

**Routing**

- Legal & Compliance
- Senior Management
- Supervisory Principals
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The Regulatory & Compliance Update is published by Renaissance Regulatory Services for its clients' legal, compliance, senior management, and supervisory personnel.

This memorandum is distributed to RRS clients at no charge and includes "hot topics" of focus by regulators and of interest to compliance professionals. The document is intended to provide reminders of regulatory matters that were released or issued during the previous month.

The information contained in this publication was compiled from various regulatory releases and is believed to be true and correct as of the date of distribution. Many regulatory issues are subject to interpretations that can change as industry rules and regulations change, and as compliance issues evolve. Readers are cautioned to consider their individual situations and are encouraged to contact RRS staff for guidance on any issues. The information is not intended as legal or accounting advice, which can only be provided by a duly qualified attorney or certified public accountant.

**Hot Topics**

EVENTS

- **DEADLINE:** FOCUS Filing Due November 23<sup>rd</sup>, 2010
- **FINRA:** Advertising Regulation Conference, November 9–10, 2010, Washington, DC.
- **SEC/ FINRA:** Annual CCO Outreach BD National Seminar, February 8, 2011, Washington, DC.
- **MSRBB:** Outreach Seminar, November 2, 2010, New York & December 6, 2010, Chicago ([Link](#))

NOTABLE ITEMS IN THIS EDITION

- **SEC** – Seeks Public Comment on Asset-Backed Securities Rule Proposal Under Dodd-Frank Act – Page 2
- **SEC** – Halts Web-Based Scheme Defrauding Deaf Investors – Page 2
- **SEC** – Proposes New Family Office Definition Under Dodd-Frank Act – Page 2
- **SEC** – Proposes Rules to Require Issuer Review of Assets Underlying Asset-Backed Securities – Page 2
- **SEC/FINRA** – Announce 2011 National Seminar for Broker-Dealer CCOs – Page 2
- **FINRA** – Supplemental FOCUS Filing Requirement Applicable to Certain Joint Broker-Dealers/Futures Commission Merchants – Page 4
- **FINRA** – Amendments to FINRA Trade Reporting and OATS Rules to Reinstitute Short Sale Exempt Marking and to Require Price and Short Exempt Identifier on Route Report – Page 4
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- **NASAA** – Identifies Top Broker-Dealer Compliance Deficiencies – Page 5
- **NASAA** – Announces Continuation of IARD System Fee Waiver – Page 5

**Service Spotlight: Supervisory Controls**

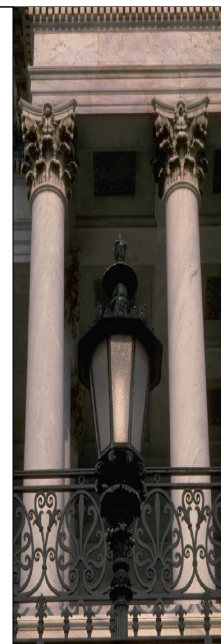
RRS provides a full range of services to help keep your Firm's written supervisory policies and procedures up to date, including:

- Policy and procedure gap analysis
- Review and assessment of supervisory structure
- Comprehensive risk assessment
- Periodic updates
- Compliance with Conduct Rule 3010 and related FINRA/NASD notices
- Compliance program testing
- Training on new rules

With former SEC, FINRA and State examiners, RRS can provide a customized solution to meet your regulatory and compliance needs. For more information or to request a proposal, contact your account representative or call us at (561) 368-2245.

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## **SEC**

### **SEC Seeks Public Comment on Asset-Backed Securities Rule Proposal Under Dodd-Frank Act**

The SEC is seeking public comment on proposed regulations to require issuers of asset-backed securities (ABS) — and credit rating agencies that rate ABS — to provide investors with new disclosures about representations, warranties, and enforcement mechanisms. ([Link](#))

### **SEC Halts Web-Based Scheme Defrauding Deaf Investors**

The SEC has charged an Internet-based investment company with securities fraud for soliciting several million dollars from U.S. investors and promising them guaranteed returns of 1.2 percent per day while in reality siphoning the funds into foreign bank accounts and not paying a single penny back to investors. ([Link](#))

### **SEC Proposes New Family Office Definition Under Dodd-Frank Act**

The SEC proposed a new rule, based on requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act, that would help those managing their own family's financial portfolios determine whether their "family offices" can continue to be excluded from the Investment Advisers Act of 1940. ([Link](#))

### **SEC Proposes Rules to Require Issuer Review of Assets Underlying Asset-Backed Securities**

The SEC issued a proposal to enhance disclosure to investors in the asset-backed securities market. ([Link](#))

### **SEC, FINRA Announce 2011 National Seminar for Broker-Dealer CCOs**

The SEC and FINRA announced that the annual CCO Outreach BD National Seminar will be held on Feb. 8, 2011, at the SEC's Washington, D.C., headquarters. ([Link](#))

### **SEC Wins Fraud Trial Against Miami-Based Investment Companies and Their Owners**

The SEC announced that a federal judge has ruled in the SEC's favor in a trial against two Miami-based companies and three owners charged with fraudulently siphoning investor money through exorbitant, undisclosed commissions and fees in the sale of mutual funds. ([Link](#))

### **SEC to Hold Small Business Capital Formation Forum**

The SEC announced that it will hold its annual forum on small business capital formation on November 18 at its Washington, D.C., headquarters. ([Link](#))

### **Heather Seidel Named Associate Director in Division of Trading and Markets**

The SEC announced that Heather Seidel has been named an Associate Director in the Division of Trading and Markets. ([Link](#))

### **SEC Charges Purported Real Estate Business and Owner for Conducting Ponzi Scheme**

The SEC charged a Chicago-area company and its owner for perpetrating a Ponzi scheme in which they promised investors extraordinary returns generated from a purportedly successful real estate business. ([Link](#))

### **SEC Charges Internationally Syndicated Radio Show Host With Securities Fraud Scheme**

The SEC charged a talk radio show host and two other executives at a Monterey, Calif.-based firm with misappropriating \$2.5 million of approximately \$7 million they raised through the fraudulent sale of interests in two real estate investment funds. ([Link](#))

### **SEC Charges Penny Stock Promoters in Series of Kickback Schemes**

The SEC charged more than a dozen penny stock promoters and their companies with securities fraud for their roles in various illicit kickback schemes to manipulate the volume and price of microcap stocks and illegally generate stock sales. One of the schemes was perpetrated by an actor who starred as a police officer on the long-running television show CHiPs. ([Link](#))

### **Karen Garnett and Mark Kronforst Named Associate Directors in SEC Division of Corporation Finance**

The SEC announced that Karen Garnett and Mark Kronforst have been named Associate Directors in the Division of Corporation Finance. In their new positions, Ms. Garnett and Mr. Kronforst will join Associate Directors Paul Belvin, Jim Daly and Barry Summer in overseeing the Division's full disclosure program under the leadership of Shelley Parratt, the Deputy Director of Disclosure Operations. ([Link](#))

