



News Release

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FINRA Releases 2019 Risk Monitoring and Examination Priorities Letter

WASHINGTON — FINRA today released its [2019 Risk Monitoring and Examination Priorities Letter](#), highlighting new priorities as well as identifying areas of ongoing concern that FINRA will continue to review in the coming year. This year's letter's focus on materially new issues may help firms better identify those priorities that are relevant to their business.

Among the emerging issues identified in the letter as areas of focus in 2019 are:

- > online distribution platforms;
- > firms' compliance with FinCEN's Customer Due Diligence (CDD) rule; and
- > firms' compliance with their mark-up or mark-down disclosure obligations on fixed income transactions with customers.

In addition, FINRA will continue to review for firms' compliance in important areas of focus identified in prior years, including sales practice risks; hiring and supervision of associated persons with a problematic regulatory history; cybersecurity; and fraud, insider trading and manipulation across markets and products.

FINRA may update its view on risks throughout the year, as well as provide observations on both concerns and effective practices relevant to some of these areas.

"This year's Priorities Letter takes a new approach by highlighting those topics that will be materially new areas of focus for our risk monitoring and examination programs in the coming year," FINRA CEO Robert Cook stated. "While we will continue to review and examine for longstanding priorities discussed in greater detail in past letters, we agree with the suggestion from many of our member firms that a sharper focus on emerging issues will help them better determine whether those issues are relevant to their businesses and how they should be addressed."

FINRA is a not-for-profit organization dedicated to investor protection and market integrity. It regulates one critical part of the securities industry – brokerage firms doing business with the public in the United States. FINRA, overseen by the SEC, writes rules, examines for and enforces compliance with FINRA rules and federal securities laws, registers broker-dealer personnel and offers them education and training, and informs the investing public. In addition, FINRA provides surveillance and other regulatory services for equities and options markets, as well as trade reporting and other industry utilities. FINRA also administers a dispute resolution forum for investors and brokerage firms and their registered employees. For more information, visit www.finra.org.