MARKET SOLUTIONS

Volume 27, Number 1 | Financial Markets Association | March 2018

In This Issue

MARKET SOLUTIONS

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Market Solutions is a quarterly newsletter about the activities of the Financial Markets Association as well as legislative/regulatory developments of interest to FMA members. The opinions expressed in this publication are those of the authors, not necessarily those of the Association and are not meant to constitute legal advice. *Market Solutions* is provided as a membership service of the **Financial Markets Association**, 333 2nd Street, NE - #104, Washington, DC 20002, *dp-fma@starpower.net*, 202/544-6327, *www.fmaweb.org*. Please let us have your suggestions on topics you would like to see addressed in future issues.

FINANCIAL MARKETS ASSOCIATION

SEC Adopts Interpretive Guidance on Cybersecurity Disclosures

By Lona Nellengara, Richard Alsop, Harald Halbhuber and Ilir Mujalovic
Sherman & Sterling LLP

On February 21, 2018, the Securities and Exchange Commission released new interpretive guidance on public company disclosures regarding cybersecurity risks and incidents.

The new interpretive guidance outlines the SEC's views regarding disclosures by public companies relating to cybersecurity risks, events and incidents under existing securities laws. It also outlines the SEC's views regarding the importance of appropriate disclosure controls and procedures, insider trading policies and selective disclosure safeguards in the context of cybersecurity incidents.

Our Take

Although the interpretive guidance makes clear that the SEC views cybersecurity as a key disclosure matter, it does little to provide public companies with specific guidance on SEC expectations for what is required to be disclosed and when.

The interpretive guidance, however, does provide a useful review of the existing disclosure obligations related to cybersecurity matters and the disclosures that may be triggered upon the occurrence of cybersecurity incidents or events. In much the same way as the interpretive guidance issued by the SEC staff in 2011, the new interpretive guidance provides a framework for thinking about the various areas where cybersecurity-related disclosures may need to be made, such as risk factors, business description, MD&A, legal proceedings and financial statement disclosures.

More importantly, the interpretive guidance outlines, for the first time, the SEC view that:

- public companies should be describing the role that boards of directors have in cybersecurity-related risk management to the extent those risks are material to their businesses;
- public companies should maintain adequate disclosure controls and procedures so that those individuals responsible for disclosures are promptly alerted of cybersecurity incidents and a timely materiality and disclosure assessment can be made; and
- public companies should have policies and procedures that restrict the ability of officers, directors and other insiders from trading before a decision has been made regarding the materiality and the disclosure necessary for a cyber incident.

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Route to: ❑ Audit ❑ Compliance ❑ Legal ❑ Risk Management ❑ Back Office ❑ Training

Legislative/Regulatory Actions

This column was written by lawyers from Morrison & Foerster LLP to update selected key legislative and regulatory developments affecting financial services and capital markets activities. Because of the generality of this column, the information provided herein may not be applicable in all situations, and should not be acted upon without specific legal advice based on particular situations.

In this issue, we address selected developments with regard to banking regulators and related Congressional actions, and from the CFPB.

Banking Regulators

Senate Passes Economic Growth, Regulatory Relief, and Consumer Protection Act

On March 14, 2018, the U.S. Senate passed S. 2155, the *Economic Growth, Regulatory Relief, and Consumer Protection Act*. The bill was passed with bipartisan support and will now be considered by the U.S. House of Representatives, which itself has passed several financial regulatory reform bills. Major components of S. 2155 include the following:

- *Enhanced Prudential Standards*. S. 2155 would require the Board of Governors of the Federal Reserve System ("Federal Reserve") to apply EPS only to bank holding companies with $250 billion in total consolidated assets and to bank holding companies, regardless of asset size, that have been identified as global systemically important bank holding companies. S. 2155 would also authorize the Federal Reserve to apply EPS to bank holding companies with total consolidated assets of $100 billion or more, and would require the Federal Reserve to tailor EPS on an individual basis or by category. S. 2155 clarifies that these amendments would not have the effect of exempting foreign banking organizations with total consolidated assets of $100 billion or more from the Federal Reserve's current EPS rules.
- *Stress Testing*. S. 2155 would raise the threshold for bank holding companies subject to an annual supervisory stress test conducted by the Federal Reserve to $250 billion. These stress tests would be conducted under two scenarios (baseline and severely adverse), rather than three (baseline, adverse, and severely adverse). Bank holding companies with total consolidated assets of $100 billion or more but less than $250 billion would be subject to supervisory stress tests on a periodic basis. S. 2155 would also raise the threshold for requiring financial companies and bank holding companies to conduct company-run stress tests to $250 billion, and would require such tests to be conducted on a periodic, rather than annual or semi-annual, basis. These company-run stress tests would be conducted under two scenarios (baseline and severely adverse).
- *Custody Banks*. Large custodial banks would see some relief from S. 2155. Specifically, federal banking agencies would be required to promulgate regulations to specify that, with certain exceptions, funds of a custodial bank that are deposited with a central bank will not be taken into account when calculating supplementary leverage ratios.
- *Community Bank Leverage Ratio*. S. 2155 would simplify capital requirements for qualifying community banks. Qualifying community banks that exceed a leverage ratio set between 8 and 10 percent by the federal banking agencies would be considered in compliance with all other generally applicable leverage capital and risk-based capital requirements.
- *Volker Rule*. S. 2155 would exempt from the Volcker Rule insured depository institutions that have $10 billion or less in total consolidated assets, and that have total trading assets and

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Asher Ailey	**Research Affiliates, LLC**
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Finally, although the Commission was unanimous in its approval of the interpretive guidance, Commissioners Kara Stein and Robert Jackson both expressed reservations and advocated for the SEC to do more. Commissioner Stein acknowledged that further action in this area may require formal SEC rule-making rather than interpretation of existing rules, and the interpretive guidance itself states that the Commission "continues to consider other means of promoting appropriate disclosure of cyber incidents." This could mean that the Commission may consider new rules that specifically mandate the content and the timing of cybersecurity-related disclosures. It may also mean that the SEC now is considering bringing the first enforcement cases against public companies related to inadequate cybersecurity disclosures or ineffective disclosure controls and procedures.

Background

On October 13, 2011, the staff of the Division of Corporation Finance of the SEC released interpretive guidance regarding public company disclosure obligations relating to cybersecurity risks and incidents. The existing interpretive guidance largely directs public companies to consider the materiality of cybersecurity risks and incidents when preparing public disclosures, when complying with periodic and current reporting requirements and in connection with a securities offering.

