

# Regulatory & Compliance Update

June 2017

## ROUTING

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

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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 July 26<sup>th</sup>, 2017
- **DEADLINE:** Quarterly Form Custody due July 26<sup>th</sup>, 2017
- **DEADLINE:** SIPC 6 filing due July 28<sup>th</sup>, 2017
- **DEADLINE:** Quarterly SIS filing due July 31<sup>st</sup>, 2017
- **DEADLINE:** Quarterly SSOI filing due July 31<sup>st</sup>, 2017
- **DEADLINE:** Quarterly OBS filing due August 2<sup>nd</sup>, 2017
- **FINRA:** 2017 National Compliance Outreach Program for Broker-Dealers
- **MSRB:** Amendments to MSRB Rule G-3 on Professional Qualification Standards for Municipal Advisors

### Items in This Edition

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- SEC– SEC announces Retirement-Targeted Industry Reviews and Examinations Initiative. – Page 2
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### SERVICES SPOTLIGHT: Form BD/ADV Review & Filing

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

Contact :

John Pinto (202) 463 - 6575

JohnPinto@RRSCompliance.com

## DOL

US Labor Department to publish Request for Information on fiduciary rule. ([Link](#))

## SEC

### SEC Announces:

Agenda for June 22 Investor Advisory Committee Meeting. ([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)

Additional charges announced in case involving Pre-Released ADRs ([Link](#))

Retirement-Targeted Industry Reviews and Examinations Initiative ([Link](#))

### SEC Charges:

Brokerage Firm with failing to comply with Anti-Money Laundering Laws. ([Link](#))

Oil and Gas Company and Top Finance Executives with Accounting Fraud. ([Link](#))

Information Technology Company and Former Executives With Accounting Fraud. ([Link](#))

Bitcoin and Office Space Investment Schemes. ([Link](#))

### List of No Action Letters:

Investment Advisers Act of 1940 — Section 206(4) / Rule 206(4)-3 Macquarie Capital (USA) Inc. ([Link](#))

Investment Company Act of 1940 — Section 15(a) Nuveen Fund Advisors, LLC ([Link](#))

### SEC Events:

### SEC Names Stephanie Avakian and Steven Peikin as Co-Directors of Enforcement

The SEC announced that Acting Director of the Division of Enforcement Stephanie Avakian and former federal prosecutor Steven Peikin have been named Co-Directors of the Division of Enforcement. The Division of Enforcement is the agency's largest unit with more than 1,200 investigators, accountants, trial attorneys, and other professionals. ([Link](#))

### Keith Cassidy Named Associate Director of Technology Controls Program in OCIE

The SEC announced that Keith E. Cassidy has been named Associate Director, Technology Controls Program, in the Office of Compliance Inspections and Examinations (OCIE). ([Link](#))

### Did you know? IA AML Obligations...

Investment Advisers (including registered and unregistered hedge funds) should keep in mind that although the Patriot Act does not specifically apply to them, they are responsible if one of their clients is on any of the SDN or OFAC lists. OFAC has jurisdiction over any individual, regardless of citizenship, who is physically located anywhere in the US, and American citizens and permanent resident aliens located anywhere in the world. If a hedge fund opens an account for a person or firm sanctioned by the US or residing in a country sanctioned by the US, the Fund would be violating US laws. Therefore, such firms need to have robust OFAC procedures even though they are not specifically subject to the AML requirements under the Patriot Act (yet).

For more information contact John Pinto at (202) 463-6575 or

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

**Kathryn A. Pyszka Named as Associate Regional Director for Enforcement in the SEC’s Chicago Office**

The SEC announced that Kathryn A. Pyszka has been named an Associate Regional Director for Enforcement in the SEC’s Chicago Office. Ms. Pyszka succeeds Timothy L. Warren, who retired from the SEC in January. ([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.

