

Regulatory & Compliance Update

January 2017

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: Monthly FOCUS filing due February 24th, 2017**
- **DEADLINE: Monthly SIS filing due March 1st, 2017**

Items in This Edition

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SERVICES SPOTLIGHT: Supervisory Controls

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

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

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Washington, DC

SEC

SEC Announces:

2017 Examination Priorities ([Link](#))

\$7 Million Whistleblower Award ([Link](#))

Fraud Charges, Asset Freeze in Alleged Nursing Home Investment Scheme ([Link](#))

Charges in Hamilton Ticket Resale Ponzi Scheme ([Link](#))

SEC Charges:

***RRS Compliance Administrator
Cut Compliance Costs without
Cutting Effectiveness
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JohnPinto@RRSCompliance.com***

Two Brokers With Defrauding Customers ([Link](#))

Government Contractor With Inadequate Controls and Books and Records Violations ([Link](#))

Businessman With Misusing EB-5 Investments ([Link](#))

Two Former Hedge Fund Executives With FCPA Violations ([Link](#))

List of No Action Letters:

Investment Company Act of 1940 — Section 22(d) ([Link](#))

Investment Company Act of 1940 — Rule 12d1-2 ([Link](#))

Investment Company Act of 1940 — Rule 486(b) ([Link](#))

SEC Final Rules:

Adjustments to Civil Monetary Penalty Amounts ([Link](#))

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

Investment Adviser, Lawyer Settle Charges in Secret Referral Fee Scheme

The SEC announced that a Connecticut-based investment adviser has agreed to admit wrongdoing and pay more than \$575,000 to settle charges that he defrauded a client and then compounded his scheme by attempting to mislead SEC investigators while lying to other clients about the status of the SEC's investigation. ([Link](#))

Financial Services Company Settles Charges Stemming From Miscalculations of Regulatory Capital Figures

The SEC announced that a financial services company has agreed to pay a \$6.6 million penalty to settle charges stemming from miscalculations of its risk-based capital ratios and risk-weighted assets reported to investors. ([Link](#))

Financial Institution Paying \$22 Million for Misleading Clients About Pricing Trades

The SEC announced that a financial institution has agreed to pay \$22.6 million to settle charges that its business unit handling retail customer orders from other brokerage firms made misleading statements to them about the way it priced trades. ([Link](#))

Financial Services Company Paying \$13 Million Penalty for Overbilling Clients and Violating Custody Rule

The SEC announced that a financial services company has agreed to pay a \$13 million penalty to settle charges that it overbilled investment advisory clients due to coding and other billing system errors. ([Link](#))

10 Firms Violated Pay-to-Play Rule By Accepting Pension Fund Fees Following Campaign Contributions

The SEC announced that 10 investment advisory firms have agreed to pay penalties ranging from \$35,000 to \$100,000 to settle charges that they violated the SEC's investment adviser pay-to-play rule by receiving compensation from public pension funds within two years after campaign contributions made by the firms' associates. ([Link](#))

SEC Uncovers Cherry-Picking Scheme, Charges Investment Adviser Behind It

The SEC announced that a Massachusetts-based investment adviser agreed to be banned from the securities industry after the agency uncovered an illegal cherry-picking scheme through its data analysis used to detect suspicious trading patterns. ([Link](#))

Brokerage Firm Charged With Gatekeeper Failures Related to Pump-and-Dump Scheme

The SEC announced administrative proceedings against a New York-based brokerage firm and its former anti-money laundering officer. ([Link](#))

Investment Banking Company Paying \$18 Million for Overbilling Clients

The SEC announced that an investment banking company has agreed to pay \$18.3 million to settle charges that it overbilled investment advisory clients and misplaced client contracts. ([Link](#))

SEC Awards \$5.5 Million to Whistleblower

The SEC announced an award of more than \$5.5 million to a whistleblower who provided critical information that helped the SEC uncover an ongoing scheme. ([Link](#))

