

## Routing

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

### Table of Contents

SEC .....	2
FINRA .....	3
MSRB.....	4
NASAA.....	4
NASDAQ/NASDAQ	
TRADER/OTCBB .....	4
NYSE/EURONEXT/AMEX.....	5
PRA .....	7
FCA.....	9
Resource Links .....	11
Reader Survey .....	12

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:** Quarterly FOCUS Filing Due April 24<sup>th</sup>, 2014
- **DEADLINE:** Quarterly Form Custody Filing Due April 24<sup>th</sup>, 2014
- **DEADLINE:** Quarterly SSOI Filing Due April 29<sup>th</sup>, 2014
- **FINRA:** Annual Conference in Washington, DC, May 19-21, 2014

### ITEMS IN THIS EDITION

- **SEC** – SEC and FINRA to Hold Regional Compliance Outreach Programs for Broker-Dealers – Page 2
- **SEC** – SEC Obtains Asset Freeze Against Promoter Behind Microcap Stock Scalping Scheme – Page 2
- **FINRA** – FINRA Fines A firm \$950,000 for Supervisory Failures Related to Sales of Alternative Investments – Page 3
- **FINRA** – Two Firms a Total of \$1.2 Million for Consolidated Reporting Violations – Page 3
- **FINRA** – SEC Approves New Supervision Rules – Page 3
- **FINRA** – FINRA Announces Updates of the Interpretations of Financial and Operational Rules – Page 3
- **FINRA** – Advertising Regulation Conference – Page 3
- **FINRA** – Annual Conference May 19-21, Washington, DC – Page 3
- **FINRA** – FINRA Issues New Investor Alert, Bitcoin: More than a Bit Risky – Page 3
- **MSRB** – MSRB Proposes Professional Qualification Requirements for Municipal Advisors – Page 4

## Service Spotlight: 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.

Contact:

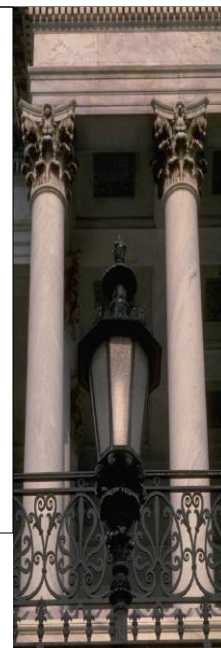
John Pinto  
(202) 463-6575  
JohnPinto@RRSCompliance.com

*Renaissance Regulatory Services, Inc.*

350 Camino Gardens Blvd. • Suite 105 • Boca Raton, FL 33432 • (561) 368-2245

[www.RRSCompliance.com](http://www.RRSCompliance.com) \* [Research@RRSCompliance.com](mailto:Research@RRSCompliance.com)

Washington, DC



## **SEC**

### **SEC Announces:**

Largest Monetary Sanction for Rule 105 Short Selling Violations ([Link](#))

Charges against Brokers, Adviser, and Others Involved in Variable Annuities Scheme to Profit From Terminally Ill ([Link](#))

Agenda, Panelists for Cybersecurity Roundtable ([Link](#))

### **SEC Proposes:**

Rules for Systemically Important and Security-Based Swap Clearing Agencies ([Link](#))

**RRS Compliance Administrator**  
**Cut Compliance Costs without**  
**Cutting Effectiveness**  
**Call (561) 368-2245**  
[JohnPinto@RRSCompliance.com](mailto:JohnPinto@RRSCompliance.com)

### **SEC Charges:**

SEC Charges Two Men With Insider Trading on Confidential Information From Their Wives ([Link](#))

Five Executives and Finance Professionals Behind Fraudulent Bond Offering by The International Law Firm ([Link](#))

Animal Feed Company and Top Executives in China and U.S. with Accounting Fraud ([Link](#))

A Firm With Failing to Supervise Its Mortgage-Backed Securities Desk during Financial Crisis ([Link](#))

A Company with Disclosure Failures While Preventing Hostile Takeover ([Link](#))

A Former Analyst with Insider Trading ([Link](#))

Stockbroker and Law Firm Managing Clerk in \$5.6 Million Insider Trading Scheme ([Link](#))

### **SEC Halts:**

International Pyramid Scheme Being Promoted Through Facebook and Twitter ([Link](#))

SEC Halts Pyramid Scheme Targeting Asian and Latino Communities ([Link](#))

### **List of No Action Letters:**

Canadian Stock Transfer Company Inc. ([Link](#))

Lloyds PLC ([Link](#))

RS Global Natural Resources Fund ([Link](#))

