

FOR YOUR INFORMATION

SEC Extends Time Period For Commenting On Proposed Changes To Rules 17a-3 And 17a-4

On January 17, 1997, the Securities and Exchange Commission (SEC) announced that it is extending, until March 31, 1997, the comment period for proposed changes to Rules 17a-3 and 17a-4. The proposed amendments clarify, modify, and expand broker/dealer recordkeeping requirements for purchase and sale memoranda, customer records, associated person records, customer complaints, and certain other documents. In addition, the changes would require broker/dealers to keep certain books and records in their local offices.

Comments regarding the proposal should be submitted by March 31, 1997, in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Stop 6-9, Washington, DC 20549. Comments also may be submitted electronically to the following e-mail address:

rule-comments@sec.gov.

All comment letters should refer to File No. S7-27-96.

Members should refer to *Special Notice to Members 96-80*, November 27, 1996, for a detailed discussion of the proposed changes and a copy of SEC Release No. 34-37850, which was published in the October 28, 1996, *Federal Register*.

Questions concerning the proposal may be directed to Samuel Luque, Jr., Compliance Department, NASD Regulation, Inc., at (202) 728-8472, or Susan DeMando, Compliance Department, NASD Regulation, Inc., at (202) 728-8411.

Correction To Disciplinary Actions For January Regarding Hattier, Sanford & Reynoir

The January 1997 *Notices to Members* Disciplinary Actions regarding the firm Hattier, Sanford & Reynoir erroneously stated that the proceedings related to a municipal customer. The proceedings did not relate to a municipal customer. Further, the trade tickets that were the subject of this disciplinary action did not concern the failure to disclose commissions and markups as was stated. The trade tickets at issue concerned the misstatement of the firm's capacity on the transactions at issue as being "agent" rather than "principal."

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