

**Routing**

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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:** Monthly FOCUS Filing Due August 23<sup>rd</sup>, 2012
- **SEC:** Open Meeting, Wednesday, August 22<sup>nd</sup> at 10 a.m.

NOTABLE ITEMS IN THIS EDITION

- **FINRA** – FINRA Amends Electronic Form NMA and Adopts New Electronic Form CMA Filing Requirements – Page 3
- **FINRA** – FINRA Requests Comment on Proposed Regulation of Crowdfunding Activities – Page 3
- **MSRB** – Request for Comment on Draft Amendment to Limit Dealer Consents to Changes in Authorizing Documents for Municipal Securities – Page 4
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- **MSRB** – Guidance on Implementation of Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities – Page 4

REMINDER

- Beginning on July 9th, 2012, broker-dealers will be subject to FINRA’s new suitability rule. Rule 2111
- For those firms with a June 30th fiscal year end, annual audits needs to be completed by a PCAOB reviewed auditor no later than 60 days after fiscal year end.

**Service Spotlight: Compliance Administrator**

RRS provides comprehensive compliance solutions to help broker-dealers fulfill their regulatory and compliance obligations while controlling costs. Working together with your organization’s Chief Compliance Officer and Supervisory Principals, RRS will design the support package that best suits your compliance needs from the full range of our Registration, Financial Reporting, and Regulatory Consulting services. Whether you are with a small firm that is not ready to hire full time compliance staff or a large firm looking for staff augmentation or support to fill technical knowledge gaps, RRS can structure a package of compliance services customized to suit your needs.

Contact: **John Pinto**  
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Washington, DC



## SEC

### SEC Announces:

Deferred Prosecution Agreement with Amish Fund ([Link](#))

### SEC Charges:

Five Physicians with Insider Trading in Stock of Medical Professional Liability Insurer ([Link](#))

A Company with FCPA Violations ([Link](#))

A Company's subdivision in USA with Misleading Investors by Obtaining False Credit Ratings for CDO ([Link](#))

CEO With Insider Trading in Secondary Offering of Company Stock ([Link](#))

Chicago-Based Consulting Firm and Executives with Accounting Violations ([Link](#))

Close Friend of Staffing Company CEO with Insider Trading Around Acquisition ([Link](#))

Phony Company President for Role in Facilitating Fake Investment in Penny Stock Company ([Link](#))

### List of No Action Letters:

New York Stock Exchange LLC and NYSE Amex LLC ([Link](#))

Ernst & Young Global Ltd. ([Link](#))

S3 Matching Technologies LP ([Link](#))

### SEC Final Rules:

Further Definition of "Swap," "Security-Based Swap," and "Security-Based Swap Agreement"; Mixed Swaps; Security-Based Swap Agreement Recordkeeping ([Link](#))

Consolidated Audit Trail ([Link](#))

### SEC Upcoming Events:

Open Meeting – Sunshine Act Notice, Wednesday, August 22 (10 a.m.), SEC Headquarters ([Link](#))

### SEC Approves New Rule Requiring Consolidated Audit Trail to Monitor and Analyze Trading Activity

SEC voted to require the national securities exchanges and the Financial Industry Regulatory Authority (FINRA) to establish a market-wide consolidated audit trail that will significantly enhance regulators' ability to monitor and analyze trading activity ([Link](#))

### Short Selling Brothers Agree to Pay \$14.5 Million to Settle SEC Charges

The Securities and Exchange Commission announced that two options traders who the agency charged earlier this year with short selling violations have agreed to pay more than \$14.5 million to settle the case against them ([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 Approves Rules and Interpretations on Key Terms for Regulating Derivatives**

SEC took another step toward regulating the over-the-counter derivatives market by unanimously approving rules and interpretations for key definitions of certain derivative products ([Link](#))

### **SEC Freezes Assets of Missing Georgia-Based Investment Adviser**

SEC obtained a court order to freeze the assets of a Georgia-based investment adviser who has apparently gone into hiding after orchestrating a \$40 million investment fraud ([Link](#))

### **Ken C. Joseph Named Head of Investment Adviser/Investment Company Examination Program in SEC's New York Regional Office**

SEC announced the appointment of Ken C. Joseph to lead the Investment Adviser/Investment Company Examination Program in the agency's New York Regional Office ([Link](#))

