

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 April 25th, 2016
- **DEADLINE:** Quarterly Form Custody due April 25th, 2016
- **DEADLINE:** Quarterly SSOI due April 28th, 2016
- **DEADLINE:** Monthly SIS filing due April 28th, 2016
- **NASAA:** NASAA May 15-16 2016 annual conference in Washington, DC

ITEMS IN THIS EDITION

- **DOL** – Department of Labor Finalizes Rule to Address Conflicts of Interest in Retirement Advice – Page 2
- **SEC** – SEC announces office of Risk and Strategy created for National Exam Program – Page 2
- **SEC** – SEC announces Fund disclosure reflecting risks related to current market conditions – Page 2
- **SEC** – SEC announces Fast act changes affecting investment advisers to small business investment companies – Page 2
- **SEC** – SEC charges a brokerage firm Affiliates drove Mutual Fund Clients to more expensive share classes to collect more fees – Page 2
- **SEC** – SEC charges Municipal Advisor for failing to disclose conflict – Page 2
- **SEC** – National compliance outreach seminar to be held for invest companies and investment advisers – Page 2
- **FINRA** – FINRA evaluates membership application rules – Page 3
- **FINRA** – FINRA reports on effective practices for digital investment advice – Page 3
- **FINRA** – Power of attorney and your investments: 10 Tips from FINRA – Page 3
- **FINRA** – How investors can avoid getting fooled – Page 3
- **NASAA** – NASAA unveils training program to combat elder financial abuse – Page 4

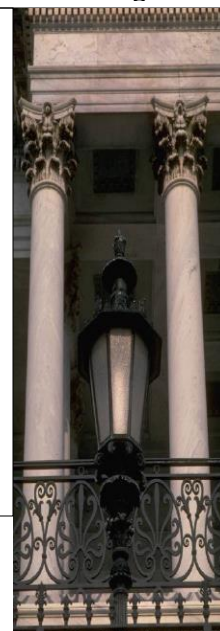
Service Spotlight: FINOP Support Services

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**
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Washington, DC

Department of Labor

Department of Labor Finalizes Rule to Address Conflicts of Interest in Retirement Advice:

Fact Sheet: <http://www.dol.gov/ebsa/newsroom/fs-conflict-of-interest.html>

FAQs: <http://www.dol.gov/ebsa/faqs/faq-conflict-of-interest.html>

Final Rule: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2016-07924.pdf>

SEC

SEC Announces:

Office of Risk and Strategy created for National Exam Program ([Link](#))

Unregistered fund manager charged for hiding criminal past ([Link](#))

A Biotech Venture Capitalist stole investor funds for personal use. ([Link](#))

Fund disclosure reflecting risks related to current market conditions. ([Link](#))

Fast act changes affecting investment advisers to small business investment companies. ([Link](#))

SEC Charges:

Rhode Island Agency and Major Bank Defraud Investors to Finance Startup Video Game Company. ([Link](#))

Company and Executives Administer Deficient Evaluations of Internal Controls. ([Link](#))

Oregon-Based Investment Group Defraud Investors to Save Firm. ([Link](#))

A brokerage firm Affiliates drove Mutual Fund Clients to more expensive share classes to collect more fees. ([Link](#))

The CEO of a Microcap Company Falsely Claims Profitable Relationship with United Nations and Clean Energy Contracts with Foreign Governments. ([Link](#))

Municipal Advisor for failing to disclose conflict. ([Link](#))

Ponzi scheme Operator Claimed to Offer Bridge Loans to Jamaican Businesses. ([Link](#))

Securities professional with defrauding institutional investors. ([Link](#))

Former TV Commentator Settles Penny Stock Fraud. ([Link](#))

A manufacturer and marketer company and Former CEO to have misled investors about Advanced Technology Engine. ([Link](#))

SEC Halts:

Fraud by manager of investments in Pre-IPO Companies. ([Link](#))

List of No Action Letters:

Investment Company Act of 1940 – Sections 12(d) (2) and 12 (d) (3) SPDR S&P Dividend ETF. ([Link](#))

National Compliance Outreach Seminar to be held for Invest Companies and Investment Advisers

Registration for investment companies and advisers has begun for the compliance outreach program to strengthen compliance programs for investors' protection. ([Link](#))

Telecommunications Company Hired Chinese Official Relatives to Obtain Business

Telecommunications Company violated Foreign Corrupt Practices Act hiring Chinese government officials' relatives. ([Link](#))