### **SEC Final Rules:**

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

### **SEC and FINRA to Hold Regional Compliance Outreach Programs for Broker-Dealers**

SEC and FINRA announced the opening of registration for the regional compliance outreach programs for broker-dealers that will take place in Denver, Los Angeles, Chicago, Miami, Philadelphia, and New York, beginning in the spring. ([Link](#))

### **SEC Obtains Asset Freeze Against Promoter Behind Microcap Stock Scalping Scheme**

SEC announced fraud charges and an emergency asset freeze against a promoter behind a platform of affiliated microcap stock promotion websites. ([Link](#))

### **SEC Launches Enforcement Cooperation Initiative for Municipal Issuers and Underwriters**

SEC announced a new cooperation initiative out of its Enforcement Division to encourage issuers and underwriters of municipal securities to self-report certain violations of the federal securities laws rather than wait for their violations to be detected. ([Link](#))

### **Staff Analysis of Data and Academic Literature Related to Money Market Fund Reform**

The staff of the SEC made available certain analyses of data and academic literature related to money market fund reform. ([Link](#))

### **SEC Names Jeffrey Boujoukos as Associate Regional Director in Philadelphia Office**

The Securities and Exchange Commission announced that G. Jeffrey Boujoukos has been named the associate regional director for enforcement in the Philadelphia office. ([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****FINRA Fines:**

A Firm \$950,000 for Supervisory Failures Related to Sales of Alternative Investments ([Link](#))

Two Firms a Total of \$1.2 Million for Consolidated Reporting Violations ([Link](#))

**Regulatory Notices:**

**14-10** SEC Approves New Supervision Rules

**14-11** SEC Approves Amendments to Uniform Branch Office Registration Form (Form BR)

**14-12** FINRA Announces Updates of the Interpretations of Financial and Operational Rules

**14-13** Extension of Time Requests Relating to New SEA Rule 15c3-

**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)

3(d)(4)

**Information Notices:**

**3/3/2014** New Rate for Fees Paid Under Section 31 of the Exchange Act

**FINRA Conferences & Events:**

Foundations of Web CRD/IARD Training ([Link](#))

FINRA Phone-In Workshops ([Link](#))

2014 Regional Compliance Outreach Program for Broker-Dealers ([Link](#))

District Compliance Events ([Link](#))

Fixed Income Conference ([Link](#))

Advertising Regulation Conference ([Link](#))

Annual Conference May 19-21, Washington, DC ([Link](#))

**FINRA Issues New Investor Alert, Bitcoin: More than a Bit Risky**

FINRA issued a new investor alert called Bitcoin: More than a Bit Risky to caution investors that buying and using digital currency such as Bitcoin carry risks. While speculative trading in bitcoins carries significant risk, there is also the risk of fraud related to companies claiming to offer Bitcoin payment platforms and other Bitcoin-related products and services. ([Link](#))

**FINRA Foundation Military Spouse Fellowship Application Period Open From March 3 – April 18**

Now in its ninth year, the FINRA Investor Education Foundation's Military Spouse Fellowship Program has opened the application process for its class of 2014 military spouses. The FINRA Foundation Spouse Fellowship Program provides military spouse recipients with the education and training needed to earn the Accredited Financial Counselor® (AFC®) designation. Military spouses can apply until April 18, 2014, to become a member of the 2014 class of fellows. ([Link](#))

**FINRA's Expanded Statement on PIABA's Public Disclosure Study**

As part of its ongoing mission to protect investors, FINRA created BrokerCheck, the only online, free database providing relevant information for investors 24 hours a day, seven days a week. While BrokerCheck is not perfect, FINRA remains committed to improving the system to help investors obtain free, unbiased information about investment professionals and firms. FINRA has committed considerable resources and made significant enhancements to BrokerCheck, particularly over the last five years, to create a more user-friendly interface that allows investors to quickly access and intuitively understand the professional background of investment professionals. ([Link](#))

**SEC Obtains Asset Freeze Against Promoter Behind Microcap Stock Scalping Scheme**

The SEC alleges that a man used a website to commit a brand of securities fraud known as "scalping." The websites disseminated e-mails to approximately 700,000 people shortly after 2:30 p.m. Eastern time on the afternoon of Feb. 23, 2012, and recommended the penny stock. What the e-mails failed to disclose among other things was that the man held more than 1.4 million shares of America West stock, which he had already positioned and intended to sell immediately through a Swiss bank. The emails immediately triggered massive increases in America West's share price and trading volume, which he exploited by unloading shares of America West's stock over the remaining 90 minutes of the trading day for ill-gotten gains of more than \$1.9 million. ([Link](#))

