

## 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 .....	5
NYSE/EURONEXT/AMEX.....	6
FINCEN .....	6
PRA .....	7
FCA.....	7
Resource Links .....	9
Reader Survey .....	10

The Regulatory & Compliance Update is published by Renaissance Regulatory Services for its clients' legal, compliance, senior management, and supervisory personnel.

This memorandum is distributed to RRS clients at no charge and includes "hot topics" of focus by regulators and of interest to compliance professionals. The document is intended to provide reminders of regulatory matters that were released or issued during the previous month.

The information contained in this publication was compiled from various regulatory releases and is believed to be true and correct as of the date of distribution. Many regulatory issues are subject to interpretations that can change as industry rules and regulations change, and as compliance issues evolve. Readers are cautioned to consider their individual situations and are encouraged to contact RRS staff for guidance on any issues. The information is not intended as legal or accounting advice, which can only be provided by a duly qualified attorney or certified public accountant.

## Hot Topics

### EVENTS

- **DEADLINE:** Monthly FOCUS filing due May 24<sup>th</sup>, 2016
- **DEADLINE:** Monthly SIS filing due May 27<sup>th</sup>, 2016
- **NASAA:** NASAA May 15-16 2016 annual conference in Washington, DC

### ITEMS IN THIS EDITION

- **SEC** – Research Analyst Is Insider Trading in Mother's Brokerage Account – Page 2
- **SEC** – Seeks Public Comment on Plan to Create a Consolidated Audit Trail – Page 2
- **SEC** – Accounting Firm, Partner Conducted Deficient Surprise Exams – Page 2
- **FINRA** – Offers What You Need to Know About Required Minimum Distributions in Traditional IRAs – Page 3
- **FINRA** – Securities Helpline for Seniors Marks First Year, With \$1.3 Million Returned to Investors – Page 3
- **FINRA** – Decision Bars a Broker for Unethical Conduct; Registered Representative Engaged In Money Laundering and Assisted Friend in Deceiving Creditors – Page 3

## Service Spotlight: Fixed Income Compliance

RRS conducts in-depth examinations of your firm's corporate, municipal and other fixed income business operations, supervisory procedures and compliance programs including testing of supervisory control procedures. This service may be used to meet FINRA's annual internal inspection requirements as set forth in NASD Conduct Rules 3110 and 3120. RRS' team of experts has designed fixed income compliance examinations that are as stringent as the regulators. These compliance services include a comprehensive examination of your firm's overall fixed income business, or focused reviews covering specific aspects of your business for SEC, FINRA and MSRB rule compliance.

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Washington, DC



## **SEC**

### **SEC Announces:**

Financial Fraud Cases ([Link](#))

Agenda for April 26 Meeting of the Equity Market Structure Advisory Committee ([Link](#))

### **SEC Charges:**

Four in Fraudulent “Free Dinner” Scheme ([Link](#))

Litigation Marketing Company with Bilking Retirees ([Link](#))

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

Investment Advisers Act of 1940 – Section 206(3) ([Link](#))

Investment Advisers Act of 1940 – Section 206(4) and Rule 206(4)-2 ([Link](#))

### **SEC Final Rules:**

Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants ([Link](#))

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

### **Research Analyst Is Insider Trading in Mother’s Brokerage Account**

A research analyst who allegedly reaped more than \$1.5 million in February through trades he made in his mother’s brokerage account based on nonpublic information he learned at work. ([Link](#))

### **SEC Seeks Public Comment on Plan to Create a Consolidated Audit Trail**

The SEC voted to publish for public comment a proposed national market system (NMS) plan to create a single, comprehensive database that would enable regulators to efficiently track all trading activity in the U.S. equity and options market. ([Link](#))

### **SEC: Accounting Firm, Partner Conducted Deficient Surprise Exams**

The SEC announced that an accounting firm and one of its partners who conducted surprise examinations of client assets at an investment adviser have agreed to settle charges that they performed inadequately as the adviser’s president secretly stole money from accounts belonging to professional athletes. ([Link](#))

### **Las Vegas Casino Paying Penalty for FCPA Violations**

A Las Vegas casino agreed to pay a \$9 million penalty to settle charges that violated the FCPA by failing to properly authorize or document payments to a consultant facilitating business activities in China and Macao. ([Link](#))

### **Company Misled Investors about Energy-Efficient Technology**

A Texas-based technology company and its founder accused of boosting stock sales with false claims about a supposedly revolutionary computer server and big-name customers purportedly placing orders to buy it. ([Link](#))