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Robert M. Fisher; Managing Executive of the Office of Compliance Inspections and Examinations

SEC named Robert M. Fisher as the agency's Managing Executive of the Office of Compliance Inspections and Examinations. ([Link](#))

SEC awarding nearly \$2 Million to three whistleblowers

Approximately \$2 million rewarded to three whistleblowers. ([Link](#))

Unregistered Broker Returns Money to Harmed Investors

A Cyprus-Based Company illegally sold binary options to U.S. investors totaling \$11 million. Through a Fair Fund all money received will be distributed to harmed investors. ([Link](#))

California Water District mislead investors while offering bonds

California's largest water district mislead investors about its finances while offering bonds equal to \$77 million. ([Link](#))

Illegal Profits and Kickbacks returned due to Inside Trading

A Florida man informed of a pharmaceutical merger by a friend agrees to pay back illegal profits and interest. ([Link](#))

Tech Company's Key Product Misled Investors

A tech company that develops technology for touchscreen devices misled investors on the production status and sales agreement for a key product. ([Link](#))

Anthony Kelly; Co-Chief of Asset Management Unit

The Enforcement Division's Asset Management Unit targets misconduct by investment advisers, companies, and private funds named Anthony Kelly the Co-Chief. ([Link](#))

Fraud Charges Brought against a Businessman for Attempted Cover Up

The SEC caught onto the scheme of a California businessman stealing investor assets. ([Link](#))

2016 Public Company Accounting Oversight Board Budget Approved

Primarily the budget will be funded through the collection of an accounting support fee and from under-spending in 2015. ([Link](#))

FINOP Support Services

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- 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

Keith E. Cassidy; Director of Legislative and Intergovernmental Affairs Office

The agency's Office of Legislative and Intergovernmental Affairs named Keith E. Cassidy as the Director. ([Link](#))

Biotech Company Misled Investors about New Drug's Status with FDA

A Massachusetts-based biotech company misled investors about the company's efforts to obtain Food and Drug Administration (FDA) approval for its developmental drug to treat kidney cancer. ([Link](#))

FINRA**Regulatory Notices:**

[16-09](#) FINRA Requests comment on proposed amendments to FINRA rules to support the industry initiative to shorten the settlement cycle for securities in the U.S. secondary market from T+3 to T+2.

Information Notices:**Extension of Current Rate for Fees Paid Under Section 31 of the Exchange Act**

SEC announced that the Section 31 rate applicable to specified securities transactions on the exchanges and in the over-the-counter market will remain at the current rate of \$21.80 per million dollars until September 30, 2016. ([Link](#))

FINRA Conferences & Events:

2016 FINRA Annual Conference ([Link](#))

2016 FINRA registration and disclosure boot camp schedule & how to register ([Link](#))

FINRA Evaluates Membership Application Rules

FINRA's Membership Application Program has an opportunity to make the rules and related processes more efficient. ([Link](#))

FINRA Reports on Effective Practices for Digital Investment Advice

Financial Firms' offering digital investment advice tools need better governance and supervision and overseen accountability for recommendations, conflict of interest, and customer risk. ([Link](#))

Power of Attorney and Your Investments: 10 Tips from FINRA

FINRA offers ten tips to help investors understand and create a Power of Attorney. ([Link](#))

How Investors Can Avoid Getting Fooled

FINRA offers five tips to help investors avoid being tricked out of their money. FINRA is dedicated to investor protection and market integrity through effective and efficient regulation and complementary compliance and technology-based services. ([Link](#))

FINRA Foundation Military Spouse Fellowship Application Now Open

The application process for the 2016 class of Military Spouse Fellows has opened and applications are due by April 22, 2016. ([Link](#))

FINRA and NASDAQ Fine a leading financial and investment firm for supervisory violations relating to Chronic Fails to deliver by a client in multiple exchange-traded funds

A leading financial and investment firm failed to adhere to supervisory procedures handling a client's trading of leveraged exchange-traded

funds that led to continuous fails to deliver ETFs for over two years. ([Link](#))

How Investors Can Avoid Getting Fooled

FINRA offers five tips to help investors avoid being tricked out of their money. FINRA is dedicated to investor protection and market integrity through effective and efficient regulation and complementary compliance and technology-based services. ([Link](#))