**FINRA Foundation Study Finds Millennials Struggle Financially**

The FINRA Investor Education Foundation's new study, The Financial Capability of Young Adults—A Generational View reveals that millennials display low levels of financial literacy, engage in problematic

financial behaviors and express concerns about their debt. Low levels of financial literacy hamper most millennials, with only 24 percent of millennials able to answer four or five questions on a five-question financial literacy quiz correctly. And among young millennials – those 18 to 26 – only 18 percent were able to answer four or five questions correctly. The results of the FINRA Foundation's new study were released at the inaugural meeting of the President's Advisory Council

**RRS Compliance Examinations****Save Money on Compliance and****Increase Effectiveness****Call (561) 368-2245**[JohnPinto@RRSCompliance.com](mailto:JohnPinto@RRSCompliance.com)

on Financial Capability for Young Americans. ([Link](#))

**MSRB****MSRB Regulatory Notices for March 2014:**

[2014-07](#) SEC Approves MSRB Rule G-47 on Time-of-Trade Disclosure Obligations, MSRB Rules D-15 and G-48 on Sophisticated Municipal Market Professionals, and Revisions to MSRB Rule G-19 on Suitability of Recommendations and Transactions

[2014-08](#) Request for Comment on Establishing Professional Qualification Requirements for Municipal Advisors

**MSRB Upcoming Events:**

MSRB Webinar: Draft Professional Qualification Requirements for Municipal Advisors ([Link](#))

**MSRB Proposes Professional Qualification Requirements for Municipal Advisors**

MSRB requested public comment on a proposal to establish qualification requirements for municipal advisor professionals. The Dodd-Frank Wall Street Reform and Consumer Protection Act charged the MSRB with developing professional standards for municipal advisors to enhance protections for state and local governments. ([Link](#))

**MSRB to Consolidate Key Fair-Dealing Obligations for Municipal Securities Dealers**

MSRB has received approval from the SEC to consolidate extensive interpretive guidance on the fair-practice obligations of municipal securities dealers into three new rules and amendments to an existing rule. The MSRB will establish rules focused on time-of-trade disclosures to investors, dealers' dealings with sophisticated municipal market professionals and suitability of dealers' recommendations of municipal securities transactions. ([Link](#))

**NASAA****NASAA Members Approve Streamlined Multi-State Coordinated Review Program**

NASAA announced that its members have voted to approve a streamlined multi-state review protocol to ease regulatory compliance costs on small companies attempting to raise capital under a provision of the Jumpstart Our Business Startups (JOBS) Act. ([Link](#))

**NASAA Public Policy Conference to Explore Challenges to Forecasting Markets and Investor Participation**

Securities regulators from the United States, Canada and Mexico will convene in Washington, D.C. next month when NASAA hosts its annual Public Policy Conference on April 8 at the Mayflower Renaissance Hotel, 1127 Connecticut Avenue, NW, Washington, D.C. ([Link](#))

**NASAA Urges SEC to Revise Regulation A Proposal to Remove Potential Harm to Issuers and Investors**

NASAA has called upon the SEC to make substantial revisions to its Regulation A proposed rule to remove potential harms to issuers and investors, especially those of modest means. ([Link](#))

**NASDAQ—NASDAQ-TRADER—****OTCBB****Data News:**

[2014 - 3](#) NASDAQ OMX to launch eSpeed-ITCH Data Feed

**Equity Trader Alert:**

[2014 - 21](#) Limit Up/Limit down Testing Dates

[2014 - 22](#) NASDAQ to Begin Listing Advisor Shares ETF on Wednesday, March 5, 2014

[2014 - 23](#) NASDAQ to Begin Listing First Trust Dorsey Wright ETF on Thursday, March 6, 2014

[2014 - 24](#) NASDAQ OMX Outlines Google Corporate Action Symbolology Details & Hosts MarketWide Call

[2014 - 25](#) NASDAQ to Begin Listing Two First Trust ETFs on Tuesday, March 11, 2014

[2014 - 26](#) NASDAQ OMX Announces Changes to DOT/LIST Routing Logic

[2014 - 27](#) NASDAQ Announces Spin off/Distribution Information for Sears Holdings Corporation (SHLD)

[2014 - 28](#) Modifications to NASDAQ Pricing Effective April 1, 2014

[2014 - 29](#) Modifications to BX Pricing Effective April 1, 2014

**Data Technical News:**

[2014-5](#) Daylight Savings Begins In March

[2014 -6](#) Beta Testing Period Extended Two Weeks for the NASDAQ OMX Proprietary Market Data Feed Enhancements