### **SEC Names Norm Champ as Director of Division of Investment Management**

SEC announced that Norm Champ has been named Director of the agency's Division of Investment Management ([Link](#))

### **Paula Drake Named Chief Counsel and Chief Compliance and Ethics Officer of SEC's Office Of Compliance Inspections and Examinations**

SEC announced that Paula Drake has been appointed an Associate Director to serve as Chief Counsel and Chief Compliance and Ethics Officer in the SEC's Office of Compliance Inspections and Examinations (OCIE). Starting August 6, Ms. Drake will oversee a staff of eight lawyers

and coordinate the efforts of attorney advisors in the SEC's eleven regional offices ([Link](#))

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

SEC's Office of the Chief Accountant published its final staff report on the Work Plan related to global accounting standards ([Link](#))

### **Paul A. Beswick Named Acting Chief Accountant**

SEC Chairman Mary Schapiro announced the appointment of Paul A. Beswick as the Acting Chief Accountant in the SEC's Office of the Chief Accountant. In his new role, Mr. Beswick will oversee accounting interpretations, international accounting matters, and professional practice issues. Mr. Beswick replaces James L. Kroeker, who left the SEC ([Link](#))

### **SEC Veteran Michele Wein Layne Named Director of Los Angeles Office**

SEC announced that Michele Wein Layne has been named Regional Director of the Los Angeles Regional Office and will begin her new role immediately ([Link](#))

### **SEC Freezes Assets of Insider Traders in Nexen Acquisition**

The SEC obtained an emergency court order to freeze the assets of traders using trading accounts in Hong Kong and Singapore to reap more than \$13 million in illegal profits by trading in advance of this week's public announcement that China-based CNOOC Ltd. agreed to acquire Canada-based Nexen Inc. ([Link](#))

### ***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 John Pinto at (202) 463-6575 or [JohnPinto@RRSCompliance.com](mailto:JohnPinto@RRSCompliance.com)

**FINRA**

### **Regulatory Notices:**

**12-33** FINRA Amends Electronic Form NMA and Adopts New Electronic Form CMA Filing Requirements

**12-34** FINRA Requests Comment on Proposed Regulation of Crowdfunding Activities

**12-35** Amendments to Mediation Code to Provide the Mediation Director With Discretion to Determine Whether Parties to a FINRA Mediation May Select a Mediator Who Is Not on FINRA's Mediator Roster

**12-36** FINRA and ISG Delay Effective Date for Enhanced Electronic Blue Sheet Submissions

### **Information Notices:**

Notice of Annual Meeting of FINRA Firms and Proxy ([Link](#))

### **FINRA Issues New Investor Alert: Exchange-Traded Notes—Avoid Unpleasant Surprises**

FINRA issued a new Investor Alert called Exchange-Traded Notes—Avoid Unpleasant Surprises to inform investors of the features and risks of exchange-traded notes (ETNs) ([Link](#))

### **FINRA Statement on Consolidated Audit Trail**

The SEC's adoption of a consolidated audit trail through the development of a National Market System (NMS) plan is an important step that will enhance regulators' ability to conduct surveillance of trading activity across multiple markets and perform market reconstruction and analysis. FINRA looks forward to working with the other SROs to submit an NMS plan that will help close the regulatory data gaps that exist today. FINRA believes that comprehensive intermarket surveillance is essential to ensuring the overall integrity of the U.S. securities markets and maintaining the confidence of investors in those markets ([Link](#))

### **FINRA Launches Pilot Program for Large Arbitration Cases**

FINRA announced the launch of a pilot program specifically designed for large arbitration cases involving claims of \$10 million or more. The program enables parties to customize the administrative process to better suit special needs of a larger case and allows them to bypass certain FINRA arbitration rules. Participation in the pilot program, which began, is voluntary and open to all cases; but in order to be eligible, all parties will be required to pay for any additional costs of the program and must be represented by counsel ([Link](#))

### **ASC and FINRA Sign Cooperation Agreement**

The ASC and the FINRA announced that they have entered into a Memorandum of Understanding (MOU) to promote and support greater cooperation between the two regulators. ([Link](#))

### **FINRA Marks Fifth Anniversary**

The FINRA marked its five-year anniversary since it was created in 2007 by the consolidation of NASD and the member regulation, enforcement and arbitration operations of the New York Stock Exchange. During that

time, FINRA has launched key strategic initiatives and made significant operational changes to increase its focus on fraud detection and bring more transparency to the markets and investors. ([Link](#))

### **FINRA Expels Biremis, Corp. and Bars President and CEO Peter Beck**

The FINRA announced that it has expelled Biremis, Corp., formerly known as Swift Trade Securities USA, Inc., and barred its President and Chief Executive Officer, Peter Beck, for supervisory violations related to detecting and preventing manipulative trading activities such as "layering," short sale violations, failure to implement an adequate anti-money laundering program, and financial, operational and numerous other securities law violations. ([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.