### ***Broker-dealer Compliance Support***

RRS' regulatory and compliance consulting and support solutions for broker-dealers' includes:

- SEC/FINRA compliance examinations
- AML program development and reviews
- Annual compliance meetings
- Written supervisory policies and procedures
- Regulatory mandates
- Compliance programs and training
- Code of ethics

For more information contact John Pinto at (202) 463-6575 or [JohnPinto@RRSCompliance.com](mailto:JohnPinto@RRSCompliance.com)

**SEC Proposes Rules to Mitigate Conflicts of Interest Involving Security-Based Swaps**

The SEC proposed rules intended to mitigate conflicts of interest for security-based swap clearing agencies, security-based swap execution facilities, and national securities exchanges that post security-based swaps or make them available for trading. ([Link](#))

**SEC Adopts Interim Rule to Require Reporting of Security-Based Swaps**

The SEC adopted an interim rule that requires certain swaps dealers and other parties to report any security-based swaps entered into prior to the July 21 passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act. This rule applies only to such swaps whose terms had not expired as of July 21. ([Link](#))

**SEC Warns of Potential Investment Scams Targeting Recipients of BP Oil Spill Payouts**

The SEC is alerting individuals and small businesses about potential investment frauds targeting those who receive lump sum payouts from BP due to the oil spill in the Gulf. ([Link](#))

**James Capezuto Named Associate Regional Director for Examinations in SEC New York Regional Office**

The SEC announced the selection of James A. Capezuto as Associate Regional Director for Examinations in the agency's New York Regional Office. ([Link](#))

**SEC Charges Two Florida-Based Fund Managers With Facilitating Petters Ponzi Scheme**

The SEC charged two Florida-based hedge fund managers and their firms with fraudulently funneling more than a billion dollars of investor money into a Ponzi scheme operated by Minnesota businessman Thomas Petters. ([Link](#))

**SEC, CFTC Staffs to Host Joint Public Roundtable to Discuss Issues Related to Clearing of Credit Default Swaps**

The SEC and Commodity Futures Trading Commission staffs held a public roundtable and discussed issues related to the clearing of credit default swaps. ([Link](#))

**Former Countrywide CEO Angelo Mozilo to Pay SEC's Largest-Ever Financial Penalty Against a Public Company's Senior Executive**

The SEC announced that former Countrywide Financial CEO Angelo Mozilo will pay a record \$22.5 million penalty to settle SEC charges that he and two other former Countrywide executives misled investors as the subprime mortgage crisis emerged. The settlement also permanently bars Mozilo from ever again serving as an officer or director of a publicly traded company. ([Link](#))

**SEC Proposes Rules on "Say on Pay" and Proxy Vote Reporting**

The SEC proposed rules that would enable shareholders to cast advisory votes on executive compensation and "golden parachute" arrangements. The rules are called for by Section 951 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. ([Link](#))

**SEC Charges Georgia-Based Hedge Fund Managers With Fraud in Valuing a "Side Pocket" and Theft of Investor Assets**

The SEC charged two hedge fund portfolio managers and their investment advisory businesses with defrauding investors in the Palisades Master Fund, L.P. by overvaluing illiquid fund assets they placed in a "side pocket." The SEC alleges that the hedge fund managers also stole investor money to pay for their own personal investments and made material misrepresentations in connection with a private securities transaction. ([Link](#))

**SEC Charges Office Depot and Company Executives With Improper Disclosures to Analysts**

The SEC announced enforcement actions against Office Depot, Inc. and two executives for violating or causing violations of fair disclosure regulations when selectively conveying to analysts and institutional investors that the company would not meet analysts' earnings estimates. The SEC also charged Office Depot with unrelated accounting violations. ([Link](#))

**Former San Diego Officials Agree to Pay Financial Penalties in Municipal Bond Fraud Case**

The SEC announced that four former San Diego officials have agreed to pay financial penalties for their roles in misleading investors in municipal bonds about the city's fiscal problems related to its pension and retiree health care obligations. ([Link](#))

**SEC Charges Massachusetts-Based Forex Traders and Their Firm With Fraud**

The SEC charged two foreign currency traders and their Boston-based company with operating a fraudulent scheme in which they sent investors misleading account statements while stealing their funds and incurring major trading losses. ([Link](#))

**Joint CFTC-SEC Advisory Committee on Emerging Regulatory Issues to Meet November 5**

The SEC and the Commodity Futures Trading Commission (CFTC) held a public meeting of the Joint CFTC-SEC Advisory Committee on Emerging Regulatory Issues on November 5. ([Link](#))

**SEC Staff Publishes Progress Report on Work Plan for Global Accounting Standards**

The SEC's Office of the Chief Accountant and Division of Corporation Finance published their [first progress report](#) on the Work Plan related to global accounting standards. ([Link](#))

**SEC Halts Offering Fraud by Chicago-Based Firms**

The SEC obtained an emergency court order freezing the assets of two Chicago-based financial firms that were conducting a fraudulent offering of promissory notes. ([Link](#))

**SEC Final Rules**

Delegation of Authority to the Director of the Division of Trading and Markets ([Link](#))

Technical Amendments to Forms N-CSR and N-SAR in Connection with the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 ([Link](#))

Indexed Annuities ([Link](#))

***“Find it – Before the Regulators”***

The staff at RRS are continually striving to ensure that the services and support we provide to our clients are the most up to date and comprehensive available. Frequently we are able to forecast regulatory trends based on the information our clients provide to us regarding new products, services or marketing trends. This “Find it – Before the Regulators” insight enables us to develop customized compliance solutions so that our clients can address any potential regulatory deficiencies before the regulators do.

For more information contact us at (561) 368-2245.

**FINRA****October 2010 Notices**

*The following Notices* discuss FINRA rules including notices of recently approved rules and amendments, proposed rules on which FINRA is soliciting comment, and interpretations and guidance relating to existing rules. Notices may also address rules of the SEC or other regulatory agencies.

