

After approximately 16 years of publication, today is our final official edition of *Corporate & Financial Weekly Digest*. On behalf of our attorneys, editors and all of our authors, we are proud to have been a reliable source on trending legal issues. Please stay tuned, as Katten will continue to provide timely, educational updates to our clients and subscribers via advisories and other future publications.

BROKER-DEALER

FINRA Publishes 2021 Industry Spotlight

On May 25, the Financial Industry Regulatory Authority (FINRA) published the 2021 FINRA Industry Spotlight (Industry Spotlight), which is FINRA's annual statistical report covering the brokerage firms, registered representatives and market activity that FINRA regulates. The 2021 edition includes new statistics on US Treasury volume and corporate financing filings. The Industry Spotlight also includes 2020 data on the size and geographic distribution of the firms FINRA regulates, the number of individuals in the industry, equity and fixed income trading activity, and how firms marketed their products and services during the last year. It also includes additional data sets, specifically data on Treasury market activity, focusing on volumes by both participant and product type.

[2021 FINRA Industry Spotlight](#)

FINRA Publishes 2021 Budget

The Financial Industry Regulatory Authority (FINRA) has published its 2021 Annual Budget Summary (Budget Summary), which outlines how FINRA plans to deploy resources in 2021 to meet its various regulatory responsibilities.

As described in the Budget Summary, FINRA's 2021 operating revenues are projected to be lower than 2020 operating revenues, due to the unique set of circumstances arising from the COVID-19 pandemic that contributed to increased revenues due primarily to higher trading volumes and a large number of public offerings. Operating expenses are anticipated to increase in 2021 over 2020 budgeted levels, with headcount gradually rising to budgeted levels and in-person testing and travel expected to increase throughout the year.

As described in the summary, the 2021 budget also includes \$83.4 million for one-time, key initiatives, which include modernizing systems that support member firm registration, filing and reporting requirements; digitalization of FINRA's Enforcement programs; compliance with Consolidated Audit Trail requirements; adjustments to FINRA's real estate footprint in New York to relocate certain functions to lower-cost properties; and significantly improving FINRA's advanced analytics capabilities.

[FINRA 2021 Annual Budget Summary](#)

DERIVATIVES

See "CFTC Announces Agricultural Advisory Committee Meeting" and "Effective Date for NFA Member Swap Dealer and Major Swap Participant Dues Increases" in the CFTC section.

CFTC

CFTC Announces Agricultural Advisory Committee Meeting

On May 25, the Commodity Futures Trading Commission announced that on June 9, from 10:00 a.m. to 12:00 p.m., the Agricultural Advisory Committee (AAC) would hold a public meeting via teleconference. At this meeting, the AAC will receive a report from the subcommittee that has been evaluating CFTC policy with respect to the implementation of amendments to enumerated agricultural futures contracts with open interest. The meeting also will include a discussion on global agricultural commodity derivatives contracts and other agricultural risk management issues.

[CFTC Announcement in the *Federal Register*](#)

CFTC Staff Publishes Updated Responses to FAQs Regarding Commission Regulation 4.27 and Form CPO-PQR

On May 26, Commodity Futures Trading Commission's Market Participants Division (MPD) published updated responses to frequently asked questions regarding CFTC Regulation 4.27 and Form CPO-PQR (FAQs). These FAQs update the 2015 FAQs that addressed issues on Form CPO-PQR from filing mechanics and deadlines to more technical questions.

In October 2020, the CFTC adopted a Final Rule amending Form CPO-PQR and CFTC Regulation 4.27, the provision requiring Form CPO-PQR reporting. The updated FAQs reflect that Final Rule's revisions and supersede the 2015 version.

[CFTC Press Release](#)

Effective Date for NFA Member Swap Dealer and Major Swap Participant Dues Increases

On May 24, the National Futures Association (NFA) issued Notice to Members 1-21-16, announcing the effective date for NFA Member swap dealer and major swap participant dues increases.

NFA Bylaw 1301 imposes annual dues on NFA Member swap dealers (SD) and major swap participants (MSP). The current annual dues amounts have remained unchanged, except for a reduction in MSP annual dues, since NFA established its swap regulatory program in 2013. Given the expansion of NFA's swaps regulatory program over the past eight years and to fund its operations and maintain adequate reserves, NFA's Board of Directors, on May 20, unanimously approved the following increases to these annual dues amounts:

- annual dues for large financial institution (LFI) SD Members will increase from \$1,000,000 to \$1,300,000;
- annual dues for non-LFI SD Members will increase from \$250,000 to \$325,000;
- annual dues for SD Members that are affiliates of SD Members paying dues in one of the above categories will increase from \$150,000 to \$200,000; and
- annual dues for MSP Members will increase from \$150,000 to \$200,000.

[Notice I-21-16](#)

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

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FINANCIAL MARKETS AND FUNDS

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