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recently adopted rules

regulator	release date	release no.	description
FINRA	7/30/2008	SR-FINRA-2008-042	FINRA is proposing to codify FINRA's interpretation of the portfolio margin program set forth in NASD Rule 2520(g) and incorporate NYSE Rule 431(g) regarding (1) monitoring concentrated equity positions and (2) timing of day trading margin calls. This rule is effective immediately.
NYSE	7/30/2008	SR-NYSE-2008-66	NYSE is proposing to amend NYSE Rule 431 (Margin Requirements) to make permanent the portfolio margin pilot program set forth in Rule 431(g), which permits members to margin certain products according to a prescribed portfolio margin methodology. This rule is effective immediately.
NYSE	7/30/2008	SR-NYSE-2008-65	NYSE is proposing to amend NYSE Rule 431 (Margin Requirements) to codify interpretations of the portfolio margin program set forth in NYSE Rule 431(g) regarding (1) monitoring concentrated equity positions and (2) timing of day trading margin calls. This rule is effective immediately.

proposed rules

regulator	release date*	release no.	description
FINRA	8/05/2008	SR-FINRA-2008-027	FINRA is proposing to transfer without material change NASD Rules 3060 (Influencing or Rewarding Employees of Others) and 3090 (Transactions Involving Association and American Stock Exchange Employees) into the new consolidated FINRA rulebook and to delete the corresponding provisions in NYSE Rules 350, 350.10, 407(a), 407.10 and NYSE Rule Interpretations 350/01 through 350/03.

FINRA	8/04/2008	SR-FINRA-2008-039	FINRA is proposing to adopt NASD Rule 2710, without material change except for paragraphs (b)(10) and (11), as a FINRA rule in the consolidated FINRA rulebook and to clarify and streamline the notice and other requirements in FINRA rules relating to Regulation M under the Act. The proposed rule change would renumber NASD Rule 2710 as FINRA 5110 and adopt new FINRA Rules 5190 and 6470 in the consolidated rulebook.
NYSE	8/04/2008	SR-NYSE-2008-68	NYSE is proposing to amend Sections 102.01B and 102.01C of the NYSE's manual to provide that NYSE will, on a case-by-case basis, exercise discretion to list a company whose stock is not previously registered under the Exchange Act, where such a company is listing without a related underwritten offering, upon effectiveness of a registration statement registering only the resale of shares sold by the company in earlier private placements.
NYSE	8/01/2008	SR-NYSE-2008-70	NYSE is proposing to amend rules governing membership in order to waive-in members in good standing of the Amex as members and member organizations of the NYSE.
FINRA	8/01/2008	SR-FINRA-2008-040	FINRA is proposing to amend NASD Rule 6230(c) to eliminate the requirement to report yield to TRACE when a member reports a transaction in a TRACE-eligible security and to implement a policy to disseminate yield as calculated by the TRACE system in TRACE data.
FINRA	7/29/2008	SR-FINRA-2008-026	FINRA is proposing to adopt the NASD Rule 0100 Series as FINRA rules 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	8/07/2008	Auction Rate Securities	FINRA creates process for arbitration involving auction rate securities.
SEC	8/07/2008	2008-170	SEC announces two new AML compliance initiatives.
FINRA	8/06/2008	NTM 08-40	FINRA issues Notice to Members informing members of technology changes for reporting certain complaint and disclosure information. Effective October 20, 2008.
SEC	8/01/2008	Release 34-58288	Commission guidance on the use of company websites.

SEC

8/01/2008

[2008-166](#)

SEC Advisory Committee makes recommendations to improve financial reporting for investors.

enforcement actions of interest

regulator	release date	parties	description of penalty and allegations
SEC	8/07/2008	2008-168	The SEC's Division of Enforcement announced a preliminary settlement in principle with Citigroup Global Markets, Inc. relating to Auction Rate Securities.

This Regulatory Update is provided as a general informational service to clients and friends of Morgan, Lewis & Bockius LLP.
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