**2014 - 7** PMC Commercial Trust to Begin Listing on NASDAQ on Wednesday, March 12, 2014

**2014 - 8** NASDAQ OMX to Modify Transmission Schedule for BX and PSX Data Feeds Effective June 2, 2014

**2014 - 9** Production Release for NASDAQ OMX Proprietary Market Data Feed Enhancements is Monday, March 31, 2014

**2014 - 10** REMINDER: User Acceptance Test on March 29, 2014

### **Options Trader Alert:**

**2014 - 5** PHLX Initiates Rollout of New Floor Broker Management System

**2014 - 6** PHLX Amends Complex Order Handling

**2014 - 7** PHLX Changes Minimum Quote Size Requirement in Certain Symbols

**2014 - 8** Google Inc. (GOOG) Options Adjustment and New Google Option Listings

**2014 - 9** PHLX Announces Quote Size Requirement in GOOGL and GOOG

### **Options Regulatory Alert:**

**2014 - 4** NOM Bid/Ask Differentials for "NDX", "GOOG" and "PCLN" Options Class through March 21, 2014

**2014 - 5** PHLX Updates Participants on Changes and Clarifications to Complex Order System Functionality

**2014 - 6** NOM Bid/Ask Differentials for "NDX", "GOOG" and "PCLN" Options Class Through April 19, 2014

**2014 - 7** PHLX Bid/Ask Differentials for "NDX", "GOOG" and "PCLN" Options Class Through April 19, 2014

### **Financial Products News:**

**2014 - 14** NASDAQ OMX Outlines Google Corporate Action Index Changes

**2014 - 15** Ryan/NASDAQ U.S. 1-30 Year Laddered Treasury Index to Switch from NYSE GIF and begin disseminating on GIDS Effective Monday, March 17, 2014

**2014 - 16** SGX China Access Index to begin disseminating on GIDS Effective Monday, March 17, 2014

**2014 - 17** Diversified Trends Indicator Indexes to Switch from NYSE GIF and begin disseminating on GIDS Effective Monday, March 24, 2014

**2014 - 18** NASDAQ BulletShares® USD Corporate Bond Indexes to switch from NYSE GIF to GIDS and Calculation agent change from IDC to NASDAQ OMX Effective Tuesday, April 1, 2014.

**2014 - 19** Velocity Shares Indexes and Products to Switch from NYSE GIF and begin disseminating on GIDS 2.0 Effective Monday, March 24, 2014

**2014-21** NASDAQ BulletShares USD High Yield Corporate Bond Indexes to Switch from NYSE GIF and begin disseminating on GIDS Effective Tuesday, April 1, 2014

**2014 - 22** NASDAQ OMX Announces Launch of Six New Indexes Effective April 1, 2014

**2014 - 23** NASDAQ OMX Announces Launch of Additional Indexes in the NASDAQ Global Index Family

**2014 - 24** NASDAQ OMX to Terminate Two GAIA Farming Indexes Effective After the Close of Business Friday, March 28, 2014

### **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)

### **FINRA Updates the OTCBB/OTC Equities High Price Dissemination List**

FINRA® is publishing its quarterly OTCBB/OTC Equities High Price Dissemination List, which will be available via a Unit of Trade query of the Daily List. This updated list of OTC Equity Securities eligible for trade report dissemination for trades of fewer than 100 shares will be effective March 24, 2014. All changes can be viewed by going to <http://www.otcbb.com/AllDailyList/>, selecting "Unit of Trade Changes" in the "Search by Date Range" and entering March 21, 2014 as the "From" date. ([Link](#))

### **NYSE - EURONEXT – AMEX**

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

Accretive Health, Inc. and Commence Delisting Proceedings ([Link](#))

Kid Brands, Inc. and Commence Delisting Proceedings ([Link](#))

Global Geophysical Services, Inc. and Commence Delisting Proceedings ([Link](#))

LDK Solar Co., Ltd. and Commence Delisting Proceedings ([Link](#))

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

Settlement date of February 28, 2014 ([Link](#))

Settlement date of March 14, 2014 ([Link](#))

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

Settlement date of February 28, 2014 ([Link](#))

Settlement date of March 14, 2014 ([Link](#))

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

Averaged 29.8 Percent of NYSE Volume during Nov. 25-29 ([Link](#))

### **Definitive selection AEX, AMX and AScX**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE), announced the annual reweighting of the AEX®, the AMX® and the AScX® that will take place after close of the markets on Friday 21 March 2014. The changes in the composition of these indices will be effective from Monday 24 March 2014. ([Link](#))

### **Cybersecurity Concerns Force Boards to Rethink Risk Oversight**

Experience in overseeing the growing threat of cybersecurity risk is one of the key attributes boards will look for when appointing their next new corporate director, according to the 11th annual What Directors Think survey, a comprehensive report on boardroom trend. ([Link](#))