## **MSRB**

### **MSRB Regulatory Notices for July 2012:**

[2012-36](#) Request for Comment on Draft Amendment to Limit Dealer Consents to Changes in Authorizing Documents for Municipal Securities

[2012-37](#) Reminder of New Definition of Sophisticated Municipal Market Professional (SMMP) and Changes in Applicability of MSRB Rules to Such Market Participants

[2012-38](#) Guidance on Implementation of Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities

### **MSRB Requests Comment on Proposal to Limit Dealers from Providing Consents on Behalf of Bondholders**

MSRB published a draft proposal for public comment that would prohibit dealers from consenting to any amendment to bond authorizing documents for municipal securities except in limited circumstances ([Link](#))

### **MSRB Provides Guidance to Underwriters on Implementation of New Obligations to State and Local Governments**

MSRB published comprehensive implementation guidance to assist underwriters in meeting their newly expanded legal obligations to state and local governments ([Link](#))

### **MSRB Chair Testifies at Congressional Hearing on the Impact of the Dodd-Frank Act on Municipal Finance**

MSRB Chair Alan D. Polsky testified at a Congressional hearing on the effect of municipal securities provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act. His testimony to the Subcommittee on Capital Markets and Government Sponsored Enterprises of the House Financial Services Committee emphasized the need to protect state and local governments in their municipal finance transactions ([Link](#))

### **MSRB ANNOUNCES BOARD OF DIRECTOR OFFICERS FOR FISCAL YEAR 2013**

The MSRB announced the names of officers of its Board of Directors for fiscal year 2013. Jay M. Goldstone, Chief Operating Officer of the City of San Diego and a public member of the MSRB Board of Directors, will serve as MSRB Chair beginning October 1, 2012. Stephen E. Heaney, Managing Director for Stone & Youngberg, a division of Stifel Nicolaus, will serve as Vice Chair. Officer terms are for one year. ([Link](#))

### **MSRB HOLDS QUARTERLY MEETING**

The Board of Directors of the MSRB held its quarterly meeting July 25-27, 2012, where it evaluated issues related to the protection of municipal market investors and state and local governments. These issues include the use of indices in the municipal market, financial contributions made by municipal securities dealers to bond ballot campaigns and regulation of the sale of 529 college savings plans, among others. ([Link](#))

### ***FINOP Support Services***

RRS provides multiple levels of **FINOP support** for your financial reporting obligations. From preparation of full books and records to net capital reviews and FOCUS filing with **FINRA** and the **NFA**, RRS professional staff can help.

RRS services include:

- General Ledger and trial balance preparation.
- Net capital computation with supporting schedules.
- Monthly or quarterly FOCUS filings.
- Net capital interpretive guidance.

For more information contact Bart McDonald at (561) 368-2245 or [BartMcDonald@RRSCompliance.com](mailto:BartMcDonald@RRSCompliance.com)



**NASAA****NASAA Statement on the Investment Adviser Examination Improvement Act Introduction**

The statement from Jack E. Herstein, president of NASAA and Assistant Director of the Nebraska Department of Banking & Finance, Bureau of Securities, regarding the "Investment Adviser Examination Improvement Act of 2012" introduced by Rep. Maxine Waters (D-CA) and co-sponsored by House Financial Services Committee Ranking Member Barney Frank (D-MA) and Rep. Michael Capuano (D-MA). The legislation would amend the Investment Advisers Act of 1940 to enable the Securities and Exchange Commission to collect an annual fee from investment advisers that are subject to inspection or examination by the Commission to defray the cost of inspections and examinations.

