

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:** Quarterly FOCUS Filing Due Oct. 23rd, 2014
- **DEADLINE:** Quarterly Form Custody Filing Due Oct. 23rd, 2014
- **DEADLINE:** Quarterly SSOI Filing Due Oct. 28th
- Regulatory Compliance Association's 2014 Compliance, Risk and Enforcement Symposium, Pierre Hotel, NYC, November 4th, 2014.
- **SEC, FINRA and MSRB:** First Outreach Program for Municipal Advisors, Chicago, November 3, 2014.
- **FINRA:** South Region Compliance Seminar, Fort Lauderdale, FL, November 20th - 21st, 2014
- **NSCP:** National Conference, National Harbor, MD, October 20th – 22nd, 2014.
- **BISA:** Regulatory and Compliance Summit, Washington, DC, November 3rd – 4th, 2014.

ITEMS IN THIS EDITION

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- **SEC** – SEC Charges Large Bank with a \$7.65 million penalty for Securities Laws Violations in Connection with Regulatory Capital Overstatements – Page 2
- **SEC** – SEC Charges Brooklyn Man for Facilitating Insider Trading Scheme via "Post-It Notes" at Grand Central Terminal – Page 2
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Service Spotlight: Form BD/ADV Review & Filing

RRS Registration Services experts can review, update and file your Forms BD/ADV to help ensure that the information remains current and accurate. As the summer sets in, things tend to slow down at most firms and also with the regulators. This provides an excellent opportunity for firms to review their Forms BD/ADV and identify any necessary updates. RRS' staff has extensive experience reviewing Forms BD/ADV for appropriate disclosures. The review includes reviewing Forms BD, BR Part 1 of the Form ADV, Part 2A and Part 2B for appropriate disclosures. RRS can also update Form filings, prepare and submit amendments, and help you prepare and process renewals with FINRA and the States.

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Washington, DC

SEC

SEC Announces:

- Cases Targeting International Pyramid Scheme Operators ([Link](#))
- Arrival of New Administrative Law Judge ([Link](#))
- Largest-Ever Whistleblower Award ([Link](#))
- Creation of New Office within its Division of Economic and Risk Analysis ([Link](#))
- Fraud Charges against Biotech Company and Former Executive Who Failed to Report Insider Stock Sales ([Link](#))
- Against Corporate Insiders for Violating Laws Requiring Prompt Reporting of Transactions and Holdings ([Link](#))

SEC Charges:

- Brooklyn Man for Facilitating Insider Trading Scheme via Post-It Notes at Grand Central Terminal ([Link](#))
- Eight for Roles in Widespread Pump-and-Dump Scheme Involving California-Based Microcap Company ([Link](#))
- N.Y.-Based High Frequency Trading Firm with Violating Net Capital Rule for Broker-Dealers ([Link](#))
- Large Bank with Securities Laws Violations in Connection with Regulatory Capital Overstatements of \$7.65 million penalty ([Link](#))
- Two Florida Men with Defrauding Investors in Purported Television Network ([Link](#))
- Four Insurance Agents in Securities Fraud Targeting Elderly Investors ([Link](#))
- Arizona-Based Software Company for Inadequate Internal Accounting Controls over Its Financial Reporting ([Link](#))
- Software Company in Silicon Valley and Two Former Executives behind Fraudulent Accounting Scheme ([Link](#))
- Two Florida-Based Attorneys for Roles in Offering Fraud by Transfer Agent ([Link](#))
- Purported Health Food Company and CEO with Issuing False Press Releases in Microcap Fraud ([Link](#))
- A Firm with Systemic Compliance Failures after Acquiring Lehman's Advisory Business ([Link](#))
- New York-Based Private Equity Fund Adviser with Misallocation of Portfolio Company Expenses ([Link](#))
- Eight for Roles in Widespread Pump-and-Dump Scheme Involving California-Based Microcap Company ([Link](#))

Tacoma, Wash-area firm for Undisclosed Principal Transactions and Misleading Performance Advertisements ([Link](#))

IT Employee at Law Firm with Insider Trading Ahead of Merger Announcements ([Link](#))

