

Regulatory & Compliance Update

December 2019

Routing

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

HOT TOPICS

Items in This Edition

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- SEC Halts Penny Stock Scheme Targeting Seniors
- SEC Revokes Registration of Adviser Engaged in \$60 Million Fraud
- SEC Proposes to Modernize Regulation of the Use of Derivatives By Registered Funds and Business Development Companies
- SEC Proposes to Modernize the Advertising and Cash Solicitation Rules for Investment Advisers
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- SEC Proposes Amendments to Modernize Shareholder Proposal Rule
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Services Spotlight: Planning for 2020

RRS Regulatory experts can conduct Supervisory Controls Testing, Written Supervisory Procedures Assessments and comprehensive compliance examinations. As 2020 is around the corner, please let us know when you would like to schedule our assistance with your projects. Broker-dealers and investment advisers are increasingly under pressure to conduct comprehensive reviews and assessments of their operations, policies, procedures and internal controls and to document those reviews. RRS tailors its audit programs to meet your firm’s needs and the requirements of the SEC, FINRA/NASD and NYSE Rules. In fact, RRS provides multiple levels of service designed to meet or exceed regulatory requirements for the periodic review of a firm’s operations.

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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.



December 2019



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 SIS Filings Due	3	4	5	6	7
8	9	10	11	12	13	14
15	16 Full Payment of Preliminary Renewal Statements Due	17	18	19	20	21
22	23	24 FOCUS Part II/IIA Monthly Filings Due	25	26	27	28
29	30 Annual Audit Reports Due based on BD FYE 10/31/19 SIS Filings Due	31	January 1, 2020			

SEC

SEC Final Rules:

None as of 12/2/19

SEC No Action Letters:

Securities Industry and Financial Markets Association,
November 4, 2019 ([Link](#))

SEC Upcoming Events:

[12/04/2019](#) SEC Conference: The State of Our Securities Markets.

[12/11/2019](#) Small Business Capital Formation Advisory Committee Telephone Meeting.

[12/18/2019](#) Open Meeting.

Risk Alert: Top Compliance Topics Observed in Examinations of Investment Companies and Observations from Money Market Fund and Target Date Fund Initiatives

The Office of Compliance Inspections and Examinations is issuing this Risk Alert to provide investment companies, investors, and other market participants with information on the most often cited deficiencies and weaknesses that the staff has observed in recent examinations of registered investment companies. In addition, this Risk Alert includes observations by the staff from national examination initiatives focusing on money market funds and target date funds. ([Link](#))

Frequently Asked Questions on Form CRS

The staff of the Division of Investment Management and the Division of Trading and Markets have prepared the following responses to questions about Form CRS and expect to update from time to time our responses to additional questions. ([Link](#))

Chief Administrative Law Judge Brenda Murray to Retire

The Securities and Exchange Commission announced that Chief Administrative Law Judge Brenda Murray is retiring after 50 years of federal service, including 25 years as Chief Administrative Law Judge of the SEC. ([Link](#))

SEC Halts Penny Stock Scheme Targeting Seniors

The Securities and Exchange Commission announced that it has filed an emergency action and obtained an asset freeze against the operators of a South Florida-based investment scheme that defrauded over 100 retail investors, many of whom are seniors. Two of the defendants charged were previously barred by the Commission from acting as brokers and offering penny stocks to investors. ([Link](#))

SEC Revokes Registration of Adviser Engaged in \$60 Million Fraud

The Securities and Exchange Commission revoked the registration of New York-based investment adviser, which the Commission recently charged with securities fraud for hiding losses in its flagship hedge fund and selling at least \$60 million in fake loan assets to clients. ([Link](#))

SEC Charges Biotech Company and Executives With Accounting Fraud

The Securities and Exchange Commission charged a Georgia-based biotech company and three former top executives with defrauding investors by misstating the company's revenue and attempting to cover up their misconduct. The biotech company has agreed to a settlement to resolve the claims. ([Link](#))