**Kelly L. Gibson Named as Associate Regional Director for Enforcement in the SEC’s Philadelphia Office**

The SEC announced that Kelly L. Gibson has been named the Associate Regional Director for Enforcement in the SEC’s Philadelphia Office. Ms. Gibson succeeds G. Jeffrey Boujoukos, who became Regional Director of the SEC’s Philadelphia office in January. ([Link](#))

**Robert Evans III Named Deputy Director in SEC’s Division of Corporation Finance**

The SEC announced that Robert Evans III has been named Deputy Director in the agency’s Division of Corporation Finance. He will join Deputy Director Shelley Parratt as a senior advisor to the division’s director, William H. Hinman. ([Link](#))

**SEC’s Division of Corporation Finance Expands Popular JOBS Act Benefit to All Companies**

The SEC announced that the Division of Corporation Finance will permit all companies to submit draft registration statements relating to initial public offerings for review on a non-public basis. This process will be available for IPOs as well as most

offerings made in the first year after a company has entered the public reporting system. ([Link](#))

**FINRA**

**Regulatory Notices:**

[17 – 22](#) FINRA Adopts Rules on Disruptive Quoting and Trading Activity and Expedited Proceedings

**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)

**Trade Reporting Notices:**

Effective Date for Required Use of TRACE for Treasuries Modifiers. ([Link](#))

**Information Notices:**

New Rate for Fees Paid Under Section 31 of the Exchange Act. ([Link](#))

**FINRA Conference & Events:**

2017 National Compliance Outreach Program for Broker-Dealers ([Link](#))

2017 Fixed Income Conference. ([Link](#))

**FINRA Hearing Panel Bars Registered Representative for Failing to Disclose Private Securities Transactions Totaling \$100 Million in EB-5 Investments**

FINRA announced that a FINRA hearing panel barred an Irvine, California-based registered representative, for participating in private securities transactions, engaging in undisclosed outside business activities, and for making misrepresentations to his employer in compliance questionnaires. [\(Link\)](#)

**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

**FINRA Bars former registered representative for using nominee accounts to conceal \$190 Million in Venezuelan bond trades**

The FINRA announced that it has barred former registered representative for concealing approximately \$190 million in Venezuelan bond trades from the firm, which had restricted such trading due to the regulatory, anti-money laundering and reputational risks it posed. [\(Link\)](#)

**FINRA Issues Research on Securitized-Asset Liquidity**

The FINRA Office of the Chief Economist posted a new Research Note on liquidity in structured products, complementing an earlier report on corporate-bond liquidity. [\(Link\)](#)

**FINRA Launches Innovation Outreach Initiative**

The FINRA announced that it has established an Innovation Outreach Initiative to foster an ongoing dialogue with the securities industry that will help FINRA better understand financial technology (fintech) innovations and their impact on the industry. [\(Link\)](#)

**William H. Heyman Elected Chairman of FINRA Board of Governors**

The FINRA Board of Governors has unanimously elected as FINRA Chairman William H. Heyman, Vice Chairman and Chief Investment Officer of The Travelers Companies, Inc., effective July 18. Heyman earlier served as a member of the FINRA Board from January 2004 through September 2016. [\(Link\)](#)

**MSRB**

**MSRB Regulatory Notices for May 2017:**

[2017-11 Rule G-34, CUSIP Numbers, New Issue, and Market Information Requirements](#)

**MSRB Upcoming Events:**

Amendments to MSRB Rule G-3 on Professional Qualification Standards for Municipal Advisors [\(Link\)](#)

**MSRB Announces New Strategic Goals, Including Focus on Supporting Compliance and Enhancing the EMMA Website**

The MSRB articulated updated strategic goals that will guide the organization for the next several years and emphasize the importance of data, information and education in effective regulation of the municipal securities market. [\(Link\)](#)



### **MSRB Seeks Additional Comment on Requirements for Obtaining CUSIP Numbers**

The MSRB is seeking additional public comment on draft amendments to MSRB Rule G-34, on obtaining CUSIP numbers. Consistent with its previous proposal, the MSRB's revised draft amendments clarify the obligations of municipal securities dealers to obtain CUSIP numbers for new issue securities sold in private placement transactions, including direct purchases, and require all municipal advisors to obtain CUSIP numbers in competitive offerings. ([Link](#))

## **NASAA**

### **NASAA Study Examines Broker-Dealer Senior Practices and Procedures**

A new study from the NASAA released in recognition of World Elder Abuse Awareness Day offers an inside look at the dangers seniors face from financial fraud and exploitation, and broker-dealer procedures to help protect senior clients. ([Link](#))

### **NASAA Announces Agenda and Speakers for Cybersecurity Roundtable**

The NASAA announced the agenda and speakers for its cybersecurity roundtable, which will bring together leading experts to discuss the latest developments in cybersecurity and how small- and mid-sized investment adviser and broker-dealer firms can help protect critical client information. ([Link](#))