SEC: Port Authority Omitted Risks to Investors in Roadway Projects

The SEC announced that the Port Authority of New York and New Jersey has agreed to admit wrongdoing and pay a \$400,000 penalty to settle charges that it was aware of risks to a series of New Jersey roadway projects but failed to inform investors purchasing the bonds that would fund them. ([Link](#))

Financial Technology Company Paying \$24 Million for Improper Handling of ADRs

The SEC announced that a financial technology company agreed to pay more than \$24.4 million to settle charges that it violated federal securities laws when it prompted the issuance of American Depository Receipts without possessing the underlying foreign shares. ([Link](#))

Medical Device Manufacturer Charged With Repeating FCPA Violations

The SEC announced that a Warsaw, Ind.-based medical device manufacturer has agreed to pay more than \$30 million to resolve parallel SEC and Department of Justice investigations into the company's repeat violations of the Foreign Corrupt Practices Act. ([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

Michael J. Osnato Jr., Chief of Enforcement Division's Complex Financial Instruments Unit, to Leave SEC

The SEC announced that Michael J. Osnato Jr., Chief of the Enforcement Division's Complex Financial Instruments Unit, is planning to leave the agency. ([Link](#))

Chemical and Mining Company in Chile Paying \$30 Million to Resolve FCPA Cases

The SEC announced that a Chilean-based chemical and mining company agreed to pay more than \$30 million to resolve parallel civil and criminal cases finding that it violated the Foreign Corrupt Practices Act. ([Link](#))

Investment Management Company Charged With Removing Whistleblower Incentives in Separation Agreements

The SEC announced that a New York-based asset management company has agreed to pay a \$340,000 penalty to settle charges that it improperly used separation agreements in which exiting employees were forced to waive their ability to obtain whistleblower awards. ([Link](#))

Pharmaceutical Company Paying \$15 Million Penalty for Disclosure Failures During Merger Talks

The SEC announced that a pharmaceutical company has agreed to admit securities law violations and pay a \$15 million penalty for disclosure failures in the wake of a hostile takeover bid. ([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

Medical Device Company Charged With Accounting Failures and FCPA Violations

The SEC announced that a Texas-based medical device company has agreed to admit wrongdoing and pay more than \$14 million to settle charges that it improperly booked revenue in certain instances and made improper payments to doctors at government-owned hospitals in Brazil in order to increase sales. ([Link](#))

Vehicle Manufacturer Charged With Accounting Control Failures

The SEC announced that a vehicle manufacturing company has agreed to pay a \$1 million penalty to settle charges that deficient internal accounting controls prevented the company from properly assessing the potential impact on its financial statements of a defective ignition switch found in some vehicles. ([Link](#))

SEC Deputy Chief of Staff Nathaniel Stankard to Leave Agency

The SEC announced that Nathaniel Stankard, deputy chief of staff for policy, will be leaving the agency. ([Link](#))

Company Settles Charges Over Undisclosed Perks and Improper Use of Non-GAAP Measures

The SEC announced that a New York-based marketing company has agreed to pay a \$1.5 million penalty to settle charges that it failed to disclose certain perks enjoyed by its then-CEO and separately violated non-GAAP financial measure disclosure rules. ([Link](#))

General Counsel Anne K. Small to Leave SEC

The SEC announced that General Counsel Anne K. Small will leave the agency later. ([Link](#))

SEC Chief of Staff Andrew J. Donohue to Leave Agency

The SEC announced that SEC Chief of Staff Andrew J. "Buddy" Donohue will be leaving the agency. ([Link](#))

Financial Company Charged With Improper Accounting and Impeding Whistleblowers

The SEC announced that a Seattle-based financial services company has agreed to pay a \$500,000 penalty to settle charges that it conducted improper hedge accounting and later took steps to impede potential whistleblowers. ([Link](#))

Jennifer Diamantis Named Chief of Office of Market Intelligence

The SEC announced that Jennifer A. Diamantis has been named Chief of the Enforcement Division's Office of Market Intelligence, which is responsible for the collection, analysis, and monitoring of the

hundreds of thousands of tips, complaints, and referrals that the SEC receives each year. ([Link](#))

