

## COVID-19 Regulatory Actions and Developments

### Introducing Broker

#### Commodity Futures Trading Commission (CFTC)

**Date:** April 24, 2020

***Temporary No-Action Relief for Principal or Associated Person Listings/Registrations***

CFTC staff have provided temporary no-action relief for any newly listed principals of registrants and any applicants for associated person registration from providing a fingerprint card with his or her Form 8-R, subject to certain conditions. This relief extends through the earlier of (i) July 23, 2020, or (ii) until the National Futures Association notifies the public that it has resumed processing fingerprints.

[External Link](#)

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**Date:** April 23, 2020

***Targeted No-Action Relief for FCMs and IBs Regarding Net Capital Treatment of Certain Funds***

CFTC staff issued targeted no-action relief to FCMs and IBs in connection with calculating the FCM's or IB's net capital under CFTC Regulation 1.17, allowing an FCM or IB to add back to its capital the forgivable expense amount under a loan covered by the Paycheck Protection Program, subject to certain requirements. Likewise, an FCM or IB that also is a "small firm" FINRA member may add back to its capital any accrued and unpaid FINRA annual assessment fees permitted to be deferred according to FINRA's guidance.

[External Link](#)

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**Date:** March 17, 2020

***Temporary No-Action Relief for FCMs and IBs***

CFTC staff issued no-action relief until June 30, 2020 to futures commission merchants and introducing brokers that fail to comply with requirements to (1) make and keep records of oral communications or (2) record date and time by time-stamp or other timing device pursuant to applicable CFTC regulations, each subject to certain conditions. In addition, CFTC staff issued a 30-day extension on filing FCM CCO annual reports, subject to certain conditions.

[External Link](#)

## National Futures Association (NFA)

**Date:** June 12, 2020

### **NEW! *Extension of Temporary Relief***

Consistent with no-action relief granted by the CFTC in CFTC Letter No. 20-19, NFA has extended through September 30, 2020 the regulatory relief previously granted to futures commission merchants, introducing brokers, swap dealers and forex dealers relating to timestamping and oral communications recordkeeping.

[External Link](#)

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**Date:** May 13, 2020

### ***Increase in Fraudulent Phishing Emails***

NFA warned its members of an increase in fraudulent phishing emails affecting member firms.

[External Link](#)

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**Date:** April 27, 2020

### ***Relief from Fingerprinting Requirements***

Consistent with no-action relief granted by the CFTC in CFTC Letter No. 20-16, NFA has provided regulatory relief to newly listed principals of registrants and applicants for associated person registration from providing a fingerprint card with his or her Form 8-R, subject to certain conditions.

[External Link](#)

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**Date:** April 23, 2020

### ***FCM and IB Net Capital Relief***

Consistent with no-action relief granted by the CFTC in CFTC Letter No. 20-15, NFA will permitting futures commission merchants and independent introducing brokers to add back to their capital any forgivable expense amount under a loan covered by the Paycheck Protection Program, as well as any unpaid FINRA annual assessments deferred in accordance with FINRA's guidance.

[External Link](#)

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**Date:** April 8, 2020

### ***NFA Highlights FinCEN Updates***

NFA has issued a notice to members registered as futures commission merchants and introducing brokers highlighting a special announcement published by the Financial Crimes Enforcement Network relating to the COVID-19 pandemic.

[External Link](#)

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**Date:** March 26, 2020

### ***Temporary Extensions for IB Financial Filings***

NFA issued a 30-day extension for independent introducing broker certified financial reports and a 10-day extension for independent IB monthly, quarterly and semi-annual reports.

[External Link](#)

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**Date:** March 18, 2020

***NFA Recordkeeping Relief and CCO Annual Report Extension***

Consistent with CFTC Letters Nos. 20-03, 20-05 and 20-06, NFA has issued relief to futures commission merchants, introducing brokers, swap dealers and forex dealers from timestamping and oral communications recordkeeping requirements. Likewise, NFA has issued a 30-day extension for forex dealer CCO annual reports.

[External Link](#)

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**Date:** March 13, 2020

***NFA Branch Office Requirements Relief***

NFA has issued relief to firms with employees working from locations not listed as a branch office without a branch manager during the COVID-19 pandemic.

[External Link](#)

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**Date:** March 4, 2020

***NFA Reminder on BCPs***

NFA has issued a notice encouraging members to review their business continuity plans.

[External Link](#)

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***Prometric Testing Centers***

NFA has announced that the administrator of its proficiency examinations, Prometric, has temporarily closed its testing centers for a minimum of 30 days, starting March 18, 2020.

[External Link](#)

## Other Regulatory

**Date:** April 3, 2020

***FinCEN Issues Special Notice***

The Financial Crimes Enforcement Network has issued a notice to assist financial institutions in complying with anti-money laundering and related obligations during the COVID-19 pandemic. The notice also includes a direct contact mechanism for urgent COVID-19-related issues.

[External Link](#)

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**Date:** April 6, 2020

***KOSPI 200 Index Transitions to Narrow-Based Security Index***

Korea Exchange ("KRX") noted that the KOSPI 200 index was deemed a narrow-based security index under the U.S. Commodity Exchange Act and U.S. Securities Act since April 1, 2020, and as such, futures on the KOSPI 200 index are now available for trading by certain U.S. persons

only in accordance with applicable SEC and CFTC staff guidance. In addition, KOSPI 200 index futures are no longer available for trading via Globex pursuant to a 2014 KRX – CME Group Strategic Partnership.

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