New Cybersecurity Interpretive Guidance

In contrast to the 2011 guidance, the new interpretive guidance is a statement from the SEC itself and not the staff of the Division of Corporation Finance. The SEC sets the tone for the interpretive guidance in the beginning by declaring that "cybersecurity risks pose a grave threat to investors, our capital markets, and our country."

In the interpretive guidance the SEC states that it believes that:

- it is critical for public companies to take all required actions to timely inform investors of material cybersecurity risks and incidents;

> *"Although the interpretive guidance makes clear that the SEC views cybersecurity as a key disclosure matter, it does little to provide public companies with specific guidance on SEC expectations for what is required to be disclosed and when."*

- it is important for effective disclosure controls and procedures to ensure that those responsible for developing those controls are informed of cybersecurity risks and incidents; and
- companies should be aware of the risks posed by officers, directors and other insiders trading before disclosures are made of cybersecurity incidents that are determined to be material.

The SEC's intent with the new guidance is to reinforce and expand the existing guidance by reviewing the rules requiring disclosure of cybersecurity issues and outlining the SEC's views on the appropriate policies and procedures and insider trading prohibitions.

Disclosure Requirements

The new guidance reminds companies to consider the materiality of cybersecurity risks and incidents when preparing disclosures for periodic reports and registration statements. It also recognizes that, when assessing whether a particular risk or incident should be disclosed, companies weigh, among other things, the potential materiality of the risk and the importance of the compromised information. Companies consider the "nature, extent, and potential magnitude" of the risk or incident as they relate to the company's operations and the range of harms the risk or incident could cause. The potential "harms" include financial and reputational effects, impact on customer and vendor relationships and litigation or regulatory investigations by governmental authorities.

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The new interpretive guidance reiterates that the disclosure requirements related to cybersecurity risks and incidents are based on the relevant disclosure considerations that arise in connection with any business risk, with no specific disclosure requirement that explicitly refers to cybersecurity matters. The SEC, consistent with the existing interpretive guidance, identifies a number of general disclosure requirements that would mandate a consideration of cybersecurity matters. These disclosure requirements include (a) risk factors, (b) MD&A, (c) description of the business, (d) legal proceedings, (e) financial statements and (f) disclosures of boards of directors' role in risk management.

The guidance makes clear that companies are not required to make disclosures that compromise their own cybersecurity efforts or those of law enforcement that are investigating an incident, but the SEC does expect companies to nevertheless make disclosures of cybersecurity risks and incidents that are material to investors in a timely manner. This tension is exacerbated by the related duty to correct prior disclosures that a company determines to be untrue when made. The guidance also notes that some courts have found a duty to update disclosures that, although true when made, later become materially inaccurate. All of this is particularly relevant in the cybersecurity context as companies struggle with assessing the materiality of a risk or incident with information that is changing rapidly, while having to consider what, how and when to disclose the risk or incident to shareholders without being misleading or making a material omission.

Disclosure Controls and Procedures

The new guidance encourages companies to adopt "comprehensive policies and procedures related to cybersecurity and to assess their compliance regularly, including the sufficiency of their disclosure controls and procedures as they relate to cybersecurity disclosure." The Exchange Act requires that companies maintain disclosure controls and procedures and that management evaluates their effectiveness. The SEC believes that to have effective disclosure controls and procedures, public companies must put in place adequate processes so that the appropriate personnel, including senior management, that are responsible for making disclosure decisions receive timely reporting on cybersecurity-related risks and incidents. Companies should ensure they have controls and procedures that allow them to (a) identify cybersecurity risks and incidents, (b) assess and analyze the impact on a company's business, (c) evaluate the significance of the risk or incident and (d) make timely disclosures regarding such risks and incidents. The SEC expects the certifications that companies make related to disclosure controls and procedures should take into account the adequacy of the controls and procedures related to identifying, assessing, evaluating and disclosing cybersecurity risks and incidents.

> *"…the new interpretive guidance provides a framework for thinking about the various areas where cybersecurity-related disclosures may need to be made, such as risk factors, business description, MD&A, legal proceedings and financial statement disclosures."*

Insider Trading

The new guidance reminds companies, directors, officers and other insiders that trading on the basis of material non-public information related to a cybersecurity risk or incident is illegal. The SEC notes that "information about a company's cybersecurity risks and incidents may be material non-public information, and directors, officers and other corporate insiders would violate the antifraud provisions if they trade the company's securities in breach of their duty of trust or confidence while in possession of that material non-public information." To protect against this conduct, the SEC advises that companies establish comprehensive policies and procedures that restrict trading on information related to cybersecurity risks or incidents. The SEC points out that during the assessment and investigative stage of a cybersecurity incident, where

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> *"The SEC's intent with the new guidance is to reinforce and expand the existing guidance by reviewing the rules requiring disclosure of cybersecurity issues and outlining the SEC's views on the appropriate policies and procedures and insider trading prohibitions."*

information and, more importantly, materiality of the incident is uncertain, is the most important time to impose "prophylactic measures" to protect against directors, officers and insiders from trading on the basis of information that is later determined to be material.

Regulation FD

The new guidance reminds public companies to ensure they have policies and procedures in place to comply with a central Regulation FD requirement that when disclosures of material nonpublic information are made to certain individuals or entities, such as shareholders, broker dealers or investment advisors, simultaneous disclosure is made to the public.

What Do Companies Need to Do Now?

