposed Enforcement Initiatives

The Request for Comments outlined new enforcement initiatives under examination by staff aimed at resolving enforcement matters more quickly and effectively. The initiatives are intended to contribute to a higher volume of protective orders made in the public interest, at the earliest opportunity, for the benefit of investors and the capital markets. They are summarized as follows:

1. **New program for explicit Non-Enforcement Action Agreement**, under which a party would explicitly not be subject to OSC enforcement action in exchange for self-reporting matters that may involve breaches of Ontario securities law or activities that would be considered contrary to the public interest, and for cooperating in an investigation.
2. **New No-Contest Settlement program**, under which a protective order could be made in the absence of a specific admission by the respondent of a breach of the *Securities Act* (Ontario).
3. **Clarified process for self-reporting** under the OSC's credit for cooperation program, to ensure that all parties are informed on how best to self-report and come forward with information.
4. **Enhanced public disclosure of credit granted for cooperation**, to provide greater certainty of potential outcome for all parties that may consider self-reporting.

Extension of Comment Period

The public comment period to provide feedback on these initiatives was originally scheduled to expire on December 20, 2011. In order to provide interested members of the public with a further opportunity to submit written comments, the **public comment period has been extended to January 16, 2012**.

All comments should be submitted to the attention of the Office of the Secretary at the OSC. As indicated in the original Notice, submissions are not confidential. Comments will be posted on the Commission website at www.osc.gov.on.ca.

Policy Hearing

As indicated above, the Commission will hold an in-person policy hearing to continue public consultation with respect to the proposed initiatives. Based on the comments received to date, it is anticipated that the policy hearing will focus on the proposed No-Contest Settlement proposal. While the policy hearing will be open to the public to attend, the format and participants will be determined in light of the comments received and the nature of the issues that could most benefit from further consultation. Further particulars respecting the policy hearing, including time and location, will be announced in early 2012.

For more information:

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