Bank Holding Company in Delaware with Improper Accounting and Disclosure of Past Due Loans ([Link](#))

Offshore Business and Two Individuals behind Scheme to Conceal Ownership of Microcap Stocks ([Link](#))

Minneapolis-Based Hedge Fund Manager with Bilking Investors and Portfolio Pumping ([Link](#))

L.A.-Based Immigration Attorneys with Defrauding Investors Seeking U.S. Residency ([Link](#))

SEC Suspends Trading of:

Nine Penny Stocks in Ongoing Initiative to Combat Microcap Fraud ([Link](#))

SEC Final Rules:

- Asset-Backed Securities Disclosure and Registration ([Link](#))
- Delegation of Authority to the Chief Financial Officer ([Link](#))

SEC Events:

Regulatory Compliance Association's 2014 Compliance, Risk and Enforcement Symposium ([Link](#))

Anti-money Laundering Programs

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

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

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

Advisors of a Large Bank Admits Failing to Maintain Controls and Producing Altered Document, Agrees to Pay \$5 Million Penalty

The SEC charged Advisors of a banking institution with failing to maintain adequate controls to prevent one of its employees from insider trading based on a customer's nonpublic information. The SEC also charged the banking institution for unreasonably delaying its production of documents during the SEC's investigation and providing an altered internal document related to a compliance review of the broker's trading. ([Link](#))

SEC Sanctions 19 Firms and Individual Trader for Short Selling Violations in Advance of Stock Offerings

The SEC announced the latest sanctions in a continuing enforcement initiative uncovering certain hedge fund advisers and private equity firms that have illegally participated in an offering of a stock after short selling it during a restricted period. ([Link](#))

SEC Charges Two with Insider Trading on Pershing Square's Announcement

The SEC announced charges against two individuals for insider trading on a prominent hedge fund manager's announcement that his hedge fund had formed a negative view of the weight management company and taken a \$1 billion short position in its securities. ([Link](#))

Ask about Our Order Handling and Best Execution Surveillance Solutions

**Contact John Pinto at
(202) 463-6575**

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Two Former Employees of Large Bank Charged With Insider Trading in Advance of Research Reports Containing Ratings Changes

The SEC announced insider trading charges against two former employees involved in an alleged scheme to profit by buying or short selling a stock before research analyst reports were published containing a ratings change. ([Link](#))

SEC Names Liban Jama as Director of Atlanta Regional Office

The SEC announced the appointment of Liban Jama as director of the Atlanta Regional Office, where he will oversee enforcement and examinations in a region covering five states. ([Link](#))

Rhea Dignam Named as Senior Counsel to OCIE Director

The SEC announced that Rhea Kemble Dignam has been named as senior counsel to the director of the OCIE. ([Link](#))

Jim Burns, Deputy Director of Trading and Markets, to Leave SEC

The SEC announced that James R. Burns, Deputy Director in the Division of Trading and Markets, will leave the agency in October. ([Link](#))

Former Hedge Fund Manager in Bay Area Charged With Taking Excess Management Fees to Make Lavish Purchases

The SEC announced charges against a former hedge fund manager accused of fraudulently taking excess management fees from the accounts of fund clients and using their money to remodel his multi-million dollar home and buy a Porsche. ([Link](#))

SEC Obtains Asset Freeze against Company in Turks and Caicos Islands behind South Florida-Based Ponzi scheme

The SEC announced an emergency asset freeze against a company located in Turks and Caicos Islands in connection with its operation of a South Florida-based Ponzi scheme. ([Link](#))

SEC and SBA to Partner on Events on Small Business Capital Raising Under the JOBS Act

The SEC, in partnership with the U.S. Small Business Administration, announced that they will jointly host events to inform small business owners and entrepreneurs about new options that are and will become available for capital raising under the JOBS Act. ([Link](#))

Tennessee-Based Animal Feed Company Agrees to Pay \$18 Million to Settle Accounting Fraud Case

The SEC announced that a Tennessee-based animal feed company has agreed to pay back \$18 million in illicit profits from an accounting fraud that resulted in an SEC enforcement action earlier this year. ([Link](#))

SEC Names Victor Valdez as Enforcement Division's Chief Operating Officer

The SEC announced that Victor J. Valdez has been named Chief Operating Officer and Managing Executive of the agency's Enforcement Division, where he will oversee project management, information technology, human capital strategy, and risk management among other functions. ([Link](#))

Tracey L. McNeil Named as SEC's First Ombudsman

The SEC announced that Tracey L. McNeil has been selected as the first ombudsman for the agency.