Although every company has a different cybersecurity risk profile that demands a level of focus and attention appropriate to its profile and the materiality of cybersecurity matters to its business, the following are things most companies should consider now:

- *Risk Factor Disclosures*. Review your risk factor disclosures to ensure that your disclosures do not give the impression that your company has never been the target of, or subject to, a cybersecurity incident. You do not have to provide the details, but the risk described should not be written as if it is a theoretical one if it has happened before.
- *MD&A Disclosures*. If ongoing cybersecurity spending, whether defensive or responsive to an actual incident, is material, it should be disclosed. These costs include implementation of preventive measures, maintenance of insurance, complying with legislative and regulatory requirements and responding to litigation and regulatory investigations.
- *Disclosure Controls and Procedures*. Ensure that your Disclosure Committee is directly connected to those responsible for evaluating and reporting on cybersecurity risks, incidents and events. Consider a regular update for the Disclosure Committee on known incidents and threats from those focused on cybersecurity matters. Use this as an opportunity to review Regulation FD practices as they relate to disclosures related to cybersecurity matters.
- I*nsider Trading*. Review your insider trading policy to ensure that cybersecurity incidents are specifically identified. Additionally, ensure that a process is in place whereby those with the responsibility for establishing trading blackout periods are promptly informed of the occurrence of a cybersecurity event or incident. Given the uncertain nature, scope and materiality of most cybersecurity incidents, consider imposing trading restrictions for persons with knowledge of the incident as soon as the incident occurs until a comprehensive materiality assessment can be made.
- *Engaging with the Board*. Review a summary of the SEC's new guidance with the board. Review the board's role in oversight of cybersecurity matters and implement, if not already occurring, regular updates to the board of cybersecurity preparedness and threats. Review proxy statement disclosures related to the board's oversight to ensure cybersecurity risks are appropriately reflected. ■

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trading liabilities that are 5 percent or less of total consolidated assets. S. 2155 would also amend the asset management exemption by permitting, under certain conditions, a banking entity that is an investment adviser to a hedge fund or private equity fund and is not an insured depository institution to share the same name as the hedge fund or private equity fund, while still relying on the asset management exemption.

- *Expanded Examination Cycle*. For banks that are well-managed, well-capitalized, and have total assets of less than $3 billion, S. 2155 would extend the examination cycle to 18 months (this threshold is currently $1 billion).

For more information on S. 2155 please visit our client alert at *https://media2.mofo.com/documents/180315-regulatory-reform-bill.pdf*.

Federal Reserve Provides Guidance for 2018 DFAST and CCAR

The Federal Reserve published guidance regarding the implications of the Tax Cut and Jobs Act (TCJA), the new tax law passed in December 2017, for the 2018 Dodd-Frank Act Stress Tests (DFAST) and the Comprehensive Capital and Analysis Review (CCAR). The Federal Reserve also released the 2018 scenarios for such exercises.

The guidance was provided in a new response to a frequently asked question on the subject and in a letter describing enhancements to the supervisory models. In sum, the Federal Reserve announced that the following elements of TCJA have been incorporated into the supervisory models: (1) the reduction in the corporate tax rate; (2) the elimination of net operating loss (NOL) carrybacks; and (3) the limitation of NOL carryforwards to 80% of taxable income. These elements were incorporated into the models in order to take into account the TCJA's effect on the projected path of post-stress capital. Note, however, that the Federal Reserve clarified that the supervisory models have not been adjusted to account for the base erosion and anti-abuse tax component of the TCJA.

The Federal Reserve guidance also noted that firms are required to account for the TCJA in their financial statements, regulatory reports, and 2018 CCAR projections. With respect to CCAR projections, the guidance explains that "a firm should reflect the TCJA in their CCAR 2018 projections on a 'best efforts' basis, and discuss in its capital plan the sensitivity of its projections to uncertainty associated with the implementation of the TCJA." Further, the Federal Reserve explained that, while capital plans are required to address the TCJA, first day letters do not include tax modelling in their scope.

For the CCAR and DFAST Q&A's, please see: *https://www.federalreserve.gov/publications/files/CCAR-QAs.pdf*. For the letter from the Federal Reserve, please see: *https://www.federalreserve.gov/supervisionreg/files/model-change-letter-20180302.pdf*.

The Federal Reserve has also released the scenarios that banks and supervisors must use for the 2018 DFAST and CCAR. Such scenarios are available here: *https://www.federalreserve.gov/newsevents/pressreleases/bcreg20180201a.htm*.

Federal Reserve Vice Chairman Quarles Foreshadows Future Changes to the Volcker Rule

On March 5, 2018, in a speech to the Institute of International Bankers, Randal Quarles, Vice Chairman for Supervision of the Federal Reserve, described potential revisions to the Volcker Rule. He noted that there appears to be a consensus among regulators that the rule is overly complex and should be amended. He also announced that all five agencies with the responsibility for the Volcker Rule (the "Agencies") have resumed the process for developing a proposal for public comment that would make substantial amendments.

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Laura Gellman	**Citibank**
Jay Gould	**Winston & Strawn LLP**
Gene Gunderson	**Synovus Securities**
Chad Hendrix	**Wells Fargo**
Cari Hopfensperger	**Hardin Compliance Consulting**

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Throughout the speech, Vice Chairman Quarles specifically referenced components of the rule that are either overly complex, or areas that may benefit from revision, including:

- The definition of "market making-related activities" and the test for determining the reasonably expected near term demands of clients, customers, or counterparties (*i.e.*, "RENT-D");
- The definition of "proprietary trading";
- The definition of a "covered fund";
- The broad extra territorial reach of the Volcker Rule;
- The exemptions for activity solely outside the United States (which potentially could be simplified by focusing on the risk of the booking location); and
- The Volcker Rule compliance regime.

In July 2017, the OCC, Federal Reserve, and FDIC announced that they would not enforce the Volcker Rule against foreign excluded funds (i.e., certain funds that are organized outside the United States and offered solely to foreign investors) that meet the definition of a "qualifying foreign excluded fund." In his speech, Vice Chairman Quarles announced that he expects that this "no-action" position will be extended.

Vice Chairman Quarles also noted that the Agencies are working on ways to tailor the rule and reduce the burden for smaller banks and banks not engaged in significant trading activities. He said that the Agencies intend to work within the confines of the statute, but expressed support for Congressional efforts that might make the streamlining process "more straightforward and complete." Specifically, he expressed support for Congress to pass a law that would exempt community banks from the Volcker Rule (a measure to this effect was included in legislation passed by the U.S. Senate in March 2018). For a copy of Vice Chairman Quarles' speech, please see: *https://www.federalreserve.gov/newsevents/speech/files/quarles20180305a.pdf*.

Efforts to Amend the Capital Treatment of ADC Loans

Both Congress and the Banking Agencies (*i.e.*, the Federal Reserve, OCC, and FDIC) are currently pursuing parallel initiatives to amend the capital rules regarding loans extended for the acquisition, development, or construction (ADC) of real property. Under current rules, banks are required to carry 50% more capital to support ADC loans that are characterized as high-volatility commercial real estate (HVCRE) exposures. Banks have found it difficult to interpret the current rules and both Congress and the Banking Agencies appear to have acknowledged the need for revisions.

