

Corporate & Financial Weekly Digest

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FINRA Revises the FINRA Sanction Guidelines

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The Financial Industry Regulatory Authority, Inc. has made modifications to the FINRA Sanction Guidelines (Regulatory Notice 11-07). According to the notice, the changes reflect the experience of FINRA's Departments of Market Regulation and Enforcement in settling and litigating cases, and incorporate the findings of federal appellate court and Securities and Exchange Commission precedent in recent FINRA disciplinary cases. The revised Sanction Guidelines are effective immediately and are available on [FINRA's website](#). Among other things, the revisions: (i) remove the Minor Rule Violation Plan Letter from the definition of a disciplinary "action" for purposes of considering prior actions; (ii) modify the guidelines for violations related to the sale of unregistered securities to reflect that adjudicators should consider higher fines and firm suspensions in egregious cases; and (iii) expressly provide for restitution or disgorgement in certain trading halt and best execution cases.

Click [here](#) to read FINRA Regulatory Notice 11-07.

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