

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 March 25th, 2013
- **FINRA:** Annual Conference in Washington, DC, on May 20-22, 2013

NOTABLE ITEMS IN THIS EDITION

- **SEC** – Final Rule: Adjustments to Civil Monetary Penalty Amounts – Page 2
- **SEC** – Announces 2013 Examination Priorities – Page 2
- **SEC** – Charges Husband and Wife in Florida with Defrauding Seniors Investing in Purported Charity – Page 2
- **SEC** – N.Y. based Brokerage Firm with Defrauding Investors in a Clean Energy Company to Earn Lucrative Commissions – Page 2
- **FINRA** – Issues New Investor Alert: Duration—What an Interest Rate Hike Could Do to Your Bond Portfolio – Page 3
- **FINRA** – Fines Five Firms \$1.2 Million for Email Retention and Review Violation – Page 2
- **FINRA** – FINRA Amends Rule 4530 to Eliminate Duplicative Reporting and Provide the Option to File Required Documents Online Using a New Form – Page 2
- **FINRA** – FINRA Hearing Panel Dismisses Two of Three Causes of Action in Complaint Against an Investment Company – Page 2
- **MSRB** - Publishes 2013 Rule Book – Page 3
- **MSRB** - MSRB Makes Political Contribution Disclosures Available on EMMA – Page 4
- **FSA** – FSA publishes the results of a mystery shopping review into the quality of investment advice in banks and building societies – Page 8

Service Spotlight: Supervisory Controls

RRS provides a full range of services to assist with your firm's compliance with NASD Rules 3010, 3012 and FINRA Rule 3130, including:

- Comprehensive Risk Assessment
- Review of Supervisory Structure
- Written Supervisory and Supervisory Control Procedures Gap Analysis
- Transactional and forensic testing of the written supervisory procedures
- Report Preparation
- Draft CEO Certification
- Annual Compliance Meetings
- Compliance Program Testing Training
- Ongoing Compliance Support

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Washington, DC

SEC

SEC Announces:

2013 Examination Priorities ([Link](#))

SEC Charges:

Husband and Wife in Florida with Defrauding Seniors Investing in Purported Charity ([Link](#))

N.Y. based Brokerage Firm with Defrauding Investors in a Clean Energy Company to Earn Lucrative Commissions. ([Link](#))

Virgin Islands based Investment Adviser with Defrauding Clients. ([Link](#))

Connecticut-Based Hedge Fund Managers with Fraud. ([Link](#))

List of No Action Letters:

The NASDAQ Stock Market LLC ([Link](#))

Emerging Global Advisors, LLC and EGA Emerging Global Shares Trust ([Link](#))

SEC Final Rules:

Adjustments to Civil Monetary Penalty Amounts ([Link](#))

SEC Halts \$150 Million Investment Scheme to Dupe Foreign Investors and Exploit Immigration Program

The SEC announced charges and an asset freeze against an individual living in Illinois and two companies behind an investment scheme defrauding foreign investors seeking profitable returns and a legal path to U.S. residency through a federal visa program. ([Link](#))

SEC Approves 2013 PCAOB Budget and Accounting Support Fee

The SEC Commission unanimously approved the 2013 budget of the Public Company Accounting Oversight Board (PCAOB) and the related annual accounting support fee as required by the Sarbanes-Oxley Act of 2002. The PCAOB budget totals \$245.6 million and will be funded primarily by the collection of an accounting support fee totaling \$234 million. ([Link](#))

“Find it – Before the Regulators”

The staff at RRS is 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.

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

SEC Freezes Assets in Swiss-Based Account Used in Suspected Insider Trading.

