

## Routing

- Legal & Compliance
- Senior Management
- Supervisory Principals
- Operations
- Internal Audit
- Registered Representatives
- Registration & Licensing
- Training

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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

## Hot Topics

### EVENTS

- **DEADLINE:** Monthly FOCUS Filing Due February 26th, 2013
- **SEC:** National Compliance Event for Broker-Dealers in Washington D.C. on April 9, 2013
- **FINRA:** Diversity Summit in New York, NY on February 27, 2013
- **FINRA:** Fixed Income Conference in New York, NY on March 12, 2013
- **MSRB:** MSRB-Municipal Advisory Council of Texas Education and Outreach Seminar in Dallas, TX on March 7, 2013

### NOTABLE ITEMS IN THIS EDITION

- **SEC** – Charges Florida-Based Financial Adviser with Illegally Tipping Inside Information – Page 2
- **SEC** – Charges Former Executive with Defrauding Investors in Mortgage-Backed Securities – Page 2
- **SEC** – A Founder of a Rating Company Agrees to 18-Month Bars from Rating Asset-Backed and Government Securities Issuers as NRSRO – Page 2
- **FINRA** – FINRA Rule 2210 "Communication With the Public" becomes effective February 4, 2013
- **FINRA** – Requests Comment on a Proposed Rule to Require Disclosure of Conflicts of Interest Relating to Recruitment Compensation Practices – Page 3
- **FINRA** – Provides Guidance on New Rules Governing Communications with the Public – Page 3
- **FINRA** – Requests Comment on a Proposed Supplemental Schedule for Inventory Positions – Page 3
- **FINRA** – Requests Comment on Proposed FINRA Rules Governing Markups, Commissions and Fees – Page 3
- **FINRA** – November 2012 Supplement to the Options Disclosure Document – Page 3
- **FINRA** – Issues Voluntary Interim Form for Crowdfunding Portals – Page 3
- **FINRA** – FINRA Seeks a Cease-and-Desist Order Against Broker-Dealer and its President for Misappropriation and Misuse of Customer Funds and Securities; FINRA Also Files Complaint Charging the Firm and President – Page 3
- **MSRB** – MSRB Seeks Input on Development of New Municipal Trade Reporting System – Page 4

## Service Spotlight: AML Program Testing

The USA PATRIOT Act, FINRA and the Bank Secrecy Act (BSA) require an independent testing of a broker dealer's or Investment Company's anti-money laundering (AML) compliance program. RRS' AML compliance testing service offers an in-depth review of your firm's AML program to measure its effectiveness in monitoring and detecting suspicious activity. Our AML compliance testing service includes: OFAC and CIP compliance, review of the firms' written AML policies and procedures, and review of applicable FinCEN requirements. With our experienced personnel and Certified Anti-Money Laundering Specialist (CAMS) we can help you *Manage Through Change* by meeting your AML independent testing requirement.

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Washington, DC

## SEC

### SEC Announces:

Agenda for Feb. 1 Meeting of Advisory Committee on Small and Emerging Companies ([Link](#))

Panelists for Roundtable on Decimalization ([Link](#))

### SEC Charges:

Two Auditors for Failed Audit of Nebraska Bank Hiding Loan Losses During Financial Crisis ([Link](#))

Three Former Bank Executives in Virginia for Understating Loan Losses During Financial Crisis ([Link](#))

Florida-Based Financial Adviser with Illegally Tipping Inside Information ([Link](#))

Former Executive with Defrauding Investors in Mortgage-Backed Securities ([Link](#))

Trader in Houston-Area Investment Scheme Targeting Lebanese and Druze Communities ([Link](#))

Real Estate Executives in Florida-Based \$300 Million Investment Scheme ([Link](#))

### List of No Action Letters:

Securities Industry and Financial Markets Association ([Link](#))

J.P. Morgan Securities LLC ([Link](#))

Pacholder High Yield Fund, Inc., ([Link](#))

NetRoadshow, Inc., ([Link](#))

### SEC Final Rules:

Adoption of Updated EDGAR Filer Manual ([Link](#))

Lost Securityholders and Unresponsive Payees ([Link](#))

