

THE ENFORCEMENT PROCESS

INFORMATION SOURCE

Information comes from internal and external sources.

INTERNAL SOURCE

Compliance, surveillance, corporate finance, market regulation, etc.



EXTERNAL SOURCE

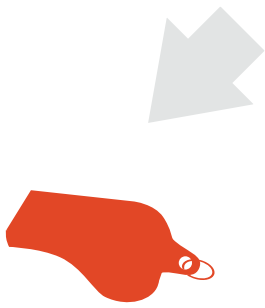
Complaints from the public, market participants or others.



CASE ASSESSMENT

The nature and seriousness of the issue are assessed in order to refer the case to the proper organization.

It may be determined at this point that no further action be taken by the Manitoba Securities Commission.



SELF-REGULATORY ORGANIZATION

Refer to Self Regulatory Organizations if the issue would be better addressed by Investment Industry Regulatory Organization of Canada or the Mutual Fund Dealers Association.



INVESTIGATION

Gather evidence and facts, including interviewing witnesses and respondents.

Review and classify documents, prepare case brief, and consult with counsel to prepare for litigation.



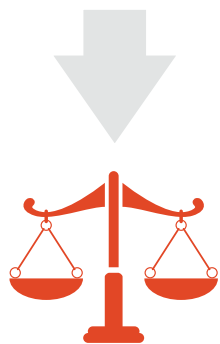
OTHER AGENCIES

Refer to RCMP, provincial or municipal police if there is evidence of criminal activity, or other appropriate regulatory agencies such as Insurance Council of Manitoba, Canada Revenue Agency or Manitoba Pension Commission.



LITIGATION

Depending on the nature of the contravention, a matter can be brought to an administrative tribunal or to a provincial court.

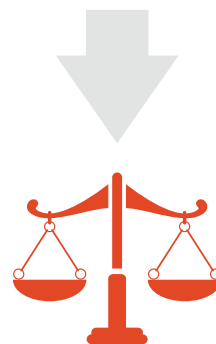


ADMINISTRATIVE TRIBUNAL

Prepare Statement of Allegations or notice of hearing.

Contested hearing or negotiated settlement.

Sanctions and orders.



PROVINCIAL COURT

(Securities laws offences)

Prepare information.
Trial or guilty plea.
Fines and/or prison.