SEC Establishes Supervisory Cooperation Arrangement With Hong Kong SFC

The SEC announced that it has established a comprehensive arrangement with the Hong Kong Securities and Futures Commission as part of the SEC's long-term strategy to enhance the oversight of regulated entities that operate across national borders. ([Link](#))

Shipping Conglomerate and Former CFO Charged With Failure to Recognize Hundreds of Millions in Tax Liabilities

The SEC charged a shipping conglomerate and its former chief financial officer with failing to recognize hundreds of millions in tax liabilities in its financial statements that had accumulated over nearly 12 years resulting from its controlled foreign subsidiary guaranteeing debt that had been borrowed under various credit financing agreements. ([Link](#))

Financial Services Company And An Investment Banking Company Charged With Misleading Investors About Forex Trading Program

The SEC announced that a financial services company and an investment banking company have agreed to pay more than \$2.96 million apiece to settle charges that they made false and misleading statements about a foreign exchange trading program they sold to investors. ([Link](#))

Timothy L. Warren, Associate Director of Enforcement in Chicago Office, to Retire After 30 Years of Service

The SEC announced that Timothy L. Warren, Associate Director of Enforcement in the Chicago Regional Office, is retiring after more than 30 years of service. ([Link](#))

Chief Operating Officer Jeffery Heslop to Leave SEC

The SEC announced SEC Chief Operating Officer Jeffery Heslop will leave the agency. ([Link](#))

OCIE Director Marc Wyatt to Leave SEC

The Securities and Exchange Commission announced that Marc Wyatt, Director of the Office of Compliance

Inspections and Examinations, will leave the agency next month to return to the private sector. ([Link](#))

Wenchi Hu, Associate Director in the Division of Trading and Markets, to Leave SEC

The Securities and Exchange Commission announced that Wenchi Hu, an Associate Director in the Division of Trading and Markets, will leave the agency. ([Link](#))

Supervisory Controls

RRS' provides a full range of services to assist with your firm's compliance with FINRA Rules 3110, 3120 and 3130, including:

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

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

FINRA

Regulatory Notices:

17-01 Final Statements for Broker-Dealers, Investment Adviser Firms, Agents and Investment Adviser Representatives, and Branches

17-02 SEC Approves Amendments to the Codes of Arbitration Procedure Regarding Motions to Dismiss

17-03 SEC Approves Amendments to the Customer and Industry Codes of Arbitration Procedure Regarding Required Use of the Dispute Resolution Party Portal

17-04 SEC Approves Amendments to the Customer and Industry Codes of Arbitration Procedure Broadening Chairperson Eligibility in Arbitration

FINRA Conference & Events:

2017 FINRA Annual Conference ([Link](#))

2017 FINRA Diversity Summit ([Link](#))

An Inherited IRA Has Important Tax and Estate Planning Implications

A popular retirement savings vehicle for generations of investors, Individual Retirement Accounts provide tax-advantaged ways for individuals to fund their retirement. Many Americans have opened their own IRAs, but virtually every day, some of us get an IRA through an inheritance. ([Link](#))

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FINRA Reports on Potential Implications of Blockchain; Seeks Comment

Distributed ledger technology (DLT), better known as blockchain, has garnered significant interest in the securities industry, with many market participants indicating a desire for increased regulatory engagement as they explore the technology and its possible applications. ([Link](#))

2017 Regulatory and Examination Priorities Letter

FINRA published its Annual Regulatory and Examination Priorities Letter which provides information about areas FINRA plans to review in its 2017 exams based on observations from our regulatory programs as well as input from various stakeholders, including member firms, other regulators and investor advocates. ([Link](#))

Gregory Dean Joins FINRA as Senior Vice President, Office of Government Affairs

FINRA announced that it has named Gregory J. Dean, Jr. as its Senior Vice President for the Office of Government Affairs. ([Link](#))