### A Ratings Company Founder Agrees to 18-Month Bars from Rating Asset-Backed and Government Securities Issuers as NRSRO

SEC announced that a Ratings Company and its president have agreed to settle charges that they made willful and material misstatements and omissions when registering with the SEC to become a Nationally Recognized Statistical Rating Organization (NRSRO) for asset-backed securities and government securities. ([Link](#))

### SEC Names Geoffrey Aronow as General Counsel

SEC announced that Chairman Elisse B. Walter has appointed Geoffrey F. Aronow as the agency's General Counsel. He will begin his new role later this month. ([Link](#))

### Enforcement Director Robert Khuzami to Leave SEC

SEC announced that Enforcement Director Robert Khuzami will leave the agency after nearly four years of leadership. During Mr. Khuzami's

tenure, the Enforcement Division filed scores of significant actions connected to the financial crisis and brought record numbers of cases involving insider trading and misconduct by investment advisers and investment companies. ([Link](#))

### David Grim Named Deputy Director of SEC's Division of Investment Management

SEC announced that David Grim has been appointed Deputy Director of its Division of Investment Management. Mr. Grim has worked in the division for 17 years, most recently as Assistant Chief Counsel in its Office of Chief Counsel, and has received several awards for his legal and managerial work. ([Link](#))

### RRS COMPLIANCE ADMINISTRATOR

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### SEC Names Gregg E. Berman as Associate Director of the Office of Analytics and Research

SEC announced that Gregg E. Berman has been named Associate Director of the Office of Analytics and Research in the SEC's Division of Trading and Markets. ([Link](#))

### Vincente Martinez Named Chief of SEC's Office of Market Intelligence

SEC announced that Vincente L. Martinez has been named Chief of the Enforcement Division's Office of Market Intelligence, which collects and evaluates thousands of tips, complaints, and referrals that come into the SEC each year. ([Link](#))

### SEC Names Carl W. Hoecker as Inspector General

The Securities and Exchange Commission announced that it has named Carl W. Hoecker as its Inspector General. ([Link](#))

### George S. Canellos Named Acting Director of Enforcement

SEC announced that George S. Canellos, currently Deputy Director of the Division of Enforcement, has been named Acting Director. The appointment is effective February 8. ([Link](#))

### David P. Bergers Named Acting Deputy Director of Enforcement

SEC announced that David P. Bergers, Director of the SEC's Boston Regional Office, has been named Acting Deputy Director of the Enforcement Division, effective February 8, when Deputy Director George Canellos becomes the division's Acting Director. ([Link](#))

**SEC Events:**

SEC to Hold National Compliance Event for Broker-Dealers ([Link](#))

Advisory Committee on Small and Emerging Companies ([Link](#))

Decimalization Roundtable ([Link](#))

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**FINRA**

**Regulatory Notices:**

**13-01** Final Renewal Statements for Broker-Dealers, Investment Adviser Firms, Agents and Investment Adviser Representatives, and Branches

**13-02** FINRA Requests Comment on a Proposed Rule to Require Disclosure of Conflicts of Interest Relating to Recruitment Compensation Practices

**13-03** FINRA Provides Guidance on New Rules Governing Communications with the Public

**13-04** SEC Approves Amendments to Arbitration Codes Relating to Subpoenas and Orders to Direct the Appearance of Witnesses and Production of Documents without Subpoenas

**13-05** FINRA Requests Comment on a Proposed Supplemental Schedule for Inventory Positions

**13-06** SEC Approves Amendments to Rule 8210 Effective Date: February 25, 2013

**13-07** FINRA Requests Comment on Proposed FINRA Rules Governing Markups, Commissions and Fees

**Information Notices:**

**1/24/13** November 2012 Supplement to the Options Disclosure Document

**FINRA Issues Voluntary Interim Form for Crowdfunding Portals**

FINRA issued a voluntary Interim Form for Funding Portals designed for prospective crowdfunding portals under the JOBS Act. Those intending to become a funding portal may voluntarily submit information regarding their business on the interim form. The information received will help FINRA develop rules specific to crowdfunding portals. ([Link](#))

