

# NASD NOTICE TO MEMBERS 97-92

NASD Regulation Requests  
Comment On Proposal To  
Discontinue Complimentary  
Hard Copy Distribution Of  
*Notices To Members And  
Regulatory & Compliance  
Alert*; **Comment Period  
Expires January 31, 1998**

## Suggested Routing

- Senior Management
- Advertising
- Continuing Education
- Corporate Finance
- Government Securities
- Institutional
- Internal Audit
- Legal & Compliance
- Municipal
- Mutual Fund
- Operations
- Options
- Registered Representatives
- Registration
- Research
- Syndicate
- Systems
- Trading
- Training
- Variable Contracts

## Executive Summary

NASD Regulation, Inc., is soliciting member comment on a proposal to discontinue after January 1, 1999, complimentary hard copy distribution of *NASD Notices to Members* and *NASD Regulatory & Compliance Alert*, which are currently available for free on the NASD Regulation<sup>SM</sup> Web Site ([www.nasdr.com](http://www.nasdr.com)). Members that elect not to use the Web Site versions of these publications would have the option of subscribing to hard copy versions.

Questions concerning this *Request for Comment* should be directed to Jay Cummings, Internet & Investor Education, NASD Regulation, at (301) 590-6070.

## Request For Comment

NASD Regulation encourages all members and interested parties to respond to this *Notice*. Comments should be mailed to:

Joan C. Conley  
Office of the Corporate Secretary  
NASD Regulation, Inc.  
1735 K Street, N.W.  
Washington, D.C. 20006-1500

or e-mailed to:  
[pubcom@nasd.com](mailto:pubcom@nasd.com).

Note: Members and interested parties may provide their comments through the NASD Regulation Web Site's "Request For Comments" Web page.

Comments must be received by  
**January 31, 1998.**

# NASD REGULATION REQUEST FOR COMMENT 97-92

## Executive Summary

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## Background

NASD Regulation established a Web Site ([www.nasdr.com](http://www.nasdr.com)) that has been operating since August 1996. A significant effort is being made to provide meaningful content for the benefit of member firms and the investing public. Development of the Internet technology presents an alternative method to distribute information of interest to industry participants.

This year, National Association of Securities Dealers, Inc. (NASD<sup>®</sup>) Chairman Frank Zarb instituted a "Reinvesting For Our Future" Program. Objectives of the Reinvesting Program include achieving significant cost savings while providing the same level of service, and passing on costs more fairly by charging users for those services that they actually want and use.

One proposal submitted as part of this program was that NASD Regulation discontinue complimentary hard copy distribution of *NASD Notices to Members* and *NASD Regulatory & Compliance Alert*, which currently may be viewed, download-

ed, and printed for free via the NASD Regulation Web Site. Members that elect not to use Web Site versions of these publications would have the option of subscribing to hard copy versions. This proposal would allow NASD Regulation to reduce its expenses and pass on costs more fairly by charging only those members that choose to subscribe to a hard copy of these publications.

Complimentary hard copy distribution of *NASD Notices to Members* and *NASD Regulatory & Compliance Alert* would cease on January 1, 1999. Between July 1, 1998 and December 31, 1998, subscribers and others who currently receive free hard copies of these publications would be notified through a letter and through advertisements in the publications: (1) of their availability on the Internet, (2) of the impending charge for hard copy delivery, and (3) of how to obtain a subscription and how much it will cost.

The January 1, 1999, implementation date was selected to coincide with another technology proposal currently under consideration by the NASD. On December 11, 1997, the NASD Board of Governors will consider amendments to the NASD By-Laws that would require each executive representative, beginning not later than January 1, 1999, to maintain an Internet electronic mail account for communication with the NASD and to update firm contact information via the NASD Regulation Web Site. If the NASD Board approves the amendment, it will be submitted to the membership for a vote. NASD Regulation believes that it is sensible to link the implementation dates of these two proposals so that members that currently do not have an electronic mail account and Internet access can arrange to obtain them at the same time and have a reasonable time to do so.

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