**Regulatory Notices**

**10-45** SEC Approval and Effective Date for New Consolidated FINRA Rules Regarding Margin Requirements, Daily Record of Required Margin, and Extension of Time Requests

**10-46** Supplemental FOCUS Filing Requirement Applicable to Certain Joint Broker-Dealers/Futures Commission Merchants

**10-47** SEC Approves Consolidated FINRA Rule on the Sale of Securities in a Fixed Price Offering

**10-48** Amendments to FINRA Trade Reporting and OATS Rules to Reinstitute Short Sale Exempt Marking and to Require Price and Short Exempt Identifier on Route Reports

**10-49** SEC Approval and Effective Date for New Consolidated FINRA Rules

**10-50** Securities Industry/Regulatory Council on Continuing Education Issues Firm Element Advisory Update

**10-51** Sales Practice Obligations for Commodity Futures-Linked Securities

**10-52** Application of Rules on Communications With the Public and Institutional Sales Material and Correspondence to Certain Free Writing Prospectuses

**10-53** Margin Requirements for Exempted Securities Mutual Funds and Exempted Securities ETFs

**10-54** FINRA Requests Comment on Concept Proposal to Require a Disclosure Statement for Retail Investors at or Before Commencing a Business Relationship

**Election Notices**

**10/21/2010** Notice of SFAB Election and Ballots

**Information Notices**

**10/8/2010** Extension of Current Rate for Fees Paid Under Section 31 of the Exchange Act

**10/15/2010** Continuing Education Planning

**October 2010 Disciplinary and Other FINRA Actions**

FINRA has taken disciplinary actions against the firms and individuals for violations of FINRA rules. ([Link](#))

**FINRA Orders Ferris, Baker Watts to Pay Nearly \$700,000 for Inappropriate Sales of Reverse Convertible Notes**

FINRA announced that it has fined the former Ferris, Baker Watts LLC, acquired by RBC Wealth Management, \$500,000 for inadequate supervision of sales of reverse convertible notes to retail customers as well as unsuitable sales of reverse convertibles to 57 accounts held by elderly customers who were at least 85 years old and customers with a modest net worth. The firm was ordered to pay nearly \$190,000 in restitution to the 57 account holders for net losses incurred as a result of purchasing reverse convertibles. ([Link](#))

**FINRA Foundation Military Financial Capability Survey Reveals Military Debt Problem**

FINRA Investor Education Foundation released a survey revealing that debt is a major concern for military families, with almost 82 percent of military service members reporting that they are at least \$10,000 in credit card debt, or have an auto or mortgage loan. The Military Survey – one of three linked surveys analyzing the financial capability of American adults – measures, for the first time, the overall financial capabilities of U.S. military personnel. The Military Survey was developed in consultation with the U.S. Department of the Treasury and the President's Advisory Council on Financial Literacy. ([Link](#))

## **Municipal Securities**

The RRS solutions for Municipal Securities Broker-Dealers include a wide range of preventative compliance services designed to reduce the potential for deficiencies during regulatory examinations. MSRB compliance services include examination, testing and support in the following critical areas:

- Trade Reporting (RTRS)
- Political contributions
- Underwriting activities
- Section 529 sales practices
- Official Statement Delivery
- Books and records
- Pricing
- Order Handling and Execution
- Customer confirmations
- Trade comparison and confirmation
- Supervisory Controls
- Written supervisory procedures

For more information contact John Pinto at (202) 463-6575 or [JohnPinto@RRSCompliance.com](mailto:JohnPinto@RRSCompliance.com)

## **MSRB**

### **MSRB Notices for October 2010:**

[2010-42](#) Expanded MSRB Mission; Rulemaking for Municipal Advisors

[2010-43](#) MSRB to Host Outreach Seminars

[2010-44](#) MSRB Receives SEC Approval to Provide Credit Ratings and Related Information for Municipal Securities on EMMA

[2010-45](#) MSRB Receives SEC Approval of Interpretive Guidance on Dealer-Affiliated PACS Under Rule G-37

[2010-46](#) MSRB Files Revised Series 52 Study Outline and Selection Specifications

### **MSRB Holds Quarterly Meeting**

The MSRB held its first meeting with a public majority governing board with representation of municipal advisors on October 20-22, 2010. At the meeting, the Board took actions related to the regulation of municipal securities dealers and municipal advisors, agreeing to

prohibit dealers that act as financial advisors on new bond issues from serving as underwriters for the same issues and proposing a set of initial administrative rules for municipal advisors. ([Link](#))

### **MSRB Assumes Expanded Mission and Establishes Public Majority Board of Directors**

The MSRB begins its expanded regulatory authority over key municipal market participants and, in conjunction with this broader mandate, has established a majority-public governing board of directors with new members for the fiscal year. ([Link](#))

### **MSRB Files Series 52 Revisions with SEC**

The MSRB announced that it has filed with the SEC a proposal to expand its qualifying examination for municipal securities representatives and change the associated study outline. If approved by the SEC, the changes are effective January 3, 2011. ([Link](#))

**ASK ABOUT OUR ORDER HANDLING AND BEST EXECUTION SURVEILLANCE SOLUTIONS**

**CONTACT JOHN PINTO AT**

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[JOHNPINTO@RRSCOMPLIANCE.COM](mailto:JOHNPINTO@RRSCOMPLIANCE.COM)

## **NASAA**

### **NASAA Cautions Investors Mining for Golden Opportunities**

With gold prices reaching record highs, investors are increasingly turning to gold-related investments. NASAA reminded investors to be cautious about jumping onto the gold bandwagon. ([Link](#))

### **NASAA Identifies Top Broker-Dealer Compliance Deficiencies**

Based on coordinated examinations of broker-dealers throughout the United States, NASAA identified the top compliance deficiencies and offered a series of recommended best practices for broker-dealers to consider in order to improve their compliance practices and procedures. ([Link](#))

### **NASAA Announces Continuation of IARD System Fee Waiver**

NASAA announced it will waive the initial set-up and annual system fees paid by IAs and IARs to maintain the IARD system. ([Link](#))

## **NASDAQ—NASDAQ-TRADER—**

### **OTCBB**

#### **NASDAQ Changes Halts Trading Status to “Schedule Resumption” of:**

Clean Diesel Technologies, Inc. ([Link](#))

#### **NASDAQ OMX to Begin Dissemination of:**

Green Economy Indexes ([Link](#))

#### **NASDAQ Announces Open Short Interest Positions in NASDAQ Stocks as of:**

Settlement Date September 30, 2010 ([Link](#))

Settlement Date October 15, 2010 ([Link](#))

#### **NASDAQ OMX Reports Solid Third Quarter 2010 Results**

The NASDAQ OMX Group, Inc. reported solid results for the third quarter of 2010. Net income attributable to NASDAQ OMX for the third quarter of 2010 was \$101 million, or \$0.50 per diluted share, compared with \$96 million, or \$0.46 per diluted share, in the second quarter of 2010, and \$60 million, or \$0.28 per diluted share, in the third quarter of 2009. Included in the third quarter of 2010 results are \$4 million of expenses associated with workforce reductions, merger and strategic initiatives, and other items, offset by \$4 million of benefits associated with the tax impact of these items and certain other tax adjustments. ([Link](#))

