

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **BDA Submits Comment Letter on FINRA Gifts, Gratuities and Non-Cash Compensation Rules.**

Bond Dealers of America submitted its [comment letter](#) to FINRA in response to its request for comment on proposed amendments to its gifts, gratuities, and non-cash compensation rules.

BDA submitted its comment letter to FINRA in response to its request for comment on proposed amendments to its gifts, gratuities, and non-cash compensation rules. You can view FINRA's regulatory notice [here](#).

FINRA has proposed to consolidate various interpretative guidance documents related to gifts and non-cash compensation into the FINRA rulebook. Additionally, FINRA is proposing to increase its gifts limit from \$100 to \$175 to account for the rate of inflation since the adoption of the \$100 limit. BDA's letter recommends that FINRA:

- Should not raise its gifts limit, from \$100 to \$175, in order to remain harmonized with the MSRB to reduce any unnecessary compliance complexity for dealers
- Increase its gift limit to \$200, if FINRA deems an increase necessary, to make record keeping easier to track for dealer firms

### **Other Notable Proposed Amendments**

#### **Expanding Non-Cash Compensation Rules:**

FINRA has proposed to amend the non-cash compensation rules to cover all securities products

#### **Internal Sales Contests:**

FINRA has proposed a revised approach to internal sales contests to be based on total production of all securities

#### **A New Requirement for WSPs:**

FINRA proposes a requirement for firms to incorporate business entertainment into their written policies and supervisory procedures

### **Additional Information**

BDA's December 2014 comment letter to the MSRB can be reviewed [here](#).

09-23-2016