### **Anti-money Laundering Programs**

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

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

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

### **Marshall Sprung, Co-Chief of Asset Management Unit, To Leave SEC after 13 Years of Service**

The SEC announced that Marshall S. Sprung, co-chief of the Division of Enforcement’s Asset Management Unit, is planning to leave the agency. ([Link](#))

### **Town Officials in New York Hid Financial Troubles from Bond Investors**

The SEC announced fraud charges against its local development corporation, and four town officials who allegedly hid a deteriorating financial situation from their municipal bond investors. ([Link](#))

### **SEC Case Freezes Assets of Ski Resort Steeped in Fraudulent EB-5 Offerings**

The SEC announced fraud charges and an asset freeze against a ski resort and related businesses allegedly misusing millions of dollars raised through investments solicited under the EB-5 Immigrant Investor Program. ([Link](#))

**SEC Solicits Public Comment on Business and Financial Disclosure Requirements in Regulation S-K**

The SEC voted to publish a concept release discussing and seeking public comment on modernizing certain business and financial disclosure requirements in Regulation S-K. ([Link](#))

***Ask about Our Order Handling and Best Execution Surveillance Solutions***

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

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

**SEC Adopts Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants**

The SEC voted to adopt final rules implementing a comprehensive set of business conduct standards and chief compliance officer requirements for security-based swap dealers and major security-based swap participants (security-based swap entities). ([Link](#))

**SEC Offers Online Tool to Help Companies Estimate Registration Fees**

The SEC announced the release of an online tool to help companies calculate registration fees for certain form submissions to EDGAR, the SEC's electronic database of financial reports and other filings. ([Link](#))

**SEC Issues Order Modifying and Extending the Pilot Period for the National Market System Plan to Address Extraordinary Market Volatility**

The SEC issued an order to extend for one year the pilot period of the National Market System Plan to Address Extraordinary Market Volatility, commonly known as the limit up-limit down (LULD) plan. ([Link](#))

## **FINRA**

**Regulatory Notices:**

[16-10](#) Direct Purchases and Bank Loans as Alternatives to Public Financing in the Municipal Securities Market

[16-11](#) SEC approves expanded application of supplemental schedule for derivatives and other off-balance sheet items

[16-12](#) FINRA provides guidance on firm responsibilities for sales of pension income stream products

[16-13](#) Revised SEC no-action guidance expanding the definition of "ready market" for certain foreign equity securities

[16-14](#) FINRA announces implementation date for publication of ATS block-size trade data

[16-15](#) Exemption from trade reporting obligation for certain transactions on alternative trading systems

**FINRA Offers What You Need to Know About Required Minimum Distributions in Traditional IRAs**

FINRA issued an Investor Alert with answers to 10 commonly asked questions about required minimum distributions (RMDs). ([Link](#))

**FINRA Securities Helpline for Seniors Marks First Year, With \$1.3 Million Returned to Investors**

The helpline has fielded more than 4,200 calls, recovering over \$1.3 million in voluntary reimbursements from firms since its launch in April 2015. ([Link](#))

**FINRA Decision Bars a Broker for Unethical Conduct; Registered Representative Engaged in Money Laundering and Assisted Friend in Deceiving Creditors**

A decision barring a broker from the securities industry for unethical conduct involving money laundering and a scheme to deceive a friend's creditors and facilitate violations of law. ([Link](#))

***FINRA Rulebook Consolidation***

Since 2008, FINRA has been in the process of consolidating NASD Conduct Rules into the FINRA Rules. Firms are required to update their written supervisory and control procedures to address the Rule changes as they become effective.

These rule changes have included substantive revisions to existing rules and regulations, as well as new requirements. These significant revisions to industry rules impact all broker-dealers, and firms must stay vigilant in order to stay up-to-date.

RRS can provide planning and support to all aspects of the rule revisions affecting your firm including GAP analysis, project planning, drafting supervisory policies and procedures or training for the new rules.

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

**FINRA Reminds Firms about Obligations Regarding Pension Income Stream Products**

FINRA issued a regulatory notice on member firms' responsibilities concerning the sale of pension income stream products, which are typically contracts that provide a lump-sum payment to a pensioner in exchange for the rights to future pension income payments. ([Link](#))

**New Data on OTC Equity Trading Now Available**

FINRA announced that expanded data on over-the-counter trading in equity securities is now live, extending FINRA's trading-volume transparency to all of the OTC market. ([Link](#))

**FINRA Investor Education Foundation and Filene Research Institute Announce Employer Sponsored Small Dollar Loan Research Collaboration**

FINRA Investor Education Foundation, the Filene Research Institute, and six local credit unions have launched a two-year research project to assess the long-term impact of an Employer Sponsored Small Dollar Loan designed to help employees avoid the high cost of payday lenders, establish or repair credit, and begin to save. ([Link](#))