**FINRA Seeks a Cease-and-Desist Order Against a Broker-Dealer and its President for Misappropriation**

**and Misuse of Customer Funds and Securities; FINRA Also Files Complaint Charging the Firm and President**

FINRA announced that it has filed for a Temporary Cease-and-Desist Order (TCDO) against NY-based Broker-Dealer and its President, to immediately stop the further misappropriation and misuse of customer funds and securities. FINRA is seeking the TCDO to prevent further customer harm that would likely continue before a formal disciplinary proceeding against the group and the president could be completed. ([Link](#))

**2012: FINRA Year in Review**

FINRA marked 2012 with significant accomplishments in detecting fraudulent activity, implementing cross-market surveillance, increased transparency of securities markets and fulfilling its regulatory mandate to protect investors, assessing \$68 million in fines, ordering a record \$34 million in restitution to harmed customers and taking measures to ensure market integrity. ([Link](#))

**FINRA Foundation Issues Five Tips to Keep Your Finances From Going Off a Cliff**

FINRA Investor Education Foundation released Five Tips to Keep Your Finances from Going off a Cliff. While the new year is beginning with improving economic conditions, the financial situation of many Americans remains fragile. The FINRA Foundation's five tips can help consumers and investors keep their finances on solid ground. ([Link](#))

**Supervisory Controls**

RRS' provides a full range of services to assist with your firm's compliance with FINRA Rules 3010, 3012 and 3013, including:

- Comprehensive Risk Assessment
- Review of Supervisory Structure
- Written Policies and Procedures Gap Analysis
- Compliance Program Testing
- Report Preparation
- Draft CEO Certification
- Annual Compliance Meetings and Training
- Ongoing Compliance

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

**FINRA Launches Small Claims Telephonic Mediation Pilot Program**

FINRA announced the launch of a pilot program offering parties in simplified cases pro bono or reduced-fee telephone mediation.

Participation in the pilot program, which began on January 15, is voluntary and open to cases involving claims of \$50,000 or less. ([Link](#))

**FINRA Investor Education Foundation and the American Library Association Announce \$1.12 Million in Grants to Public Libraries to Support Financial Literacy**

FINRA Investor Education Foundation and the American Library Association (ALA) have announced \$1.12 million in grants to 14 recipients as part of the Smart investing@your library® initiative. ([Link](#))

**FINRA Conferences & Events:**

**FINRA Diversity Summit**

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](#))

**Fixed Income Conference**

FINRA's annual Fixed Income Conference addresses current impacts on the fixed income markets and how regulators and firms are responding. ([Link](#))

**MSRB**

**MSRB Regulatory Notices for January 2013:**

[2013-01](#) MSRB Seeks Board of Directors Applicants

[2013-02](#) Request for Comment on More Contemporaneous Trade Price Information through a New Central Transparency Platform

[2013-03](#) RTRS Inter-Dealer Regulatory Dollar Price Reporting Requirement Effective February 25, 2013

**MSRB Seeks Input on Development of New Municipal Trade Reporting System**

MSRB announced it is seeking input from municipal securities market participants to guide the design of the next generation of electronic reporting and public dissemination of municipal securities trades. ([Link](#))

**MSRB Issues Statement on Nomination of SEC Chair**

MSRB said it welcomes President Obama's nomination of Mary Jo White to lead the Securities and Exchange Commission (SEC). ([Link](#))

**MSRB Holds Quarterly Meeting**

MSR held its quarterly meeting January 23-25, 2013 where it approved several initiatives, including the display of municipal market benchmarks on its transparency website and rules to enhance investor and issuer protection in the municipal securities market. ([Link](#))

**MSRB Provides Enhanced Search Capabilities on EMMA Website**

MSRB is reminding municipal market participants that it recently enhanced the search capabilities of its Electronic Municipal Market

Access (EMMA®) website. EMMA website users can now more easily locate specific securities and related pricing information among the universe of 1.2 million outstanding municipal securities. ([Link](#))

**MSRB-Municipal Advisory Council of Texas Education and Outreach Seminar - Dallas, TX**

This seminar, co-hosted with the Municipal Advisory Council of Texas, will provide updates on the MSRB's rulemaking for dealers and advisors, as well as its recent municipal market transparency initiatives. The seminar is open to all members of the municipal securities community. There is no charge to attend; however, pre-registration is required. ([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 Lauren Epstein at (561) 368-2245 or [laurenepstein@rrscompliance.com](mailto:laurenepstein@rrscompliance.com)