#### **OSE Partners With GlobeNewswire for the JASDAQ Market**

Osaka Securities Exchange Co., Ltd, operator of the JASDAQ market, and The NASDAQ OMX Group, Inc. announced a strategic alliance for OSE to be the first Asian exchange marketing partner of GlobeNewswire (GNW) and the NASDAQ OMX suite of products. OSE and NASDAQ OMX will further explore adding additional services to this mutually beneficial partnership. ([Link](#))

#### **iShares Semiconductor ETF Begins Trading on NASDAQ**

The NASDAQ OMX Group, Inc. announced the iShares PHLX SOX Semiconductor Sector Index Fund, the first unlevered exchange-traded fund (ETF) based on the PHLX Semiconductor Sector Index<sup>SM</sup>, will commence trading on the NASDAQ Stock Market on October 15. This ETF is designed to track the performance of the PHLX Semiconductor Sector Index, the most widely recognized benchmark investors use to track the semiconductor industry. The index is a known institutional benchmark and is the underlying index for 27 structured products, 3 ETFs, an index option and an ETF option. ([Link](#))

#### **Singapore Exchange and NASDAQ OMX Extend Cooperation**

Following the cooperation to bring American Depository Receipts (ADRs) on GlobalQuote, Singapore Exchange (SGX) and NASDAQ OMX also announce plans to offer companies the opportunities for listing on both exchanges. ([Link](#))

#### **Watching the States**

When a state regulator comes knocking on your door, it's usually NOT a routine event. Unlike the SEC and FINRA, most broker-dealers and investment advisers typically only deal with state agencies for registration, licensing and complaint response purposes, and rarely have to deal with them during examinations. It is for this reason that many firms get tripped up during state regulatory inquiries. The fact is that most state examinations initiate from complaints, tips or sweeps based on your firm's sales practices or advertising materials and their purpose is rarely routine. Recent examples included sweeps on Senior Seminars, Variable Insurance product sales, and Auction Rate Securities sales.

RRS' staff has extensive experience in dealing with State regulatory matters. Whether it's registration and licensing or responding to a state inquiry, RRS staff can help smooth the process. RRS preventative compliance services include branch office examination, regulatory mandates, complaint assessment, and mystery shopping for branch offices and seminars.

For more information contact us (561) 368-2245 or [Research@RRSCompliance.com](mailto:Research@RRSCompliance.com)

#### **NASDAQ OMX Launches World's Fastest Trading System for Its Nordic Derivatives Markets**

The NASDAQ OMX Group, Inc. has launched Genium INET, the world's fastest trading system, in its Nordic cash and fixed income derivatives markets. Genium INET is a comprehensive multi-asset trading and clearing system, capable of delivering record-breaking performance with sub-100 microseconds average latency. In addition to powering NASDAQ OMX's own markets, this technology will also be part of its commercial exchange technology offering, giving NASDAQ OMX customers access to the fastest and most robust trading system in the world. ([Link](#))

#### **Reminder: NASDAQ Pricing Changes Effective October 1, 2010**

NASDAQ OMX would like to remind market participants of pricing changes effective October 1, 2010, for The NASDAQ Stock Market. ([Link](#))

## Anti-money Laundering Programs

RRS provides a comprehensive suite of services to aid in AML compliance, AML Program development, testing, training and surveillance for broker-dealers, investment advisers and other financial institutions.

- Program Development
- Customer Identification
- Enhanced Due Diligence
- OFAC Compliance
- BSA Compliance
- Suspicious Activity Surveillance
- SAR/CTR Reporting
- Program Testing
- Training Plans and Presentations

For more information contact Barbara Simmons at (404) 370-9655 or [BarbaraSimmons@RRSCompliance.com](mailto:BarbaraSimmons@RRSCompliance.com)

## GlobeNewswire Continues Its Global Expansion With MZCAN Partnership in Asia

The NASDAQ OMX Group, Inc. announced the formation of a strategic alliance with MZCAN, the leading investor relations e-solution provider in Asia, for NASDAQ OMX's GlobeNewswire services. Through this partnership, MZCAN will serve as the first Asia-based reseller of GlobeNewswire, utilizing the comprehensive news distribution service to submit and distribute press releases on behalf of its customer base across Asia. ([Link](#))

## NASDAQ OMX Introduces the PHLX Options Trade Outline (PHOTO) Data Product Effective September 1, 2010

To support the NASDAQ OMX PHLX market and provide the trading and market data community access to historical trade information from PHLX, NASDAQ OMX is introducing the [PHLX Options Trade Outline \(PHOTO\)](#) product. Effective Wednesday, September 1, 2010, PHOTO data will be available via secured FTP. PHOTO is available as either an End-of-Day or Intra-Day file. ([Link](#))

## Reminder: September Pricing and Functionality Changes

NASDAQ OMX would like to remind market participants of pricing and functionality changes taking effect in September 2010 for The NASDAQ Stock Market. ([Link](#))

## NASDAQ OMX Launches NLS Plus – A Proprietary U.S. Trade Data Feed With Consolidated Volume

NASDAQ OMX now offers NLS Plus — a new trade data feed with consolidated volume information for NASDAQ-, NYSE-, NYSE Arca- and NYSE Amex-listed securities. NLS Plus is a robust trade feed that carries trade data from NASDAQ OMX markets:

- The NASDAQ Stock Market
- FINRA/NASDAQ Trade Reporting Facility
- NASDAQ OMX BX<sup>SM</sup>
- NASDAQ OMX PSX<sup>SM</sup> (upon market launch on October 8, 2010)

NLS Plus is designed to be used in enhanced NASDAQ Last Sale and NASDAQ Basic displays. ([Link](#))

## NASDAQ OMX Increases Bandwidth Recommendations For Select Proprietary Data Feeds

NASDAQ OMX is updating its bandwidth recommendations for its proprietary data feed products to reflect recent traffic trends and expected system changes. NASDAQ OMX is advising firms to increase bandwidth allocations for the following proprietary data feed products:

- NASDAQ TotalView-ITCH
- BX TotalView-ITCH
- NASDAQ ITCH To Trade Options (ITTO)
- NASDAQ Options Depth at Price (DAP)
- Top of PHLX Orders (TOPO) ([Link](#))

## Index Values Restated for NASDAQ-100 Leveraged Index

NASDAQ OMX has identified an error in calculation for the following NASDAQ OMX index for Monday, October 4, 2010:

- NASDAQ-100 Leveraged (Symbol: NDXL)

NASDAQ OMX requests that data recipients and market data vendors **remove** intraday values from historical databases and manually update index databases to reflect the restated values. ([Link](#))

## NASDAQ OMX Will Make Minor Modification to the Trade (Non-Cross) Message Processing on U.S. TotalView-ITCH Data Feeds, Effective December 6, 2010