Josh Drobnyk Joins FINRA as Senior Vice President, Corporate Communications

FINRA announced that it has named Josh Drobnyk as its Senior Vice President for Corporate Communications. ([Link](#))

MSRB

MSRB Regulatory Notices for January 2017:

2017-01 Request for Comment on Draft Amendments to MSRB Rule G-26 on Customer Account Transfers

2017-02 MSRB Seeks Applicants for Board of Directors

2017-03 SEC Approves Extension of MSRB's Customer Complaint and Related Recordkeeping Rules to Municipal Advisors and the Modernization of Those Rules

MSRB to Apply Customer Complaint Rules to Municipal Advisors and Modernize Existing Rules for Dealers

The MSRB has received approval from the SEC to apply its customer complaint rules to municipal advisors while also modernizing the rules, which currently apply to municipal securities dealers. ([Link](#))

MSRB Publishes 2016 Annual Report and Audited Financial Statements

The MSRB published its 2016 Annual Report, which describes the organization's initiatives to increase fairness, transparency and efficiency in the municipal securities market. ([Link](#))

MSRB Seeks Board of Directors Applicants

The MSRB, the self-regulatory organization that oversees the \$3.8 trillion municipal securities market, is accepting applications for its Board of Directors. ([Link](#))

MSRB Publishes Upcoming Municipal Securities Offerings on EMMA

To enhance the availability of information about upcoming offerings, or issues, of new municipal securities, the MSRB added a new issue calendar to its EMMA® website. ([Link](#))

MSRB Hires Chief Economist

The MSRB announced Simon Wu will become its Chief Economist. ([Link](#))

MSRB Holds Quarterly Board Meeting

The Board of Directors of the MSRB held its quarterly meeting where it engaged in strategic planning and discussed several initiatives aimed at protecting investors and municipal entities, and promoting a fair and efficient municipal securities market. ([Link](#))

**NASDAQ/NASDAQ
TRADER/OTCBB**

Equity Regulatory Alert:

[2017-1](#) Nasdaq/ISE Announces Regulation SCI BC/DR Testing

Equity Trader Alert:

[2017-1](#) Information Regarding Merger of American Capital, Ltd. and Ares Capital Corporation

[2017-2](#) Nasdaq Test Opportunity

[2017-3](#) Reverse Split and CUSIP Number Change for Gevo, Inc.

[2017-4](#) Nasdaq to Begin Listing ALPS ETF

[2017-5](#) Information Regarding the Merger of Datalink Corporation and Insight Enterprises, Inc.

[2017-6](#) Reverse Split and CUSIP Number Change for Neuralstem, Inc.

[2017-7](#) Spin-off/Distribution Information for Citrix Systems, Inc.

[2017-8](#) Nasdaq to Begin Listing Three Davis ETFs

[2017-9](#) U.S. Market Holiday Reminder: Martin Luther King, Jr. Day

[2017-10](#) Reverse Split and CUSIP Change for ProShares UltraPro Short QQQ

[2017-11](#) Spin-Off/Distribution Information for Biogen Inc.

[2017-12](#) When issued Trading Information for Varex Imaging Corporation, a spin off from Varian Medical Systems, Inc.

[2017-13](#) Information Regarding the Merger of AEP Industries Inc. and Berry Plastics Group, Inc.

[2017-14](#) Reverse Split and CUSIP Number Change for Sunshine Heart Inc

[2017-15](#) Reverse Split and CUSIP Number Change for Support.com, Inc.

[2017-16](#) Reverse Split and CUSIP Number Change for DryShips Inc.

[2017-17](#) Information Regarding the Synthetic Repurchase Transaction for Qiagen N.V.

[2017-18](#) Reverse Split and CUSIP Number Change for Real Goods Solar, Inc.

[2017-19](#) Information Regarding the Merger of Apollo Education Group, Inc. and AP VIII Queso Holdings, L.P.