The SEC obtained an emergency court order to freeze assets in a Zurich, Switzerland-based trading account that was used to reap more than \$1.7 million from trading in advance of yesterday’s public announcement about an acquisition of the local company. ([Link](#))

SEC to Host Credit Ratings Roundtable

The SEC announced that it will hold a Credit Ratings Roundtable on May 14 in response to a recent staff report on credit ratings and related matters. ([Link](#))

SEC to Hold Fixed Income Roundtable

Securities and Exchange Commission announced that it will hold a roundtable on April 16 to discuss potential ways to improve the transparency and efficiency of fixed income markets. The roundtable will focus on the corporate bond market and the municipal securities market, which was the subject of a July 2012 Commission report. ([Link](#))

FINRA

FINRA Fines:

Five Firms \$1.2 Million for Email Retention and Review Violations. ([Link](#))

Regulatory Notices:

[13-08](#) FINRA Amends Rule 4530 to Eliminate Duplicative Reporting and Provide the Option to File Required Documents Online Using a New Form

FINRA Conferences & Events:**FINRA Annual Conference**

Join practitioners, peers and regulators to exchange ideas on today's most challenging compliance and regulatory topics. Register early for the best conference rate. ([Link](#))

FINRA Hearing Panel Dismisses Two of Three Causes of Action in Complaint Against an Investment Company

FINRA announced that a FINRA hearing panel has dismissed two of three causes in a February 2012 complaint against an Investment Company. The panel concluded that the amended language used in company's customer agreements to prohibit participation in judicial class actions does violate FINRA rules, but that FINRA may not enforce those rules because they are in conflict with the Federal Arbitration Act (FAA). ([Link](#))

FINRA Issues New Investor Alert: Duration—What an Interest Rate Hike Could Do to Your Bond Portfolio

FINRA issued a new Investor Alert called Duration – What an Interest Rate Hike Could Do Your Bond Portfolio. FINRA is issuing this Alert to help investors understand the importance of duration risk. Although stated in years, duration is not simply a measure of time. The duration of a bond or a bond fund also signals how much the price of a bond investment is likely to fluctuate when interest rates move up or down. ([Link](#))

Steven J. Randich Named FINRA's Chief Information Officer

FINRA announced that Steven J. Randich, currently Citigroup's Co-Chief Information Officer (CIO), will join the organization as Executive Vice President and CIO. Randich will oversee technology at FINRA, as well as FINRA's Registration and Disclosure division. Randich will start at FINRA on March 11. ([Link](#))

FINRA Investor Education Foundation and United Way Worldwide Announce More Than \$1 Million in Grants to Support Grassroots Financial Education Projects

FINRA Investor Education Foundation and United Way Worldwide (UWW) have announced more than \$1 million in grants to eight recipients as part of the Financial Education in Your Community initiative. ([Link](#))

MSRB**MSRB Regulatory Notices for November 2012:**

[2013-04](#) Request for Comment on Codifying Time of Trade Disclosure Obligation

[2013-05](#) MSRB Updates Electronic Form for Reporting Trades

Did you Know?

A helpful reminder for investment advisers of certain periodic obligations that may be applicable under either state or federal laws or regulations:

- **Delivery of Privacy Policy** – Privacy regulations require “financial institutions”, including investment advisers, to distribute their privacy policy to existing clients on an annual basis. Advisers should be sure to distribute a copy of their privacy policy, even if there were no changes and document delivery of the privacy notice. Documentation can be achieved simply by retaining a copy of the privacy notice with a copy of the mailing list used to distribute the Policy.
- **Update of Form ADV** – The Investment Advisers Act of 1940 (“Advisers Act”), and most state regulations, require that a registered investment advisers Form ADV (both Part 1 and Part II) be updated within 90 days of the adviser's fiscal year end.
- **Brochure Rule** – The Advisers Act, and most state regulations, require that a registered investment adviser provide, or offer to provide at no charge, their clients with a copy of Part II of their Form ADV or the equivalent “brochure” statement in lieu of Part II of the Form ADV, on an annual basis.
- **Review of Compliance Procedures** – Advisers Act Rule 206(4)-7 requires SEC registered investment advisers to “Review, no less frequently than annually, the adequacy of the policies and procedures established pursuant to this section and the effectiveness of their implementation”. Written evidence of this review should be maintained. Several states have also adopted similar rules in their statutes for State registered investment advisers.
- **Hedge Fund Audited Financial Statements** – For investment advisers that manage hedge funds, audited financial statements, prepared in accordance with generally accepted accounting principles, must be provided to investors of the hedge fund(s) within 120 days of the fund's fiscal year end, in order to qualify for exemptions under the Advisers Act custody rules.