**FINRA Issues First Cross-Market Report Cards Covering Spoofing and Layering**

The FINRA made available to member firms its first monthly cross-market equities supervision report cards, aimed at helping firms identify and halt spoofing and layering activity. ([Link](#))

**Broker-dealer Compliance Support**

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

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

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

**MSRB****MSRB Regulatory Notices for April 2016:**

[2016-12](#) Direct Purchases and Bank Loans as Alternatives to Public Financing in the Municipal Securities Market

[2016-13](#) Request for Comment on Draft Amendments to MSRB Rule G-15(f) on Minimum Denominations

[2016-14](#) Municipal Fund Securities – Interpretation Relating to the Sales of Interests in ABL Programs in the Primary Market

**MSRB Upcoming Events:**

Georgia Municipal Association Annual Convention. ([Link](#))

Application of MSRB Rule G-37 on Political Contributions and Prohibitions on Municipal Advisory Business to Municipal Advisors, and Related Amendments to MSRB Rules G-8 and G-9. ([Link](#))

**Purchasers of ABL Accounts May Now Be Protected By MSRB Investor Protection Rules**

The MSRB announced that it has received interpretive guidance from the staff of the SEC relating to the status under the federal securities laws of interests in accounts established by states to implement programs under the Stephen Beck Jr., Achieving a Better Life Experience Act of 2014 (ABLE Act). ([Link](#))

**MSRB Seeks Comment on Clarifying Exceptions to Minimum Denomination Rule**

The MSRB is seeking comment on draft rule amendments to support the practical implementation of its rule that generally prohibits dealers from selling bonds below a stated minimum denomination. ([Link](#))

**MSRB Holds Quarterly Board Meeting**

The Board of Directors of the MSRB held its quarterly meeting, where it continued work on an initiative to help municipal securities investors better understand the cost of their transactions, held an annual policy meeting with the chair of the SEC and conducted other business. ([Link](#))

**MSRB to Provide Municipal Market Trading Data to Academics through Wharton Research Service**

The MSRB announced that it is making trading data on the \$3.7 trillion U.S. municipal bond market freely available to academic institutions through Wharton Research Data Services (WRDS), a research platform that provides financial and economic data to more than 400 institutions around the world. ([Link](#))

**NASAA****NASAA Statement on Department Of Labor Fiduciary Rule**

In a statement given by Judith Shaw she discusses the Department of Labor's rule raising the standard of care applicable to retirement investors. ([Link](#))

**NASAA Testimony Calls for Balanced Regulatory Approach to Capital Formation**

In testimony before a House subcommittee, the NASAA reiterated its advocacy of a regulatory approach that promotes capital formation while maintaining investor protections. ([Link](#))

**State Securities Regulators Provide Resources to Sharpen Financial Literacy Skills**

In announcing its ongoing support of Financial Literacy Month, a nationwide initiative to raise public awareness about the importance of financial literacy, NASAA reminded investors of all ages of the investor education resources available from state securities regulators. ([Link](#))

**Sen. Susan Collins to Deliver Keynote Address at NASAA Public Policy Conference**

NASAA President Judith Shaw is honored Sen. Susan Collins will deliver the conference keynote luncheon highlighting the policy role of enforcement as a deterrent to financial fraud and the challenges prosecutors face with white-collar crime. ([Link](#))

***Trading and Market Making***

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

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

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

**NASDAQ—NASDAQ-TRADER—  
OTCBB**

**Equity Trader Alert:**

[2016-66](#) NASDAQ to Implement Additional Price Protections to the Opening Cross Process

[2016-76](#) NASDAQ Test Opportunity

[2016-77](#) NASDAQ to Begin Listing 12 First Trust ETFs

[2016-78](#) NASDAQ to Eliminate UDP (UFO)

[2016-79](#) NASDAQ Announces Improved Protections for Equity Markets Coming Out of Halts

[2016-80](#) NASDAQ to Begin Listing Three First Trust RiverFront Exchange Traded Funds

[2016-81](#) NASDAQ announces Spin-off/Merger information for Pinnacle Entertainment, Inc.

[2016-82](#) Reverse Split and CUSIP Change for FreeSeas Inc.