### **Cybersecurity Threats to Financial Services Industry, Investors Explored at NASAA Roundtable**

Leading cybersecurity experts convened in Washington at the NASAA Cybersecurity Roundtable to assess current cyber threats to the financial services industry, how industry is responding to this threat, and regulatory efforts underway to help small- and mid-sized investment adviser and broker-dealer firms protect critical client information from cybercriminals. ([Link](#))

## **NASDAQ/NASDAQ TRADER/OTCBB**

### **Equity Trader Alert:**

**2017 – 124** Nasdaq's U.S. markets will observe a moment of silence

### **FINRA Exams**

The following issues were covered during a recent FINRA program related to Anti Money Laundering – Things to keep in mind when reviewing your AML policies and procedures:

#### FINRA Exam Focus and AML Best Practices

- Due Diligence on Politically Exposed Persons (“PEPs”) should include domestic politicians (i.e. Spitzer case) – FINRA will start specifically checking to see if firms are conducting enhanced due diligence or surveillance on such clients;
- Due diligence procedures and implementation;
- FINRA may question if your firm has ever refused to open an account or closed an account due to AML red flags. If not, they may take a closer look at the implementation of the firm's AML program;
- For Suspicious Activity Reports (“SARs”) ensure that you maintain good documentation of the issue that resulted in the SAR and be ready for FINRA to ask to see the files for issues that were brought to the AML officer's attention but no SAR was filed (these files should be extremely well documented). FINRA will also look at the number of SAR's filed (industry surveys show an average of 10 per year for mid-large size firms). More than 10 SAR filings or no SAR filings may draw greater scrutiny; and
- Some firm's are getting their registered representatives involved with the AML Program (and giving them a sense of accountability) by having them sign off that they have reviewed their “high risk” clients' activity on a monthly basis – compliance overlooks the processes, but it does let the representative know that if that client engages in any suspect behavior they can't wash their hands of it.

**2017 – 125** Reverse Split and CUSIP Number Change for Amyris, Inc. **2017 – 126** Reverse Split and CUSIP Number Change for Westell Technologies, Inc.

**2017 – 127** Reminder: Nasdaq Introduces New Settings for Post Only Orders

**2017 – 128** Information Regarding the Pending Name, Symbol, and CUSIP Number Change for Yahoo! Inc. (YHOO)

[2017 – 129](#) Information Regarding the Merger of Span-America Medical Systems, Inc.

[2017 – 130](#) REMINDER: Nasdaq Prepares for Russell Reconstitution

[2017 – 131](#) Reverse Stock Split and CUSIP Number Change for Arena Pharmaceuticals, Inc.

[2017 – 132](#) Information Regarding the Merger of PrivateBancorp, Inc.

[2017 – 133](#) Nasdaq to Begin Listing New First Trust ETF

### ***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)

[2017 – 134](#) Nasdaq to Begin Listing Six First Trust ETFs

[2017 – 135](#) Nasdaq to Begin Listing New VictoryShares ETF

[2017 – 136](#) Reverse Split and CUSIP Number Change for DryShips Inc.

[2017 – 137](#) Information regarding the Tender Offer and Change of Incorporation for Nabriva Therapeutics AG (NBRV)

[2017 – 138](#) Reverse Split and CUSIP Number Change for TOP Ships, Inc.

[2017 – 139](#) Information Regarding the Merger of LMI Aerospace Inc

[2017 – 140](#) U.S. Market Holiday Reminder: Independence Day

[2017 – 141](#) Introducing Nasdaq Corporate Action Alerts

[2017 – 142](#) Limit Up/Limit Down Exchange Traded Product Tier 1 List Update

[2017 – 143](#) Information Regarding the Merger of First Community Financial Partners, Inc. (FCFP) and First Busey Corporation (BUSE).

[2017 – 144](#) Information Regarding the Merger of CardConnect Corp. (CCN) and First Data Corporation

[2017 – 145](#) Information Regarding the Merger of FairPoint Communications, Inc. (FRP) and Consolidated Communications Holdings, Inc. (CNSL).