**NASAA**

**NASAA Statement on Nomination of Mary Jo White as SEC Chair**

NASAA announced a statement from A. Heath Abshire, President of the NASAA and Arkansas Securities Commissioner, on the nomination by President Obama of Mary Jo White to lead the U.S. Securities and Exchange Commission ([Link](#))

**NASDAQ—NASDAQ-TRADER—**

**OTCBB**

**Equity Regulatory Alert:**

[2013-01](#) Revised Limit Up/Limit Down and Market Wide Circuit Breaker Industry Test Dates

[2013-02](#) NASDAQ OMX Provides Information Regarding the French Financial Transaction Tax

[2013-03](#) Consolidated Audit Trail Pre-RFP Bidders Conference

**Equity Trader Alert:**

[2013-01](#) Pernix Therapeutics Holdings, Inc. to Begin Listing on NASDAQ on Monday, January 28, 2013

[2013-02](#) NASDAQ to Begin Listing Credit Suisse AG ETN on Tuesday, January 29, 2013

[2013-03](#) NASDAQ Reduces T+1/As Of Reversal Fee on FINRA/NASDAQ TRF Effective Friday, February 1, 2013

[2013-04](#) NASDAQ and BX Pricing Updates, Effective February 1, 2013

[2013-05](#) QView Latency Optics Launching February 4, 2013

[2013-06](#) NASDAQ to Begin Listing New WisdomTree Trust ETF on Thursday, January 31, 2013

[2013-07](#) NASDAQ OMX Limit Locator Launching on February 4, 2013

[2013-08](#) NASDAQ Replaces Extended Hours Incentive Program,

**Data Technical News:**

[2013-01](#) Updated 1/18/2013: NASDAQ OMX Announces Testing Availability for the NASDAQ Market Data Feed Enhancements

[2013-02](#) NASDAQ OMX Will Support Alternative Investment Products on MFDS, Effective March 11, 2013

[2013-03](#) Pernix Therapeutics Holdings, Inc. to Begin Listing on NASDAQ on Monday, January 28, 2013

**Options Trader Alert:**

[2013-01](#) BX Options Adds New Symbols and Updates Execution Algorithm, Effective Thursday, January 3, 2012

[2013-02](#) PHLX Updates the PHLX XL System Settings

[2013-03](#) Operational Readiness for Firms for Treasury Options Launch

[2013-04](#) Options on U.S. Treasuries to Begin Trading at the Open on February 19, 2013

[2013-05](#) NASDAQ OMX Mini Options to Begin Trading on Monday, March 18, 2013

[2013-06](#) NASDAQ OMX Announces Pricing for Options on U.S. Treasuries, Effective February 19, 2013

[2013-07](#) PHLX Updates its Electronic Firm Discount; NOM and BX Options Updates Routing Fees; NOM will Introduce a Broker/Dealer Category

[2013-08](#) NASDAQ OMX PHLX Updates the PHLX XL System Settings

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

**Financial Products News:**

[2013-01](#) NASDAQ OMX to Begin Dissemination of New Third Party ETF Data on GIDS 2.0 Effective Wednesday, January 23, 2013

[2013-02](#) Mergent Dividend Achievers Indexes to Switch from NYSE Arca and begin disseminating on GIDS Effective Monday, February, 25, 2013

**UTP Vendor Alert:**

[2013-01](#) UQDF and UDFD Dissemination Issue Thursday, January 3, 2013

[2013-02](#) Updated 1/7/2013: UTP SIP Announces Revised Testing Schedule for LULD / MWCB Changes

[2013-03](#) Limit Up/Limit Down and Market Wide Circuit Breaker Industry Test Plan for Saturday, January 26, 2013

***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 Lauren Epstein at (561) 368-2245 or [laurenepstein@rrscompliance.com](mailto:laurenepstein@rrscompliance.com)

Effective February 1, 2013

**Data News:**

[2013-01](#) NASDAQ OMX Announces Nordic Equity Non-Display Fee Adjustments Effective March 1, 2013