SEC Proposes to Modernize Regulation of the Use of Derivatives by Registered Funds and Business Development Companies

The Securities and Exchange Commission has voted to propose a new rule designed to enhance the regulation of the use of derivatives by registered investment companies, including mutual funds, exchange-traded funds (ETFs) and closed-end funds, as well as business development companies. The proposed rule would provide an updated and more comprehensive approach to the regulation of funds' derivatives use. ([Link](#))

SEC Charges Former Top Executives of Healthcare Advertising Company With \$487 Million Fraud

The Securities and Exchange Commission amended a complaint to charge four former executives of a private healthcare advertising company with fraud in raising nearly half a billion dollars by falsely portraying the company as an overwhelming success to investors, clients, and auditors. ([Link](#))

SEC Announces Conference on Macroeconomic and Structural Trends and Dynamics Affecting the Capital Markets

The Securities and Exchange Commission announced that it will host a conference on Dec. 4 entitled “The State of Our Securities Markets.” The conference will bring together current and former government officials and experts from different areas of the private sector to explore and discuss the ever-changing economic, risk and market environment and what those changes mean for the structure and function of the securities markets. Areas of focus at the conference will include global macroeconomic trends—and their impacts on our capital markets; changes to the global equity and credit markets—including how ‘s markets differ from those of the early 2000s and market concentration and fragmentation within certain areas of the securities markets, including relevant causes and potential risks and effects). [\(Link\)](#)

SEC Halts Ponzi scheme Targeting Seniors and Small Business Owners

The Securities and Exchange Commission announced that it has filed an emergency action and obtained a temporary restraining order and asset freeze against two individuals and two companies they control in connection with an alleged \$6 million Ponzi scheme that defrauded at least 55 investors, many of whom are senior citizens or small business owners. [\(Link\)](#)

SEC Awards Over \$260,000 to Whistleblowers for Their Help in Spotting Securities Fraud

The Securities and Exchange Commission announced an award to three individuals who jointly submitted a tip alerting the agency to a well-concealed fraud targeting retail investors. The information led to a successful enforcement action. The whistleblowers, who were themselves harmed investors, will collectively receive a payment of over \$260,000 based on current collections. [\(Link\)](#)

Marie-Louise Huth Named Chief Counsel in Division of Economic and Risk Analysis

The Securities and Exchange Commission named Marie-Louise (Malou) Huth as Chief Counsel for the Division of Economic and Risk Analysis (DERA). Ms. Huth will lead DERA’s Office of the Chief Counsel, which provides guidance to the Chief Economist and other staff regarding legal issues implicated by the Division’s broad mandate. As Chief Counsel, Ms. Huth will be responsible for collaborating with staff from across the Commission on matters related to the integration of the DERA’s economic

analyses into Commission rulemakings and other Commission actions. Ms. Huth will also provide guidance on a variety of mission-related legal and policy matters involving risk assessment, data analytics, and structured disclosure. [\(Link\)](#)

SEC Wins Jury Trial in Layering, Manipulative Trading Case

Jurors in New York federal court returned a verdict in the Securities and Exchange Commission’s favor against a trading firm headquartered in Kiev, Ukraine, and two individuals for their roles in an unlawful trading scheme that generated more than \$25 million in illicit profit. [\(Link\)](#)

SEC Issues Agenda for Nov. 12 Meeting of Small Business Capital Formation Advisory Committee

The Securities and Exchange Commission released the agenda for the Tuesday, Nov. 12 meeting of its Small Business Capital Formation Advisory Committee. The committee provides the Commission with advice and recommendations on Commission rules, regulations and policy matters relating to small businesses, from privately held emerging companies to smaller public companies. Additional information on the committee, including its members, is available on the committee webpage. [\(Link\)](#)

SEC Charges Adviser for Running Ponzi Scheme Targeting Haitian Community

The Securities and Exchange Commission filed charges against a New York investment adviser for operating a multimillion-dollar investment club that was actually a fraudulent Ponzi scheme targeting members of the local Haitian community as well as his family and friends. [\(Link\)](#)