[2017 – 146](#) Nasdaq and BX Pricing Updates

### **Data Technical News:**

[2017 – 15](#) Nasdaq Announces Disaster Recovery Connections for MFDS Data Feed Migrating to Chicago

### **Options Trader Alert:**

[2017 – 43](#) ISE INET System Settings

[2017 – 44](#) Nasdaq ISE FX Options Pricing Update

[2017 – 45](#) NASDAQ-100 Index® Options (NDX) – Product Updates

[2017 – 46](#) Nasdaq MRX Migration to INET

[2017 – 47](#) Nasdaq GEMX Port Pricing

[2017 – 48](#) Nasdaq ISE Re-introduction of Special Feature of Exchange Communication of OCC Stock Component

[2017 – 49](#) Nasdaq ISE Fee Alert

[2017 – 50](#) Nasdaq GEMX Port Pricing

[2017 – 51](#) Symbol Migration Schedule for Nasdaq ISE transition to INET

[2017 – 52](#) Nasdaq Announces Changes to the Penny Pilot Program

[2017 – 53](#) Amended: Nasdaq ISE Fee Alert

[2017 – 54 Options Regulatory Fee Announcement](#)

[2017 – 55 Nasdaq ISE Pricing](#)

**Options Regulatory Alert:**

[2017 – 24 ISE and MRX Options Modifies Quote Spread Parameters](#)

[2017 – 25 Nasdaq Market Conditions Exemptions Online Submission Form Modifications](#)

[2017 – 26 Nasdaq ISE, Nasdaq GEMX and Nasdaq MRX New Procedures for Obvious and Catastrophic Error Trade Review Requests](#)

[2017 – 27 NOM and BX Option Bid/Ask Differentials for "PCLN" Options](#)

[2017 – 28 PHLX Bid/Ask Differentials for "NDX" and "PCLN" Option](#)

[2017 – 29 ISE and GEMX Bid/Ask Differentials for "NDX" and ISE, GEMX and MRX "PCLN" Option](#)

[2017 – 30 Nasdaq PHLX, ISE, GEMX, and MRX Modified Bid/Ask Differentials for "NDX" Option Class](#)

**UTP Vendor Alert:**

[2017 – 4 LULD Auction Collar Testing Notice](#)

**NYSE/EURONEXT/AMEX**

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

**Intercontinental Exchange Announces Agreement to Acquire Global Research Index Platform from Bank of America Merrill Lynch**

NYSE: ICE announced that it has entered into a definitive agreement to acquire the Global Research division's index platform from Bank of America Merrill Lynch. The BofAML indices are the second most used fixed income indices by assets under management (AUM) globally, and upon closing, the AUM benchmarked against the combined fixed income index business of ICE will be nearly \$1 trillion. ([Link](#))

**ICE Announces Record Quarter for Bond Trading Platform; Adds Streaming Evaluated Bond Prices**

NYSE: ICE announced that volumes for North American corporate bonds on the ICE Credit Trade electronic trading platform increased to \$5.7 billion of traded notional in the first quarter of 2017, up 52% compared to fourth quarter 2016 notional traded. Launched in late 2015, the platform has achieved seven consecutive quarters of record notional value of bonds traded. ([Link](#))

**Intercontinental Exchange Reports May Statistics; ICE ADV up 27% y/y Driven by Financials ADV up 33% y/y and Energy ADV up 29% y/y; Open Interest up 12% y/y**

NYSE: ICE reported May 2017 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](#))

**COMPREHENSIVE COMPLIANCE SOLUTIONS**

[WWW.RRSCOMPLIANCE.COM](http://WWW.RRSCOMPLIANCE.COM)

**Intercontinental Exchange Chairman & CEO Jeffrey C. Sprecher to Speak at the Sandler O'Neil Global Exchange & Brokerage Conference**

NYSE: ICE announced that Jeffrey C. Sprecher, Chairman and CEO will speak at the Sandler O'Neil Global Exchange and Brokerage Conference. The presentation can be accessed in the investor relations and media section of ICE's website at <http://ir.theice.com/>. ([Link](#))

## Intercontinental Exchange Sets New Volume Records in Short Sterling Futures and FTSE 100 Index Futures

NYSE: ICE announced a new daily volume record of 3.35 million contracts for the Three-Month Sterling (Short Sterling) futures contract set on June 15, 2017. The previous record was 2.89 million contracts set in June 2014. ([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)

## Intercontinental Exchange Executives to Testify Before Congress on Central Clearing and Equity Market Structure

NYSE: ICE announced that Chief Financial Officer Scott Hill will appear before the House Agriculture Committee to discuss central clearing and systemic risk, and NYSE President Thomas W. Farley will appear before the House Financial Services Capital Markets Subcommittee to discuss equity market structure. ([Link](#))

## FINCEN

### Treasury Acts to Increase Economic Pressure

The U.S. Department of the Treasury took multiple actions in response to continued evasion of international sanctions, development of weapons of mass destruction (WMD) and the means of their delivery, and violations of United Nations (UN) Security Council resolutions. ([Link](#))