[2013-02](#) NASDAQ OMX Announces Nordic Equity Managed Data Solution Fee Adjustments Effective March 1, 2013

## **NYSE - EURONEXT – AMEX**

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

Torch Energy Royalty Trust ([Link](#))

### **NYSE EURONEXT Announcements:**

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

### **NYSE MKT to Delist Securities of:**

Energy Services of America Corporation ([Link](#))

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

Settlement date of December 31, 2012 ([Link](#))

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

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

Settlement date of December 31, 2012 ([Link](#))

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

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

Averaged 28.0 Percent of NYSE Volume during Dec. 24-28 ([Link](#))

Averaged 28.7 Percent of NYSE Volume during Dec. 31-Jan. 4 ([Link](#))

Averaged 25.8 Percent of NYSE Volume during Jan. 7-11 ([Link](#))

Averaged 30.1 Percent of NYSE Volume during Jan. 14-18 ([Link](#))

Averaged 26.5 Percent of NYSE Volume during Jan. 22-25 ([Link](#))

### **NYSE Euronext Welcomes AbbVie to Its European and U.S. Markets**

AbbVie (ticker symbol: ABBV), a global research-based biopharmaceutical company formed in 2013 following separation from Abbott (ticker symbol: ABT), marked its cross-listing on NYSE Euronext (NYSE) markets in Europe and the United States by ringing the Opening Bell in New York. AbbVie used the streamlined, cost-effective Fast Path process to cross-list in Europe, making it the fifteenth company to take advantage of this procedure since it was made available by NYSE Euronext in 2008. ([Link](#))

### **Speakers Announced for Second Annual West Coast Boardroom Summit**

Corporate Board Member, an NYSE Euronext company, will hold the second annual West Coast Boardroom Summit on February 26-27, 2013 at The Phoenician in Scottsdale, AZ. ([Link](#))

### **Corpedia and NYSE Euronext Release Critical Program: Onboarding Guidance Immediately After M&A**

Corpedia, the global leader in ethics and compliance training solutions and advisory services, announced in a joint release with NYSE Euronext the launch of a critical training program, What it Means to be a U.S. Publicly Traded Company, a program developed with leading global

companies for a global audience that focuses on the governance and compliance onboarding guidance immediately after a merger or acquisition with a U.S. publicly traded company. ([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)

### **Login People lists on NYSE Alternext**

NYSE Euronext (NYSE) announced the listing on NYSE Alternext in Paris of Login People, a pioneer in IT security. ([Link](#))

### **Corporate Board Member to Host Inaugural Bank Strategy Forum**

Corporate Board Member, an NYSE Euronext company, will hold a Bank Strategy Forum at the New York Stock Exchange (NYSE) on March 6, 2013. The event is developed specifically for CEOs, CFOs and directors of publicly traded banks to provide an in-depth look at today's financial services industry and what steps banks should take to be successful in the future. ([Link](#))

### **NYSE Euronext is Oddo Midcap Forum partner**

NYSE Euronext (NYSE) is a partner of the 16th Oddo Midcap Forum to be held on 10-11 January 2013 at the Centre de Congrès in Lyon, France. This high-profile event, the largest of its type for European midcaps, will bring together 170 companies listed on NYSE Euronext's European market, up 14% from 2012, and 275 euro-zone investors, a 27% rise. ([Link](#))

### **NYSE Arca Continues to Hold #1 Position for U.S. Exchange Traded Product Listings and Exchange Trading**

NYSE Euronext (NYSE) announced NYSE Arca, its fully electronic U.S. equities market, continued to hold the leading position in Exchange Traded Products (ETPs) listings and exchange trading in 2012. NYSE Arca market makers provided the best bid or offer of any exchange, nearly 90% of the time, for all U.S. ETPs. NYSE Arca also maintained the highest level of market share amongst all ETP U.S. exchanges at over 20% for all of 2012. ([Link](#))