SEC Division of Enforcement Publishes Annual Report for Fiscal Year 2019

The Securities and Exchange Commission’s Division of Enforcement issued its annual report for fiscal year 2019. The report details the division’s efforts and initiatives on behalf of investors, highlights several significant actions, and presents the activities of the division from both a qualitative and quantitative perspective. [\(Link\)](#)

SEC Proposes Amendments to Modernize Shareholder Proposal Rule

The Securities and Exchange Commission voted to propose amendments to modernize the rule that governs the process for shareholder proposals to be included in a company’s proxy statement. [\(Link\)](#)

SEC Proposes Rule Amendments to Improve Accuracy and Transparency of Proxy Voting Advice

The Securities and Exchange Commission voted to propose amendments to its rules governing proxy solicitations to enhance the quality of the disclosure about material conflicts of interest that proxy voting advice businesses provide their clients. The proposal would also provide an opportunity for a period of review and feedback through which companies and other soliciting parties would be able to identify errors in the proxy voting advice. The review and feedback period would only be available to companies that file definitive proxy materials 25 days or more in advance of the relevant meeting. ([Link](#))

SEC Proposes to Modernize the Advertising and Cash Solicitation Rules for Investment Advisers

The Securities and Exchange Commission announced that it has voted to propose amendments to modernize the rules under the Investment Advisers Act addressing investment adviser advertisements and payments to solicitors. The proposed amendments are intended to update these rules to reflect changes in technology, the expectations of investors seeking advisory services, and the evolution of industry practices. ([Link](#))

SEC Announces Extension of Temporary Measure to Facilitate Cross-Border Implementation of the European Union's MiFID II's Research Provisions

The staff of the U.S. Securities and Exchange Commission issued an extension of an Oct. 26, 2017 no-action letter it provided to assist market participants regarding their U.S.-regulated activities as they engage in efforts to comply with the provisions relating to research in the Markets in Financial Instruments Directive II (MiFID II) and related implementing rules and regulations. Under the extension of the temporary no-action letter, the staff would not recommend enforcement action to the Commission under the Investment Advisers Act of 1940 (Advisers Act) against broker-dealers receiving payments in hard dollars or through research payment accounts from clients subject to MiFID II. ([Link](#))

SEC Chairman Clayton, PCAOB Chairman Duhnke, and Members of SEC Staff Meet with Auditing Firm Representatives to Discuss Audit Quality in Emerging Economies and Markets

The Securities and Exchange Commission announced that SEC Chairman Jay Clayton, Public Company Accounting Oversight Board (PCAOB) Chairman William Duhnke, and members of the SEC staff met last week with senior representatives of the four largest global network auditing

firms to discuss the audit quality and certain of the challenges faced in auditing public company operations in emerging markets, including China, the largest emerging market economy. The discussions emphasized the need for effective and consistent global firm oversight of member firms, including those operating in emerging markets. The discussions also focused on the design and implementation of audit procedures that are tailored to reflect changes in risk. ([Link](#))

SEC Charges Issuer and CEO with Violating Whistleblower Protection Laws to Silence Investor Complaints

The Securities and Exchange Commission filed an amended complaint against an online auction portal and its CEO to add allegations that they unlawfully sought to prohibit their investors from reporting misconduct to the SEC and other governmental agencies. The SEC previously charged the online auction portal and its CEO with a fraudulent \$23 million securities offering based on false statements to investors and alleged that the CEO misappropriated over \$6 million of investor proceeds. ([Link](#))

SEC Charges International Security-Based Swaps Dealer That Targeted U.S. Investors

The Securities and Exchange Commission charged a Switzerland-based securities dealer for offering and selling unregistered security-based swaps to U.S. investors using bitcoins and for failing to transact its swaps on a registered national exchange. ([Link](#))

FINRA

Regulatory Notices:

[19-36](#) FINRA Requests Comment on a Proposed Rule to Limit a Registered Person from Being Named a Customer's Beneficiary or Holding a Position of Trust for or on Behalf of a Customer