SEC Names Brent J. Fields to Lead Office of the Secretary

The SEC announced that Brent J. Fields has been appointed as the agency's Secretary, who is responsible for overseeing the administrative aspects of Commission meetings, rulemakings, and procedures. ([Link](#))

Houston-Based Investment Advisory Firm and Co-Owners Charged With Failing to Disclose Conflict of Interest to Clients

The SEC announced fraud charges against a Houston-based investment advisory firm accused of recommending that clients invest in particular mutual funds without disclosing a key conflict of interest: the firm was in turn receiving compensation from the broker offering the funds. ([Link](#))

FINRA

Regulatory Notices:

14-37 FINRA Requests Comment on a Rule Proposal to Implement the Comprehensive Automated Risk Data System

14-36 FINRA Announces Elimination of OTC Bulletin Board Historical Research Reports

14-35 FINRA Requests Comment on a Revised Proposal to Adopt Consolidated FINRA

FINRA Conferences & Events:

South Region Compliance Seminar ([Link](#))

FINRA Board Approves Series of Equity Trading and Fixed Income Rulemaking Items

FINRA announced that its Board of Governors approved a series of proposed rule changes regarding high-speed and algorithmic trading. ([Link](#))

FINRA Solicits Comment on Proposed Rule to Implement CARDS

FINRA issued Regulatory Notice 14-37 requesting comment on a proposed rule to implement the Comprehensive Automated Risk Data System (CARDS). CARDS would be designed to enhance investor protection and ensure market integrity by allowing FINRA to identify and quickly respond to high-risk areas and suspicious activities that it might not identify through its current surveillance and examination programs ([Link](#))

FINRA Marks 75th Anniversary of Protecting Investors

FINRA marked the 75th anniversary of the creation of the NASD in 1939. In 1938, the Maloney Act amended the Securities Exchange Act of 1934 to provide for the creation of a regulatory entity that would create and enforce securities rules and promote just and equitable principles of trade. ([Link](#))

FINRA Issues New Investor Alert, Frontier Funds—Travel With Care

FINRA issued a new Investor Alert called Frontier Funds—Travel with Care cautioning investors interested in funds that invest in frontier markets to carefully consider the heightened risks in these markets. While there is no precise definition of a frontier market, frontier funds generally invest in companies located in countries with developing

securities markets such as Argentina, Lebanon, Nigeria, Slovenia and Vietnam. ([Link](#))

Dispute Resolution President Linda Fienberg to Retire From FINRA

FINRA announced that Linda D. Fienberg, President, FINRA Dispute Resolution, and Chief Hearing Officer is planning to leave the organization at the end of November. Ms. Fienberg joined FINRA in June 1996 and has responsibility for FINRA's dispute resolution and disciplinary hearing programs. ([Link](#))

Broker-dealer Compliance Support

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

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

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

MSRB

MSRB Regulatory Notices for September 2014:

2014-16 MSRB Seeks Input on Strategic Priorities

MSRB Makes Kroll Bond Ratings Available To Public through Its Emma Website

The MSRB announced that its [Electronic Municipal Market Access \(EMMA®\) website](#) now provides free public access to public finance ratings from Kroll Bond Rating Agency (KBRA). ([Link](#))

MSRB Provides New Resources on Disclosures Made to Municipal Bondholders

MSRB continued its focus on promoting timely and complete disclosure in the municipal securities market with the release of an educational podcast that emphasizes for issuers the importance of disclosures to bondholders. ([Link](#))

MSRB Announces 2016 Move to Washington, D.C.

