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Newsletter

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Insurers May Cut Allocations to Poorly Performing Hedge Fund Investment Sector

Having complained for years about hedge funds' high fees and lackluster performance, insurance firms may be preparing to cut allocations to the sector after its poor performance during recent market upheaval left many of them nursing losses.

[Read On.](#)

CFTC Closes A Loophole For Exempt Commodity Pool Operators

New CFTC regulation requires persons seeking exemption from Commodity Pool Operator (CPO) registration requirements to affirm that neither the CPO nor its principals have a "statutory disqualification".

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SEC Fines Broker-Dealer \$100000 for Failing to Retain Text Messages

The SEC entered an order yesterday against JonesTrading Institutional Services for failing to retain text messages relating to the firm's business. The firm was fined \$100,000. The firm's policies restricted employees from conducting business over text message or on personal devices, and employees annually attested to their compliance with those policies. However, according to the Order the broker-dealer's employees had conducted firm business using text messages, persons in the firm's compliance department and management knew that text messages were sometimes used for discussing firm business and those text messages were not retained within the firm's regulatory records repository and therefore could not be produced in response to the third-party subpoena.

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The SEC Just Reduced Risk For Crypto Broker-Dealers

A letter from the SEC to FINRA has clarified in what order and under what conditions crypto broker-dealers can swap digital assets. The note helps make it easier and less risky for businesses like Coinbase to deal with crypto swaps.

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FINRA Working on Reg BI Guidance, Mulling Exam Changes

FINRA plans to issue guidance in the coming months on areas that broker-dealers should focus on regarding Regulation Best Interest compliance and also is mulling some exam changes, FINRA CEO Robert Cook said.

[Read On.](#)