RRS offers the *Compliance Administrator* program, which is designed to provide a support mechanism to investment adviser and broker-dealer CCOs, to help meet their regulatory and compliance requirements through the delivery of a standard suite of products and services designed to emulate a compliance back-office. The service integrates RRS' registration, financial reporting and consulting services to deliver broad based support to your compliance program. Please call us at (561) 368-2245 for more information on how RRS can help support your compliance program.

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

MSRB Publishes 2013 Rule Book

MSRB published an electronic version of its printed 2013 Rule Book, which describes rules for municipal securities dealers and municipal advisors effective as of January 1, 2013. ([Link](#))

MSRB Makes Political Contribution Disclosures Available on EMMA

MSRB announced that it has moved its electronic library of political contribution disclosures made by municipal securities dealers to the Electronic Municipal Market Access (EMMA®) website to locate them alongside other municipal market disclosures and data. ([Link](#))

MSRB and Texas MAC to Co-Host Education and Outreach Seminar in Dallas

MSRB and the Municipal Advisory Council of Texas will co-host an education and outreach event for municipal market professionals on March 7, 2013 in Dallas, Texas. The event will provide an opportunity for industry professionals to learn about the MSRB's current priorities and its rulemaking efforts for municipal advisors and dealers. The MSRB will also host a similar event in Boston, Massachusetts on July 23, 2013. ([Link](#))

MSRB Requests Comment on Proposal to Consolidate Time-of-Trade Disclosure Requirements for Dealers

MSRB is seeking comment on a proposal to consolidate into a new rule existing requirements for dealers to disclose material information to customers in connection with the purchase or sale of a municipal security. ([Link](#))

MSRB Asks SEC To Approve More Disclosures Related To Bond Ballot Contributions By Municipal Securities Dealers

MSRB is seeking approval from the Securities and Exchange Commission (SEC) on a proposal to expand the disclosures made by municipal securities dealers in connection with contributions to bond ballot measure campaigns. The MSRB believes that making additional information available will help it and the public determine the effect to which contributions will integrity of the municipal bond underwriting business. ([Link](#))

MSRB-Texas MAC Municipal Securities Seminar to Be Webcast

MSRB and the Municipal Advisory Council of Texas announced that they will webcast their March 7, 2013 education and outreach event, to be held in Dallas, Texas. The webcast will expand accessibility to the event for all industry professionals—not just those in the Dallas area—to learn about the MSRB's current priorities and its rulemaking efforts for municipal advisors and dealers. ([Link](#))

MSRB Publishes 2012 Municipal Bond Fact Book

MSRB has published the 2012 edition of its Fact Book, an online sourcebook that analyzes trading data and other statistics for the \$3.7 trillion municipal bond market. This year, the Fact Book includes new statistics on municipal market trading activity based on the credit rating and average yields of customer trades of municipal securities. It also includes analysis on the more 50 million trades that occurred in the municipal market over the last five years as well as data on disclosures made by municipal bond issuers over the last two years. ([Link](#))

NASDAQ—NASDAQ-TRADER—

OTCBB

Equity Trader Alert:

[2013-09](#) Alliance HealthCare Services Inc. to Begin Listing on NASDAQ on Monday, February 11, 2013

[2013-10](#) Full House Resorts, Inc. to Begin Listing on NASDAQ on Wednesday, February 13, 2013

[2013-11](#) NASDAQ OMX U.S. Markets will be Closed on Monday, February 18, 2013

[2013-12](#) NASDAQ Pre-Market Trading to Begin at 4:00 A.M. ET as early as March 18, 2013