MSRB

MSRB Regulatory Notices for March 2016:

[2016-09](#) MSRB Revises Effective Date for Amendments to MSRB Rule G-14, on Transaction Reporting

[2016-10](#) SEC Approves Amendments to MSRB Rule A-3, on Membership on the Board, to Lengthen the Term of Board Member Service

[2016-11](#) Request for Comment on a Concept Proposal to Improve Disclosure of Direct Purchases and Bank Loans

MSRB Upcoming Events:

Securities Industry and Financial Markets Association Operations conference and exhibition. ([Link](#))

National Federation of Municipal Analysts thirty-third Annual Conference. ([Link](#))

Louisiana Government Finance Officers Association Spring Conference. ([Link](#))

Government Finance Officers Association of Missouri Annual Conference. ([Link](#))

Bond Dealers of America Municipal market Seminar on regulation, compliance and enforcement. ([Link](#))

MSRB Publishes Annual Fact Book of Municipal Securities Data

Overall municipal bond trading volume declined to \$2.42 trillion in 2015, down 13 percent from 2014, according to the annual *Fact Book* published by the MSRB. ([Link](#))

MSRB Lengthens Board Member Terms of Service

The MSRB received approval from the Securities and Exchange Commission to lengthen the term of service for members of its Board of Directors to four years from three, among other amendments to MSRB Rule A-3, on Board membership. ([Link](#))

MSRB Seeks Comment on Potential Rulemaking to Improve Transparency of Direct Purchases and Bank Loans

The MSRB is seeking public comment on a potential approach to enhance investor and public access to information about the direct purchase and bank loan transactions of municipal securities issuers. ([Link](#))

NASAA

NASAA Unveils Training Program to Combat Elder Financial Abuse

As the latest step in a multi-faceted effort to address the serious problem of elder financial abuse, the North American Securities Administrators Association (NASAA) announced that it is offering a training program for state regulators to help train broker-dealers and investment advisers in identifying and reporting suspected elder financial abuse. ([Link](#))

NASDAQ—NASDAQ-TRADER— OTCBB

Data News:

[2016 – 1](#) NASDAQ Provides Clarification to the Global Index Data Service (GIDS) Policies

[2016 – 2](#) NASDAQ Announces NASDAQ Last Sale (NLS) Pricing Changes

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Equity Trader Alert:

[2016 – 44](#) NASDAQ to Begin Listing Two Vanguard Exchange Traded Funds

[2016 – 45](#) NASDAQ to Launch Small Cap Market Quality Pilots

[2016 – 46](#) Reverse Split and CUSIP Change for Spherix Incorporated

[2016 – 47](#) Reverse Split and CUSIP Change for Collectar Biosciences, Inc.

[2016 – 48](#) Reverse Split & CUSIP Change for Cesca Therapeutics Inc.

[2016 – 49](#) Updates to NASDAQ Display Rebates
[2016 – 50](#) Tick Size Pre-Pilot Data Collection
[2016 – 51](#) NASDAQ to Begin Listing First Trust Exchange Traded Fund
[2016 – 52](#) Reverse Split and CUSIP Change for Uranium Resources, Inc.
[2016 – 53](#) NASDAQ to Begin Listing Invesco PowerShares Exchange Traded Fund
[2016 – 54](#) Reverse Split and CUSIP Change for DryShips Inc.
[2016 – 55](#) Reverse Split and CUSIP Change for Revolution Lighting Technologies, Inc.
[2016 – 56](#) NASDAQ to Implement Additional Price Protections to the Opening Cross Process

[2016 – 71](#) Reverse Split and CUSIP Change for Great Basin Scientific, Inc.
[2016 – 72](#) BX Equities Updates Pricing
[2016 – 73](#) Reverse Split and CUSIP Change for Venaxis, Inc.
[2016 – 74](#) NASDAQ Equities Updates Pricing
[2016 – 75](#) NASDAQ Modifies Functionality for Orders Received in Halted and IPO Securities

Data Technical News:

[2016 – 8](#) New NextShares™ End of day summary message to be added to NLS Plus
[2016 – 9](#) Scripps Networks Interactive, Inc. to Begin Listing on NASDAQ

