

# FOR YOUR INFORMATION

## **NASD Regulation Reminds Members To Develop Year 2000 Plans**

NASD Regulation, Inc., urges National Association of Securities Dealers, Inc. (NASD<sup>®</sup>) members to develop and implement an action plan to ensure and achieve Year 2000 compliance. The scope of Year 2000 plans should extend to all information technology systems (internal and external) used to conduct a securities business and other business support systems (e.g., telephone, power, elevators, etc.). All introducing and clearing firms have a responsibility to analyze the readiness of their automated regulatory and compliance systems and make the changes needed for continued successful operation.

Be aware that computer failures related to Year 2000 problems generally will not be considered a defense to violations of firms' regulatory or compliance responsibilities or a mitigation of sanctions for such violations.

By now, you should have already completed and returned to NASD Regulation<sup>SM</sup> the mandatory "Year 2000 Compliance Survey" distributed with *NASD Special Notice to Members 97-96*. This survey must be returned by January 31, 1998. Member firms that have returned a completed "Year 2000 Survey" to the New York Stock Exchange are not required to complete the NASD Regulation survey at this time. If you need an additional copy of the survey, it is posted on the Year 2000 Web Pages of both the NASD Regulation ([www.nasdr.com](http://www.nasdr.com)) and NASD Web Sites ([www.nasd.com](http://www.nasd.com)).

Remember, the deadline **for Year 2000 compliance** is December 31, 1999, and there are no extensions.

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