Effective Monday, December 6, 2010, NASDAQ OMX will no longer populate the Order Reference Number field with a relevant order number within the Trade (Non-Cross) message on the NASDAQ TotalView-ITCH, BX TotalView-ITCH and PSX TotalView-ITCH data feeds. The Trade message is denoted by the Message Type value of "P" on the TotalView-ITCH data feeds. ([Link](#))

## NASDAQ OMX PHLX Updates FIX Technical Specification

NASDAQ OMX PHLX has updated the [FIX Session and Application Manual](#) effective Wednesday, October 6, 2010. ([Link](#))

**NASDAQ OMX Offers New Non-Professional Enterprise License for NASDAQ Depth Data**

As of October 1, 2010, NASDAQ OMX began offering, on a pilot basis, a non-professional enterprise license option for NASDAQ depth data for broker/dealer clients. The new NASDAQ depth enterprise license costs \$325,000 per month and covers non-professional usage of NASDAQ TotalView, NASDAQ OpenView and NASDAQ Level 2 data. For more information on this NASDAQ non-professional depth enterprise license option, please contact [NASDAQ OMX Global Data Products](#) at +1 301 978 5307. ([Link](#))

**The NASDAQ Options Market Introduces New Routing Strategy**

The NASDAQ Options Market is introducing a new, proactive routing strategy called SRCH. ([Link](#))

**PHLX Announces Margin Levels for Select Currency Options Effective Immediately**

Margin levels will remain unchanged for select foreign currency options, also known as PHLX World Currency Options (WCOs). Margins applicable to foreign currency options are set **quarterly** by NASDAQ OMX PHLX. ([Link](#))

**NASDAQ OMX Announces New Sub-Issue Type Value in the NASDAQ Fundamental Data Report**

Effective **Monday, November 1, 2010**, NASDAQ OMX modified the Sub-Issue Type field in the NASDAQ Fundamental Data report product to support the identification of securities of companies that are set up as a Limited Liability Company (LLC). In this release, NASDAQ OMX has:

- Introduced a new sub-issue type value of "LL" to identify securities of companies that are set up as an LLC.
- Provided subscribing customers more granularities to specifically identify those securities of companies that are set up as an LLC. ([Link](#))

**NASDAQ OMX to Launch New Short Sale Monitor with Free Trial through 2010**

NASDAQ OMX will launch the NASDAQ OMX Short Sale Monitor in beta on Monday, November 8, 2010, pending SEC approval. The Short Sale Monitor is a tool that provides exception reports and real-time alerts for monitoring your firm's trades of securities on the Short Sale Circuit Breaker list. The Short Sale Monitor will be FREE through 2010. ([Link](#))

**The NASDAQ Options Market Adds "Professional" Account Designation**

Effective Wednesday, December 1, 2010, The NASDAQ Options Market (NOM) will adopt the new term "professional" as an account designation for the purpose of NOM rules. The new term will allow NOM to properly distinguish between non-professional retail investors and those who professionally trade listed options. ([Link](#))

**Identification Requirements for Professional Orders on The NASDAQ Options Market**

The NASDAQ Options Market (NOM) will adopt the new term "professional" as an account designation for the purpose of NOM rules effective Wednesday, December 1, 2010. Member organizations will be required to conduct a quarterly review and make any appropriate changes to the way in which they are representing orders within five business days after the end of each calendar quarter. ([Link](#))

***FINOP and Financial Reporting Services***

RRS provides a full range of services to assist broker-dealers and investment advisers with financial statement preparation.

For Broker-dealers, our support services include:

- Net capital computation and FOCUS Filing
- Full financial statement preparation - trial balance, balance sheet, income statement and general ledger Chart of accounts
- Schedule of non-allowable assets
- Schedule of aggregate indebtedness
- Haircuts, undue concentration, and blockage tests
- Riskless principal trade assessment
- Account reconciliations
- Journal entries
- Year-end audit adjustments
- Intra-month capital surveillance and early warning alerts
- SEC Rule 15c3-3 exemption testing for proper handling of customer funds and securities
- Written supervisory policies and procedures
- Audit support
- Research services

For Investment Advisers, our support services include:

- Full financial statement preparation - trial balance, balance sheet, income statement and general ledger
- Chart of accounts
- Account reconciliations
- Journal entries
- Year-end audit adjustments
- Written supervisory policies and procedures
- Audit support
- Research services

For more information contact Harry Chaffee at (561) 368-2245 or [HarryChaffee@RRSCompliance.com](mailto:HarryChaffee@RRSCompliance.com)

### **The NASDAQ Options Market Updates Technical Specifications**

The NASDAQ Options Market (NOM) updated its [technical specifications](#) to support the following:

- The addition of “professional” as an account designation for the purpose of NOM rules, effective Wednesday, December 1, 2010.
- The introduction of its new, proactive routing strategy called SRCH, effective immediately. ([Link](#))

### **NASDAQ OMX Introduces New Fee Structure for Hosted Solution Products**

Effective **January 1, 2011**, NASDAQ OMX will assess fees to firms that offer controlled Hosted Solutions. NASDAQ OMX will update its policy whereby providers of controlled Hosted Solutions containing NASDAQ OMX data must report and pay for the number of Hosted Solutions customers. For NASDAQ OMX U.S. Market Data, NASDAQ OMX will not assess separate fees related to Hosted Solutions Product distribution prior to January 1, 2011. ([Link](#))

### **NASDAQ OMX Introduces Penalty for Late or Incomplete/Inaccurate Detailed Usage Reporting**

As of January 1, 2011, NASDAQ OMX is introducing a penalty fee for external distributors that provide late or clearly incomplete or inaccurate detailed usage reports.

- Per the NASDAQ OMX Global Data Policies, all external distributors are required to submit detailed usage reports. The new penalty only applies to the following:
- External Distributors that provide NASDAQ OMX market data to more than 3,000 external professional subscribers.  
**OR**
- Datafeed Distributors that provide real-time and delayed NASDAQ OMX market data to datafeed recipients.

