

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](#)

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](#)

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: September 15, 2020

NEW! Recordkeeping Relief

Consistent with CFTC Letter No. 20-26, NFA has extended through January 15, 2021 relief previously granted to futures commission merchants, introducing brokers, swap dealers and forex dealers relating to timestamping and oral communications recordkeeping requirements.

[External Link](#)

Date: June 12, 2020

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](#)

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](#)

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](#)

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](#)

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](#)

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](#)

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](#)

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](#)

Date: March 4, 2020

NFA Reminder on BCPs

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

[External Link](#)

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](#)

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.

[External Link](#) and [External Link](#)