Information Notices:

[11/11/19](#) 2020 and First Quarter of 2021 Report Filing Due Dates

[11/26/19](#) FINRA Reminds Firms of Exercise Cut-Off Time for Options Expiring on the Friday After Thanksgiving

Trade Reporting Notices:

None as of 12/2/19

Upcoming Events:

[12/12/19](#) FINRA New York Region Member Forum

[12/18/19](#) 2019 Regulation Best Interest Conference

[01/14/20](#) 2020 Cybersecurity Conference

MSRB

MSRB Information Notices:

[11/08/19](#) SEC Approves Amendments to Underwriters' Fair Dealing Obligations to Issuers Under Rule G-17

Upcoming Events:

[12/11/19](#) Treasury Institute for Higher Education Tax-Exempt Bond Compliance Conference

NASAA

NASAA Upgrades Exam Resource for State Securities Examiners

The North American Securities Administrators Association (NASAA) announced the launch of a significantly enhanced NASAA Electronic Examinations Module (NEMO). This web-based software application is available for use by state securities examiners to conduct examinations of state-registered investment advisers and broker-dealers within their jurisdictions. ([Link](#))

**NASDAQ/NASDAQ
TRADER/OTCBB**

Equity Corporate Actions Alert:

[2019-272](#) Information Regarding the Merger of Viacom Inc (VIA & VIAB) and CBS Corporation

[2019-271](#) Spin-Off/Distribution Information for Taronis Technologies, Inc. (TRNX)

[2019-270](#) Information Regarding the Reverse Stock Splits and CUSIP Number Changes for VelocityShares Daily 2x VIX Short Term ETN (TVIX) & VelocityShares VIX Short Term ETN (VIIX)

[2019-269](#) (UPDATED) Information Regarding the Merger of DNB Financial Corporation (DNBF) and S&T Bancorp, Inc. (STBA)

[2019-268](#) (UPDATED) Information Regarding the Reverse Stock Split and CUSIP Number Change for Ameri Holdings, Inc. (AMRH)

[2019-267](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for Akers Biosciences Inc. (AKER)

[2019-266](#) (UPDATED) Information Regarding the Rights Distribution for DISH Network Corporation (DISH)

[2019-265](#) Information Regarding the Merger of Avedro, Inc. (AVDR) and Glaukos Corporation (GKOS)

[2019-264](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for NeuroMetrix, Inc. (NURO & NUROW)

[2019-263](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for My Size, Inc. (MYSZ)

[2019-262](#) Information Regarding the Merger of Oritani Financial Corp (ORIT)

[2019-261](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for DarioHealth Corp. (DRIO)

[2019-260](#) Information Regarding the Reverse Split and Ratio Change for Benitec Biopharma Limited (BNTC)

[2019-259](#) Information Regarding the Business Combination of Trinity Merger Corp. (TMCX/W/U)

[2019-258](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for Alimera Sciences, Inc. (ALIM)

[2019-257](#) Information Regarding the Redomestication via Scheme of Arrangement for Sundance Energy Australia Limited ADS (SNDE)

[2019-256](#) Information Regarding the Business Combination of DFB Healthcare Acquisitions Corp. (DFBH/W/U)

[2019-255](#) (UPDATED) Information Regarding the Merger of Empire Resorts, Inc. (NYNY)

[2019-254](#) Information Regarding the Business Combination of Restoration Robotics, Inc. (HAIR)

[2019-253](#) Information Regarding the Reverse Split, Ratio, and CUSIP Number Changes for Sky Solar Holdings, Ltd. (SKYS)

[2019-252](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for SELLAS Life Sciences Group, Inc. (SLS)

[2019-251](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for TRACON Pharmaceuticals, Inc. (TCON)

[2019-250](#) Information Regarding the Merger of Old Line Bancshares, Inc. (OLBK)

[2019-229](#) (UPDATED) Spin-Off/Distribution Information for Recro Pharma, Inc. (REPH)