## PRA

### Bank of England/TNS Inflation Attitudes Survey

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

### Monetary Policy Committee reappointment

Executive Director, Monetary Analysis and Statistics, and Chief Economist at the Bank of England, has been reappointed for a further three-year term as a member of the Monetary Policy Committee with effect from 12 June 2017. ([Link](#))

### The Bank of England's approach to operational resilience

The speech by Charlotte Gerkan, discussed the Bank's approach to operational resilience. Charlotte Gerkan explained how they have been working collaboratively on its development with financial services firms, other private and public stakeholders and with other regulatory authorities. ([Link](#))

### Insights into the future of cash - speech by Victoria Cleland

Executive Director, Monetary Analysis and Statistics, and Chief Economist at the Bank of England, gave a speech on the importance of the cash industry and understanding and responding to its demand, and what is driving it. ([Link](#))

### Carers Week

During this week members of our Carers Network are hosting coffee sessions to provide more information on the recent launch of our carers passport, which can be used by staff with caring responsibilities to gain agreement in advance with their line manager about any adjustments they may need to their ways of working ([Link](#))

### Bank Rate held at 0.25%, government bond purchases at £435bn and corporate bond purchases at £10bn

The MPC set out its most recent assessment of the outlook for inflation and activity in the May Inflation Report. That assessment depended importantly on three main judgements. ([Link](#))



**Putting up a fence - speech by James Proudman**

James provides reassurance that “the Bank of England is working with banks to ensure they have suitable contingency plans in place to meet ring-fencing requirements by 2019. ([Link](#))

**Quarterly Bulletin 2017 Q2**

Climate change presents two types of financial risk that impact on our objectives: risks from the physical effects of climate change like floods and storms, and risks from the process of adjusting to a lower-carbon economy, such as policy changes and new technology. ([Link](#))

**Professor appointed to the Monetary Policy Committee**

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

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**A Fine Balance - speech**

This speech was given by Mark Carney. The speech explained the challenge of Global Imbalances, the potential solutions. Information was given on the uneven field between trade in goods and services and benefits from this asymmetry. ([Link](#))

**Work, Wages and Monetary Policy - speech**

This speech was given by Andy Haldane, explaining key issues for policymakers on the Bank’s Monetary Policy Committee (MPC). Facing these issues are the best way to navigate these risks and trade-offs that currently exist between wages and jobs, activity and inflation. Tightening monetary policy too soon or too quickly, to curb inflationary pressures, might run unnecessary risks with output and jobs. ([Link](#))

**Failure to launch - speech by Kristin Forbes**

Kristin Forbes, gave a speech collaborating on the inability of central banks in developed countries to get the interest rate off the emergency levels adopted in response to the Global Finance Crisis. ([Link](#))

**Statement on SFO liquidity auction investigation announcement**

The Bank is proud of the dedication and professionalism displayed by its staff during the financial crisis. During the SFO’s investigation, the Bank has provided pastoral support to staff involved with the SFO’s investigation, and will continue to do so as is necessary. ([Link](#))

**Financial Stability Report explained**

This Report is divided into two sections where one sets out in detail the Committee’s analysis of the major risks and action it is taking in the light of those risks. The other section of this report summarizes the Committee’s analysis of the resilience of the financial system. ([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)

**Policy Panel: Investment and growth in advanced economies**

This Speech given by Mark Carney, highlights information concerning investments since the crisis, and the contribution of the Central Bank to investment purposes. ([Link](#))

## Bank of England welcomes NAO's report on its 'One Bank' strategy

The Bank welcomes the NAO's review of progress made under the Bank of England's 'One Bank' Strategic Plan, which was launched in 2014. The NAO review recognizes the progress made under the strategy to create a single, unified institution better able to exploit the complementarities between its functions, in light of the Bank's expanded policy responsibilities. ([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

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## Bank of England welcomes NAO's report on its 'One Bank' strategy

The Bank welcomes the NAO's review of progress made under the Bank of England's 'One Bank' Strategic Plan, which was launched in 2014. The NAO review recognizes the progress made under the strategy to create a single, unified institution better able to exploit the complementarities between its functions, in light of the Bank's expanded policy responsibilities. ([Link](#))

## FCA

### FCA provides update on regulatory sandbox

The FCA provides an update on its regulatory sandbox and unveils the list of firms that were successful in their applications to begin testing in the second cohort of the sandbox. ([Link](#))

