

BAKER DONELSON

Comparison of FINRA Regulatory and Examination Priorities 2007 - 2014*								
	2014	2013	2012	2011	2010	2009	2008	2007
<i>Products of Heightened Interest:</i>								
Complex Products	X	X						
Frontier Funds	X							
Interest Rate Sensitive Securities	X							
Development Companies (BDCs)		X						
Leveraged Loan Products		X						
Closed-End Funds		X						
Commercial Mortgaged-Backed Securities (CMBS)		X						
Municipal Securities	X	X	X	X	X			
Securities Offered Through Private Placement and Private-Self Offerings	X	X	X	X	X			
Initial Public Offerings (IPOs)	X							
Exchange-Traded Products (Including Complex Products, Funds, and Notes)		X	X	X				
Unregistered Securities Acquired in Secondary Markets (Including Resales of Restricted Securities)			X			X		
Trading in Non-Public Securities				X				
Residential Mortgage-Backed Securities	X		X					
Long Duration Bond Funds	X							
Long Duration Bond ETFs	X							
Baby Bonds	X							
Long Duration Corporates Bonds (Particularly Zero Coupon or Bullet Bonds)	X							
Emerging Market Debt	X							
High-Yield Investments		X		X				
Non-Traded REITs	X	X	X					
Non-Conventional and Alternative Investments				X		X		
Variable Annuities		X	X		X	X	X	
Structured Products		X	X					

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<i>Products of Heightened Interest:</i>								
Church Bonds			X					
Promissory Notes			X					
Life Settlements			X		X			
Microcap Fraud	X	X	X					
Reverse Mergers			X					
New Products (Including Principal Protected Notes (PPNs))					X		X	
Sales of Equity Securities						X		
Cash Alternatives						X		
<i>Practices/Areas of Heightened Interest:</i>	2014	2013	2012	2011	2010	2009	2008	2007
Suitability	X							
Recidivist Brokers	X							
Conflicts of Interest	X							
Information Technology and Cyber Security (including Protection of Customer Information)	X	X	X		X	X	X	X
Qualified Plan Rollovers	X							
Initial Public Offering Market	X							
General Solicitation and Advertising of Private Placements	X							
Due Diligence and Suitability of Private Placements	X							
Municipal Advisors	X							
Crowdfunding Portals	X							
Risk Control Documentation and Assessment	X							
Auditor Independence	X							
Automated Investment Advice		X						
Insider Trading	X	X						
Financial and Operational Priorities		X						
High-Frequency Trading	X	X	X	X				

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<i>Products of Heightened Interest:</i>								
Guarantees and Contingencies		X						
Algorithmic Trading	X	X		X	X			
Alternative Trading Systems (ATS)		X						
Options Origin Codes		X						
Large Option Position Reporting (LOPR)		X						
Anti-Money Laundering (AML)	X	X			X	X	X	X
Best Execution of Equities, Options and Fixed Income Securities	X							
Sponsored Access				X	X			
Direct Market Access			X	X	X			
Trading Pauses				X				
Information Barriers			X	X		X	X	
Social Media and Electronic Communications			X	X				
Margin-Lending and Custody of Assets Collateralizing Margin Loans		X	X	X	X			
Leverage and Liquidity (Funding and Liquidity Risk)	X	X	X	X	X	X		
Inaccurate Books and Records			X					
Consolidated Account Reports				X				
Accounting and Spreadsheet Controls					X			
Data Integrity		X						X
Expense Sharing Arrangements/Withdrawal of Capital			X					
Hiring and Compensation Practices				X	X			
Conflicts of Interest in the Sale and Marketing of Complex Products			X					
Outside Business Activities and Private Securities Transactions			X	X				
Intercompany Transactions/Affiliate Relationships and Activities				X				
Outsourcing			X		X	X		

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<i>Products of Heightened Interest:</i>	2014	2013	2012	2011	2010	2009	2008	2007
Branch Office Inspections		X	X		X			
Pricing of Illiquid, Hard-to-Value Securities			X					
Controls Involving Fixed Income Securities (Including Fair Pricing, Best Execution Obligations and Research)		X	X		X			X
Net Capital	X		X					
Inventory Control and Collateral Valuation					X	X	X	
Protection of Customer Funds and Securities			X			X		
Supervision of Transmittals and Withdrawals of Customer Assets					X			
Order Audit Trail System (OATS) (Audit Trail Integrity)	X		X		X	X	X	X
Integrity of Supervision and Internal Controls			X			X	X	
Fees			X					
Foreign Finders			X					
Proposed Rule Requiring Supplemental Focus Information			X					
Rogue Trading			X					
Market Maker Obligations			X					
Coding Cases			X					
Oversight of the Creation and Redemption Process for Exchange-Traded Products			X					
Supervisory Systems and Internal Controls Involving the Special Rules for Municipal Securities			X					
Fraud Detection				X	X			
Short Sales and Regulation SHO				X	X			
Fraudulent Activity Associated with Customer Accounts				X				
Vulnerable Customers				X				
Master/Sub-Account Relationships				X				
Circulation of Rumors					X	X		
Merged or Acquired Firms					X			

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<i>Products of Heightened Interest:</i>								
New FINRA Financial and Operational Rules					X			
Cross-Market Surveillance					X			
Pandemic Preparedness/Business Continuity Planning					X			X
Day-Trading Margin					X			
Fully Paid Lending Programs					X	X		
Market Regulation Options Examination Program					X			
Senior Investors	X					X	X	
Bank Sweep Programs						X	X	
Trade and Transaction Reporting						X	X	
Foreign Corrupt Practices Act						X		
Excess SIPC Protection						X		
Counter-Party Credit Risk						X		
Intercompany Reconciliations						X		
Suspense Account Reconciliations						X		
Order Entry Controls						X		
Marking the Close						X		
Regulation National Market System (NMS)							X	X
Fee-Based Accounts							X	
Agency Lending Disclosures							X	
Short Interest Reporting							X	
NASD Report Center								X
Electronic Filing Requirements								X
Hedge Funds								X
TRACE Reporting								X
Gifts and Gratuities								X

*The Annual FINRA Priorities Letters are available by clicking on each year.