### **The Expert Indices Committee** ([Link](#))

### **EnterNext welcomes Eandis' bonds on Alternext Brussels**

EnterNext announces the successful corporate bonds listing by Eandis on its Brussels Alternext market ([Link](#))

### **Euronext launches PEA PME family of indices**

Euronext, NYSE: ICE, welcomes publication of the implementing decree introducing PEA PME savings accounts in France, and announced the launch of its new CAC® PME index. ([Link](#))

### **APG connects to Bond Match through KBL epb**

NYSE: ICE announced that starting on 3 March 2014, APG, the largest pension fund Asset Manager in the Netherlands, is the first Dutch institutional investor to operate as an intermediated participant on Bond Match. APG has selected KBL European Private Bankers (KBL epb), one of Europe's leading private banking groups, to serve as its market-member intermediary for order execution. ([Link](#))

### **Amsterdam - Euronext celebrates International Women's Day**

NYSE: ICE celebrates International Women's Day by hosting events across all its markets to highlight the contributions women have made to innovation and economic growth. In Amsterdam, trading was opened by Simone Brummelhuis, founder of The Next Women. ([Link](#))

### **Brussels- Euronext celebrates International Women's Day**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE) celebrates International Women's Day by hosting

events across all its markets to highlight the contributions women have made to innovation and economic growth. In Brussels, trading was opened by Arlene McCarthy and Sonja Rottiers. ([Link](#))

### **Euronext and CF&B Communication launch 2nd European ETF Event**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE), joined CF&B Communication, creator and organiser of the European ETF Event, to announce their second European ETF Event, held in Paris at Espace Pierre Cardin. ([Link](#))

### **Euronext signs agreement on UTP implementation with four MENA exchanges**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE), announced that it has successfully signed agreements with four exchanges in the Middle East and North Africa (MENA) region for the implementation of its new UTP solution, UTP-Hybrid. ([Link](#))

### **KBC successfully lists CRD IV-compliant Additional Tier-1 instrument for 1.4 billion euros on Euronext Brussels**

Euronext N.V., a wholly owned subsidiary of IntercontinentalExchange Group, Inc. (NYSE: ICE), admitted to listing KBC Group's 1.4 billion euros in non-dilutive, CRD IV-compliant Additional Tier-1 (AT1) securities on its regulated market in Brussels. ([Link](#))

### **Portuguese Stock Exchange presents capital markets to SMEs 2ND VIA BOLSA CONFERENCE**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE), announced that for the second consecutive year, in Porto, the Portuguese Stock Exchange will be presenting the capital markets as an alternative source that can and should be used more actively by enterprises, especially SMEs, in order to meet their development needs and financing options. ([Link](#))

### **Euronext Paris and the Algiers Stock Exchange sign memorandum of understanding**

Euronext Paris and Société de la Gestion de la Bourse des Valeurs (SGBV) are pleased to announce the signature of a Memorandum of Understanding (MOU) with a view to enhancing cooperation between their markets. ([Link](#))

### **EnterNext congratulates McPhy Energy on successful listing**

EnterNext, the Euronext subsidiary designed to promote and grow its market for SMEs, today congratulated McPhy Energy — a specialist in hydrogen-based solutions for energy storage and industrial applications — on its successful listing in compartment C of Euronext's regulated market in Paris. ([Link](#))

### **NYSE Reviewing the Continued Listing of the American Depositary Shares of LDK Solar Co., Ltd.**

The NYSE announced that the staff of NYSE Regulation, Inc. ("NYSE Regulation") will continue to review the listing status of the American

Depository Shares (Each representing one ordinary share, nominal value \$0.10 per share) (the "American Depository Shares") of LDK Solar Co., Ltd. (the "Company") - ticker symbol LDK - on the NYSE in light of the Company's February 24, 2014 announcement that it made a filing on February 21, 2014 with the Grand Court of the Cayman Islands (the "Cayman Court") for the appointment of joint provisional liquidators in connection with its plans to resolve its offshore liquidity issues. ([Link](#))

#### **CADES opens trading of Euronext's European market to celebrate successful bond issue**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE), has congratulated CADES (Caisse d'Amortissement de la Dette Sociale) on its successful €5 billion bond issue on 12 February 2014. A leading international issuer, CADES celebrated that benchmark by ringing the bell that marks the start of trading in Paris. ([Link](#))

#### **Euronext announces three new senior appointments**

Euronext, a wholly owned subsidiary of IntercontinentalExchange Group (NYSE: ICE), announced the appointment of three leaders for its financial derivatives, commodities and cash businesses with effect from 1st April 2014. ([Link](#))