### Admiral agrees to contact customers who may have been given inaccurate information in renewal documents

New rules introduced by the FCA in April 2017 require firms to clearly show the insurance premium a customer paid last year alongside their proposed renewal premium. ([Link](#))

### Two charged with insider dealing

The FCA has instituted criminal proceedings against two former compliance officer following a joint investigation with the National Crime Agency. ([Link](#))

### FCA asks for feedback on consumer access to insurance

The FCA is seeking views and evidence of the challenges firms face in providing travel insurance for consumers who have, or have had, cancer, and the challenges for these consumers in accessing insurance. The paper is also looking at the reasons for pricing differences in premiums quoted. ([Link](#))

### FCA proposes changes to advice on pension transfers

The FCA has published new proposals on advice relating to pension transfers where consumers have safeguarded benefits, primarily for transfers from defined benefit to defined contribution pension schemes. ([Link](#))

### FCA publishes final report into asset management sector

The FCA has published the final findings of its asset management market study and announced the package of remedies it will take forward to address the concerns identified in its interim report into the sector. ([Link](#))

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**New Chairs of the FCA's Practitioner Panel and Markets Practitioner Panel announced**

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The FCA Chairman, John Griffith-Jones, has announced the appointments of new Chairs for the FCA's independent Practitioner Panel and Markets Practitioner Panel. ([Link](#))

## Resource Links\*

### Government

- U.S. Securities & Exchange Commission – [WWW.SEC.GOV](http://WWW.SEC.GOV)
- North American Securities Administrators Association - [WWW.NASAA.ORG](http://WWW.NASAA.ORG)
- FINCEN - [WWW.FINCEN.GOV](http://WWW.FINCEN.GOV)
- Commodity Futures Trading Commission – [WWW.CFTC.GOV](http://WWW.CFTC.GOV)
- Financial Conduct Authority - [WWW.FCA.GOV.UK](http://WWW.FCA.GOV.UK)
- Prudential Regulatory Authority – [WWW.BANKOFENGLAND.CO.UK](http://WWW.BANKOFENGLAND.CO.UK)

### SRO

- FINRA - [WWW.FINRA.ORG](http://WWW.FINRA.ORG)
- NASDAQ - [WWW.NASDAQ.COM](http://WWW.NASDAQ.COM)
- New York Stock Exchange - [WWW.NYSE.COM](http://WWW.NYSE.COM)
- Municipal Securities Rulemaking Board - [WWW.MSRB.ORG](http://WWW.MSRB.ORG)
- National Futures Association [WWW.NFA.FUTURES.ORG](http://WWW.NFA.FUTURES.ORG)

### Industry

- Alternative Investment Management Association “AIMA” – [WWW.AIMA.ORG](http://WWW.AIMA.ORG)
- Bank Insurance & Securities Association “BISA” – [WWW.BISANET.ORG](http://WWW.BISANET.ORG)
- Complinet – [WWW.COMPLINET.COM](http://WWW.COMPLINET.COM)
- Florida Securities Dealers Association “FSDA” – [WWW.FLORIDASECURITIES.COM](http://WWW.FLORIDASECURITIES.COM)
- Financial Market Association “FMA” – [WWW.FMAWEB.ORG](http://WWW.FMAWEB.ORG)
- Financial Services Institute “FSI” – [WWW.FINANCIALSERVICES.ORG](http://WWW.FINANCIALSERVICES.ORG)
- Investment Adviser Association “IAA” – [WWW.INVESTMENTADVISER.ORG](http://WWW.INVESTMENTADVISER.ORG)
- Investment Company Institute “ICI” – [WWW.ICI.ORG](http://WWW.ICI.ORG)
- Managed Funds Association “MFA” – [WWW.MANAGEDFUNDS.ORG](http://WWW.MANAGEDFUNDS.ORG)
- National Society of Compliance Professionals “NSCP” – [WWW.NSCP.ORG](http://WWW.NSCP.ORG)
- Securities Industry and Financial Markets Association “SIFMA” – [WWW.SIFMA.ORG](http://WWW.SIFMA.ORG)

\*This list is provided for information purposes only. RRS does not specifically endorse any group noted.

Reader Survey

“Find It - Before the Regulators”

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READER SURVEY FAX RESPONSE

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Name: \_\_\_\_\_

Firm: \_\_\_\_\_ IA: \_\_\_\_\_ BD: \_\_\_\_\_ Other: \_\_\_\_\_

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- o What do you find most useful?
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Thank you for your time and effort

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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:

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