([Link](#))

**Webinar to Help Raise Awareness of Challenges and Opportunities of Self-Directed IRA Investing**

Industry, state securities regulators join forces in investor protection effort WASHINGTON, July 9, 2012 – The RITA and the NASAA conducted a free webinar to help raise public awareness of how to avoid fraud when considering investing in self-directed Individual Retirement Accounts ([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 John Pinto at (202) 463-6575 or [JohnPinto@RRSCompliance.com](mailto:JohnPinto@RRSCompliance.com)

**NASDAQ—NASDAQ-TRADER—****OTCBB****Futures Technical Update:**

**2012-03** NFX DR Testing for Ashburn, VA, Data Center Scheduled for Saturday, July 14, 2012

**Futures Trader Alert:**

**2012-07** NFX to Introduce Trading System Counting Period, Effective Friday, July 27, 2012

**Equity Trader Alert:**

**2012-30** NASDAQ Files Member Accommodation Program Rules

**2012-31** PSX Pricing Update Effective Wednesday, August 1, 2012

**Equity Technical Alert:**

**2012-25** Changes to NASDAQ Testing Facility (NTF) Access via Ashburn VPN

**Data News:**

**2012-11** NASDAQ OMX Introduces New PHLX Fee Structure for Managed Data Solutions

**2012-12** NOM Assessing Fees to Access BONO and ITTO Ports for All Subscribers, Effective September 3, 2012

**Data Technical News:**

**2012-23** PHLX Depth of Market Data Feed Now Available in Production

**Options Trader Alert:**

**2012-45** BX Options Will Complete Rollout on Tuesday, July 17, 2012

**2012-46** End-of-Day Billing File Available for BX Options and Transition to NDAQOptions.com

**2012-47** NASDAQ OMX PHLX Updates Auction-Eligible Timing of Complex Orders

**2012-48** NOM Assessing Fees to Access BONO and ITTO Ports for All Subscribers, Effective September 3, 2012

**2012-49** PHLX Updates Pricing, Effective August 1, 2012

**Options Regulatory Alert:**

**2012-7** PHLX Announces Margin Levels for Select Foreign Currency Options

**Options Technical Update:**

**2012-9** BX Options, NOM and PHLX Introduce Finer Risk Protection Time Interval Settings

**2012-10** NOM and BX Options Update FIX Specifications to Support a Post-Only Enhancement

[2012-11](#) BX Options, NOM and PHLX Announce Enhancements to SQF Cancel-on-Disconnect

[2012-12](#) PHLX Eliminates the Use of 'U' Liquidity Flag (tag 9882) in a FIX Execution Message

#### **Financial Products News:**

[2012-47](#) UPDATED 7/20/2012: NASDAQ OMX to Launch Two New Indexes Effective Wednesday, July 18, 2012

[2012-48](#) UPDATED 7/13/2012: NASDAQ OMX to Launch Two New Indexes Effective Wednesday, July 18, 2012

[2012-49](#) NASDAQ OMX to Begin Dissemination of 10 New CRSP Indexes on GIDS Effective July 16, 2012

[2012-50](#) Russell Index to be Disseminated in Real-Time on RussellTick Effective Monday, July 16, 2012

[2012-51](#) NASDAQ OMX to Terminate the NASDAQ OMX Carbon Index Family

[2012-52](#) NASDAQ OMX Informs of Currency Index Name Changes and Termination of Certain Currency Indexes

[2012-53](#) Russell Index to be Disseminated in Real-Time on RussellTick Effective Wednesday, August 1, 2012

[2012-54](#) NASDAQ OMX to Stop Real-Time Dissemination of Select Russell Indexes on RussellTick Effective Wednesday, August 1, 2012

[2012-55](#) NASDAQ OMX Announces Change of Index Names for Select NASDAQ OMX Indexes on Thursday, August 2, 2012

#### **UTP Vendor Alert:**

[2012-05](#) UTP SIP Announces Testing Date for the New UTP Data Feed Messages

## **NYSE - EURONEXT – AMEX**

#### **NYSE to Suspend Trading in:**

Dynegy Inc. Moves to Remove from the List ([Link](#))

Patriot Coal Corporation ([Link](#))

#### **NYSE to Delist:**

SECURITIES OF ENGEX, INC. ([Link](#))

SECURITIES OF CHINA NORTH EAST PETROLEUM HOLDINGS LIMITED ([Link](#))