[2013-13](#) NASDAQ Announces Retail Price Improvement (RPI) Program

[2013-14](#) NASDAQ to Begin Listing First Trust ETF on Wednesday, February 27, 2013

[2013-15](#) NASDAQ OMX Introduces the QDRK and QCST Routing Strategies, Effective February 27, 2013

[2013-16](#) NASDAQ OMX PSX Introduces the XDRK and XCST Routing Strategies, Effective February 27, 2013

[2013-17](#) NASDAQ OMX BX Introduces the BDRK and BCST Routing Strategies, Effective February 27, 2013

Data News:

[2013-03](#) NASDAQ OMX Expands UltraFeed Coverage to Include U.S. Equity Depth Data

Data Technical News:

[2013-04](#) Updated 2/8/2013: Alliance HealthCare Services Inc. to Begin Listing on NASDAQ on Monday, February 11, 2013

[2013-05](#) Full House Resorts, Inc. to Begin Listing on NASDAQ on Wednesday, February 13, 2013

[2013-06](#) Pre-Market Trading to Begin at 4:00 A.M., ET, as early as March 18, 2013

[2013-07](#) NASDAQ OMX Updates MFQS Daily List Specifications

[2013-08](#) NASDAQ OMX Increases Bandwidth Recommendation for GIDS Data Feed

[2013-09](#) NASDAQ Offers Testing for Retail Price Improvement (RPI) Program

[2013-10](#) Daylight Savings Begins In March

Options Trader Alert:

[2013-09](#) PHLX Amends Customer Rebate Program; NOM Updates Rebate Tiers

[2013-10](#) NASDAQ OMX to Introduce Derivatives Trading on U.S. Treasuries

[2013-11](#) PHLX Enhances its Remote Market Making Program

[2013-12](#) NASDAQ OMX PHLX Updates the PHLX XL System Settings

Options Regulatory Alert:

[2013-01](#) UPDATED 2/15/13: PHLX Establishes Margin Levels and Position Limits for Treasury Options

Financial Products News:

[2013-03](#) NASDAQ OMX Announces Change of Index Symbol Effective Monday, February 25, 2013

[2013-04](#) NASDAQ OMX to Discontinue Dissemination of Three NASDAQ Indexes After Close of Business Thursday, February 28, 2013

[2013-05](#) NASDAQ OMX to Launch Two New Indexes Effective Thursday, February 28, 2013

[2013-06](#) Mergent Dividend Achievers Indexes Switch Postponed

NYSE - EURONEXT – AMEX

NYSE to Suspend Trading in:

Third Cumulative Preferred Stock, \$1.70 ([Link](#))

NYSE EURONEXT Announcements:

NYSE Euronext Announces Fourth Quarter and Full-Year 2012 Financial Results ([Link](#))

NYSE Euronext Announces Trading Volumes for January 2013 ([Link](#))

NYSE Euronext Announces Date for First Quarter 2013 Earnings Release and Conference Call ([Link](#))

NYSE MKT to Delist Securities of:

Securities of Frederick's Of Hollywood Group, Inc. ([Link](#))

NYSE MKT Issues Short Interest Report:

Settlement date of January 31, 2013 ([Link](#))

Settlement date of February 15, 2013 ([Link](#))

NYSE Group, Inc. Issues Short Interest Report:

Settlement date of January 31, 2013 ([Link](#))

Settlement date of February 15, 2013 ([Link](#))

NYSE Weekly Program-Trading Data Releases:

Averaged 27.9 Percent of NYSE Volume during Jan. 28-Feb. 1 ([Link](#))

Averaged 25.7 Percent of NYSE Volume during Feb. 4-8 ([Link](#))

Averaged 27.4 Percent of NYSE Volume during Feb. 11-15 ([Link](#))

Averaged 26.3 Percent of NYSE Volume during Feb. 19-22 ([Link](#))

Where are they going?