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

[2017-20](#) New Timing: Nasdaq To Implement New Limit Order Protections

[2017-21](#) Nasdaq and BX Modify Functionality of Post Only Orders

[2017-22](#) Nasdaq Pricing Updates

[2017-23](#) Nasdaq Test Opportunity

Data Technical News:

[2017-01](#) Nasdaq Announces New Multicast IP Addresses for ISE Gemini Proprietary Data Feeds

[2017-02](#) Nasdaq Now Offers Additional Multicast Addresses for the Proprietary Equity and Options Data Feeds in Chicago

Options Trader Alert:

[2017-1](#) Nasdaq Announces Changes to the Penny Pilot Program

[2017-2](#) NASDAQ Postpones Changes to the PHLX Oil Service Sector

[2017-3](#) Nasdaq PHLX and BX Options Update to Price Improvement Auction Mechanisms

[2017-4](#) ISE to Introduce Dedicated SQF Server Offering for INET Platform

[2017-5](#) Report Delivery for ISE Gemini

[2017-6](#) Options on the NASDAQ-100 Index®

[2017-7](#) PHLX Options Updated Pricing

[2017-8](#) BX Options Updates Per Port Pricing and Cap

“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.

Options Regulatory Alert:

[2017-1](#) NOM and BX Options Bid/Ask Differentials for “PCLN” Options Class

[2017-2](#) PHLX Bid/Ask Differentials for “NDX” and “PCLN” Option Classes

[2017-3](#) Nasdaq/ISE Announces Regulation SCI BC/DR Testing

UTP Vendor Alert:

[2017-01](#) Informational Announcement: FINRA ADF Trade Reporting Only firms

NYSE/EURONEXT/AMEX

NYSE Weekly Program-Trading Data Releases:

Intercontinental Exchange Reports Record Daily Volume in 2016; ICE ADV +8% y/y

NYSE:ICE reported December and fourth quarter 2016 trading volume and related revenue statistics, which can be viewed on the company’s investor relations website in the Monthly Statistics Tracking spreadsheet. ([Link](#))

NYSE to Expand Floor Trading to All U.S. Equity Securities in 2017

The NYSE announced plans to expand its floor-based trading operations, offering investors even greater access to trade all U.S. securities for the first time with NYSE’s unique and proven market model. ([Link](#))

NYSE Launches Smart Beta Index with Roger Ibbotson and Zebra Capital

NYSE and Zebra Capital Management announce the recent launch of the NYSE Zebra Edge Index, an index that incorporates behavioral finance research on high-turnover, or “popular” stocks, with the goal of capturing higher returns with lower volatility. ([Link](#))

ICE Endex Receives CFTC Authorisation as Foreign Board of Trade

NYSE:ICE announced that the CFTC has issued an Order of Registration to ICE Endex giving it approval as an authorised Foreign Board of Trade. ([Link](#))

NYSE Extends Lead in U.S. ETF Listings, Trading and AUM in 2016; Market Quality and Liquidity Drove Continued Market Share Leadership

In 2016, NYSE Arca, reaffirmed its position as the leading ETF listings exchange for the ninth consecutive year with greater than 92 percent of total ETF assets under management. ([Link](#))

ICE Endex Announces Results of European Gas Storage Auction

NYSE: ICE announced the results of the ICE Endex gas storage auction. ([Link](#))

NYSE Outlines 2017 Equity Market Strategy

NYSE:ICE detailed its equity markets strategy, which aims to deliver greater choice for corporate and ETF issuers and to investors by offering four unique exchange venues, including an exchange designed exclusively for small and mid-cap companies. ([Link](#))

NYSE Finalizes Acquisition of National Stock Exchange

NYSE announced that it completed its acquisition of the National Stock Exchange, Inc., now renamed NYSE National, Inc. ([Link](#))

FINCEN

FinCEN Fines Financial Services Company for Past Violations of Anti-Money Laundering Rules In Coordinated Action with DOJ and FTC