#### **Euronext Brussels welcomes ABO-Group Environment**

Euronext Brussels S.A./N.V., a wholly owned subsidiary of IntercontinentalExchange Group, Inc. (NYSE: ICE), welcomed ABO-Group on its regulated market. ([Link](#))

## **PRA**

#### **Bank of England and HM Treasury Funding for Lending Scheme – 2013 Q4 Usage and Lending data and Initial Allowance data for the Scheme Extension**

The Bank published updated data on the use of the Funding for Lending Scheme (FLS). Publication shows for each group participating in the FLS the net quarterly flows of lending to UK households and businesses to the fourth quarter of 2013, and the amount borrowed from the Bank to the end of January 2014, which was the end of the drawdown period for the first part of the Scheme. For participants in the FLS Extension, the drawdown period for which started on 3 February 2014, the Bank has also published their Initial Allowances in that Scheme, together with, for the first time, the sectoral split of the lending data for 2013 Q2-Q4 on which they are based. ([Link](#))

#### **Foreign Exchange market review**

It is a matter of public record that the Bank of England has been conducting an internal review into allegations that Bank of England officials condoned or were informed of manipulation in the foreign exchange market or the sharing of confidential client information. This extensive review of documents, emails and other records has to date found no evidence that Bank of England staff colluded in any way in manipulating the foreign exchange market or in sharing confidential client information. However, the Bank requires its staff to follow rigorous internal control processes and has suspended a member of

staff, pending investigation by the Bank into compliance with those processes. ([Link](#))

#### **Nick Prettejohn external member the PRA Board steps down**

Nick Prettejohn has announced he is stepping down from the PRA Board with immediate effect in order to pursue a future outside regulation. He joined the PRA Board in June 2013. ([Link](#))

#### **Bank of England maintains Bank Rate at 0.5% and the size of the Asset Purchase Programme at £375 billion**

The Bank of England's Monetary Policy Committee voted to maintain Bank Rate at 0.5%. The Committee also voted to maintain the stock of purchased assets financed by the issuance of central bank reserves at £375 billion. ([Link](#))

#### **Bank of England/Gfk NOP Inflation Attitudes Survey - February 2014**

This news release describes the results of the Bank of England's latest quarterly survey of public attitudes to inflation, undertaken between 6th and 18th of February 2014. In this survey we asked some additional questions which are reported in the detailed spreadsheet published on the Bank's web site. ([Link](#))

#### **Bank of England launches banknote app – a new interactive guide to its banknotes**

The Bank of England has launched an interactive guide to banknotes, as part of its ongoing commitment to building awareness of the security features the public should look for in Bank of England banknotes. ([Link](#))

#### **Sustaining the recovery - speech by Charlie Bean**

Speaking at the North East Chamber of Commerce President's Club Talk, Charlie Bean, Deputy Governor of the Bank of England, summarizes the key issues facing the economy. ([Link](#))

#### **PRA / FCA Mortgage Lenders and Administrators Statistics published**

The Bank of England and FCA published the latest Mortgage Lenders and Administrators Statistics for the United Kingdom covering the period Q4 2013. ([Link](#))

#### **Addendum to the Minutes of the Meeting of the Court of Directors held on 14 November 2013**

The Bank is releasing an addendum to the published minutes of the Court of Directors held on 14 November 2013. ([Link](#))

#### **Quarterly Bulletin pre-release articles**

Money in the modern economy: an introduction' and 'Money creation in the modern economy. ([Link](#))

#### **Oversight Committee - Foreign Exchange market investigation**

The Oversight Committee has appointed Lord Grabiner QC to lead its investigation into the role of Bank officials in relation to conduct issues in the foreign exchange market. ([Link](#))

**Bank of England enters contract with Innovia Security for supply of polymer substrate for banknotes**

Following the Bank's decision in 2013 to print the next £5 and £10 banknotes on polymer, the Bank is announcing that it has entered into a contract with Innovia Security to supply the polymer material for the new-style £5 and £10 notes. ([Link](#))

**Bank of England consults on bonus claw back**

The Bank of England is consulting on proposals to require all firms authorized by the PRA to amend employment contracts to ensure bonus awards that have been vested can be clawed back from individuals where necessary. The Bank of England already has powers to require firms to stop payment of unvested bonuses, called *malus*; the proposals in the document would represent a further strengthening of the remuneration code. ([Link](#))