RRS Compliance Examinations

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JohnPinto@RRSCompliance.com

[2016 – 57](#) Tick Size Pre-Pilot Data Collection
[2016 – 58](#) Reverse Split and CUSIP Change for SkyPeople Fruit Juice, Inc.
[2016 – 59](#) NASDAQ to Add Liquidity Codes for New Limit Up-Limit down Pricing Pilot
[2016 – 60](#) NASDAQ to Begin Listing Principal Exchange Traded Funds
[2016 – 61](#) NASDAQ to Implement Additional Price Protections to the Opening Cross Process
[2016 – 62](#) NASDAQ to Begin Listing Victory CEMP Exchange Traded Fund
[2016 – 63](#) Information regarding reverse merger transaction between Celladon Corporation and Eiger BioPharmaceuticals, Inc.
[2016 – 64](#) Reverse Split, CUSIP change, and ratio change for Prana Biotechnology Ltd.
[2016 – 65](#) NASDAQ to implement additional price protections to the opening cross process
[2016 – 67](#) Tick size pre-pilot data collection period
[2016 – 68](#) NASDAQ to begin listing two new NextShares
[2016 – 69](#) Reverse Split and CUSIP Change for ParkerVision, Inc.
[2016 – 70](#) NASDAQ Introduces New Compliance Dashboard

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

[2016 – 10](#) Daylight Savings Begins in March
[2016 – 11](#) NASDAQ to Introduce New Money Market Fund Message Format
Options Trader Alert:
[2016 – 7](#) PHLX Changes Minimum Quote Size Requirement in AAP, AVGO, and NTES
[2016 – 8](#) PHLX Retirement of FBMS
[2016 – 9](#) PHLX to Introduce External Kill Switch Functionality
[2016 – 10](#) PHLX and NOM Update Pricing

Options Regulatory Alert:

[2016 – 10](#) PHLX Retirement of FBMS
[2016 – 11](#) NOM and BX Options Bid/Ask Differentials for "PCLN" Options Class
[2016 – 12](#) PHLX Bid/Ask Differentials for "NDX" and "PCLN" Option Classes

UTP Vendor Alert:

[2016 – 2](#) Quarterly Failover Testing Schedule

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

Intercontinental Exchange announces COO appointments at ICE Futures U.S. and ICE Clear U.S. ([Link](#))

NYSE Weekly Program-Trading Data Releases:**Intercontinental Exchange to Acquire Standard & Poor's Securities Evaluations, Inc. and Credit Market Analysis from McGraw Hill Financial**

NYSE:ICE, announced that it has entered into a definitive agreement to acquire Standard & Poor's Securities Evaluations, Inc. (SPSE), a leading provider of fixed income evaluated pricing, and Credit Market Analysis (CMA), a leading provider of independent data for the over-the-counter (OTC) markets, two assets under the S&P Global Market Intelligence business unit, from McGraw Hill Financial (NYSE: MHFI). ([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.

New York Stock Exchange Launches NYSE U.S. Pure Exposure Index Family

(NYSE: ICE, announced the launch of the NYSE U.S. Pure Exposure Index Family, a new series of nine sector indices that aims to isolate pure sector returns by hedging market risk. ([Link](#)))

Intercontinental Exchange reports ICE & NYSE February 2016 statistics

NYSE:ICE, reported February 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](#))

Cybersecurity, economic volatility and political uncertainty top list of concerns for corporate boards in 2016

NYSE Governance Services, released the results of the 13th annual *What Directors Think* survey, which reflects the opinions of nearly 400 directors. ([Link](#))

Public Opening Position Disclosure by a Party to an Offer

Details of any interests, short positions and rights to subscribe (including directors' and other employee options) of any person acting in concert with the party to the offer making the disclosure. ([Link](#))

Public Opening Position Disclosure by a Party to an Offer

Details of any interests, short positions and: Interests held by the directors of Intercontinental Exchange, Inc. and their close relatives and related trusts. ([Link](#))

ICE Clear Credit launches Asian corporate index and sovereign CDS clearing; YTD buy side single name notional amount cleared surpasses total 2015 notional

NYSE: ICE, introduced credit default swap (CDS) clearing for the iTraxx Australia and iTraxx Asia ex-Japan Investment Grade indices, and the following sovereign names: Australia, China, Indonesia, Korea, Malaysia and the Philippines. ([Link](#))

ICE Benchmark Administration Publishes Roadmap for ICE LIBOR

NYSE:ICE, announced that ICE Benchmark Administration (“IBA”) has published its Roadmap for the evolution of ICE LIBOR (“LIBOR”). ([Link](#))

