§ 78ff. Penalties

(a) Willful violations; false and misleading statements

Any person who willfully violates any provision of this chapter (other than section 78dd–1 of this title), or any rule or regulation thereunder the violation of which is made unlawful or the observance of which is required under the terms of this chapter, or any person who willfully and knowingly makes, or causes to be made, any statement in any application, report, or document required to be filed under this chapter or any rule or regulation thereunder or any undertaking contained in a registration statement as provided in section 78a of this title in connection with an application for membership or participation therein or to become associated with a member thereof which statement was false or misleading with respect to any material fact, shall upon conviction be fined not more than $5,000,000, or imprisoned not more than 20 years, or both, except that when such person is a person other than a natural person, a fine not exceeding $25,000,000 may be imposed; but no person shall be subject to imprisonment under this section for the violation of any rule or regulation if he proves that he had no knowledge of such rule or regulation.

(b) Failure to file information, documents, or reports

Any issuer which fails to file information, documents, or reports required to be filed under subsection (d) of section 78o of this title or any rule or regulation thereunder shall forfeit to the United States the sum of $100 for each and every day such failure to file shall continue. Such forfeiture, which shall be in lieu of any criminal penalty for such failure to file which might be deemed to arise under subsection (a) of this section, shall be payable into the Treasury of the United States and shall be recoverable in a civil suit in the name of the United States.

(c) Violations by issuers, officers, directors, stockholders, employees, or agents of issuers

(1)(A) Any issuer that violates subsection (a) or (g) of section 78d–1 of this title shall be fined not more than $2,000,000.

(B) Any issuer that violates subsection (a) or (g) of section 78d–1 of this title shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Commission.

(2)(A) Any officer, director, employee, or agent of an issuer, or stockholder acting on behalf of such issuer, who willfully violates subsection (a) or (g) of section 78d–1 of this title shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

(B) Any officer, director, employee, or agent of an issuer, or stockholder acting on behalf of such issuer, who violates subsection (a) or (g) of section 78d–1 of this title shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Commission.

(3) Whenever a fine is imposed under paragraph (2) upon any officer, director, employee, agent, or stockholder of an issuer, such fine may not be paid, directly or indirectly, by such issuer.

(4) Whenever a fine is imposed under paragraph (2) or (3) of this subsection upon any officer, director, stockholder, employee, or agent of an issuer, such fine shall not be paid, directly or indirectly, by such issuer.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “‘this title’.” See References in Text note set out under section 78a of this title.

AMENDMENTS

2002—Subsec. (a). Pub. L. 107–204 substituted “$5,000,000, or imprisoned not more than 20 years” for “$1,000,000, or imprisoned not more than 10 years” and “$25,000,000” for “$2,500,000”.

1998—Subsec. (c)(1). Pub. L. 105–366, § 2(d)(1), (2), substituted “subsection (a) or (g) of section 78d–1” for “section 78dd–1(a)” in subpars. (A) and (B).

Subsec. (c)(2). Pub. L. 105–366, § 2(d)(3), amended par. (2) generally. Prior to amendment, par. (2) read as follows:

“(2)(A) Any officer or director of an issuer, or stockholder acting on behalf of such issuer, who willfully violates section 78dd–1(a) of this title shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

(B) Any employee or agent of an issuer who is a United States citizen, national, or resident or is otherwise subject to the jurisdiction of the United States (other than an officer, director, or stockholder acting on behalf of such issuer), and who willfully violates section 78dd–1(a) of this title, shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

(C) Any officer, director, employee, or agent of an issuer, or stockholder acting on behalf of such issuer, who violates section 78dd–1(a) of this title shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Commission.”

1988—Subsec. (a). Pub. L. 100–704 substituted “$3,000,000” for “$1,000,000”, “10 years” for “five years”, “is a person other than a natural person” for “is an exchange”, and “$5,000,000” for “$500,000”.

Subsec. (c). Pub. L. 100–418 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows:

“(1) Any issuer which violates section 78d–1(a) of this title shall, upon conviction, be fined not more than $1,000,000.

“(2) Any officer or director of an issuer, or any stockholder acting on behalf of such issuer, who willfully violates section 78d–1(a) of this title shall, upon conviction, be fined not more than $10,000, or imprisoned not more than five years, or both.

“(3) Whenever an issuer is found to have violated section 78d–1(a) of this title, any employee or agent of such issuer who is a United States citizen, national, or resident or is otherwise subject to the jurisdiction of the United States (other than an officer, director, or stockholder of such issuer), and who willfully carried out the act or practice constituting such violation shall, upon conviction, be fined not more than $10,000, or imprisoned not more than five years, or both.

“(4) Wherever a fine is imposed under paragraph (2) or (3) of this subsection upon any officer, director, stockholder, employee, or agent of an issuer, such fine shall not be paid, directly or indirectly, by such issuer.

1984—Subsec. (a). Pub. L. 98–376 substituted “$100,000” for “$10,000”.

1977—Subsec. (a). Pub. L. 95–213, § 103(b)(1), inserted “‘other than section 78dd–1 of this title’” after “Any
§ 78gg. Separability

If any provision of this chapter, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the chapter and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

(June 6, 1934, ch. 404, title I, § 33, 48 Stat. 905.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act". See References in Text note set out under section 78a of this title.

§ 78hh. Effective date

This chapter shall become effective on September 1, 1934, except that sections 78f and 78(b to e) of this title shall become effective on September 1, 1934; and sections 78c, 78g, 78h, 78i(a)(6), 78j, 78k, 78l(a), 78m, 78n, 78o, 78p, 78q, 78r, 78s, and 78dd of this title shall become effective on October 1, 1934.

(June 6, 1934, ch. 404, title I, § 34, 48 Stat. 905.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "This Act". See References in Text note set out under section 78a of this title.

§ 78hh–1. Effective date of certain sections

This Act shall become effective on May 27, 1936, except that clause (2) of subsection (f) of section 78f of this title, and subsections (a) and (d) of section 78o of this title, shall become effective ninety days after May 27, 1936, and that clause (3) of subsection (f) of section 78f of this title shall become effective six months after May 27, 1936.

(May 27, 1936, ch. 462, § 12, 49 Stat. 1380.)

REFERENCES IN TEXT

This Act, referred to in text, is act May 27, 1936, ch. 462, 49 Stat. 1375, popularly known as the Unlisted Securities Trading Act, which enacted sections 78g–1, 78o–1, 78r–2, and 78hh–1 of this title, and amended sections 78i, 78j, 78k, 78l, 78m, 78n, 78o, 78p, and 78f of this title.

 CODIFICATION

Section was not enacted as a part of the Securities Exchange Act of 1934 which comprises this chapter.

§ 78ii. Omitted

CODIFICATION


Section, act June 6, 1934, ch. 404, title II, § 211, 48 Stat. 909, provided for a study and report by Securities and Exchange Commission of reorganization proceedings. Study as basis for Trust Indenture Act of 1989, see section 77bbb of this title.

§ 78kk. Authorization of appropriations

In addition to any other funds authorized to be appropriated to the Commission, there are authorized to be appropriated to carry out the functions, powers, and duties of the Commission:

(1) for fiscal year 2011, $1,300,000,000;
(2) for fiscal year 2012, $1,500,000,000;
(3) for fiscal year 2013, $1,750,000,000;
(4) for fiscal year 2014, $2,000,000,000; and
(5) for fiscal year 2015, $2,250,000,000.


CODIFICATION

Pub. L. 94–29, which directed amendment of the Securities Exchange Act of 1934 by adding this section at