[2016-83](#) Reverse Split and CUSIP Change for SemiLEDs Corporation

[2016-84](#) Reclassification and Exchange of Liberty Media Corporation

[2016-85](#) Reverse Split and CUSIP Change for RXi Pharmaceuticals Corporation

[2016-86](#) NASDAQ to Begin Listing Global X Exchange Traded Fund

[2016-87](#) NASDAQ to Begin Listing Amplify Exchange Traded Fund

[2016-88](#) NASDAQ Improves Performance with Multiple Matching Partitions

[2016-89](#) NASDAQ to Begin Listing iShares Blackrock Exchange Traded Fund

[2016-90](#) NASDAQ to Add Liquidity Codes for New Limit Up-Limit Down Pricing Pilot

[2016-91](#) Reverse Split and CUSIP Change for First Trust Indxx Global Agriculture ETF (FTAG)

**Data Technical News:**

[2016 – 12](#) Select First Trust ETFs to Begin Listing on NASDAQ

[2016 – 13](#) NASDAQ Publishes NextShares TRF End-Of-Day FTP File for NextShares Trades

**Options Trader Alert:**

[2016-11](#) NOM announces plans for technology refresh

[2016-12](#) PHLX, NOM and BX options update pricing

**Options Regulatory Alert:**

[2016-13](#) NOM and BX Options Bid/Ask Differentials for "PCLN" Options Class

[2016-14](#) PHLX Bid/Ask Differentials for "NDX" and "PCLN" Option Classes

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**UTP Vendor Alert:**

[2016 – 03](#) Update on Enhanced INET Platform Migration

**NYSE - EURONEXT – AMEX****NYSE EURONEXT Announcements:**

The following update has been made to the Rule 2.10. ([Link](#))

**NYSE Weekly Program-Trading Data Releases:****Intercontinental Exchange Reports ICE & NYSE March & First Quarter 2016 Statistics**

NYSE:ICE, reported March and first quarter 2016 trading volume and related revenue statistics, which can be viewed on the company's investor relations website at <http://ir.theice.com/ir-resources/supplemental-information> in the Monthly Statistics Tracking spreadsheet. ([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 that they stick to the approved scripts. 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](mailto:Research@RRSCompliance.com)

**NYSE Launches New Suite of Services for Small- To Mid-Cap Growth Companies**

The NYSE:ICE introduced an enhanced range of services for issuers on NYSE MKT, which exclusively serves small- to mid-cap growth companies. ([Link](#))

**ICE Benchmark Administration Adds Industrial and Commercial Bank of China as a Direct Participant to IBA's Gold Auction**

NYSE:ICE, announced that the Industrial and Commercial Bank of China (ICBC) has been approved by ICE Benchmark Administration (IBA) to participate in the gold auction, which is used to determine the LBMA Gold Price. ([Link](#))

**Interactive Data Launches Liquidity Indicators Service in Europe**

Interactive Data announced that its Liquidity Indicators Service is now available for European and Asia-Pacific corporate and sovereign securities. ([Link](#))

**Interactive Data's Continuous Evaluated Pricing and Liquidity Indicators Services Now Available to Factset Clients**

Interactive Data announced that its continuous evaluated fixed-income pricing and Liquidity Indicators services are now available to FactSet clients. FactSet provides financial information and analytical applications across asset classes to more than 63,000 users. ([Link](#))

**NYSE Amex Options Launches Binary Return Derivatives (ByRDs), an Innovative New Options Product**

The NYSE announced the NYSE Amex Options platform of the NYSE MKT exchange will commence trading of Binary Return Derivatives (ByRDsSM). ByRDs are a new listed equity options product with limited profit potential and defined risk for both buyers and sellers. ([Link](#))

**FINCEN****FinCEN Proposes To Amend Definition of Broker-Dealer in Securities to Include Funding Portals**

FinCEN proposed to amend the Bank Secrecy Act's definition of "Broker or Dealer in Securities" in order to ensure that funding portals implement policies and procedures reasonably designed to achieve compliance. ([Link](#))

**Nevada Casino's Willful Disregard for Anti-Money Laundering Laws Leads To \$1 Million Fincen Penalty**

FinCEN announced a \$1 million civil money penalty against a Nevada casino admitting to willfully violating the AML provisions of the Bank Secrecy Act (BSA). ([Link](#))

### **Director Jennifer Shasky Calvery Departing the Financial Crimes Enforcement Network**

Jennifer Shasky Calvery announced that she will be leaving her position as Director of the FinCEN. Her entire career has been spent in service to the public, including 15 years at the Department of Justice where much of her work was focused on combating financial crime. ([Link](#))

## **PRA**

### **PRA Imposes Fine on an Islamic Investment Bank for Significant Failings in Capital Adequacy and Regulatory Reporting During 2011 And 2012**

The PRA has imposed a fine on an Islamic investment bank for significant failings in assessing, maintaining and reporting to the regulator on its financial resources. ([Link](#))