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

#### **NYSE EURONEXT Announcements:**

NYSE Euronext announces new London management ([Link](#))

NYSE Euronext Announces Trading Volumes for June 2012 and Other Metrics ([Link](#))

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

#### **NYSE AMEX Issues Short Interest Report:**

Settlement date of June 29, 2012 ([Link](#))

Settlement date of July 13, 2012 ([Link](#))

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

Settlement date of June 29, 2012 ([Link](#))

Settlement date of July 13, 2012 ([Link](#))

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

Averaged 32.4 Percent of NYSE Volume during June 25-29 ([Link](#))

Averaged 30.3 Percent of NYSE Volume during July 2-6 ([Link](#))

Averaged 29.2 Percent of NYSE Volume during July 9-13 ([Link](#))

Averaged 33.1 Percent of NYSE Volume during July 16-20 ([Link](#))

#### **Listing measure Brand Funding**

NYSE Euronext announced that as per 3 July 2012 the securities issued by Brand Funding (BRAND) will be transferred to the special segment for securities subject to a listing measure (the 'penalty box') based on Euronext Rule Book, Book I and Euronext Amsterdam Notice 2011-001. The listing measure is based on the fact that Sabon B.V. entered into suspension of payment. Reference is made to the press release issued earlier by Brand Funding ([Link](#))

#### **NYSE Euronext and the Cape Verde Stock Exchange sign cooperation agreement**

NYSE Euronext (NYX) announced the signature of a cooperation and partnership agreement with the Cape Verde Stock Exchange (BVCV) through its subsidiary Euronext Lisbon ([Link](#))

#### **Consultation phase opens for recommendations in SME Strategic Planning Committee report**

NYSE Euronext received a draft version of a report by the SME Strategic Planning Committee from the group's chairman Fabrice Demarigny. The next step is a market place consultation period, open now and ending in September 2012, during which comments will be collected from a wide variety of sources ([Link](#))

#### **NYSE Euronext and TradingScreen join forces to give institutional investors access to the European Central Order Book (ECOB)**

NYSE Euronext (NYX) and TradingScreen announced a partnership to give institutional investors easier access to corporate bond markets that meet the criteria defined by the Cassiopeia Committee in April 2010. NYSE BondMatch is one such market ([Link](#))

**Patrick Birley joins NYSE Euronext clearing team**

NYSE Euronext (NYX) announced the appointment of Patrick Birley as Chief Commercial Officer of its new full-service Clearing House in London, which is due to commence operations from June 2013 ([Link](#))

**NYSE Hosts Fifteen U.S. Military Veterans for Eight-Week Veteran Associate Program**

Fifteen veterans representing several branches of the U.S. Armed Forces are currently participating in the inaugural NYSE Euronext Veteran Associate Program (VAP), a pioneering initiative that provides recent military veterans from across America with valuable business experience in the financial services industry during an eight week engagement at the NYSE. A key component of the Program is the Executive Educator series, which is comprised of professional and financial market educational sessions presented by the NYSE Euronext Senior Executive and Management team, as well as external industry experts. NYSE Euronext is one of only a few financial services organizations to have a program specifically designed for military veterans. The company's program dedicates 20% of all available New York City-based internship positions for military veterans ([Link](#))

**NYSE Euronext to Launch Retail Liquidity Program**

NYSE Euronext (NYX) has received approval from the SEC to establish a first-of-its-kind Retail Liquidity Program, a market innovation that produces cost savings for individual investors through price improvement on retail equities trading order flow for New York Stock Exchange (NYSE) and NYSE MKT listed and NASDAQ UTP-traded equity securities ([Link](#))

**NYSE Liffe launches equity options on D.E MASTER BLENDEERS 1753**

Trading in individual equity options on D.E MASTER BLENDEERS 1753 N.V. (DE) shares started on the Amsterdam market of NYSE Liffe, the European-based derivatives market of NYSE Euronext (NYX). The introduction of the options follows the recent listing of the coffee and tea company on June 12, on the Amsterdam market of NYSE Euronext ([Link](#))

**NYSE Euronext Teachers Workshop Celebrates 25th Anniversary by Ringing the NYSE Closing Bell®**

Participants in the 25th annual NYSE Teachers Workshop rang The NYSE Closing Bell. This is the second workshop in a series of five, and it includes nearly 20 participants from 36 states. The NYSE Euronext Teachers Workshop is a professional development program for educators who teach economics, financial markets, and personal finance ([Link](#))