[2019-228](#) (UPDATED) Information Regarding the Acquisition of Dova Pharmaceuticals, Inc. (DOVA)

[2019-227](#) (UPDATED) Information Regarding the Merger of Genomic Health, Inc. (GHDX) and Exact Sciences Corporation (EXAS)

[2019-226](#) (UPDATED) Information Regarding the Merger of Reven Housing REIT, Inc. (RVEN)

[2019-225](#) Information Regarding the Reverse Stock Split and CUSIP Number Change for Tonix Pharmaceuticals Holding Corp. (TNXP)

[2019-224](#) Information Regarding the Reverse Split and CUSIP Number Change for Applied DNA Sciences, Inc. (APDN)

Equity Trader Alert:

[2019-89](#) Nasdaq and BX Pricing Updates Effective December 2, 2019

[2019-88](#) Nasdaq Report Center Reports to be Migrated to Nasdaq Report HQ

[2019-87](#) U.S. Market Holiday Reminder: Thanksgiving

[2019-86](#) Update: Nasdaq to Introduce New Enhanced Closing Price for ETPs

Equity Regulatory Alert:

None as of 12/2/19

Financial Products News:

[2019-31](#) Nasdaq Announces Termination of Select SSgA ETFs Effective Thursday, January 30, 2020

Futures Trader Alert:

[2019-34](#) NFX Spot Month Position Limits Notice for December 2019

[2019-33](#) Product Deletion Notice: NFX Crude Oil Products

[2019-32](#) Notice of NFX Energy Broker Incentive Program Expiration

[2019-31](#) Notice of Suspension for Trading of NFX Power Products

[2019-30](#) Notice of Suspension for Trading of NFX Crude Oil, Refined, Natural Gas and Power Products

[2019-29](#) Notice of Suspension for Trading of NFX Crude Oil, Refined and Petrochemical Products

[2019-28](#) Trade Reporting ability restored for NFX Calendar One Time Options on NFX PJM Western Hub Real-Time Peak Calendar Year One Time Financial Futures (PMQ)

[2019-27](#) NFX Spot Month Position Limits Notice for November 2019

Options Trader Alert:

[2019-25](#) PHLX Options Updated Pricing, Effective November 1, 2019

NYSE/EURONEXT/AMEX

NYSE Weekly Program-Trading Data Releases:

ICE Endex Announces Results of European Gas Storage Auction for GasTerra

Intercontinental Exchange (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, announced the results of the ICE Endex gas storage auction held on November 27, 2019, on behalf of GasTerra. ([Link](#))

ICE Futures Singapore Announces Plans to Launch Bakkt Bitcoin (USD) Cash Settled Futures

Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, announced the launch of the Bakkt™ Bitcoin (USD) Cash Settled Monthly Futures contract. The new contract will be listed on ICE Futures Singapore and cleared by ICE Clear Singapore,

which are regulated by the Monetary Authority of Singapore. [\(Link\)](#)

Simplifile Registers Single-Day E-Recording Record

Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, announced that Simplifile set a new company record by e-recording 106,244 documents in a single day on November 12. Simplifile is part of ICE Mortgage Services which applies technology and high-capacity infrastructure to make the mortgage process electronic and thus more efficient. [\(Link\)](#)

Intercontinental Exchange Partners With ADNOC and Some of the World's Largest Energy Traders in the 2020 Launch of ICE Futures Abu Dhabi, a New Futures Exchange

Intercontinental Exchange, Inc. (NYSE: ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, announced that Abu Dhabi National Oil Company (ADNOC) and nine of the world's largest energy traders are partnering with ICE on the launch of ICE Futures Abu Dhabi, a new exchange in Abu Dhabi Global Market that will host the world's first Murban crude oil futures contracts. [\(Link\)](#)

Intercontinental Exchange to Launch New Exchange in Abu Dhabi Global Market (ADGM) to Host World's First Murban Crude Futures Contracts