Recent turmoil in the debt markets has increased the regulators' emphasis on the sales, trading and pricing practices of broker-dealers, investment advisers, and funds. At retail firms, the regulatory examination and investigations are focusing on disclosures to customers in advertising, sales literature and at the point of sale, while in the institutional space, the focus is on pricing models, stress testing and trading. RRS can customize an examination scope to test your firm's compliance and supervisory structure relative to all of the areas where the regulators are setting their sights.

For more information contact Louis Dempsey at (561) 368-2245 or LouisDempsey@RRSCompliance.com

Zoetis™ Celebrates Initial Public Offering and First Day of Trading on the New York Stock Exchange

Zoetis, a leading animal health company, opened for trading on the NYSE under the ticker symbol "ZTS" after its initial public offering. Barclays is the DMM for the company's stock. CEO Juan Ramón Alaix, joined by members of the Zoetis team, celebrated the company's first day of trading by visiting the NYSE trading floor for the stock opening and by ringing The Opening Bell. ([Link](#))

NYSE Euronext Lisbon Awards

The winning 20 organizations received the NYSE Euronext Lisbon Awards in recognition of their contribution to the development of the Portuguese capital markets during 2012. Issuers, brokers, investment banks, analysts, fund managers, law firms and academics were among the winners. ([Link](#))

Corporate Board Member and NYSE Euronext to Host Educational Forum for Compensation Committee Members

Corporate Board Member, an NYSE Euronext Company, will be hosting an intensive, one-day compensation strategy event on April 10 at the New York Stock Exchange. The 3rd annual Compensation Strategies to Build Shareholder Value event is intended to provide compensation committee members of publicly traded company boards valuable insights on the most pressing executive compensation issues in today's say-on-pay environment. ([Link](#))

NYSE Technologies' Marketplace™ Welcomes Everbright Securities and GF Securities

NYSE Technologies, the commercial technology division of NYSE Euronext, welcomed the brokers Everbright Securities and GF Securities to Marketplace™, a leading, fully managed FIX-based trading community. NYSE Technologies' Marketplace™ solution connects brokers to approximately 700 buy-side firms in more than 40 countries and is supported by the industry's most experienced FIX specialists. ([Link](#))

NYSE Euronext to Present at the Credit Suisse 14th Annual Financial Services Forum

NYSE Euronext (NYX) announced that Michael Geltzeiler, Chief Financial Officer of NYSE Euronext, will present at the Credit Suisse 14th Annual Financial Services Forum at the Mandarin Oriental Hotel in Miami, Florida on Tuesday, February 12, 2013 at 1:45 PM (ET). ([Link](#))

Former NFL Stars Lead Summit Speaker Lineup

Former NFL stars Lynn Swann (Pittsburgh Steelers) and Ike Harris (St. Louis Cardinals and New Orleans Saints) will kick off the West Coast Boardroom Summit on February 25 at The Phoenician in Scottsdale, AZ. ([Link](#))

Corporate Board Member and NYSE Euronext to Host Annual Risk Oversight Conference

Corporate Board Member, an NYSE Euronext Company, will host an intensive, one-day Risk Oversight in the Boardroom event on April 9 at the New York Stock Exchange. Developed specifically for executives and

board members of publicly traded companies, the event will challenge attendees to think more strategically about the opportunities and risks in today's complex, global environment. ([Link](#))

NYSE Member Firms Report Fourth-Quarter 2012 Results

New York Stock Exchange member firms that conduct business with the public reported a fourth-quarter 2012 after-tax profit slightly over \$4.0 billion and revenues of approximately \$40.0 billion, compared with a nearly \$4.5 billion after-tax profit on revenues of about \$41.0 billion in the third-quarter of 2012. Comparative financial results are reported in the table. ([Link](#))

Trading and Market Making

The evolving market structure and changes to the regulatory framework create unique compliance issues for broker-dealers engaged in trading and market making. RRS provides compliance examinations based on FINRA's TMMS examination that includes:

- Regulation NMS Compliance
- Order handling
- Best execution
- Trade reporting
- Order execution and routing disclosures
- Payment for order flow disclosures
- OATS compliance
- REG SHO
- Trader registration
- Anti-competitive practices
- Written supervisory procedures

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

NYSE Technologies and SMA Announce Agreement to Distribute Social Media Analysis Data via SFTI

NYSE Technologies, the commercial technology division of NYSE Euronext, and SMA announced an agreement to distribute sentiment statistics from SMA's patent-pending social media monitoring engine through NYSE Technologies SFTI Network, and its normalized market data service, SuperFeed1. Social media has become a crucial source of information for the financial services community, in addition to corporate analytics groups in the non-financial sector. The SMA Sentiment Signature Feed will offer customers a first-of-a-kind tool for

including social media sentiment in their market analysis and decision-making processes. ([Link](#))

Spineway lists on NYSE Alternext

NYSE Euronext (NYSE: NYX) announced the listing on NYSE Alternext in Paris of Spineway, a company specialized in surgical implants and instruments used to treat spinal column pathologies. ([Link](#))

DEME launches successful first bond issue on NYSE Alternext

NYSE Euronext announced a successful €200 million bond issue on NYSE Alternext by DEME, the Belgian dredging, environmental and marine engineering group. The company is the first issuer of bonds on NYSE Alternext in Brussels, a market designed for SMEs with more flexible listing requirements. ([Link](#))

Annual review of the BEL-Indices

NYSE Euronext announced the results of the annual review for the BEL 20®, BEL Mid® and BEL Small® indices. The decisions taken will take effect from Monday 18 March 2013. ([Link](#))

Infosys to trade on NYSE Euronext London and Paris Markets

Infosys, a global leader in consulting and technology, will be the first Indian company admitted to trading on NYSE Euronext's London and Paris markets from Wednesday, 20 February 2013. To mark the occasion of NYSE Euronext's first cross listing of an Indian company, S. D. Shibulal, CEO and Managing Director, will be in London to open the market by ringing the bell at 08.00 GMT / 09.00 CET. ([Link](#))

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JOHNPINTO@RRSCOMPLIANCE.COM

Hart-Scott-Rodino Act Waiting Period Expires for IntercontinentalExchange Acquisition of NYSE Euronext

IntercontinentalExchange (NYSE: ICE) and NYSE Euronext (NYSE: NYX) announced the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act in connection with the proposed combination of the two companies. The waiting period expired Friday, February 15. ([Link](#))

NYSE Liffe welcomes Marigold International Securities LTD. and Gold Mountain Futures LTD as new members

NYSE Liffe, the European based global derivatives division of NYSE Euronext, welcomed Marigold International Securities Ltd. and Gold

Mountain Futures Ltd. as members of NYSE Liffe's London market. ([Link](#))

NYSE Liffe to list MSCI Europe Index on central order book

NYSE Liffe, the European derivatives business of NYSE Euronext, announced the extension of its suite of derivatives based on MSCI indices to the London Central Order Book. Trading in NYSE Liffe's MSCI Europe Net Total Return Index futures Contract will commence on 1 March 2013. ([Link](#))

NYSE Euronext to Present at the Raymond James Institutional Investors Conference

NYSE Euronext announced that Michael Geltzeiler, Chief Financial Officer of NYSE Euronext, will present at the Raymond James Institutional Investors Conference at the JW Marriot Orlando, Grand Lakes in Orlando, Florida on Monday, March 4, 2013 at 9:50 AM (ET). ([Link](#))

DAS|INC achieves highest status in NYSE Euronext's Power Partners Program

NYSE Euronext announced that DAS|INC was the latest member of its Power Partners Program™ to achieve 'level 3' status, the highest level in the program. The program highlights vendors that partner effectively with NYSE Euronext to better serve mutual customers and consistently provide the highest levels of functionality, responsiveness and innovation. ([Link](#))

