
Towards a Consolidated Rulebook: FINRA's Proposals Achieve Harmonization, but Raise Questions

2008-05-27

The Financial Industry Regulatory Authority ("FINRA") published on May 14, 2008, four regulatory notices proposing rules for its "Consolidated Rulebook." The proposals address the following areas:

- (1) Supervision and supervisory controls;
- (2) Financial responsibility;
- (3) Books and records requirements; and
- (4) Investor education and protection.

FINRA's existing rulebook is called the "Transitional Rulebook" and consists of the NASD rules, which are applicable to all FINRA members, and certain rules incorporated from the New York Stock Exchange ("NYSE") Rulebook, which are applicable to FINRA members that also are NYSE members. The recent proposals would eliminate corresponding rules in the Transitional Rulebook, and the Consolidated Rulebook eventually will replace the Transitional Rulebook in its entirety.

The comment period for each of the proposals ends on June 13, 2008. Separate comment periods will follow FINRA's filing of the rule proposals—in their current or amended form—for approval by the Securities and Exchange Commission ("SEC").

[Click here](#) to read more on the significant substantive aspects of the various rule proposals, and their implications for FINRA members.

Authors

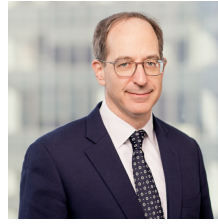


Yoon-Young Lee

SENIOR COUNSEL

✉ yoonyoung.lee@wilmerhale.com

☎ +1 202 663 6720



Bruce H. Newman

PARTNER

✉ bruce.newman@wilmerhale.com

☎ +1 212 230 8835



Stephanie Nicolas

PARTNER

✉ stephanie.nicolas@wilmerhale.com

☎ +1 202 663 6825



Andre E. Owens

PARTNER

Chair, Broker-Dealer Compliance
and Regulation Practice

✉ andre.owens@wilmerhale.com

☎ +1 202 663 6350