MSRB announced that it has signed an agreement to move its office operations to Washington, D.C. when its current lease expires in 2016. ([Link](#))

MSRB Hires Chief Market Structure Officer

MSRB announced that John A. Bagley, an experienced fixed-income professional with extensive knowledge of trading, underwriting and sales, will join the MSRB as Chief Market Structure Officer. ([Link](#))

MSRB SEEKS INPUT ON STRATEGIC PRIORITIES

MSRB, which oversees the \$3.7 trillion municipal securities market, is seeking public input on its priorities to help guide the organization's strategic direction for the next several years. ([Link](#))

NASAA**States Report Increase in Prison Time for Securities Law Violators**

NASAA reported a significant increase in the amount of time securities law violators were sentenced behind bars in 2013 as a result of enforcement actions initiated by state securities regulators. ([Link](#))

NASAA Survey Finds Mid-Sized IAs Addressing Cybersecurity Risks

NASAA released results of a pilot project designed to better understand the cybersecurity practices of state-registered investment advisers, which account for more than half of the registered investment advisers conducting business in the United States. ([Link](#))

NASAA Appoints Advisory Council to Work with Regulators on Committee on Senior Issues and Diminished Capacity

NASAA announced the formation of an advisory council to help inform the work of the association's recently formed Board-level Committee on Senior Issues and Diminished Capacity. ([Link](#))

Washington's William Beatty to Lead NASAA

Washington Securities Director William Beatty began a one-year term as president of the NASAA, the oldest international organization devoted to investor protection and efficient capital formation. ([Link](#))

Working Group Formed to Develop Improved Fee Disclosure

NASAA announced that it has convened a working group consisting of state securities regulators and representatives of FINRA, the SIFMA and the FSI to develop improved broker-dealer fee disclosure. ([Link](#))

BD and IA Services

RRS provides a full range of services to assist broker-dealers and investment advisers' registration. With renewals ready to begin the first week of November, contact RRS to sign up for our services.

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

NASDAQ—NASDAQ-TRADER—**OTCBB****Equity Trader Alert:**

[2014 - 80](#) NASDAQ to Begin Listing Compass EMP Fund on Wednesday, October 1, 2014

[2014 - 79](#) NASDAQ to Begin Listing Arrow Shares Fund on Wednesday, October 1, 2014

[2014 - 78](#) NASDAQ Announces Spin-off/Distribution Information for Automatic Data Processing

[2014 - 76](#) Reverse Split and CUSIP Change for Lakes Entertainment

[2014 - 75](#) NASDAQ to Begin Listing Power Shares Fund

[2014 - 74](#) NASDAQ OMX Equity Market Kill Switch Reminder

[2014 - 73](#) NASDAQ to Begin Listing Flex Shares Fund

Equity Technical Update:

[2014 - 14](#) NASDAQ Makes Changes to the IPO Process

Data Technical News:

[2014 - 32](#) NASDAQ Revises PSX ITCH 5.0.

[2014 - 31](#) The Retirement of the Legacy Proprietary Data Feeds Postponed.

[2014 - 30](#) Office Depot, Inc. Will be Listed and Begin Trading on NASDAQ.

[2014 - 29](#) Inovio Pharmaceuticals, Inc. Will be Listed and Begin Trading on NASDAQ.

[2014 - 28](#) Informational Changes to the NOII Feed during IPO and Halt Crosses.

[2014 - 27](#) The Legacy Proprietary Data Feeds to be retired.

Options Regulatory Alert:

[2014 - 35](#) PHLX Modifies Guidelines of Granting Opening Quote Parameter Relief

[2014 - 34](#) PHLX, NOM, and BX Options Notify Participants of Inconsistencies with the Risk Monitor Mechanism

[2014 - 33](#) PHLX Bid/Ask Differentials for "NDX" and "PCLN"

[2014 - 32](#) NOM Bid/Ask Differentials for "NDX" and "PCLN"

[2014 - 31](#) Market Making Obligations

[2014 - 30](#) PHLX Options Modifies Quote Spread Parameters

Financial Products News:

