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recently adopted rules

regulator	release date	release no.	description
FINRA	7/30/2008	SR-FINRA-2008-041	FINRA has made permanent its portfolio margining program.
FINRA	7/29/2008	Release No. 34-58248	The SEC is extending the emergency order relating to the short selling of specified securities.
FINRA	7/25/2008	SR-FINRA-2008-037	FINRA has amended NASD Rule 11890 (Clearly Erroneous Transactions) to (1) extend the time limit that FINRA has to take action on a transaction under the rule, and (2) clarify the circumstances under which FINRA initiates a review of a transaction.

proposed rules

regulator	release date*	release no.	description
SEC	7/30/2008	Release No. IC-28346	The SEC is reopening the comment period on its rule requiring key information to appear in plain English in a standardized order at the front of the mutual fund prospectus; and permitting a person to satisfy its mutual fund prospectus delivery obligations by sending or giving the key information directly to investors in the form of a summary prospectus and providing the statutory prospectus on an Internet website.
SEC	7/29/2008	Release No. IC-28345	The SEC has issued proposed guidance to boards of directors of registered investment companies to assist them in fulfilling their fiduciary responsibilities with respect to overseeing the trading of investment company portfolio securities.
SEC	7/29/2008	Release No. 34-58255	The SEC proposes to amend Rule 15c2-12 to require the broker, dealer, or municipal securities dealer to reasonably determine that the issuer or obligated person has agreed to (1) provide the information covered by the written agreement to the MSRB, instead of to multiple nationally recognized municipal securities information repositories and state information depositories, as the rule currently provides, and (2) provide such information in an electronic format and accompanied by identifying information as prescribed by the MSRB.

FINRA	7/29/2008	SR-FINRA-2008-029	FINRA proposes a rule change to repeal NASD Rule 1130 (Reliance on Current Membership List) and incorporated NYSE Rules 405A (Non-Managed Fee-Based Account Programs – Disclosure and Monitoring), 440F (Public Short Sale Transactions Effected on the Exchange), 440G (Transactions in Stocks and Warrants for the Accounts of Members, Allied Members and Member Organizations), and 477 (Retention of Jurisdiction – Failure to Cooperate) as part of the process of developing the consolidated FINRA rulebook.
FINRA	7/25/2008	SR-FINRA-2008-033	FINRA is proposing to adopt the short-interest reporting requirements (NASD Rule 3360 and Incorporated NYSE Rules 421(1) and 421.10) as FINRA Rule 4560 in the consolidated FINRA rulebook.

* With regard to rule proposals of SROs, the date represented is the date of the SEC release seeking comment except where the SEC has not yet published the rule for comment, in which case it is the date the SRO submitted the proposal to the SEC.

notices to members

regulator	release date	release no.	description
FINRA	7/28/2008	Regulatory Notice 08-39	FINRA requests comment on proposed changes to guidelines on illustrations of tax-deferred versus taxable compounding in advertising and sales literature and communications with the public about variable life insurance and variable annuities.
FINRA	7/28/2008	FINRA Trade Reporting Notice	FINRA is changing the effective date for reporting trades in unlisted equity-linked securities to TRACE to November 3, 2008.

enforcement actions of interest

regulator	release date	parties	description of penalty and allegations
SEC	7/30/2008	E*TRADE Clearing, E*TRADE Securities LLC	Fined \$1,000,000 in connection with its customer identification program.
SEC	7/30/2008	Pax World Funds	Fined \$500,000 for investing in shares of corporations whose businesses placed them outside of the fund's stated investment restrictions of investing in socially responsible corporations.

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