In October 2017, the Banking Agencies published a proposed rule to address the capital treatment of ADC loans (the "Proposed Rule"). In addition, shortly after the Proposed Rule was published, the U.S. House of Representatives, on a bipartisan basis, passed H.R. 2148, "Clarifying Commercial Real Estate Loans." Similar language to that contained in H.R. 2148 was also included as a section within the comprehensive financial regulatory bill, S. 2155, "Economic Growth, Regulatory Relief, and Consumer Protection Act," which passed the Senate on a bipartisan basis on March 14, 2018.

Both the Congressional approach and the Proposed Rule would change the scope of loans subject to the higher capital charge and in some important respects take the same approach. For example, both proposals clarify when a loan constitutes permanent financing and therefore is no longer subject to the higher capital charge. In each proposal, a loan generally qualifies as permanent financing when cash flows generated by the real property are sufficient to support the debt service and expenses of the real

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Kevin Lundquist	**Arvest Bank Operations**
Charles McGortey	**Hardin Compliance Consulting**
Philip Martin	**Charles Schwab & Co.**
Lori Motto	**Citizens Bank**
Pete Newman	**BondWave LLC**

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property. In addition, each proposal appears to permit the reclassification to permanent financing of a loan, without a formal restructuring, upon the generation of cash flow by the real property sufficient to support debt service and expenses.

The Proposed Rule is generally more restrictive than the Congressional approach. For example, the Proposed Rule would make more loans subject to the higher capital charge by eliminating an important exemption to HVCRE characterization. Under this exemption, ADC loans are not HVCRE exposures if (i) they meet applicable loan-to-value ratios; (ii) the borrower has contributed capital of at least 15% of the real estate's "as completed" value; and (iii) the capital contributed to, or internally generated by, the project is contractually required to stay in the project through the life of the project. The Proposed Rule would eliminate the exemption altogether and, to compensate for the broader swathe of ADC loans that would be subject to a higher capital charge, the Proposed Rule would require HVCRE loans to carry 30% (rather than 50%) more capital than normal commercial real estate loans.

By contrast, the Congressional approach would retain and broaden the exemption (while retaining the 50% capital surcharge). First, under the Congressional approach, the value of contributed real property, for purposes of calculating the 15% contributed capital requirement, would be equal to its appraised value at the time of contribution. Second, under the Congressional approach, there would be no restriction on distributing capital in excess of the 15% requirement. Third, under the Congressional approach, only ADC loans secured by real estate would be subject to the higher capital charge, while under the Proposed Rule, loans that are not secured by real estate still could be covered.

Given the fact that similar legislation on this topic has passed both houses of Congress on a bipartisan basis, the Congressional approach appears to have momentum. If the legislation is enacted, most of the Proposed Rule would be rendered moot. Nevertheless, even if Congress fails to enact a statute on this issue, the Banking Agencies would not likely turn a blind eye to the Congressional approach, given the bipartisan support it has received.

For our client alert on the Proposed Rule, see: *https://www.mofo.com/resources/publications/170928-capital-treatment-adc-loans.html*. For our client alert on the legislation as it passed the House, see: *https://media2.mofo.com/documents/171127-high-volatility-real-estate.pdf*.

CFPB UPDATE

CFPB Issues Series of Feedback Requests

In the first quarter of 2018, the CFPB issued several Calls for Evidence or Requests for Information (collectively, RFIs) seeking feedback about various agency processes and actions. The series was prefaced by an announcement on January 17, 2018, which stated that the purpose of the series is to "ensure the Bureau is fulfilling its proper and appropriate functions to best protect consumers." Each RFI invites the public, including industry participants, to submit feedback and suggest improvements for both consumers and covered entities. The CFPB issued RFIs regarding civil investigative demands, administrative adjudications, enforcement, supervision, the Bureau's external engagements, public reporting of consumer complaints, the rulemaking process, and adopted regulations and new rulemaking authorities. In the CFPB press release announcing the series on January 17, acting Director Mick Mulvaney noted that the series was a natural result of the assumption of new leadership at the Bureau, and that the CFPB will continue "to critically examine its policies and practices to ensure they align with the Bureau's statutory mandate."

For our client alert on the initial announcement of the CFPB's review of its processes, please visit: *https://media2.mofo.com/documents/180118-cfpb-review-*

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Shomit Pandit	**Wells Fargo**
Anil Patel	**Wells Fargo**
Deanna Rankin	**Frost Bank**
Frank Schiavulli	**SS&C Technologies**

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functions.pdf. For additional alerts on the individual RFIs, please visit:

a) Civil investigative demands: *https://media2.mofo.com/documents/180201-cid-request-cfpb.pdf;*

b) Administrative adjudications: *https://media2.mofo.com/documents/180202-cfpb-administrative-adjudications.pdf;*

c) Enforcement: *https://media2.mofo.com/documents/180208-cfpb-rfi-enforcement.pdf;*

d) Supervision: *https://media2.mofo.com/documents/180220-cfpb-supervision-processes.pdf;*

e) Public reporting of consumer complaints: *https://media2.mofo.com/documents/180305-cfpb-consumer-complaints.pdf;* and

f) Rulemaking process: *https://media2.mofo.com/documents/180308-cfpb-feedback-rulemaking-process.pdf*.

Prepaid Accounts Rule Amended and Delayed

On February 13, 2018, the CFPB finalized new amendments to its November 2016 Prepaid Accounts Rule and delayed the effective date for all provisions of the Final Rule from April 1, 2018 until April 1, 2019. In finalizing the revisions proposed in June 2017 "generally as proposed," the new final amendments address specific issues identified by industry participants as requiring clarification. In addition to the change in the effective date, the new amendments finalize an exception for unverified prepaid accounts with respect to error resolution and limited liability requirements. The new amendments also finalize a clarification to the exclusion for loyalty, award, or promotional cards from the definition of "prepaid account" to the extent that they either include Regulation E gift card disclosures or are not marketed to the general public. Additional clarifications cover notices related to unsolicited issuance of prepaid cards, delivery of certain pre-acquisition disclosures, disclosure of additional fee types with more than two fee variations, limits on foreign language disclosures, requirements for submitting agreements to the Bureau, and the application of hybrid prepaid-credit card provisions to digital wallets. For our client alert on the final rule, please visit: *https://media2.mofo.com/documents/180129-cfpb-amends-prepaid-accounts-rule.pdf*.