### **NYSE Technologies Extends Asia Footprint with Creation of NYSE Philippines Inc.**

NYSE Euronext (NYSE) announced that it has completed its resource transfer from Fixasia Technologies Inc., a leader in technology solutions and support services, to a newly created subsidiary, NYSE Philippines Inc. The new subsidiary will operate as a regional technology hub based in Manila. This enables NYSE Technologies to efficiently expand and rapidly diversify its Asia business while enhancing its 24x7 global support model and adding the unique expertise of the Fixasia team. Terms of the transfer were not disclosed. ([Link](#))

### **Corporate Board Member to Convene General Counsel Forum**

Corporate Board Member, an NYSE Euronext Company, will host its 4th annual General Counsel Forum on March 19 at the New York Stock Exchange. Developed specifically for the most senior in-house counsel of public companies, the event will address the most paramount legal and risk issues for general counsel in today's environment. The program will include veteran general counsel from a range of industries, along with respected legal advisers offering candid insight to the challenges facing legal departments. ([Link](#))

### **mini MSCI Futures on NYSE Liffe U.S. Reach Records in 2012**

NYSE Liffe U.S., the innovative U.S. futures exchange of NYSE Euronext (NYSE), announced several 2012 trading records for its mini MSCI Futures Complex, including all-time highs in Volume, Open Interest (OI) and Block trade at Index Close (BIC) activity. For the full-year 2012, mini MSCI Index Futures traded a record Average Daily Volume (ADV) of 19,256, up 67% from 2011. Led by consistently growing trading volume in MSCI Emerging Markets and MSCI EAFE in 2012, NYSE Liffe U.S. experienced record year-over-year volume gains of 87% and 43% in those products, respectively. Open Interest in the contracts closed out 2012 at 233,752 contracts, up 113% from year-end 2011. ([Link](#))

### **EGX signs license agreement with NYSE Liffe to enable the listing of an EGX 30 index futures contract on NYSE Liffe London**

The Egyptian Exchange (EGX) is pleased to announce that it signed a license agreement in London with NYSE Liffe, the European derivatives business of NYSE Euronext, to list the EGX 30 index. Witnessing the signing ceremony was His Excellency, Mr. Osama Saleh, Minister of Investment of Egypt. ([Link](#))

### **Russell Indexes and NYSE Euronext Announce Global Alliance and RussellTick Distribution Agreement**

Russell Indexes, a leading global index provider and NYSE Euronext, one of the world's premier exchange operators and technology innovators, announced a global alliance which will span three distinct NYSE Euronext business lines and multiple geographies, as well as several facets of Russell's global index business. The agreement includes the transition of RussellTick, an index feed for real-time, intra-day values for the Russell family of indexes in the U.S. and globally, to NYSE Technologies' Global Index Feed (GIF) protocol and extensive global distribution. Approximately \$3.9 trillion in assets are currently

benchmarked to the Russell Indexes globally. The alliance also includes a commitment to develop additional joint global services and products, such as new index-based options. ([Link](#))

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### **Futures on DTCC GCF Repo Index® Achieve Major Milestones with New Volume and Open Interest Records**

NYSE Liffe U.S., the innovative U.S. futures exchange of NYSE Euronext (NYSE), announced it has achieved major milestones for its award-winning suite of Futures on DTCC GCF Repo Index® ("GCF Repo futures"). Since the launch of GCF Repo futures on July 16, 2012, NYSE Liffe U.S. has traded nearly 500K contracts as a result of rapid growth in volume, Open Interest and activity from global interest rate market participants. ([Link](#))

### **NYSE Euronext Global Index Group Announces 2012 Performance of Indices and Yearly Recap**

NYSE Euronext's (NYSE Euronext: NYX) Global Index Group announced the 2012 performance of its benchmark indices. ([Link](#))

### **Delta Lloyd admitted to NYSE Euronext in Brussels**

Delta Lloyd, a prominent financial services provider offering life insurance, general insurance, asset management and banking products and services, already listed on NYSE Euronext in Amsterdam, celebrated its listing in Brussels. ([Link](#))

### **Bright Horizons Family Solutions Lists IPO on the New York Stock Exchange – Celebrates First Day as a Publicly-Traded Company**

Bright Horizons Family Solutions®, a leading provider of employer-sponsored child care, early education, and work/life solutions, opened for trading on the New York Stock Exchange (NYSE) under the ticker symbol "BFAM" after its initial public offering. GETCO Execution Services, LLC is the Designated Market Maker for the company's stock. ([Link](#))