Intercontinental Exchange, Inc. (NYSE: ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, announced that it will launch a new exchange, ICE Futures Abu Dhabi (IFAD), to host the world's first futures contracts based on Abu Dhabi National Oil Company's (ADNOC) Murban crude oil. [\(Link\)](#)

Intercontinental Exchange Reports October Statistics: Futures and Options Open Interest up 8% Y/Y and up 17% From Year-End 2018

Intercontinental Exchange, Inc. (NYSE: ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, reported October trading volume and related revenue statistics, which can be viewed on the company's investor relations website in the Monthly Statistics Tracking spreadsheet. [\(Link\)](#)

FINCEN

FinCEN Realigns Division to Increase Strategic Capabilities

The Financial Crimes Enforcement Network (FinCEN) has announced the realignment of its Liaison Division as the Strategic Operations Division (Strategic Ops), effective November 24, 2019. Strategic Ops will be responsible for designing and implementing FinCEN's strategic partnerships across industry, with state, local, and U.S. Government colleagues, as well as with counterparts in foreign jurisdictions. Through these partnerships, Strategic Ops will help direct FinCEN's operational information sharing and engagement with domestic and international stakeholders, as well as assist in implementing FinCEN's priorities. The Division holds a significant role in fulfilling FinCEN's mission by proactively coordinating stakeholder priorities, enhancing existing programs, and safeguarding access to FinCEN's information, tools, and resources. [\(Link\)](#)

Prepared Remarks of FinCEN Director Kenneth A. Blanco at Chainalysis Blockchain Symposium

Kenneth A. Blanco, Director of the Financial Crimes Enforcement Network (FinCEN), spoke at the Chainalysis Blockchain Symposium on Friday, November 15. He addressed the issue of "regulatory clarity"; the value of Bank Secrecy Act data; FinCEN's Funds Travel Rule; stablecoins and anonymity-enhanced cryptocurrencies; and opportunities for private sector engagement with FinCEN. [\(Link\)](#)

FinCEN Reissues Real Estate Geographic Targeting Orders for 12 Metropolitan Areas

The Financial Crimes Enforcement Network (FinCEN) announced the renewal of its Geographic Targeting Orders (GTOs) that require U.S. title insurance companies to identify the natural persons behind shell companies used in all-cash purchases of residential real estate. The purchase amount threshold remains \$300,000 for each covered metropolitan area. [\(Link\)](#)

PRA

Mark Carney named United Nations Special Envoy for Climate Action and Finance

The Governor will support the Secretary-General's climate strategy by galvanising climate action and transforming climate finance for the 26th Conference of the Parties (COP) meeting in Glasgow in November 2020. A key focus

will be on shifting the financial system towards mobilising private finance to the levels needed to achieve the 1.5°C goal of the Paris Agreement. This will include building the frameworks for financial reporting, risk management and returns to bring the impacts of climate change to the mainstream of private financial decision making and to support the transition to a net zero carbon economy. ([Link](#))

PRA fines a Firm's UK operations £44 million for failings in their regulatory reporting governance and controls

The PRA has imposed a combined financial penalty on a firm and two of its affiliates of £43.9 million for failings in relation to their internal controls and governance arrangements underpinning compliance with PRA regulatory reporting requirements. Between 19 June 2014 and 31 December 2018, or parts thereof, the firms' UK regulatory reporting framework was not designed, implemented or operating effectively. This led to them failing to submit complete and accurate regulatory returns to the PRA. ([Link](#))

PRA and FCA publish Decision Notices given to former CEO who paid excessive remuneration to his wife to reduce his tax liability

The regulators' respective decision-making committees found, following a joint investigation, that between February 2010 and July 2016 the former CEO transferred excessive amounts of his own remuneration to his wife to reduce his own tax liability and took steps to conceal that arrangement. ([Link](#))

Change of publication date for the Financial Stability Report

The Financial Stability Report (FSR), full results of the Bank of England's annual stress test of major UK banks and Record of the Financial Policy Committee's Meeting due to be published at 17:00 (GMT) on Tuesday 10 December, will now be published at 17:00 (GMT) on Monday 16 December. ([Link](#))