CFPB Constitutional, but Wrong on RESPA

On January 31, 2018, the D.C. Circuit, *en banc*, handed down a long-awaited decision in *PHH Corp. v. CFPB*. The decision contained key rulings in two areas: (1) the constitutionality of the CFPB under principles of the separation of powers and (2) the safe harbor provision under Section 8(c) of the Real Estate Settlement Procedures Act of 1974 (RESPA). Stating that for-cause tenure protections were a "wholly ordinary" means of insulating independent agencies from political influence, the *en banc* panel overturned the original D.C. Circuit's holding that the structure of the CFPB violated the U.S. Constitution on the grounds that the CFPB is headed by a single director who is only removable by the president for cause. With respect to the underlying RESPA issues in the case, the court agreed that the CFPB's $109 million disgorgement penalty imposed on PHH was both inconsistent with fair notice principles because the government had never before found similar conduct to violate RESPA and based on an incorrect interpretation of the statute. Specifically, the court concluded that PHH had relied on a safe harbor under RESPA Section 8(c) and that the CFPB was bound by RESPA's three-year statute of limitations. The case has been remanded for further proceedings. For our client alert on the decision, please visit: *https://www.mofo.com/resources/publications/180201-phh-v-cfpb.html*. ■

Meghan E. Dwyer, Amanda J. Mollo, and Mark R. Sobin contributed to this column.

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B.J. Thomas	**Bank of the West**
Keith Tringone	**Wells Fargo**
Anthony Zak	**The PNC Financial Services Group, Inc.**
Angela Zinn	**Wells Fargo**

Watch For

CFTC

CFTC Press Release 7697-18 (February 15, 2018) – The CFTC issued a Customer Protection Advisory that warns customers to beware of and avoid pump-and-dump schemes that can occur in thinly traded or new "alternative" virtual currencies, digital coins or tokens.

Federal Reserve Board

Federal Reserve Press Release (February 5, 2018) – Five federal agencies propose to amend swap margin requirements to conform with recent rule changes that impose new restrictions on certain qualified financial contracts of systemically important banking organizations. Under the proposed amendments, legacy swaps entered into before the applicable compliance date would not become subject to the margin requirements if they are amended solely to comply with the requirements of the QFC Rules. The proposed amendments would also harmonize the definition of "Eligible Master Netting Agreement" in the Swap Margin Rule with recent changes to the definition of "Qualifying Master Netting Agreement" in the respective capital and liquidity regulations of the Federal Reserve, FDIC and OCC by recognizing the restrictions that were adopted by these agencies with respect to the QFC Rules. The agencies request comments on the proposed amendments no later than 60 days after the date of their publication in the *Federal Register*.

Federal Reserve Press Release (February 1, 2018) – The Federal Reserve Board released the scenarios banks and supervisors will use for the 2018 Comprehensive Capital Analysis and Review and Dodd-Frank Act stress test exercises, and issued instructions to firms participating in CCAR. Firms participating in CCAR are required to submit their capital plans and stress testing results to the Federal Reserve on or before April 5, 2018. The Federal Reserve will announce the results of its supervisory stress tests by June 30, 2018, with the exact date to be announced later.

Federal Reserve Press Release (January 29, 2018) – The FRB and the FDIC communicated their expectations to 19 foreign-based banking organizations for the firms' next resolution plans. The next resolution plans from these companies are due no later than December 31, 2018. To reflect the limited complexity of most of these firms' U.S. operations, the agencies are further tailoring their expectations for these firms' 2018 resolution plans. The FRB is also releasing feedback letters issued to the firms.

FINRA

FINRA Regulatory Notice 18-09 (March 7, 2018) – FINRA updated its designation criteria to require firms reporting U.S. Treasury securities to TRACE to participate in FINRA's BC/DR testing.

FINRA Regulatory Notice 18-08 (February 26, 2018) – FINRA seeks comment on a proposed new rule to address the outside business activities of registered persons. The proposal is the result of FINRA's recent retrospective review of FINRA's rules governing outside business activities and private securities transactions, FINRA Rule 3270 (Outside Business Activities of Registered Persons) and FINRA Rule 3280 (Private Securities Transactions of an Associated Person), respectively. The proposed rule would replace FINRA Rules 3270 and 3280 and is intended to reduce unnecessary burdens while strengthening investor protections relating to outside activities. The comment period expires April 27, 2018.

FINRA Regulatory Notice 18-07 (February 14, 2018) – FINRA is updating the Regulatory Extension system to include enhanced functionality that will better enable firms to request extensions of time related to FINRA Rule 4210, inclusive of requests for extensions of time in connection with the margin requirements for Covered Agency Transactions that will become effective beginning June 25, 2018. This Notice contains information about the REX system update, including a REX Customer Test Environment that FINRA will make available to assist firms in testing their systems to ensure their readiness for the updated system.

FINRA Regulatory Notice 18-05 (February 6, 2018) – FINRA requests comment on the application of certain rules to government securities and to other debt securities more broadly. The comment period expires April 9, 2018.

FINRA Regulatory Notice 18-04 (January 29, 2018) – FINRA and the other U.S. members of the Intermarket Surveillance Group have extended the effective date for compliance with certain data elements for Electronic Blue Sheets identified in FINRA Regulatory Notice 15-

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44 to November 15, 2018. FINRA and the other ISG members are extending the effective date for these data elements to be consistent with the exemptive relief recently granted by the SEC, which extended the compliance date for certain broker-dealer recordkeeping and reporting requirements of SEA Rule 13h-1 (Large Trader Rule) from November 1, 2017, to November 15, 2018. FINRA and the other ISG members are also updating certain data elements for EBS in response to Cboe Options Regulatory Circular RG17-144, C2 Options Regulatory Circular RG17-058, CFE Regulatory Circular RG17-014, NYSE MKT Trade Update Dated July 21, 2017, Securities Exchange Act Release Nos. 80325 and 81917. The updates are effective immediately.

MSRB

March 20, 2018 – The MSRB is providing new and updated interpretive guidance on MSRB rules related to confirmation disclosure and prevailing market price scheduled to go into effect on May 14, 2018. To facilitate compliance with the new requirements, in July 2017, the MSRB published guidance in the form of answers to frequently asked questions. The updated FAQs address new questions and clarify existing FAQs.

March 20, 2018 – The MSRB published a sample template and checklist to assist municipal advisors in establishing and maintaining written compliance policies and written supervisory procedures. This compliance resource is a tool for municipal advisors to enhance their understanding of the supervisory and compliance obligations under MSRB Rule G-44. The template illustrates one possible format for developing WSPs, and the checklist can be used as an aid in assessing whether WSPs address the applicable rules.

