

FINRA Issues Proposed Regulations Consolidating Supervision Rules

On June 21, 2013 FINRA filed proposed regulations with the SEC to adopt the consolidated FINRA supervision rules. These rules will integrate and harmonize NASD and NYSE rules on supervision. With this proposed rule change, FINRA continues its development of a FINRA consolidated rulebook. These proposed regulations will apply to all FINRA members and will affect how member firms supervise the activities of associated persons.

The regulatory purpose of these rule changes, in addition to consolidation of rules, is to better ensure that employees at member firms are operating in compliance with FINRA rules, MSRB rules, and securities laws and regulations. Among the changes introduced in the proposed regulations are new rules on supervision, supervisory systems, maintenance of written procedures, and requiring a designated principal to oversee supervision.

The new rules should go into effect within one year of SEC approval.

To view the proposed rules [please click here](#).