Bank Rate maintained at 0.75% - November 2019

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. At its meeting ending on 6 November 2019, the MPC voted by a majority of 7-2 to maintain Bank Rate at 0.75%. ([Link](#))

FCA

FCA consults on how to extend the Senior Managers Regime to benchmark administrators

The SMR sets important standards for governance and accountability and will apply to almost all FCA-regulated firms from December 2019. As benchmark administrators are a new category of authorised firms they have been granted a one-year extension from the wider roll out of the SMR. The new rules will come into force for these firms on 7 December 2020. ([Link](#))

FCA secures confiscation order totaling £291,070 against convicted fraudster

This confiscation order follows the FCA prosecution in which a man was sentenced to 5 years' imprisonment for defrauding investors of just under £3m in relation to unauthorised investment schemes he operated between 2008 and 2017. ([Link](#))

FCA to ban promotion of speculative mini-bonds to retail consumers

Ahead of the upcoming Individual Savings Account (ISA) season, the FCA is introducing the restriction without consultation, using its product intervention powers. The restriction will come into force on the 1 January 2020 and last for 12 months while the FCA consults on making permanent rules. ([Link](#))

FCA fines a Firm £1.9m for fund failings

The Financial Conduct Authority (FCA) has fined an investment firm £1,867,900 for failing to treat fairly more than 4,500 retail investors in two of its funds. This was in contravention of Principle 6 of the FCA's Principles for Business. ([Link](#))

Connaught Independent Review call for information closes but investigation remains open to affected individuals

The announcement follows a call for information from individuals affected by the Fund to ensure that a range of stakeholders were able to formally contribute their views to assist him in assessing the FSA/FCA's actions and identifying any lessons which should be learned. ([Link](#))

FCA and PRA publish Decision Notices given to former CEO who paid excessive remuneration to his wife to reduce his tax liability

The Financial Conduct Authority ('FCA') and the Prudential Regulation Authority ('PRA') have decided to ban and fine the former CEO of a small mutual insurer, £78,318 and £76,180 respectively. The regulators' respective decision-making committees found, following a joint investigation, that between February 2010 and July 2016 the man transferred excessive amounts of his own remuneration to his wife to reduce his own tax liability and took steps to conceal that arrangement. ([Link](#))

22 years of pension savings gone in 24 hours

New analysis as part of the regulators' joint ScamSmart campaign reveals that it could take 22 years for a saver to build a pension pot of £82,000 – the average amount victims lost to scams in 2018. But despite this, many savers could be at risk of falling for scammers tactics within 24 hours. New research reveals that almost 1 in 4 people (24%) surveyed, admitted to taking 24 hours or less to decide on a pension offer. ([Link](#))

New appointments to Financial Conduct Authority board announced

Three new appointments to the board of the Financial Conduct Authority (FCA) have been made by the Economic Secretary to the Treasury. ([Link](#))

Resource Links	
<p style="text-align: center;">Government</p> <ul style="list-style-type: none"> • 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 	<p style="text-align: center;">SRO</p> <ul style="list-style-type: none"> • 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
<p>Industry</p> <ul style="list-style-type: none"> • Alternative Investment Management Association “AIMA” – WWW.AIMA.ORG • Bank Insurance & Securities Association “BISA” – WWW.BISANET.ORG • 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 is the most up to date and comprehensive available. We can forecast regulatory trends based on our extensive regulatory experience and the information our clients provide regarding new products, services and/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 any questions or suggestions, please speak with your account representative or call us at (561) 368-2245.

Reader Survey Fax Response Form

To: Louis Dempsey
 Fax: (561) 807-5442
LouisDempsey@RRSCompliance.com

Name:				
Firm:		IA:	BD:	Other:
Phone:		Fax:		

For us to improve this publication, we ask that you please provide us with feedback by answering the following questions:

- 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 meeting)

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:

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