MSRB Notice 2018-04 (March 13, 2018) – The MSRB published a notice to inform MSRB-registered entities of the criteria for designating participants for the MSRB's next mandatory functional and performance testing of the operation of its business continuity and disaster recovery plans, under MSRB Rule A-18. To facilitate compliance with Securities and Exchange Commission Regulation Systems Compliance and Integrity (Regulation SCI), the MSRB adopted Rule A-18 on Mandatory Participation in Business Continuity and Disaster Recovery Testing on November 2, 2015.

MSRB Press Release (March 12, 2018) – The MSRB published an issue brief about historical policy issues and additional considerations related to the use of minimum denominations in the sale of municipal securities. The report, intended as a resource for municipal market stakeholders and others, details information drawn from the MSRB's outreach to diverse market stakeholders on minimum denominations.

MSRB Press Release (February 15, 2018) – The MSRB requested input from municipal market participants and the public on a draft compliance resource about core requirements for municipal advisors related to providing advice on, and making recommendations of, municipal securities transactions or municipal financial products. Comments should be submitted no later than April 16, 2018.

MSRB Notice 2018-03 (February 15, 2018) – The MSRB is requesting input from market participants and the public on a draft set of frequently asked questions related to certain aspects of MSRB Rule G-42, on duties of non-solicitor municipal advisors. The purpose of this notice is to seek information and insight from commenters to further inform the MSRB's development of the FAQs for publication. Information may be submitted through April 16, 2018 in electronic or paper form.

January 22, 2018 – The MSRB reminds municipal securities dealers that amendments to MSRB Rule G-26, on customer account transfers, become effective on January 29, 2018. The amendments promote a uniform customer account transfer standard for all municipal securities dealers.

OCC

OCC Bulletin 2018-4 (February 23, 2018) – The OCC published a final rule in the *Federal Register* to implement several technical and conforming changes to the OCC's Annual Stress Test regulation (12 CFR 46). The final rule changes the range of possible "as-of" dates used in the global market shock component to conform to changes recently made by the Board of Governors of the Federal Reserve System to its stress testing regulations. The final rule also changes the transition period for an institution that becomes an over $50 billion covered institution. Finally, the final rule makes certain technical changes to clarify the requirements of the OCC's stress testing regulation. The rule will be effective on March 26, 2018.

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SEC

SEC Press Release 2018-43 (March 14, 2018) – The SEC voted to propose new Rule 610T of Regulation NMS to conduct a Transaction Fee Pilot in NMS stocks. The proposed pilot would subject stock exchange transaction fee pricing, including "maker-taker" fee-and-rebate pricing models, to new temporary pricing restrictions across three test groups, and require the exchanges to prepare and publicly post data. The public comment period will remain open for 60 days following publication of the proposing release in the *Federal Register.*

SEC Press Release 2018-42 (March 14, 2018) – The SEC proposed amendments to public liquidity-related disclosure requirements for certain open-end investment management companies. Under the proposal, funds would discuss in their annual report the operation and effectiveness of their liquidity risk management program, replacing a pending requirement that funds publicly provide the aggregate liquidity classification profile of their portfolios on Form N-PORT on a quarterly basis.

SEC Press Release 2018-24 (February 21, 2018) – The SEC voted to extend by six months the deadline by which open-end funds must comply with certain elements of the Commission's liquidity risk management program rule. The new compliance date will provide funds additional time to complete implementation of the final rule's classification requirement, along with specified other elements that are tied to the classification requirement. Pursuant to today's rule, the compliance date for implementation of the classification and classification-related elements of the liquidity rule is June 1, 2019, for larger fund groups, and Dec. 1, 2019, for smaller fund groups. The other requirements will go into effect as originally scheduled: Dec. 1, 2018, for larger fund groups, and June 1, 2019, for smaller fund groups. Commission staff also today issued an additional set of FAQs related to the liquidity rule, focusing on questions that have arisen with respect to the liquidity classification process. These FAQs should provide additional clarity to funds as they implement the final rule during the additional time that the Commission provided.

SEC Press Release 2018-22 (February 21, 2018) – The SEC voted to approve a statement and interpretive guidance to assist public companies in preparing disclosures about cybersecurity risks and incidents. The guidance provides the Commission's views about public companies' disclosure obligations under existing law with respect to matters involving cybersecurity risk and incidents. It also addresses the importance of cybersecurity policies and procedures and the application of disclosure controls and procedures, insider trading prohibitions, and Regulation FD and selective disclosure prohibitions in the cybersecurity context.

SEC Press Release 2018-15 (February 12, 2018) – The SEC's Division of Enforcement announced a self-reporting initiative that seeks to protect advisory clients from undisclosed conflicts of interest and return money to investors. Under the Share Class Selection Disclosure Initiative, the Division will agree not to recommend financial penalties against investment advisers who self-report violations of the federal securities laws relating to certain mutual fund share class selection issues and promptly return money to harmed clients. Eligibility for the SCSD Initiative is explained in a detailed announcement by the Enforcement Division. Investment advisers must notify the Division of Enforcement of their intent to self-report no later than June 12, 2018, by email to SCSDInitiative@sec.gov or by mail to SCSD Initiative, U.S. Securities and Exchange Commission, Denver Regional Office, 1961 Stout Street, Suite 1700, Denver, Colorado 80294.

Available Publications

MSRB Press Release (February 21, 2018) – The MSRB publishes the annual *Fact Book* of municipal securities market data. The *Fact Book* provides comprehensive and historical statistics on municipal market trading patterns, primary market and continuing disclosures among other data, and serves as a resource for analysts, policymakers and others interested in disclosure and trading trends. The 2017 *Fact Book* contains municipal securities data for the last five years.

OCC Bulletin 2018-3 (January 31, 2018) – The OCC issued the updated "Municipal Securities Rulemaking Board Rules" booklet of the *Comptroller's Handbook*. The booklet incorporates updated guidance and examination procedures following changes to the MSRB rules on best execution, transactions with sophisticated municipal market professionals, and regular-way settlement for municipal securities transactions. In addition, technical revisions were made to this booklet to incorporate changes to 12 CFR 10 regulatory filing requirements, which now apply to federal savings associations engaged in municipal securities dealer activities. The updated booklet replaces the booklet of the same title issued in July 2014.

