

## BROKER-DEALER

### **SEC Requests Public Comment on Improving Private Security Offering Exemptions**

On June 18, the Securities and Exchange Commission requested public comment on ways to simply harmonize and improve the private securities offering exemptions from registration under the Securities Act of 1933. In its concept release, the SEC indicated that it “believe[s] our capital markets would benefit from a comprehensive review of the design and scope of our framework for offerings that are exempt from registration” in order to develop a “framework to promote capital formation and expand investment opportunities.”

The concept release identifies a number of topics to be addressed, including evaluating the overall framework and coverage of the private securities offering exemptions, adjusting the limitations on who should be permitted to invest in particular exempt offerings and in what amounts, facilitating issuer transition from one offering to another, expanding the role of pooled investment vehicles, including increasing the exposure of retail investors to early-stage companies through pooled investment funds, and updating secondary trading rules with respect to securities that were offered in an exempt offering.

The public comment period for the concept release will remain open for 90 days following publication of the release in the Federal Register.

The SEC press release and fact sheet is available [here](#).

The SEC concept release is available [here](#).

## PRIVATE INVESTMENT FUNDS

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## FINANCIAL MARKETS

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## CFTC

### **NFA Issues Notice of Annual Surcharge to Certain Member Firms**

On June 20, the National Futures Association (NFA) issued Notice to Members I-19-15 (Notice), announcing the approval of a \$1,750 annual surcharge (Surcharge) on certain NFA members, including futures commission merchants for which NFA is the designated self-regulatory organization, introducing brokers, commodity pool operators and commodity trading advisors that are approved as swap firms pursuant to NFA Bylaw 301(I)1. The Commodity Futures Trading Commission recently approved an amendment to NFA Bylaw 1301 that allows for the Surcharge (for additional information regarding the amendment, please refer to the [May 24, 2019 edition of Corporate & Financial Weekly Digest](#)). The NFA Board of Directors determined to impose the Surcharge because NFA does not currently assess any fees related to its oversight of the swaps activities of member firms.

The Surcharge will become effective on January 1, 2020 and will be included in all invoices related to membership dues for swap-approved or swap-pending member firms that are payable after that date. Member firms that are not engaged in swaps activities and are not required to be swap-approved firms may avoid the Surcharge by filing a Form 7-W prior to January 1, 2020 to withdraw their swap approval status.

A copy of the Notice is available [here](#).

## EU DEVELOPMENTS

### **Amendments Published to Ensure EMIR REFIT is Fully Effective in the UK**

On June 18, 2019, the Financial Services and Markets Act 2000 (Over the Counter Derivatives, Central Counterparties and Trade Repositories) (Amendment) Regulations 2019 (the Regulations) were published on [legislation.gov.uk](http://legislation.gov.uk) with an explanatory memorandum.

The Regulations make amendments to UK legislation to ensure that the regulation amending the European Market Infrastructure Regulation (EMIR REFIT) is fully effective and enforceable in the United Kingdom. As explained in the explanatory memorandum, the changes introduced by the EMIR REFIT do not require a consultation because it is EU regulation that is directly applicable to the United Kingdom.

The Regulations are available [here](#) and their explanatory memorandum is available [here](#).

For additional coverage on financial and regulatory news, visit [Bridging the Week](#), authored by Katten's [Gary DeWaal](#).

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EU DEVELOPMENTS

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\* Click [here](#) to access the *Corporate & Financial Weekly Digest* archive.

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