**AgroGeneration launches successful bond issue on NYSE Alternext**

NYSE Euronext (NYX) announced a successful €9.4 million bond issue on NYSE Alternext in Paris by AgroGeneration, a producer of grains and oilseeds in Ukraine and Argentina. The issue offers innovative technical features and conditions linked to a new procedure adopted by NYSE Euronext that centralizes access to bonds for individual investors in particular ([Link](#))

**NYSE Euronext and Equilar Partner to Deliver Powerful C-Suite Networking Solutions to Issuers**

NYSE Euronext (NYX) announced a strategic partnership with Equilar, the leader in executive compensation and C-Suite mapping technology, to provide NYSE and NYSE MKT issuers access to Equilar Atlas, a comprehensive solution to help identify executive and board member candidates for potential hire and to maximize business networking opportunities. Equilar Atlas is currently available through the NYSE Connect portal, a comprehensive and powerful dashboard of market intelligence and analytics tools, available to NYSE-listed companies ([Link](#))

**Méthanor lists on NYSE Alternext**

NYSE Euronext announced the listing on NYSE Alternext in Paris of Méthanor, a key player in farm biogas production ([Link](#))

**Corporate Board Member Introduces Board Diversity Initiative**

This week Corporate Board Member, a NYSE Euronext Company, is hoping to debunk the myth that there is a shortage of qualified diverse boardroom candidates to meet the needs of today's U.S. corporations. The first "Moving the Needle: Building Effective Boards with Qualified Diverse Candidates" event on July 18-19 at the New York Stock Exchange will introduce a pool of qualified candidates recommended by public company CEOs, chairmen, and related parties to search firms and nominating/governance committee members in the public company arena ([Link](#))

**Eurotunnel celebrates first day of trading on NYSE Euronext London**

Groupe Eurotunnel, a leading provider of cross-channel and transport infrastructure, rang the opening bell in London this morning at 8 am to celebrate its admission to trading on the London market of NYSE Euronext (NYX) under the ticker symbol GET. Chairman and Chief Executive Officer Jacques Gounon, joined by members of Groupe Eurotunnel's management team thus marked the start of continental Europe trading ([Link](#))

**Palo Alto Networks Celebrates Initial Public Offering and First Day of Trading on the New York Stock Exchange**

Palo Alto Networks began trading on the New York Stock Exchange (NYSE) under the ticker symbol "PANW". Barclays is the Designated Market Maker (DMM) for the company's stock ([Link](#))

**NYSE Liffe U.S. Trades Nearly 20,000 Futures on DTCC GCF Repo Index™ in First Week**

NYSE Liffe U.S., the innovative U.S. futures exchange of NYSE Euronext (NYX) announced the successful completion of the first week of trading in futures based on the DTCC GCF Repo Index™. In the first full week of trading, NYSE Liffe U.S. executed 19,959 contracts, valued at approximately \$100 billion with 10,980 lots of open interest by week end. The new market featured participation from a diverse customer base from go-live with all transactions processed and cleared seamlessly throughout the first week of trading. ([Link](#))

### **Natural Grocers by Vitamin Cottage Celebrates Initial Public Offering and First Day of Trading on the New York Stock Exchange**

Natural Grocers by Vitamin Cottage, a specialty retailer of natural and organic groceries and dietary supplements, opened for trading on the NYSE under the ticker symbol "NGVC" after its initial public offering. Getco is the Designated Market Maker (DMM) for the company's stock. ([Link](#))

### **NYSE Euronext appoints Hiroshi Nomoto as Chief Representative of the Tokyo office**

NYSE announced the appointment of Hiroshi Nomoto as its Chief Representative of the Tokyo office. Mr. Nomoto will be responsible for leading NYSE Euronext's sales and client coverage teams for Japan and the wider Japanese financial community in the Asia-Pacific region. ([Link](#))

### **NYSE EURONEXT AND NEXT JUMP TEAM UP FOR SECOND ANNUAL EAST COAST TECH RECRUITING EVENT: FALL 2012**

NYSE and Next Jump, the online shopping and rewards destination that serves more than 100 million customers through OO.com and its employee rewards programs, announced they are hosting their second annual recruiting event in the Silicon Alley entitled SA500. Coming off the huge success from last year's event, Next Jump is excited to connect leading tech firms with top engineering students to contribute to NYC's flourishing tech community. The event takes place on the trading floor of the NYSE on October 20, 2012 and will give 500 select engineers and engineering students the chance to meet 50 of the top executives from tech companies on the East Coast. ([Link](#))

