

Bond Case Briefs

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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