### **NYSE Euronext welcomes OCI N.V. to its Amsterdam market**

Trading in OCI N.V. (ticker symbol: OCI) started on NYSE Euronext Amsterdam. ([Link](#))

### **NYSE Euronext Companies Offer Enhanced Corporate Governance Solutions**

Corpedia and Corporate Board Member, both NYSE Euronext Companies, have partnered to offer a multi-tiered suite of products to help companies more effectively manage corporate governance responsibilities. The Corporate Governance Leadership Suite consists of three tracks, which include comprehensive tools and resources to help senior governance officers advance the dialogue for compliance and governance best practices. ([Link](#))

### **NYSE Euronext Celebrates 20 Years of Exchange Traded Product (ETP) Listing and Trading**

NYSE Euronext (NYSE) celebrates the 20-year anniversary of the inaugural listing of SPDR S&P 500 ETF Trust (NYSE Arca: SPY) on January 29, 1993 and the significant growth and innovation of the Exchange Traded Product (ETP) industry since the landmark listing. In New York and Paris, NYSE Euronext executives and distinguished guests rang the Opening Bell while State Street Global Advisors (SSgA), executives rang the NYSE Closing Bell yesterday to celebrate the inaugural launch of SPDR S&P 500 ETF Trust (NYSE Arca: SPY) in honor of the occasion. ([Link](#))

## **FSA**

### **FSA fines The Bank for failing to handle PPI complaints fairly**

FSA has fined the Bank £113,300 for failing to handle payment protection insurance (PPI) complaints fairly. ([Link](#))

### **FSA confirms Century Building Society merger with the Scottish Building Society**

FSA has confirmed the proposed transfer of the engagements of the Century Building Society to the Scottish Building Society. ([Link](#))

### **FSA bans and fines insurance broker £212,237 for misappropriating money from his business and selling worthless policies**

FSA banned insurance broker, from working in the financial services industry and fined him £212,237. ([Link](#))

### **FSA publishes guidance to help firms avoid poorly managed incentive schemes that drive mis-selling**

FSA has published final guidance that will help financial firms avoid creating and operating incentives schemes that drive mis-selling. ([Link](#))

### **FSA consults further on FSCS Funding**

FSA has confirmed new rules designed to secure funding for the Financial Services Compensation Scheme (FSCS) in a way which is affordable for firms. ([Link](#))

### **Five arrested in FSA insider dealing investigation**

FSA with the assistance of the Police Forces, in the City of London, the East Midlands and the North of England have this morning executed

four search warrants in the City of London, Lincolnshire, Leicestershire and North Yorkshire. Five individuals including two men aged 37 and 62 and three women aged 39, 51 and 63 have been arrested and are currently in custody to be questioned in connection with an investigation in to Insider Dealing and Market Abuse. ([Link](#))

### **FSA appoints two new non-executive directors to the FSCS board**

FSA has appointed two new non-executive directors to the Board of the Financial Services Compensation Scheme (FSCS). Marian Glen and Charles McKenna will take up their positions on 1 February 2013. ([Link](#))

### **FSA and OFT publish guidance to firms designing new payment protection products**

FSA and the Office of Fair Trading (OFT) have jointly published final guidance to help prevent the problems associated with Payment Protection Insurance (PPI) recurring in a new generation of products. ([Link](#))

### **Tribunal upholds FSA decision to fine firm £8m for market abuse**

The Upper Tribunal (Tax and Chancery Chamber) has directed the FSA to fine a firm, a non-FSA authorized Canadian company with global operations, £8m for market abuse. The Tribunal described this as being "as serious a case of market abuse of its kind as might be imagined". ([Link](#))

### **FSA confirms start of full review of interest rate swap mis-selling**

FSA has confirmed that several firms will start the full review of their sales of interest rate hedging products (IRHPs) to small businesses. In June last year, the FSA announced that it had found serious failings in the sale of IRHPs. This announcement means that these banks have agreed to work on reviewing individual sales and providing redress to customers based on principles outlined in FSA report, and overseen by independent reviewers. ([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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TO: Louis Dempsey

RE: January 2013

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

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