**Quarterly Bulletin 2014 Q 1**

Following a collapse in equity and property prices in the early 1990s, Japan underwent a period of financial sector distress culminating in a full-blown systemic banking crisis in 1997. The long period of economic stagnation accompanying the period of financial sector distress is frequently referred to as Japan's 'lost decade'. 'Dealing with a banking crisis: what lessons can be learned from Japan's experience?' examines Japan's policies in dealing with its banking crisis during the 1991–2004 periods. ([Link](#))

**The Bank of England's supervision of financial market infrastructures – Annual Report**

The report provides an account of how the Bank has exercised its responsibilities in respect of financial market infrastructure supervision. It is the first such report since the Bank assumed new responsibilities for central counterparties (CCPs) and securities settlement systems in April 2013 and replaces the previous annual report on its supervision of payment systems last issued in March 2013. ([Link](#))

**Is the world financial system safer now? - speech by Jon Cunliffe**

Speaking at a Chatham House conference, Jon Cunliffe, Deputy Governor, Financial Stability, surveys the progress that has been made by international standard setters since 2008 in making the financial system safer, sets out the further steps that still need to be taken and underlines the importance of the reform programme being implemented consistently across jurisdictions. ([Link](#))

**Three senior appointments to the Bank of England**

HM Treasury has announced that Her Majesty The Queen has agreed, on the recommendation of the Chancellor and Prime Minister, to appoint Anthony Habgood as the Chairman of Court, and Dr Ben Broadbent as Deputy Governor for Monetary Policy. In addition, the Chancellor and the Governor have agreed to appoint Dr Nemat Shafik as Deputy Governor of the Bank of England responsible for Markets and Banking. ([Link](#))

**Bank of England launches strategic plan**

The Bank of England launched its Strategic Plan, following a six month exercise led by the Executive Committee of the Bank. ([Link](#))

**The 14th national final of Target 2.0 – a challenge for students**

Six finalists competed in the national final of Target 2.0: the Bank of England and The Times Interest Rate Challenge. The six teams are from: Bishop Wordsworth's School, Salisbury; Central Newcastle High School; Ilford County High School; Oundle School; The Grammar School at Leeds; and Watford Grammar School for Girls. ([Link](#))

**Index-Linked Treasury Stocks**

2 ½% Index-linked Treasury Stock 2020 ([Link](#))

**Leverage ratio review – Terms of reference**

On 26 November 2013, the Chancellor requested that the Financial Policy Committee (FPC) undertakes a review of the leverage ratio within the capital framework. This review complements the FPC's medium-term priorities on the capital framework and on ending 'too big to fail' (TbTF), as set out in the latest Financial Stability Report. The terms of reference of this review are set out below. As requested by the Chancellor, HM Treasury officials have been consulted in finalizing the terms of reference. ([Link](#))

**Financial Policy Committee statement from its policy meeting**

At its meeting on 19 March 2014, the Bank of England's Financial Policy Committee (FPC) reviewed its assessment of risks to financial stability and, in light of that assessment, progress against its existing set of policy recommendations. The Committee did not make any new recommendations. ([Link](#))

**Taking the long view: how market-based finance can support stability - speech by Dame Clara Furse**

In a speech to the Chartered Institute for Securities and Investment on Friday, Dame Clara Furse talks about the importance of the FPC's forward agenda for the next 12-18 months, in particular, its work to improve the diversity of market-based financing in the UK. ([Link](#))

**Interest Rate Challenge winner announced**

Six months of preparation and study paid off for Oundle School with their team winning the fourteenth national final of Target 2.0, held today at the Bank's headquarters in Threadneedle Street, London. Spencer Dale, Chief Economist and Member of the Monetary Policy Committee (MPC), presented them with the Challenge Trophy and a cheque for £10,000 for the school. Speaking at the presentation Spencer Dale, who chaired the judging panel, said: "It has been a great day and we've seen a fantastic set of presentations – we had a difficult task ahead of us to pick the winner. It really is humbling to see students so committed to monetary policy." ([Link](#))

**Change to the timing of the April 2014 MPC meeting**

In order to accommodate some members' attendance at international meetings in Washington DC on Thursday 10 April, the MPC's policy



meeting scheduled for 9-10 April will take place on Wednesday 9 April only. The decision will still be announced at the originally scheduled time of 12.00 hrs (BST) on Thursday 10 April. ([Link](#))

### **Bank of England welcomes agreement of Memorandum of Understanding (MoU) on Renminbi (RMB) clearing and settlement in London**

The Bank of England is very pleased to announce that a Memorandum of Understanding (MoU) between the People's Bank of China (PBoC) and the Bank regarding renminbi (RMB) clearing and settlement arrangements in London has been signed. ([Link](#))

## **FCA**

### **The FCA publishes latest review of sales incentives at retail financial services firms**

All the major retail banks have either replaced or made substantial changes to financial incentive schemes, which played such a major role in the mis-selling scandals of recent years, the FCA revealed. ([Link](#))