Definitive selection AEX, AMX and ASX

After close of the markets on Friday 15 March 2013, the annual reweighting will take place of the AEX®, the AMX® and the ASX®. Below you will find the changes in the composition of these indices as from Monday March 18, 2013. ([Link](#))

The Expert Indices Committee

The Expert Indices Committee meeting took the following decisions:
CAC 40® index: No modification in the composition of the index.
CAC Next 20® index: No modification in the composition of the index.
Indice CAC® Large 60: No modification in the composition of the index.
CAC® Mid 60 index: No modification in the composition of the index.
SBF120® index: No modification in the composition of the index. ([Link](#))

NYSE to Commence Proceedings to Delist Dex One Corporation

NYSE announced that the staff of NYSE Regulation, Inc. has determined to commence proceedings to delist the Common Stock of Dex One Corporation --ticker symbol DEXO--from the NYSE. The Company has a right to a review of this determination by a Committee of the Board of Directors of NYSE Regulation. If the Company requests a review by the Committee, the NYSE will announce the date of such review. ([Link](#))

NYSE Liffe welcomes Concord Futures Corp as a new member

NYSE Liffe, the European based global derivatives division of NYSE Euronext, announced that Concord Futures Corp, a leading futures and

options brokerage in Taiwan, has become a member of NYSE Liffe's London and Paris markets. ([Link](#))

COMPREHENSIVE COMPLIANCE SOLUTIONS

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FSA

FSA publishes the results of a mystery shopping review into the quality of investment advice in banks and building societies

FSA published the results of a mystery shopping review, carried out between March and September 2012, looking into the quality of investment advice given by banks and building societies. This is the first time that the FSA has published the results of a mystery shopping exercise since the Payment Protection Insurance (PPI) mystery shopping exercise in September 2008. ([Link](#))

RBS fined £87.5 million for significant failings in relation to LIBOR

FSA fined a bank £87.5 million for misconduct relating to the London Interbank Offered Rate (LIBOR). ([Link](#))

FSA secures High Court victory against illegal land banking firm

FSA has won a key victory in the battle against unauthorized businesses after the High Court declared that the members of the banking firm ran an illegal land bank by operating a collective investment scheme without FSA authorization. ([Link](#))

FSA fined £9.45m for failings in bank's sale of an AIG fund

FSA fined a bank for failures in the sale of the AIG Enhanced Variable Rate Fund (the Fund). These failures led to bank's customers being exposed to an unacceptable risk of an unsuitable sale of the Fund. The bank also failed to deal properly with complaints from customers about sales of the Fund. ([Link](#))

FSA secures Supreme Court win in satellite warranty case

The Supreme Court unanimously dismissed appeals by a firm that provides satellite services. ([Link](#))

FSA fines a healthcare provider £175,000 for clearance to deal failings

FSA fined a healthcare provider £175,000 for failing to take adequate steps to ensure that its board members and senior executives complied with the share dealing provisions of the FSA's Model Code. ([Link](#))

Three firms fined £4.3 million for delayed PPI redress payments

FSA fined three firms a total of £4,315,000 for failings in their systems and controls that resulted in up to 140,000 customers receiving delayed payment protection insurance (PPI) redress. ([Link](#))

Three arrested in FSA insider dealing investigation

FSA with the assistance of the Metropolitan Police Service, have this morning executed six search warrants in the City of London and Greater London Area. Three men aged 33, 37 and 39 have been arrested and are currently in custody to be questioned in connection with an investigation in to insider dealing and market abuse. ([Link](#))

Resource Links

Government

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

SRO

- FINRA - WWW.FINRA.ORG
- NASDAQ - WWW.NASDAQ.COM
- New York Stock Exchange - WWW.NYSE.COM
- Municipal Securities Rulemaking Board - WWW.MSRB.ORG
- National Futures Association WWW.NFA.FUTURES.ORG

Industry

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

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

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“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: February 2013

Fax: (561) 807-5442

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?

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What would you like to see in future editions?

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(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:

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