Program Update

2018 Securities Compliance Seminar

Registrations are still being accepted for FMA's 27th Securities Compliance Seminar taking place **April 18 – 20** at the Sheraton Charlotte Hotel (on South McDowell Street) in **Charlotte, North Carolina.** This annual program is a three-day educational and networking experience for securities compliance professionals, internal auditors, risk managers, attorneys and regulators.

photo courtesy of charlottesgotalot.com

The Planning Committee has been hard at work developing varied agenda topics and confirming noted industry leaders and regulators as speakers. Members include: **Michelle Dávila** *(Franklin Templeton Investments)*; **Charis Jones** *(LPL Financial)*; **Anna Pinedo** *(formerly at Morrison & Foerster LLP and now at Mayer Brown LLP)*; **Ann Robinson** *(RegEd)* and **Rich Saltz** *(Wells Fargo)*.

The current agenda (which can be viewed/downloaded at *www.fmaweb.org* includes these sessions and confirmed speakers:

Pre-Seminar *Interactive* Workshop

- Joy Aldridge ■ Compliance Counsel LLC
- Gene Gunderson ■ Synovus Securities, Inc.
- Wesley Moore ■ Quarule, Inc.
- Deanna Rankin ■ Frost Bank

Key 2018 Legislative and Regulatory Initiatives

- Thomas Grygiel ■ ACA Compliance Group
- Oliver Ireland ■ Morrison & Foerster LLP
- Edward O'Keefe ■ Moore & Van Allen PLLC

First-timer, team, regulatory/government/SRO and 2-for-1 (NC/SC local attendees only) registration discounts are available.

BCP, Data Security and Cybersecurity: Avoiding Pitfalls and Mitigating Risk

- Tom Embrogno ■ Tom Tech Consulting
- Diane Novak ■ HomeStreet Bank
- Steve Stone ■ Wells Fargo
- Matthew White ■ Baker Donelson

Internal Audit Hot Topics and Emerging Risks

- Paul Bassler ■ Regions Financial Corporation
- Shellie Creson ■ Fifth Third Bank
- Laura Gellman ■ Citibank
- Daniel New ■ EY

BSA/AML/OFAC Compliance – Developments and Enforcement Trends

- Barbara Alonso ■ Credit Agricole Indosuez, Miami Agency
- Katrina Carroll ■ LPL Financial
- Daniel Tannebaum ■ PricewaterhouseCoopers LLP
- Rachel Dondarski ■ OFAC *(Invited)*

Emerging Technology: Digital Advice

- Philip Martin ■ Charles Schwab & Co.
- Wesley Moore ■ Quarule, Inc.
- Jared Shaw ■ EY

Fiduciary Standard Rulemaking

- Brad Busscher ■ Incapital LLC
- Evan Rosser ■ Oyster Consulting, LLC
- Leith Thompson ■ The PNC Financial Services Group, Inc.

Regulatory Forum—Banking

- James Gallagher ■ OCC
- Howard Kirkham ■ FRB-Chicago
- Michael Orange ■ FDIC

SEC / OCIE Enforcement Hot Topics for Advisors

- Asher Ailey ■ Research Affiliates, LLC
- Andrew "Buddy" Donohue ■ Shearman & Sterling LLP
- Brian Rubin ■ Eversheds Sutherland (US) LLP

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Conflicts of Interest

- Louis Dempsey ■ Renaissance Regulatory Services, Inc.
- John Ivan ■ Capital Forensics, Inc.
- James Rabenstine ■ Nationwide Financial Services
- Ann Robinson ■ RegEd

Bank Products and Bank Networking Arrangements

- Paul Clark ■ Seward & Kissel LLP
- Jeffrey Holik ■ Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
- Greg Olson ■ Cetera Financial Group

CCO Liability: Minimizing Your Exposure Without Compromising Your Effectiveness

- Karen Aavik ■ KeyBank
- Mark Carberry ■ J.P. Morgan
- Dionne Fajardo ■ Wiand Guerra King P.A.
- Daniel Nathan ■ Orrick, Herrington & Sutcliffe LLP

Regulatory Forum—Securities

- Cynthia Friedlander ■ FINRA
- Kevin Harrington ■ NC Division of Securities
- Donald Litteau ■ FINRA
- Saliha Olgun ■ MSRB
- John Sweeney ■ SEC

Senior Investor Protections

- Joseph Brady ■ NASAA
- Gary Klein ■ Fifth Third Bank
- Miriam Lefkowitz ■ Summit Financial Resources, Inc. / Summit Equities, Inc.

Peer Groups

Peer group discussions (lead by facilitators) will take place Thursday afternoon. Participants will meet in small groups to discuss more in-depth a variety of issues and teach each other current best practices. If you plan to participate in these discussions, please suggest 4 potential topics below and send in to FMA:

1. _____
2. _____
3. _____
4. _____

ATTENTION VOLUNTEERS – If you would like to facilitate one of these discussions, please contact FMA.

photo courtesy of charlottesgotalot.com

Informal group dinners, led by dinner captains, will take place Wednesday and Thursday evenings. Let Dorcas Pearce know if you'd like to sign up for these casual dining & networking opportunities. Please note the cost is not included in the registration fee… everyone will be on their own.

FMA's room block at the Sheraton Charlotte (on South McDowell Street) expires **March 27**. After that date, room rates may increase significantly and there's a chance the block could sell out before then. Click here to make a reservation – **FMA 2018 Compliance Seminar** (OR copy and paste this link into a web browser – *https://www.starwoodmeeting.com/events/start.action?id=1710128042&key=31029266*. You can also call 704/372-4100 (main hotel #) or 877/822-3224 (reservations call center) — *mention "FMA 2018 Compliance Seminar" or "Financial Markets Association"* when making your reservation to get FMA's low group rate of $194. If you're told the block is full, contact Dorcas Pearce. FMA may have a few rooms in reserve still at the group rate that will be given out on a first-come, first-served basis.

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Program Update *(continued from page 14)*

Register today for this important spring conference – deep discounts are still available to first-timers, teams, govt/regulatory/SROs and North & South Carolina "locals" (2-for-1). Contact Dorcas Pearce at *dp-fma@starpower.net* or 202/544-6327 with questions and/or to register. Online registration is also available at *www.fmaweb.org*.