### **£75 trillion payment systems industry to have new regulator – FCA will open the market to new entrants to improve**

A new regulator to oversee UK payment systems will be introduced by April 2015. Payment systems make every payment to or from UK consumers possible, by allowing funds to be transferred between people and businesses. ([Link](#))

### **The Financial Conduct Authority places consumer protection at the heart of crowd funding**

People looking to lend money or invest through crowd funding will be better protected under new rules confirmed by the Financial Conduct Authority (FCA). ([Link](#))

### **FCA says general insurance add-on industry must make changes**

The FCA is proposing a shake-up of the £1bn general insurance add-on markets including banning pre-ticked boxes, forcing firms to publish claims ratios and breaking the point of sale advantage for guaranteed asset protection (GAP) insurance, usually offered alongside car sales. ([Link](#))

### **FCA appoints new head of investment banking**

The FCA has appointed Julia Hoggett as head of investment banking in its supervision division. She will start in early May. ([Link](#))

### **Consumer credit countdown – Review into debt collection practices of payday lenders starts on day one of FCA regulation**

Payday lenders and other high cost short term lenders will be the subject of an in-depth thematic review into the way they collect debts and manage borrowers in arrears and for bearing FCA announced. ([Link](#))

### **An arrest in FCA boiler room investigation**

The FCA with the assistance of the National Crime Agency and Kent police, yesterday morning executed search warrants at addresses in London and Kent. ([Link](#))

### **General insurance broker fined for anti-bribery and corruption systems failings**

The FCA has fined a general insurance broker £315,000 for a failure to take reasonable care to establish and maintain effective systems and controls for countering the risks of bribery and corruption. ([Link](#))

### **The FCA publishes review into delivering 'independent' financial advice following the implementation of the Retail Distribution Review**

A thematic review published today by the FCA shows that most advisory firms describing their service as 'independent' appeared to use the description accurately. The FCA is also clarifying certain issues to provide further support for those firms that remain unsure what standards they must meet to be able to call themselves 'independent'. ([Link](#))

### **FCA winds up a boiler room**

On 18 March 2014, the High Court made a winding up order against a company and the Official Receiver became the liquidator of the company whose duties include safeguarding assets and deciding whether to call a meeting of creditors. ([Link](#))

### **FCA bans and fines trader £662,700 for manipulating gilt price during QE**

A bond trader with nearly 30 years' experience has been banned from the industry and fined £662,700 for deliberately manipulating a UK government bond (gilt) on 10 October 2011. ([Link](#))

### **The Pensions Regulator and the FCA publish joint regulatory guide**

A new guide that sets out how The Pensions Regulator and the Financial Conduct Authority regulate defined contribution (DC) workplace pensions has been launched. ([Link](#))

### **Financial Institution fined £12.4m for widespread investment advice failings**

A financial institution has been fined £12,377,800 by the FCA after the regulator uncovered serious failings in the way it offered financial advice from its bank. ([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 Conduct Authority - [WWW.FCA.GOV.UK](http://WWW.FCA.GOV.UK)
- Prudential Regulatory Authority – [WWW.BANKOFENGLAND.CO.UK](http://WWW.BANKOFENGLAND.CO.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.*

*Renaissance Regulatory Services, Inc.*

350 Camino Gardens Blvd. • Suite 105 • Boca Raton, FL 33432 • (561) 368-2245

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

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

**"Find It - Before the Regulators"**

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

**READER SURVEY FAX RESPONSE****TO: Louis Dempsey****RE: March 2014****Fax: (561) 807-5442**[LouisDempsey@RRSCompliance.com](mailto:LouisDempsey@RRSCompliance.com)**FROM:** \_\_\_\_\_**FIRM NAME:** \_\_\_\_\_ **IA** \_\_\_\_ **BD** \_\_\_\_ **OTHER** \_\_\_\_\_**PHONE:** \_\_\_\_\_ **FAX:** \_\_\_\_\_

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

Do you read the RCU each month?

What topics interest you the most?

What do you find most useful?

What would you like to see in future editions?

Are you a current client of RRS?

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

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

**Thank you for your time and effort**

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

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

**LOUIS DEMPSEY, PRESIDENT**[LOUISDEMPSEY@RRSCOMPLIANCE.COM](mailto:LOUISDEMPSEY@RRSCOMPLIANCE.COM)**BART McDONALD, EXECUTIVE VICE PRESIDENT**[BARTMCDONALD@RRSCOMPLIANCE.COM](mailto:BARTMCDONALD@RRSCOMPLIANCE.COM)