FinCEN has assessed a \$184 million civil money penalty against a financial services company. ([Link](#))

PRA

The Bank's approach to stress testing - letter from the Governor

The Bank of England has published the Governor's reply to the recent proposal of Sir John Vickers that the Bank supplements its current approach to stress testing by publishing parallel results that take market-based measures of equity capital, rather than regulatory capital, as a starting point. ([Link](#))

The labour market - speech by Michael Saunders

The jobless rate is down to 4.8% and the number of vacancies is around a record high, but pay growth has repeatedly undershot forecasts, with little sign of significantly higher growth in 2017. ([Link](#))

BIS report on sterling "flash event"

The Bank for International Settlements Markets Committee has published a report into the sterling 'flash event'. ([Link](#))

Latest Credit Conditions Review

This quarterly publication presents the Bank of England's assessment of the latest developments in bank funding and household and corporate credit conditions. ([Link](#))

Latest Bank Liabilities Survey

Developments in lenders' balance sheets are of key interest to the Bank of England in its assessment of economic conditions. ([Link](#))

Latest Credit Conditions Survey

As part of its mission to maintain monetary stability and financial stability, the Bank needs to understand trends and developments in credit conditions. ([Link](#))

Lambda - speech by Mark Carney

The Governor considers the social value of inflation control, and explains how and why the Bank of England practises inflation targeting. ([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

Market Functioning - speech by Chris Salmon

Given at the OMFIF City Lecture, Chris Salmon Executive Director of Markets, considers the importance of central banks understanding the structure and functioning of core financial markets, with reference to two recent developments in different markets. ([Link](#))

The Promise of FinTech – Something New Under the Sun? - speech by Mark Carney

The Governor's speech, given in his capacity as Financial Stability Board Chair, recognises fintech's huge potential for making the financial system more inclusive, efficient, effective and resilient. ([Link](#))

FCA

Two sentenced in insider dealing case

In a prosecution brought by the FCA, a former employee of a management consulting company and his neighbour, has been sentenced to 10 months imprisonment suspended for two years in respect of two counts of insider dealing. ([Link](#))

FCA takes first criminal action against an individual acting as unlicensed consumer credit lender

An unlicensed consumer credit lender has, appeared at Westminster Magistrates Court charged with

offences under the Consumer Credit Act 1974 and the Financial Services and Markets Act 2000. ([Link](#))

A British Bank voluntarily agrees to provide approximately £4m redress for historical debt collection practices

A British bank has voluntarily agreed to set up a redress scheme for customers who may have suffered detriment by paying an unreasonable debt collection charge imposed by an African and British bank. ([Link](#))

Financial Conduct Authority publishes general insurance value measures scorecard

The FCA has published the first set of data in their general insurance value measures pilot. ([Link](#))

FCA fines German Bank £163 million for serious anti-money laundering controls failings

The FCA has fined a German bank £163,076,224 for failing to maintain an adequate anti-money laundering control framework. ([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.

Reader Survey

“Find It - Before the Regulators”

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

READER SURVEY FAX RESPONSE

TO: Louis Dempsey

Fax: (561) 807-5442

LouisDempsey@RRSCompliance.com

Name: _____

Firm: _____ IA: _____ BD: _____ Other: _____

Phone: _____ Fax: _____

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

- Do you read the RCU each month?
- What topics interest you the most?
- What do you find most useful?
- What would you like to see in future editions?
- Are you a current client of RRS?
- Are you interested in receiving information or a call from our Staff to discuss the products and services offered by RRS?

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

Thank you for your time and effort

BOTTOM LINE - WE WANT TO KNOW!

We want to know how we are doing. If you have any comments, complaints or suggestions then please do not hesitate to call (561) 368-2245 or email:

LOUIS DEMPSEY, PRESIDENT

LOUISDEMPSEY@RRSCOMPLIANCE.COM

BART McDONALD, EXECUTIVE VICE PRESIDENT

BARTMCDONALD@RRSCOMPLIANCE.COM