

‘Volcker Rule’ Critics Weigh in From Japan, International Banks

The ‘Volcker Rule’ and its potential adverse effects on Japan’s government bond market concern Japan’s central bank and its primary securities regulator. They said as much in a Dec. 28 letter to U.S. regulators in response to the federal government’s invitation to the public to submit comments.

The rule, named after former Federal Reserve Chairman Paul Volcker, prohibits deposit-taking institutions from engaging in proprietary trading, with a growing list of exceptions. The Bank of Japan and Japan’s Financial Services Agency have asked for at least one more exemption. They seek one that would cover Japan government bonds. *Page 2*

Fee Disclosure Rule for Fiduciaries Takes Effect Soon

The deadline by which fiduciaries must provide fee details to retirement plan participants is approaching: April 1 is the new date by which affected parties must comply with the a Department of Labor (DOL) rule. The DOL had delayed the deadline to allow time to sort out with the SEC possible conflicts with one of the commission’s own fee disclosure rules. Rule 482 under the Securities and Exchange Act of 1933 sets out meticulous standards for investment companies to follow when disclosing performance in formation and other materials. *Page 3*

SEC Issues Social Media ‘Alert,’ Brings Enforcement Action

New year, new focus on social media use by advisers. The SEC on Jan. 4 announced an enforcement action against an Illinois-based adviser relating to its use of popular website LinkedIn. At the same time, it released what it called a “National Examination Risk Alert.” The SEC proceeding alleged the Illinois adviser offered to sell fictitious securities on LinkedIn.

The SEC charged Anthony Fields of Lyons, Ill., with making fraudulent offers through two sole proprietorships, Anthony Fields & Associates and Platinum Securities Brokers. “Fields provided false and misleading information concerning AFA’s assets under management, clients and operational history to the public through its website and in SEC filings,” the SEC alleged. *Page 4*

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