CLE / CPE

CLE and CPE accreditation (among others) is available. **Good news…North Carolina** has approved the program for **17.25** hours. **Pennsylvania**, **Tennessee**, **Illinois**, **Minnesota**, **North Dakota** and **Florida** have also given CLE approval. Contact Dorcas Pearce at *dp-fma@starpower.net* or 202/544-6327 to request accreditation and/or if you have questions.

Workshop—Is Your Firm Scandal-Proof?

Joy Aldridge (Compliance Counsel LLC); **Gene Gunderson** (Synovus Securities); **Deanna Rankin** (Frost Bank); and **Wesley Moore** (Quarule, Inc.) will lead an optional pre-seminar interactive workshop, "**Is Your Firm Scandal-Proof?**", on Wednesday, April 18 from 8:30–10:45 am. This workshop will focus on the intersection where Risk Management, Compliance, Audit and Legal meet. The discussion leaders will offer suggestions on what a firm can do to better scandal-proof itself.

Although no additional registration fee will apply, **space is limited and pre-registration is required**. Contact Dorcas Pearce at *dp-fma@starpower.net* or 202/544-6327 for details and/or to register.

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photo courtesy of charlottesgotalot.com

FMA gratefully acknowledges these sponsors of FMA's 2018 Securities Compliance Seminar

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pwc

Program Update *(continued from page 15)*

2018 Legal and Legislative Issues Conference

FMA's 27th **Legal and Legislative Issues Conference** will take place this fall here in Washington, DC. Dates and hotel and now being explored. Further information will appear in future issues of *Market Solutions*.

This annual program is a high-level forum for banking and securities attorneys as well as senior compliance officers/risk managers, internal auditors and regulators. The two-day event provides participants with a unique opportunity to share information on current legal and regulatory developments as well as network with peers in an intimate environment.

FMA is now assembling a Program Planning Committee to develop an agenda focusing on current areas of regulatory and Congressonal scrutiny/ activity. If you would like to volunteer for the committee, participate as a speaker, or offer topical and/or speaker suggestions, contact Dorcas Pearce at *dp-fma@starpower.net* or 202/544-6327.

FMA requests your input! An e-survey will be sent out in April to a sampling of past conference attendees and friends of the firm asking for topical and speaker suggestions. The Planning Committee will rely greatly on these responses when formulating the program...so please respond quickly and share your thoughts and ideas…even if you do not receive the survey. **Help us make this the best conference ever.**

CLE and CPE accreditation…as well as 2-for-1, first timer, govt/regulatory/SRO and team discounts…will be available, so be sure to budget for (and plan to attend) the 2018 Legal & Legislative Issues Conference. Contact Dorcas Pearce at *dp-fma@starpower.net* or 202/544-6327 with questions and/or to volunteer.

ATTENTION SPONSORS! FMA is actively pursuing sponsorship opportunities regarding this conference. Please contact FMA if your firm would like to support this event.

2018 Examination Priorities

SEC

https://www.sec.gov/about/offices/ocie/national-examination-program-priorities-2018.pdf

FINRA

http://www.finra.org/newsroom/2018/finra-releases-2018-regulatory-and-exam-priorities

Who's News

Alberto Arevalo, an Associate Director in the SEC's Office of International Affairs, retired last month after 28 years of public service. Congratulations and best of luck, Alberto.

In addition to his current role as a Senior Fellow at CPE Interactive, Inc., **Nicholas Benvenuto** has been named President at ITCAR Associates, Inc.

Stephanie Boryla has been promoted to Chief Compliance Officer at UMB Financial Corporation.

Ryan Clougherty has joined CIBC Bank USA as Associate General Counsel. Previously, Ryan was CCO at INTL FCStone Markets, LLC.

Daniel Earles has joined Mechanics Bank as SVP/ Director of Enterprise Risk. Previously, Dan was the National Manager for Enterprise Compliance at Toyota Financial Services and CCO at Toyota Financial Services Securities USA Corporation.

Robert Jamieson has been promoted to Shareholder at Wiand Guerra King P.A.

Chris Kaufman has joined Sierra Pacific Securities, LLC as its Chief Administrative Officer. Previously, Chris was Chief Operating Officer/Director at Impact Consultants, Inc.

Dietrich King has joined the Securities and Capital Markets Group at Ballard Spahr where he will be based in their Philadelphia office. Previously, Dieter was Assistant Director/Office of Financial Services in the SEC's Division of Corporation Finance.

Kevin Kostyk has joined PNC's regulatory group as Counsel. Previously, Kevin was an associate at Schulte Roth & Zabel LLP and an attorney at the Federal Reserve Board.

Stu Lehr, Industry Principal - Finacle at Infosys Technologies Ltd., will retire in April after 32 years in the financial services industry. Stu's work history included stints at U.S. Bank, Union Bank, Bank of Hawaii, PayPal and Wells Fargo. Congratulations and best of luck, Stu!

Christopher Lui has been promoted to U.S. Head of Regulatory Compliance Risk Strategy, Monitoring, and Testing at HSBC.

Kyle Moffatt has been named Chief Accountant in the SEC's Division of Corporation Finance. Mr. Moffatt has served as Acting Chief Accountant in the Division since January 2018.

Mike Origlia has joined Raymond James as a Managing Director. Previously, Mike was SVP, Branch Manager at Wells Fargo Advisors.

Tracy Peebles has joined HomeStreet Bank as FVP, Senior Corporate Compliance Manager. Previously, Tracy was Director of Corporate Compliance at Silicon Valley Bank.

Anna Pinedo has joined Mayer Brown as Partner and Co-Leader, Global Capital Markets. Previously, Anna was a Partner at Morrison & Foerster LLP.

Lawrence Sandor has joined LendingClub as Head of Investor Group Compliance. Previously, Larry was Head of Compliance, Wealth Management Group at Bank of the West and before that, CCO/Deputy General Counsel at the MSRB.

James Shorris has joined BMO Capital Markets as VP & CCO. Previously, Jim was SVP/CCO Enterprise Regulatory Programs @ Citizens Financial Group, Inc.

Andrew Tino now has assumed expanded responsibilities at PNC including second line compliance coverage for all of PNC's Corporate and Institutional Banking, Broker/Dealer and Asset and Liability management activities.

James Van De Graff has joined Optiver Holding B.V. as Global Compliance Officer. Previously, James was a Partner at Katten Muchin Rosenman LLP.

Caesar Velasco has joined the The Mercatus Center as a Financial Reporting Accountant. Previously, Caesar was a business transactions, corporate governance, and financial regulatory paralegal at WilmerHale and Danaher Corporation.