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Commission Adopts Rules to Increase Protections for Investors with Assets Being Held By Broker-Dealers.

The Commission today announced the adoption of rules designed to substantially increase protections for investors who turn their money and securities over to broker-dealers registered with the SEC.

The new rules, approved by a 3-2 Commission vote, require broker-dealers to file new reports with the Commission that should result in higher levels of compliance with the SEC's financial responsibility rules.

"These rules will provide important additional safeguards for customer assets held by broker-dealers," said Mary Jo White, Chair of the SEC. "These rules will strengthen the audit requirements for broker-dealers and enhance our oversight of the way they maintain custody of their customers' assets."

Broker-dealers are required to begin filing new quarterly reports with the SEC and annual reports with SIPC by the end of 2013. The requirement for broker-dealers to file annual reports with the SEC is effective June 1, 2014. (Press Rel. 2013-141; 34-70073)

<http://www.sec.gov/News/PressRelease/Detail/PressRelease/1370539740621#.UgQaReDxYeF>