[2014 - 55](#) NASDAQ OMX Announces Launch of Three New Indexes

[2014 - 52](#) NASDAQ OMX Announces Launch of the NL20 Snapshot Index

[2014 - 51](#) NASDAQ OMX to Terminate NASDAQ Better Investing 100 Index

[2014 - 50](#) NASDAQ OMX Announces Launch of Additional Indexes in the NASDAQ Global Index Family

[2014 - 49](#) NASDAQ OMX Announces Launch of Three New Indexes

[2014 - 47](#) NASDAQ OMX Announces Launch of Six New Indexes

[2014 - 46](#) NASDAQ OMX Announces Launch of a New Index

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 September 16, 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 September 15, 2014 as the “From” date. ([Link](#))

OTCBB Historical Research Reports

As announced in Regulatory Notice 14-36, effective September 30, 2014, FINRA will no longer provide historical research reports (aka Trading Activity Reports) for OTCBB securities through the OTCBB.com website. On that date, FINRA Rule 7740 (Historical Research and Administrative Reports), pursuant to which fees for such reports are charged, is deleted in its entirety, and therefore the reports will no longer be offered commercially by FINRA. ([Link](#))

NYSE - EURONEXT – AMEX

Intercontinental Exchange Announces Approval of ICE Trade Vault by Ontario Securities Commission

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that the OSC approved ICE Trade Vault as a Canadian Trade Repository to serve the commodity, credit and foreign exchange asset classes. ICE Trade Vault will seek trade repository registration in Alberta once the provincial rules are finalized. ([Link](#))

Intercontinental Exchange Completes Sale of NYFIX and Metabit to ULLINK

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that it has completed its previously announced transaction with ULLINK for the combined sale of NYFIX and Metabit, both units of NYSE Technologies. The transaction closed on September 19 and terms were not disclosed. ([Link](#))

Alibaba Group Celebrates Initial Public Offering and First Day of Trading on the New York Stock Exchange

Alibaba Group Holding Ltd. opened for trading on the NYSE under the ticker symbol "BABA" after its initial public offering IPO on the floor of the NYSE. Barclays is the Designated Market Maker for the company's stock, which opened at \$92.70. ([Link](#))

ICE Futures US Sets Daily Volume and Open Interest Record in mini MSCI Complex and Daily Volume Record in mini MSCI Emerging Markets

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that ICE Futures U.S. achieved a daily volume and open interest record in the mini MSCI Index futures complex and a second consecutive daily volume record in the mini MSCI Emerging Markets Index future on Tuesday, September 16, 2014. ([Link](#))

ICE Futures US Sets Daily Volume Record in mini MSCI Emerging Markets and mini MSCI Europe

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that ICE Futures U.S. reached a daily volume record in the mini MSCI Emerging Markets Index future and the mini MSCI Europe Index future on Monday, September 15, 2014. ([Link](#))

ICE Futures U.S. Updates Mini Gold Contract; Allows Market Participants to Take Delivery in Single Kilo-Sized Bar

NYSE: ICE, the leading global network of exchanges and clearing houses, announced updated terms for the mini gold futures and options contracts that are listed and traded on ICE Futures U.S. The change is effective and reflects customer feedback on size, quality and delivery options for the mini gold products. These contracts were previously listed on Liffe U.S. and were transitioned to ICE Futures U.S. in June. ([Link](#))

ICE Futures US Sets Daily Volume Record in MSCI and Russell Equity Index Contracts

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that ICE Futures U.S. reached a daily volume record in the mini MSCI Index futures complex, the mini MSCI EAFE Index contract, and the Russell 1000 Value Index mini contract on Friday, September 12, 2014. ([Link](#))

“Find it – Before the Regulators”

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

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

Intercontinental Exchange to Acquire Majority Stake in Holland Clearing House

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that it has agreed to make a strategic investment in the Holland Clearing House, a continental European clearing house, to support its comprehensive clearing strategy for financial products. ABN Amro clearing will retain a minority interest in the venture. ([Link](#))

Intercontinental Exchange Chief Financial Officer to Present at Barclays Global Financial Services Conference

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that Scott A. Hill, Chief Financial Officer, will speak at the Barclays Global Financial Services Conference. The presentation will take place on Wednesday, September 10 at 10:30 a.m. ET. The presentation will be broadcast live over the Internet and can be accessed in the investor relations and media section of ICE's website at www.theice.com. ([Link](#))

Watching the States—Beware the Free Lunch!!