NASDAQ OMX will make its best effort to send email notifications to firms in jeopardy of being assessed this new fee. ([Link](#))

### **NASDAQ Announces New Reg Recon Clearly Erroneous Functionality and Pricing**

Effective Wednesday, October 20, 2010, The NASDAQ Stock Market has enhanced the Clearly Erroneous Module of Reg Recon, a real-time, web-based surveillance alert and report tool that assists firms with compliance. The enhancements include:

- Ability to view alerts and filings for multiple MPIDs.
- Ability to receive email alerts for your firm and any other associated MPIDs for: Potentially erroneous executions on NASDAQ, and Clearly Erroneous Filings with NASDAQ MarketWatch and the status of those filings throughout the filing process

NASDAQ has also updated pricing for the Clearly Erroneous Module of Reg Recon. Contact [Kristen Pross](#) at +1 212 401 8924 to schedule a complimentary product demo. ([Link](#))

### **NASDAQ OMX and SGX Cooperate to Bring ADR Quotations for 19 Major Asian Companies to the SGX GlobalQuote Board, Beginning October 22, 2010**

As of October 22, 2010, NASDAQ OMX and SGX have partnered to bring trading of 19 major Asian companies with American Depositary Receipts (ADRs) to Asia via SGX GlobalQuote. NASDAQ OMX’s cooperation with the Singapore Exchange (SGX) provides the opportunity to manage positions in these U.S. ADRs during Asian market hours. ([Link](#))

### **UTP SIP Announces Stress Test Dates for Bandwidth Release**

Effective in January 2011, traffic projections by the Unlisted Trading Privileges (UTP) Operating Committee will be based on one-second intervals to allow data recipients to allocate UTP bandwidth resources more efficiently than with the current five-second interval basis. Based on updated one-second traffic projections from the UTP participants, the bandwidth allocations will be significantly increased on Monday, January 10, 2011. In support of this release the UTP SIP will provide stress test opportunities, to be conducted between 12:30 p.m. and 4:00 p.m., Eastern Time (ET), on select Saturdays between now and January 10<sup>th</sup>. ([Link](#))

### **Index Values Restated for Select NASDAQ OMX Indexes**

As a result of an offline file processing error, NASDAQ OMX has identified an issue in calculation of the high and low values for select NASDAQ OMX indexes on Tuesday, October 19, 2010. NASDAQ OMX requests that data recipients and market data vendors manually update index databases to reflect the restated high and low values. For a list of the affected indexes, please visit the NASDAQ OMX Trader [website](#). ([Link](#))

### **PHLX and NOM Expand the \$0.50 Strike Program**

Effective Thursday, October 21, 2010, NASDAQ OMX PHLX and The NOM commenced trading of strikes in \$0.50 intervals between \$0.50 and \$6.00. NOM will include these new series in the daily vendor file and PHLX will include these new series in the daily memo and vendor file. ([Link](#))

### **NASDAQ OMX PHLX Updates Fee Schedule, Effective October 29, 2010**

Effective for trades settling on or after Monday, November 1, 2010 (trade date October 29, 2010), NASDAQ OMX PHLX will update the PHLX Fee Schedule, pending approval from the SEC. ([Link](#))

### **NASDAQ and BX Update Pricing Effective November 1, 2010**

Effective Monday, November 1, 2010, NASDAQ OMX BX will introduce new pricing for shares executed at or above \$1.00, pending filing with the SEC:

- The rebate to remove liquidity will be \$0.0002.
- The fee to add liquidity will be:

- \$0.00025 for firms that add greater than 50 million shares per day based on average daily volume.
- \$0.0004 for firms that add 50 million shares or less based on average daily volume.

Also effective Monday, November 1, 2010, The NASDAQ Stock Market will introduce the Investor Support Program and new pricing, pending filing with the SEC. ([Link](#))

### **NOM and PHLX Announced New Routing Fees Effective as of October 29, 2010**

The NASDAQ Options Market (NOM) and NASDAQ OMX PHLX introduced new fees to route options to the C2 Options Exchange (C2), pending approval by the SEC. The new Customer, Firm and Market Maker routing fees for NOM and the new Customer and Professional routing fees for PHLX were effective October 29, 2010. ([Link](#))

### **Additional Testing for Reg SHO Changes Available Saturday, November 6, 2010 and During Regular NTF Hours of Operation**

NASDAQ OMX will offer testing Saturday, November 6, 2010, for its support of the Regulation SHO short sale circuit breaker on The NASDAQ Stock Market, NASDAQ OMX BX and NASDAQ OMX PSX, as will the NASDAQ ACT system. Additional testing for Reg SHO changes will be available through the NASDAQ Testing Facility (NTF) during its regular hours of operation. Firms should email [NASDAQ OMX Trading Services](#) to register for the test. ([Link](#))

### **NASDAQ OMX Introduces New NASDAQ Depth Fee Structure for Managed Data Solutions**

Effective **January 1, 2011**, NASDAQ OMX will introduce a new, optional price structure for Managed Data Solutions. The Managed Data Solutions program is available to market data distributors that assist in the management of data feed products on behalf of their clients by contractually restricting data flow and monitoring its data delivery. Initially, NASDAQ will limit the Managed Data Solutions program to

### ***Did you know? IA AML Obligations...***

Investment Advisers (including registered and unregistered hedge funds) should keep in mind that although the Patriot Act does not specifically apply to them, they are responsible if one of their clients is on any of the SDN or OFAC lists. OFAC has jurisdiction over any individual, regardless of citizenship, who is physically located anywhere in the US, and American citizens and permanent resident aliens located anywhere in the world. If a hedge fund opens an account for a person or firm sanctioned by the US or residing in a country sanctioned by the US, the Fund would be violating US laws. Therefore, such firms need to have robust OFAC procedures even though they are not specifically subject to the AML requirements under the Patriot Act (yet).

For more information contact Barbara Simmons at (404) 370-9655 or [BarbaraSimmons@RRSCompliance.com](mailto:BarbaraSimmons@RRSCompliance.com)

NASDAQ U.S. Depth data (NASDAQ TotalView, NASDAQ Level 2 and NASDAQ OpenView) products used by client organizations for internal use only. ([Link](#))

### **NASDAQ OMX Releases Version 1.4 of the MFQS Access Agreement**

NASDAQ OMX is releasing version 1.4 of the Mutual Fund Quotation Service (MFQS) Access Agreement. The new version includes:

- Updated Attachment B – MFQS Data Formats to reflect new data elements to be captured as part of the new MFQS Listing Service website and MFQS 0050 releases.
- Clarification of several terms as requested by MFQS system users.

Firms that executed the MFQS Access Agreement on or after July 1, 2009, will automatically be covered by the revised terms as of February 1, 2011. ([Link](#))

### **Index Values Restated for NASDAQ-100 Leveraged Index**

As a result of a delay in processing files from an external source, NASDAQ OMX has identified an error in calculation for the following NASDAQ OMX index for Thursday, October 28, 2010.

- NASDAQ-100 Leveraged (Symbol: NDXL)

NASDAQ OMX requests that data recipients and market data vendors remove intraday values from historical databases and manually update index databases to reflect the restated opening, high, low and closing values. ([Link](#))

### **NASDAQ OMX Announces Changes to Testing Facility (NTF) Fees**

Effective Monday, November 1, 2010, NASDAQ OMX has made the following changes to the fees charged for the NASDAQ Testing Facility (NTF), pending filing with the SEC:

- Hourly testing rates for INET Testing will be replaced by a \$300 per month port fee for each of the NASDAQ Stock Market, NASDAQ OMX BX and NASDAQ OMX PSX markets.
- Test port fees will not be charged for CTCL and FIX (ACT and ACES).
- Previously standard hourly rates will still apply.

