§ 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 subsection (d) of section 78o of this title or any rule or regulation thereunder 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 78dd–1 of this title shall be fined not more than $2,000,000.

(B) Any issuer that violates subsection (a) or (g) of section 78dd–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 78dd–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 section 78dd–1(a) of this title shall, upon conviction, be fined not more than $100,000, or imprisoned not more than 5 years, or both.

(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) upon an officer, director, employee, agent, or stockholder of an issuer, such fine may not be paid, directly or indirectly, by such issuer.

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

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person who willfully violates any provision of this chapter.”


1975—Subsec. (a). Pub. L. 94–29, §23(1), 27(b), inserted “or by any self-regulatory organization in connection with an application for membership or participation therein or to become associated with a member thereof,” and substituted “or imprisoned not more than five years” for “or imprisoned not more than two years”.

Subsec. (c). Pub. L. 94–29, §23(2), struck out subsec. (c) which rendered this section inapplicable to violations of any rule or regulation prescribed pursuant to paragraph (3) of subsection (c) of section 78o of this title.

1964—Subsec. (b). Pub. L. 88–467 substituted “required to be filed under” for “pursuant to an undertaking contained in a registration statement as provided in” and inserted “or any rule or regulation thereunder” after “section 78o of this title.”


1936—Subsec. (a). Act May 27, 1936, inserted “or any undertaking contained in a registration statement as provided in subsection (d) of section 78o of this title”.

Subsec. (b). Act May 27, 1936, added subsec. (b).

**Effective Date of 1968 Amendment**

Amendment by Pub. L. 100–704 not applicable to actions occurring before Nov. 19, 1968, see section 9 of Pub. L. 100–704, set out as a note under section 78o of this title.

**Effective Date of 1981 Amendment**


**Effective Date of 1975 Amendment**

Amendment by Pub. L. 94–29 effective June 4, 1975, see section 31(a) of Pub. L. 94–29, set out as a note under section 78o of this title.

**Effective Date of 1964 Amendment**


§ 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 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 78l–1, 78o–1, 78s–2, and 78hh–1 of this title, and amended sections 78l, 78o, 78r, 78t, 78u, 78w, 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 1939, 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, $3,300,000,000;
(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...