Impose Sanctions

The AMF Enforcement Committee exercises its power to impose sanctions. How does the sanction procedure work? Who can be sanctioned?

Sanction

The law defines the procedure, the persons who may be sanctioned, the nature of sanctions and the maximum fines. It also defines the public nature of hearings and decisions. The Enforcement Committee, considered to be the AMF’s enforcement arm, is made up of 12 members, none of whom sit on the Board. It enjoys full independence from the Board when making its decisions.

Who may be sanctioned?

The Enforcement Committee may issue sanctions against professionals under AMF supervision who breach their professional obligations; individuals under the authority of these professionals or acting on their behalf; any other person that commits market abuse or any other breach that could impair investor protection or interfere with orderly markets.

What kinds of sanction may be issued?

The applicable sanctions vary depending on the type of respondent and offence. If the sanction is a fine, it is paid to the Treasury or the guarantee fund to which the professional
Enforcement Committee Procedure and Hearings

OPENING OF SANCTION PROCEEDINGS BY THE AMF BOARD

After reviewing inspection and investigation reports, the AMF Board decides whether or not to open sanction proceedings.

The Chairman informs the person concerned of the allegations against him/her.

Respondents may be assisted or represented by a counsel that they may choose.

They will have two months to submit their observations to the Chairman of the Enforcement Committee.

EXAMINATION OF THE CASE BY THE ENFORCEMENT COMMITTEE’S RAPPORTEUR

The Chairman of the Enforcement Committee appoints a committee member to act as rapporteur for the case.
The rapporteur may interview the respondent, the Board representative or any other person that may be deemed necessary.

The rapporteur may refer the matter to the Board.

The rapporteur’s report is sent to the respondent as well as the representative of the Board, both of whom are entitled to make their observations.

The respondent is then ordered to appear before the Enforcement Committee.

**DECISION OF THE ENFORCEMENT COMMITTEE**

Enforcement Committee hearings are adversarial. The rapporteur presents his/her report. The Board representative explains the objections that have been served and proposes a financial penalty and/or disciplinary sanction. At the end of the hearing, the respondents, and if necessary their counsel present their defence.

Hearings usually take place on the AMF’s premises. Hearings are announced on the AMF website.

The respondents may be accompanied by their counsel.

Enforcement Committee hearings are held in public, unless the chair of the committee decides otherwise.
When the hearings are over, the Enforcement Committee rules on the case. Only its members, with the exception of the rapporteur, take part in the deliberations. Decisions are taken by majority vote.

Decisions are made public.
Decisions may be appealed.

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