State Regulators have increased their emphasis on senior issues, and seminars in particular, in recent months. In fact, the AARP recently announced an initiative with NASAA to send "Monitors" to seminars as apparent undercover agents. The program is in response to last year's sweep examinations focusing on seminars by NASAA, the SEC and FINRA, where the regulators allegedly found after that while many free meal financial seminars were advertised as "educational," or "workshops," 100 percent of the "seminars" were instead sales presentations; 50 percent featured exaggerated or misleading advertising claims; and one-quarter involved possibly unsuitable recommendations to attendees.

This initiative is a reminder that firms must review their policies and procedures relative to seminars and senior marketing efforts. This review should include the seminar approval process, review of sales literature and presentations, and alerting their representatives of the importance of sticking to approved scripts and presentations. Firms should also consider asking the attendees to identify whether they are representing their own interests or that of a third party (i.e. AARP).

RRS' staff has extensive experience in dealing with State regulatory matters. RRS preventative compliance services include *review of marketing materials and communications with the public*, branch office examination, regulatory mandates, complaint assessment, and mystery shopping for branch offices and seminars.

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

Intercontinental Exchange Announces Launch of 30 New Energy Contracts at ICE Futures Europe and ICE Futures U.S.

NYSE:ICE, the leading global network of exchanges and clearing houses, today announced the introduction of 30 new energy futures and option contracts on September 22, 2014, subject to the completion of necessary regulatory and governance processes. ([Link](#))

Intercontinental Exchange Announces Transaction to Acquire Super Derivatives; Supports Expanded Clearing, Data and Risk Management Initiatives

NYSE: ICE, the leading global network of exchanges and clearing houses, announced that it has entered into a definitive agreement to acquire Super Derivatives, a leading provider of risk management analytics, financial market data and valuation services. The acquisition will accelerate the expansion of ICE's comprehensive multi-asset class clearing strategy. ([Link](#))

Intercontinental Exchange Sets November 4 for Third Quarter

NYSE: ICE, the leading global network of exchanges and clearing houses, will announce third quarter 2014 financial results on Tuesday, November 4, 2014. An earnings press release will be issued prior to the earnings conference call, which will begin at 8:30 a.m. ET. ([Link](#))

Intercontinental Exchange Reports ICE and NYSE Volume for August

NYSE: ICE, the leading global network of exchanges and clearing houses, today reported exchange traded volumes for August 2014. ([Link](#))

PRA

Financial Policy Committee publications on 2 October

On 2 October 2014, the Financial Policy Committee will publish, alongside the statement following its policy meeting of 26 September, the documents listed. ([Link](#))

Monetary Policy Committee dates for 2015 and provisional dates for 2016 ([Link](#))

Index-Linked Treasury Stock

In accordance with the terms of the prospectus dated 12 October 1983, the Bank of England announces that the rate of interest payable on the above stock for the interest payment due on 16 April 2015 will be £3.8720 per £100 nominal of stock. ([Link](#))

Quarterly Bulletin 2014 Q3

A major development in UK household balance sheets in the decade before the financial crisis was the buildup of household debt, which as a share of income rose from around 100% in 1999 to a peak of 160% in 2008. Understanding how households with debt respond to shocks has important implications for both financial stability and monetary policy

and informed the policy actions of the Financial Policy Committee (FPC) in June 2014. Those measures were designed to insure against the risks from a further significant increase in the number of highly indebted households. ([Link](#))

Remarks to the British Bankers Association Strategy Group

In remarks to the BBA on 10 September, published on Thursday, Don Kohn, external member of the Bank of England’s Financial Policy Committee, explains the role of the FPC and its approach to building resilience in the financial system and enhancing transparency in banking. He also discusses the potential risks to financial stability that may arise as central banks exit from unconventional monetary policy. ([Link](#))

Quarterly Bulletin pre-release articles: ‘Innovations in payment technologies and the emergence of digital currencies’ and ‘The economics of digital currencies’