### **Appointment of New Deputy Governor for Prudential Regulation**

HM Treasury has announced that Her Majesty; The Queen has agreed on the recommendation of the Chancellor and Prime Minister, to appoint Sam Woods as Deputy Governor for Prudential Regulation and Chief Executive of the PRA. ([Link](#))

### **Bank of England to Become Administrator of SONIA Interest Rate Benchmark**

The Bank of England and the Wholesale Markets Brokers' Association (WMBA) has announced that the Bank of England has become the administrator of the Sterling Overnight Index Average (SONIA) interest rate benchmark. ([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)

### **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 (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. ([Link](#))

### **Michael Saunders Appointed To the Monetary Policy Committee**

The Chancellor of the Exchequer has announced the appointment of Michael Saunders as an external member of the Monetary Policy Committee (MPC). ([Link](#))

### **Wages, Inflation and Current Monetary Policy - Speech by Ian Mccafferty**

In a speech given at Bank of England, Ian McCafferty explains why he's changed his decision to increase the bank rate in 2015 and the economic developments that caused the change. ([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.

### **J.M.W. Turner to Appear On the Next £20 Banknote**

Bank of England Governor, Mark Carney, announced that J.M.W. Turner will appear on the next £20 banknote due to be issued by 2020. ([Link](#))

### **A 21st Century Approach to Dealing with Failed Banks - Speech by Jon Cunliffe**

In a speech given at the 1<sup>st</sup> Single Resolution Board Annual Conference, Brussels, Jon Cunliffe discuss on how to deal with the failing of banks and how who's paying is not new. ([Link](#))

## **FCA**

### **FCA Publishes 2016/17 Business Plan**

The FCA has published its annual Business Plan. The Business Plan outlines seven priority themes which will guide how the FCA will use its flexible resources and provide additional focus for the core activities of the organization. ([Link](#))

### **FCA Reminds Asset Managers of Importance of Meeting Investors' Expectations**

Asset managers included in a review undertaken by the FCA are generally taking the right steps to ensure they manage funds as they say they will. ([Link](#))

**FCA Bans a Former Bank LIBOR Submitter**

The FCA has banned him from performing any function in relation to any regulated financial activity and publicly censured him. Were it not for his serious financial hardship, the FCA would have fined him £250,000. ([Link](#))

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

**FCA Publishes the Interim Report of Its Investment and Corporate Banking Market Study and a Discussion Paper on the IPO Process**

The FCA has published the interim conclusions of its investment banking market study, finding that while many clients feel well served by primary capital market services there were also some areas where improvements could be made to encourage competition. ([Link](#))

**FCA And PRA Jointly Publish Proposals to Enhance Enforcement Decision-Making Processes**

The FCA and the PRA have published proposals aimed at strengthening the transparency and effectiveness of their enforcement decision-making processes. ([Link](#))

**FCA Publishes Decision Notice for Former Brokerage Firm LIBOR Trader**

The FCA has published a Decision Notice in respect of a formerly derivatives trader at UBS in London. This sets out the FCA's finding that he is not a fit and proper person and its decision to prohibit him from any role in regulated financial services. ([Link](#))

**FCA Wins Case in the Supreme Court**

In a judgment issued, the Supreme Court confirmed that the investment firm had been operating an unauthorized collective investment scheme (CIS) in the course of operating a land bank which involved the selling of small plots of land to investors at hugely inflated prices. ([Link](#))

**FCA Outlines Rules for Secondary Annuity Market**

The FCA has published a consultation on its proposed rules and guidance for the secondary annuity market. The Government announced that it would extend the pension freedoms to those who had already bought an annuity with the proceeds of their defined contribution pension savings. ([Link](#))

**FCA Proposes Measures to Improve the Effectiveness of UK Primary Listed Debt Markets**

The FCA has published a report proposing a series of measures aimed at enhancing the UK's debt listing regime. The FCA launched an initiative whereby it began a series of meetings with a specially convened group of stakeholders in UK primary debt capital markets, the UK Debt Market Forum (the Forum). ([Link](#))

***Municipal Securities***

The RRS solutions for Municipal Securities Broker-Dealers include a wide range of preventative compliance services designed to reduce the potential for deficiencies during regulatory examinations. MSRB compliance services include examination, testing and support in the following critical areas:

- Trade Reporting (RTRS)
- Political contributions
- Underwriting activities
- Section 529 sales practices
- Official Statement Delivery
- Books and records
- Pricing
- Order Handling and Execution
- Customer confirmations
- Trade comparison and confirmation
- Supervisory Controls
- Written supervisory procedures

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

## 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)

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