FINCEN**FinCEN proposes revising FBAR Rules for certain financial professionals**

The FinCEN issued a Notice of Proposed Rulemaking (NPRM) intended to revise and clarify certain provisions in the rules regarding the filing of Reports of Foreign Bank and Financial Accounts (FBAR). ([Link](#))

U.S. and Argentine financial intelligence units restore cooperation to fight terrorism and organized crime

Jennifer Shasky Calvery, Director of the FinCEN signed a memorandum of understanding (MOU) with her Argentine counterpart, Mr. Mariano Federici, President of the Unidad de Informacion Financiera (UIF) of the Republic of Argentina. ([Link](#))

Agencies release guidance to issuing banks on applying customer identification program requirements to holders of prepaid cards

Federal financial institution regulatory agencies issued guidance clarifying the applicability of the Customer Identification Program (CIP) rule to prepaid cards issued by banks. ([Link](#))

FinCEN fines a money services business and its owner/compliance officer for anti-money laundering failures

The FinCEN imposed a civil money penalty (CMP) against a money service business and its owner and compliance officer, for willful and repeated violations of the Bank Secrecy Act (BSA). The owner has admitted to conduct that violated the BSA and has consented to a civil money penalty in the amount of \$10,000. ([Link](#))

PRA

Central banks and digital currencies - speech by Ben Broadbent

In a speech given at the Central banks and digital currencies, London School of Economics, Ben Broadbent discuss about the issue of digital currencies forms an important part of our One Bank Research Agenda. ([Link](#))

Bank of England and HM Treasury Funding for Lending Scheme

The Bank has published data on the use of the Funding for Lending Scheme (FLS) showing, for each group participating in the FLS Extension, the net quarterly flow of lending to UK small and medium-sized enterprises (SMEs) and non-bank credit providers (NBCPs), and the amount borrowed from the Bank in the fourth quarter of 2015. ([Link](#))

The Bank of England's supervision of financial market infrastructures

The Bank of England has responsibility for supervising financial market infrastructures that underpin most of the economic and financial transactions in the United Kingdom, and many transactions internationally. The Bank of England publishes its Annual Report on the supervision of financial market infrastructures. ([Link](#))

Additional Indexed Long-Term Repo operations

The Bank of England is announcing that it will offer three additional Indexed Long-Term Repo (ILTR) operations in the weeks around the EU Referendum. ([Link](#))

A macroprudential approach to bank capital: Serving the real economy in good times and bad - speech by Alex Brazier

In a speech given at the 27th Annual Institute of International Bankers conference, Washington, Alex Brazier's discuss the steps on how macroprudential can help the economy. ([Link](#))

Unconventional monetary policy - speech by Martin Weale

In a speech given at the University of Nottingham, United Kingdom, Martin Weale discuss about the financial market, how monetary tightening rather than monetary easing will be needed in the United Kingdom over the next two years. ([Link](#))

New £5 note design to be unveiled

Victoria Cleland, the Bank of England's Chief Cashier, announced that the Bank will unveil the design of the new five pound banknote on Thursday 2 June 2016. ([Link](#))

Wages, productivity and the changing composition of the UK workforce – Quarterly Bulletin 2016 Q1 pre-release article

Wage growth is a key indicator of inflationary pressure in the economy, and is important for the Monetary Policy Committee. This article discusses how the changing characteristics of those in employment can affect aggregate measures of wages. ([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

Bank of England/TNS Inflation Attitudes Survey - February 2016

This news release describes the results of the Bank of England's latest quarterly survey of public attitudes to inflation, undertaken between 12 and 16 February 2016 and 17 and 21 February 2016. ([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 (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. ([Link](#))

The 16th national final of Target 2.0 – a challenge for students

The teams take on the role of the Monetary Policy Committee (MPC). They present their assessment of the economy and the outlook for inflation to justify their monetary policy decision to a panel of four judges, three of whom sit on the MPC. ([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

The UK Current Account Deficit: Risky or Risk-Sharing? - Speech by Kristin Forbes

In a speech given at the Official Monetary and Financial Institutions Forum Roundtable, Vintner’s Hall London, Kristin Forbes discuss about the vulnerability that affects the capital flows. ([Link](#))