When payment systems were first computerized, the underlying processes were not fundamentally changed. ‘Innovations in payment technologies and the emergence of digital currencies’ discusses more recent developments in payment systems, focusing on the emergence of privately developed, internet-based digital currencies. ([Link](#))

Bank of England’s Chief Legal Adviser

The Bank of England’s Chief Legal Adviser, Graham Nicholson, has announced that he plans to retire on 30 April 2015. ([Link](#))

Bank of England announces De La Rue as preferred bidder for banknote printing contract

The Bank of England is announcing that it has selected De La Rue as its “preferred bidder” in the tender for its banknote printing contract. The Bank of England started a formal public procurement process in November 2012 for the printing of the Bank’s banknotes at the Bank’s facility in Debden, Essex. Following the receipt of bids in June 2014, the Bank has now completed a thorough evaluation of the submitted bids. ([Link](#))

Bank of England announces changes to the Prudential Regulation Authority Board

The Bank of England is announcing two changes to the Board of the PRA. The Court of Directors of the Bank, with the approval of the Chancellor of the Exchequer, has appointed David Belsham, who is retiring as an Executive Director of the Prudential PLC’s UK and European subsidiaries, as an independent member of the Board, effective 1 May 2015. In addition, Rosalind Gilmore has announced her intention to step down as an independent member of the Board from 30 September. ([Link](#))

Bank of England publishes approach to supervising international banks: the Prudential Regulation Authority’s approach to branch supervision

The Bank of England has published its final policy approach to supervising international banks confirming proposals which were consulted on earlier this year. This sets out how the PRA will supervise

UK branches of banks based outside the EEA and also explains in more detail the PRA’s approach to subsidiaries and EEA branches. ([Link](#))

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Bank of England/GFK NOP Inflation Attitudes Survey - August 2014

This news release describes the results of the Bank of England’s latest quarterly survey of public attitudes to inflation. ([Link](#))

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

The Bank of England’s Monetary Policy Committee at its meeting 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, and so to reinvest the £14.4 billion of cash flows associated with the redemption of the September 2014 gilt held in the Asset Purchase Facility. ([Link](#))

FCA

A Large firm was fined £38 million for putting £16.5 billion of client assets at risk

This is the highest fine ever imposed by the FCA or its predecessor the FSA for client assets breaches, reflecting ‘significant weaknesses’ in the systems and controls in that firm, Division between November 2007 and January 2012 and the number of affected accounts. ([Link](#))

FCA charges former Treasurer and Head of Tax at Wm Morrison with insider dealing

The FCA has charged Paul Gerard Coyle (DOB: 20/04/1964), the former Treasurer and Head of Tax at Wm Morrison Supermarket plc (Morrison) with two offences of insider dealing, contrary to Section 52(1) of the Criminal Justice Act 1993. ([Link](#))

FCA outlines approach for implementation of Mortgage Credit Directive and regulatory framework for second charge mortgages

The FCA has proposed that from the 21st March 2016 the regulation of second charge mortgages should move from the FCA's consumer credit regime and instead will be governed by mortgage rules. Under the proposals, second charge firms would be required to comply with FCA mortgage rules in areas such as affordable lending, advice, and dealing with payment difficulties. ([Link](#))

Complaints fall by 5%: PPI, current accounts and general insurance still most complained about products

Overall complaints decreased by 5% from the 2,493,729 complaints received in the previous six months. The top five most complained about firms, in terms of the number of complaints received in the first half of 2014. ([Link](#))

Debt management firms must raise their game, says FCA

Firms that provide services which pose a higher risk to consumers will be assessed first, including debt management firms, payday lenders and credit brokers. ([Link](#))

Financial adviser banned and fined £300,000 after clients lost out investing in companies he controlled

As a result, the Financial Conduct Authority has concluded that he lacks honesty and integrity, fined him £300,000 and banned him from performing any function related to regulated activities in financial services. ([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 Conduct Authority - WWW.FCA.GOV.UK
- Prudential Regulatory Authority – WWW.BANKOFENGLAND.CO.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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RE: September 2014

Fax: (561) 807-5442

LouisDempsey@RRSCompliance.com

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