Firms will either be charged the port fee or the hourly testing rate depending on the type of testing. They will not be charged both for the same testing. Firms that are testing new or enhanced services provided by NASDAQ OMX or that the subscriber has not used previously can request a fee waiver for 30 days. Contact [NASDAQ OMX Subscriber Services](#) at +1 212 231 5180 for any questions regarding the NTF fees. ([Link](#))

### **The NASDAQ Options Market to Discontinue the Closing Auction**

Effective Monday, December 6, 2010, The NOM will discontinue the Closing Auction, pending filing with the SEC. ([Link](#))

**NASDAQ OMX Introduces Historical PHLX Options Trade Outline (PHOTO) Data Effective November 1, 2010**

To support the NASDAQ OMX PHLX market and provide the trading and market data community access to historical trade information from PHLX, NASDAQ OMX introduced the [PHLX Options Trade Outline \(PHOTO\)](#) product. Effective Monday, November 1, 2010, Historical PHOTO data will be available via secured FTP dating back to January 2009. Historical PHOTO is available as either an End-of-Day or Intra-Day file on a monthly basis. [\(Link\)](#)

**NASDAQ OMX Announces Pricing and Subscription Information for New Short Sale Monitor**

NASDAQ OMX has established pricing and subscription procedures for the NASDAQ OMX Short Sale Monitor ahead of its launch in beta on Monday, November 8, 2010. The Short Sale Monitor will be FREE in beta through 2010. Firms can sign up now by filling out the [Front End Request Form](#). Beginning January 3, 2011, subscribers can receive access to the Short Sale Monitor for \$750 per MPID per month, subject to filing with the SEC. [\(Link\)](#)

**IA Compliance Programs**

RRS provides a full range of services to assist with your firm's compliance with SEC Rule 206(4)-7, including:

- Comprehensive risk assessment
- Written policies and procedures assessment
- Document review and forensic testing
- Supervisory controls examinations
- Financial statement review
- Best practices assessment
- Implementation assistance
- Ongoing compliance support

For more information contact Barbara Simmons at (404) 370-9655 or [BarbaraSimmons@RRSCompliance.com](mailto:BarbaraSimmons@RRSCompliance.com)

**NYSE—EURONEXT—AMEX****NYSE Suspends Trading in:**

C&D Technologies, Inc. [\(Link\)](#)

**NYSE Moves to Remove from the List:**

Raser Technologies, Inc. [\(Link\)](#)

**NYSE AMEX LLC to Delist Securities of:**

Allied Defense Group, Inc. [\(Link\)](#)

Competitive Technologies, Inc. [\(Link\)](#)

**NYSE Euronext Requests Public Statements Regarding Unusual Market Activity from:**

Gainsco, Inc. [\(Link\)](#)

McCormick & Company, Inc. [\(Link\)](#)

China Ming Yang Wing Power Group, Ltd [\(Link\)](#)

CompX International Inc. [\(Link\)](#)

China GengSheng Minerals, Inc. [\(Link\)](#)

China Shen Zhou Mining & Resources [\(Link\)](#)

Country Style Cooking Chain Company Ltd. [\(Link\)](#)

**NYSE Amex Issues Short Interest Report**

Settlement date of September 30, 2010 [\(Link\)](#)

Settlement date of October 15, 2010 [\(Link\)](#)

**NYSE Group, Inc. Issues Short Interest Report**

Settlement date of September 30, 2010 [\(Link\)](#)

Settlement date of October 15, 2010 [\(Link\)](#)

**NYSE Euronext Announces Trading Volumes for September 2010**

NYSE announced trading volumes for its global derivatives and cash equities exchanges for September 2010[1]. Global derivatives average daily volume ("ADV") of 7.7 million contracts traded per day in September 2010 increased 4.8% versus the prior year and increased 22.5% from August 2010 levels. The increase in global derivatives ADV versus prior year levels was driven by a 15.9% increase in U.S. equity options ADV, partially offset by a 2.7% decrease in European derivatives ADV. Cash equities ADV in September 2010 were down, with European and U.S. cash trading volumes decreasing 5.2% and 24.6%, respectively, compared to prior year levels. [\(Link\)](#)

**NYSE Weekly Program-Trading Data Releases:**

Program Trading Averaged 30.8 Percent of NYSE Volume during Sept. 27-Oct. 1 [\(Link\)](#)

Program Trading Averaged 27.0 Percent of NYSE Volume during Oct. 4-8 [\(Link\)](#)

Program Trading Averaged 28.5 Percent of NYSE Volume during Oct. 11-15 [\(Link\)](#)

Program Trading Averaged 25.3 Percent of NYSE Volume during Oct. 18-22 [\(Link\)](#)

**Grupo Bolsa Debuts NYSE Technologies Common Customer Gateway FIX Platform**

NYSE Technologies, the global commercial technology unit of NYSE Euronext, and Grupo Bolsa announced that the cash market operated by the Mexican Stock Exchange, BMV, and the derivatives market operated by MexDer have successfully completed the rollout of the NYSE Technologies Common Customer Gateway (CCG). As the NYSE Technologies flagship FIX connectivity solution, CCG offers robust and

scalable connectivity to customers with one common front end, enhancing speed and efficiency in trading across markets and asset classes. ([Link](#))

**RRS COMPLIANCE ADMINISTRATOR****CUT COMPLIANCE COSTS WITHOUT****CUTTING EFFECTIVENESS****CALL (561) 368-2245**[INFO@RRSCOMPLIANCE.COM](mailto:INFO@RRSCOMPLIANCE.COM)**FINCEN****FinCEN Study Examines Rise in Identity Theft SARs; Awareness Helps Deter Greater Loss**

FinCEN released a new study analyzing Suspicious Activity Reports (SARs) citing identity theft that shows while suspected cases of identity theft are on the rise, vigilant financial institution employees are reportedly rejecting over half of fraudulent vehicle or student loans facilitated by identity theft prior to funding. The report, Identity Theft - Trends, Patterns, and Typologies Reported in SARs Filed by Depository Institutions, shows the number of SARs characterized as identity theft rose 123 percent between 2004 and 2009, out-stripping the rise of total SARs filed by depository institutions which increased 89 percent during the same five years. ([Link](#))

**FinCEN to Simplify Structure of its Rules and Regulations**

FinCEN announced the pending publication of the reorganization of its rules and regulations by centralizing them in their own new Chapter X of Title 31 of the Code of Federal Regulations. The rule streamlines the Bank Secrecy Act (BSA) regulations into general and industry-specific Parts, ensuring that a financial institution can identify its obligations under the BSA in a more organized and understandable manner. FinCEN has not made any substantive changes to the BSA rules. ([Link](#))