Interest Rate Challenge winner announced

Six months of preparation and study paid off for Pate’s Grammar School, Cheltenham with their team winning the sixteenth national final of Target 2.0, held at the Bank’s headquarters in Threadneedle Street, London. ([Link](#))

Index-Linked Treasury Stocks

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 October 2016 will be £3.9172 per £100 nominal of stock. ([Link](#))

Financial Policy Committee and Prudential Regulation Authority publications

The Bank of England is announcing the following will be published; the FPC statement, Details of the scenario for the 2016 stress test of the UK banking system, Outcome of the PRA’s work on underwriting standards for buy-to-let mortgage contracts. ([Link](#))

Financial Policy Committee statement from its policy meeting

The Bank of England’s Financial Policy Committee (FPC) assesses the outlook for financial stability by identifying the risks faced by the financial system and weighing them against the resilience of the system. ([Link](#))

FCA

FCA to publish claims scorecards

The FCA has announced that it will pilot the publication of general insurance ‘scorecards’ on a small number of products. The FCA will collect data from firms and publish it in an easily accessible format on its website. ([Link](#))

FCA launches 'Live & Local': a new regional programme to help local firms engage with regulators

The FCA has launched 'Live & Local', a regional programme which will include a series of events, workshops and roundtables, taking place across 12 regions in the UK. The programme will help firms in the investment, mortgages and general insurance sectors engage with their regulators and bring them greater clarity on their regulatory requirements. ([Link](#))

FCA bans former Bank trader, following LIBOR fraud

The FCA has banned a former trader at a large bank, from the UK financial services industry for lacking honesty and integrity following a criminal conviction for fraud in the US. ([Link](#))

New accountability regime for banks and insurers comes into force

The Senior Managers Regime for the banking sector and the Senior Insurance Managers Regime both come into force. The new regimes will hold individuals working at all levels within relevant firms to appropriate standards of conduct and ensure that senior managers are held to account for misconduct that falls within their area of responsibility. ([Link](#))

FCA publishes a Discussion Paper on the client money distribution rules and the Special Administration Regime

The FCA has published a Discussion Paper (DP), which seeks feedback on the FCA Client Assets sourcebook, specifically the client money distribution rules (CASS 7A), and how these rules work with the Special Administration Regime. ([Link](#))

FCA contacting 16,000 customers of debt management firm, PDHL

The FCA is currently assessing applications for authorization from all debt management firms with interim permission. Firms that were previously regulated by the Office of Fair Trading have been operating with interim permission since responsibility for consumer credit transferred to the FCA on 1 April 2014. There are approximately 400,000 people on commercial debt management plans in the UK. ([Link](#))

Reforms will make financial advice and guidance work better for consumers

Millions of consumers could have better access to affordable financial advice and guidance that meets their needs at every stage of their lives as a result of recommendations from the Financial Advice Market Review (FAMR), published. ([Link](#))

Former equities trader pleads guilty to insider dealing

Former equities trader at an investment firm, pleaded guilty at Southwark Crown Court to nine counts of insider trading. He will be sentenced on 13 June 2016. ([Link](#))

Broker Sentenced for Failing to Pay Confiscation Order

Broker was sentenced to 730 days' imprisonment for failing to satisfy the full value of a confiscation order made against him. The Confiscation Order in the sum of £165,731 was made on 2 November 2015 at a hearing at Southwark Crown Court. ([Link](#))

Rent-to-own provider to pay £939,000 to around 59,000 customers

The provider has entered into an agreement with the FCA to redress £939,000 to more than 59,000 customers for historic unfair treatment. ([Link](#))

British and Australian financial regulators sign agreement to support innovative businesses

Under a world-first agreement, innovative fintech companies in Australia and the United Kingdom will have more support from financial regulators as they attempt to enter the others' market. ([Link](#))

Credit card firm to provide over £4 million in redress to customers

Credit card firm, will refund over £4 million to over 180,000 customers following disclosures made to the FCA. The firm, immediately proposed to make a series of changes, including the removal of some of the

circumstances when default fees may be charged and setting up a suite of tailored alerts to enable customers to avoid incurring fees by making prompt payments. ([Link](#))

Driven by current accounts and savings accounts overall complaints fell by 1.4%

Overall, there was a decrease of 1.4% in the number of complaints compared to the previous six months which was mainly driven by a 10% drop in complaints about current accounts and a 15% drop in complaints about savings accounts. ([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: March 2016

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LouisDempsey@RRSCompliance.com

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