## **FINCEN**

### **FinCEN Assesses Suspicious Activity Involving Title and Escrow Companies**

Pressing forward in its efforts to address a wide range of criminal risks, particularly in the residential real estate market, the Financial Crimes Enforcement Network (FinCEN) released its first targeted study analyzing reports indicating suspicious activities involving the Real Estate Title and Escrow Industry. ([Link](#))

### **Department of Health and Human Services News Release: Obama Administration Announces Ground-Breaking Public-Private Partnership to Prevent Health Care Fraud**

Health and Human Services (HHS) Secretary Kathleen Sebelius and Attorney General Eric Holder announced the launch of a ground-breaking partnership among the federal government, State officials, several leading private health insurance organizations, and other health care anti-fraud groups to prevent health care fraud. This voluntary, collaborative arrangement uniting public and private organizations is the next step in the Obama administration's efforts to combat health

care fraud and safeguard health care dollars to better protect taxpayers and consumers. ([Link](#))

### **RRS COMPLIANCE ADMINISTRATOR**

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

## **FSA**

### **FSA freezes assets of suspected land banking firm**

Following a High Court order made on 13 July 2012, the FSA can report that on 13 June 2012 it secured asset freezing orders against Asset L.I. Inc. (trading as Asset Land Worldwide), Equity Services (London) Limited, and Asset Land Investment PLC. The order also applies to three individuals who cannot be named for legal reasons. ([Link](#))

### **FSA secures redress for victims of boiler room scam**

FSA has secured a court order against Sinaloa Gold Plc (Sinaloa) and one of its directors, Glen Lawrence Hoover, a United States resident, which will see money returned to 79 UK victims of a boiler room scam. ([Link](#))

### **Six found guilty of operating insider dealing ring**

Following a four and a half month trial at Southwark Crown Court, Ali Mustafa, Pardip Saini, Pares Shah, Neten Shah, Bijal Shah, and Truptesh Patel have been convicted of offences relating to insider dealing between 2006 and 2008, when they were arrested. ([Link](#))

### **Seven more banks agree to join FSA's review of sales of interest rate hedging products to SMEs**

FSA has announced that seven additional banks have volunteered to review their sales of interest rate hedging products to small and medium sized businesses. Allied Irish Bank (UK), Bank of Ireland, Clydesdale and Yorkshire banks (part of the National Australia Group (Europe)), Co-operative Bank, Northern Bank and Santander UK have confirmed that they will participate in the review of their sales of these products and the redress exercise, on the same basis as those larger banks which signed the agreement that was announced on 29 June. ([Link](#))

### **FSA fines former insurance broker £471,846 for misappropriating insurance premiums**

The FSA banned and fined a former commercial insurance broker who used clients' insurance premiums to fund his business. Stephen Goodwin, a former partner of Goodwin Best in Bury, Lancashire, has been fined £471,846 for the failings and prohibited from working in regulated financial services. ([Link](#))



**FSA consults on new funding model review for the FSCS**

The FSA has proposed changes to the funding of the Financial Services Compensation Scheme (FSCS) which will continue to provide important reassurance to consumers but could reduce the likelihood of interim levies and offer firms more certainty in the level of fees they pay. ([Link](#))

**Six sentenced for insider dealing**

In a case brought by the FSA and heard at Southwark Crown Court, Ali Mustafa, Pardip Saini, Paresh Shah, Neten Shah, Bijal Shah and Truptesh Patel have been sentenced for insider dealing contrary to section 52 of the Criminal Justice Act 1993 for offences committed between 2006 and 2008. ([Link](#))

**FSA publishes new rules on packaged accounts**

The FSA has published new rules requiring banks and building societies to check whether customers are eligible to claim on insurance cover before selling them a packaged bank account. ([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 Alternative Investment Association “FLAIA” – [WWW.FLAIA.ORG](http://WWW.FLAIA.ORG)
- 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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**READER SURVEY FAX RESPONSE**

**TO: Louis Dempsey**

**RE: July 2012**

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

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

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