**FinCEN Seeks Comments on Future Suspicious Activity Report Modernization**

In support of the Financial Crimes Enforcement Network's information technology modernization efforts, FinCEN has submitted a notice to the Federal Register that requests comments from law enforcement, the financial industry, and the public concerning the future constituent parts of the SAR. This notice does not propose any new regulatory requirements or changes related to current suspicious activity reporting. It seeks input on technical matters as FinCEN transitions from a system originally designed for the submission of paper forms to a modernized IT environment for electronic reporting. ([Link](#))

**FSA****FSA Chief Addresses the Role that Culture and Ethics Play in Shaping Behavior and Judgments**

The chief executive of the FSA, Hector Sants, provided the keynote address at a Mansion House conference on values and trust. Exploring the role for regulators in facilitating the right culture within firms Sants said that it is crucial to address the role that culture and ethics play in shaping behaviors and judgments. ([Link](#))

**FSA to Contest the BBA's Judicial Review of New PPI Complaints Handling Measures**

The FSA will contest the British Bankers' Association's (BBA) judicial review of new payment protection insurance (PPI) complaints handling measures. ([Link](#))

**FSA Bans Three Fraudulent Mortgage Brokers and Imposes Fines Totaling More than £400,000**

The FSA has banned three individuals for mortgage fraud and fined two of them a total of £414,683. All three flouted the FSA's rules by knowingly submitting false and misleading information to secure the mortgages for themselves and their customers. ([Link](#))

**FSA Granted New Consumer Redress Power**

The FSA has granted a new power to deliver prompt and effective redress for consumers. The new power was part of April's Financial Services Act 2010, and has been activated, along with other changes, by a Commencement Order laid in Parliament by HM Treasury. ([Link](#))

**FSA Bans Entertainment Insurance Broker for Attempting to Overcharge a Client**

The FSA has banned Paul Cable, director of Media and Entertainment Insurance Services Limited, from acting as an FSA approved person for at least two years for attempting to overcharge a client by £89,000. The FSA has also cancelled Media and Entertainment Insurance Services Limited's permission to undertake any regulated activities. ([Link](#))

**FSA Wins Market Abuse Case in the Tribunal**

The Financial Services and Markets Tribunal has issued its decision in the matter of Andre Jean Scerri and FSA. The Tribunal decided that it was appropriate to impose a financial penalty of £66,062.50 for market abuse. ([Link](#))

## Resource Links

### Government

- U.S. Securities & Exchange Commission – [WWW.SEC.GOV](http://WWW.SEC.GOV)
- North American Securities Administrators Association - [WWW.NASAA.ORG](http://WWW.NASAA.ORG)
- FINCEN - [WWW.FINCEN.GOV](http://WWW.FINCEN.GOV)
- Commodity Futures Trading Commission – [WWW.CFTC.GOV](http://WWW.CFTC.GOV)
- Financial Services Authority - [WWW.FSA.GOV.UK](http://WWW.FSA.GOV.UK)

### SRO

- FINRA - [WWW.FINRA.ORG](http://WWW.FINRA.ORG)
- NASDAQ - [WWW.NASDAQ.COM](http://WWW.NASDAQ.COM)
- New York Stock Exchange - [WWW.NYSE.COM](http://WWW.NYSE.COM)
- Municipal Securities Rulemaking Board - [WWW.MSRB.ORG](http://WWW.MSRB.ORG)
- National Futures Association [WWW.NFA.FUTURES.ORG](http://WWW.NFA.FUTURES.ORG)

### Industry

- Alternative Investment Management Association “AIMA” – [WWW.AIMA.ORG](http://WWW.AIMA.ORG)
- Bank Insurance & Securities Association “BISA” – [WWW.BISANET.ORG](http://WWW.BISANET.ORG)
- Complinet – [WWW.COMPLINET.COM](http://WWW.COMPLINET.COM)
- Florida Securities Dealers Association “FSDA” – [WWW.FLORIDASECURITIES.COM](http://WWW.FLORIDASECURITIES.COM)
- Financial Market Association “FMA” – [WWW.FMAWEB.ORG](http://WWW.FMAWEB.ORG)
- Financial Services Institute “FSI” – [WWW.FINANCIALSERVICES.ORG](http://WWW.FINANCIALSERVICES.ORG)
- Investment Adviser Association “IAA” – [WWW.INVESTMENTADVISER.ORG](http://WWW.INVESTMENTADVISER.ORG)
- Investment Company Institute “ICI” – [WWW.ICI.ORG](http://WWW.ICI.ORG)
- Managed Funds Association “MFA” – [WWW.MANAGEDFUNDS.ORG](http://WWW.MANAGEDFUNDS.ORG)
- National Society of Compliance Professionals “NSCP” – [WWW.NSCP.ORG](http://WWW.NSCP.ORG)
- Securities Industry and Financial Markets Association “SIFMA” – [WWW.SIFMA.ORG](http://WWW.SIFMA.ORG)

*\*This list is provided for information purposes only. RRS does not specifically endorse any group noted.*

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[www.RRSCompliance.com](http://www.RRSCompliance.com)

[Research@RRSCompliance.com](mailto:Research@RRSCompliance.com)

**“Find It - Before the Regulators”**

The RRS’ staff continually strives to ensure that the services and support we provide to our clients are the most up to date and comprehensive available. Frequently, we are able to forecast regulatory trends based on our extensive regulatory experience and the information our clients provide regarding new products, services or marketing trends. This “Find It - Before the Regulators” insight enables us to develop customized compliance solutions so that our clients can address any regulatory deficiencies before the regulators do. If you have question or suggestions, please speak with your account representative or call us at (561) 368-2245.

**READER SURVEY FAX RESPONSE**

**TO: Louis Dempsey**

**RE: October 2010**

**Fax: (561) 807-5442**

[LouisDempsey@RRSCompliance.com](mailto:LouisDempsey@RRSCompliance.com)

**FROM:** \_\_\_\_\_

**FIRM NAME:** \_\_\_\_\_ **IA** \_\_\_ **BD** \_\_\_ **OTHER** \_\_\_\_\_

**PHONE:** \_\_\_\_\_ **FAX:** \_\_\_\_\_

In order for us to better serve the industry with this publication we ask that you provide feedback on this issue.

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What topics interest you the most?

What do you find most useful?

What would you like to see in future editions?

Are you a current client of RRS?

Are you interested in receiving information or a call from our Staff to discuss the products and services offered by RRS?

(Please include your phone number or E-mail address to schedule a conference)

**Thank you for your time and effort**

**Bottom Line - We Want to Know!**

We Want to Know How We’re Doing. If You Have Comments, Complaints or Suggestions Please Do Not hesitate to call (561) 368-2245 or email:

**LOUIS DEMPSEY, PRESIDENT**

**BART McDONALD, EXECUTIVE VICE PRESIDENT**

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