

Sanction Guidelines

FINRA Revises Indexed Amounts for Monetary Sanctions in the Sanction Guidelines

Effective Immediately

Summary

FINRA has revised the *Sanction Guidelines* to reflect the effects of inflation, per a policy established in May 2015.

The revised *Sanction Guidelines* are effective immediately and available on [FINRA's website](#).

Questions concerning this *Notice* should be directed to Megan Rauch, Associate General Counsel, Office of General Counsel, at (202) 728-8863.

Background & Discussion

FINRA's *Sanction Guidelines* familiarize FINRA firms with some of the typical securities industry rule violations that occur and the range of disciplinary sanctions that may result from those rule violations. The goal of the *Sanction Guidelines* is to assist FINRA's adjudicators in determining the appropriate sanctions in disciplinary proceedings.

In May 2015, the National Adjudicatory Council (NAC) announced a policy of indexing the high-end of the monetary sanctions for each sanction guideline in the *Sanction Guidelines* to the Consumer Price Index.¹ In addition, the NAC established that FINRA would index the sanction guidelines every three years, rounding the fine amounts to the nearest \$1,000. In this adjustment to the fine amounts, the high-end of the monetary sanctions increases by 5.86 percent, before rounding. The low-end of the monetary sanction ranges in the *Sanction Guidelines* remains the same.

Endnote

1. See [Regulatory Notice 15-15](#) (The National Adjudicatory Council (NAC) Revises the Sanction Guidelines Related to Misrepresentations and Suitability).

March 1, 2019

Notice Type

- ▶ Guidance

Suggested Routing

- ▶ Legal
- ▶ Registered Representatives
- ▶ Senior Management

Key Topics

- ▶ FINRA Sanction Guidelines

Referenced Rules & Notices

- ▶ Regulatory Notice 15-15

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