

MEMO# 14427

February 5, 2002

NASDR STAFF PROVIDES VIEWS ON APPLICABILITY OF RULE 2210 TO STATISTICAL UPDATES TO MEMBER WEB SITES

[14427] February 5, 2002 TO: ADVERTISING COMPLIANCE ADVISORY COMMITTEE No. 6-02 COMPLIANCE ADVISORY COMMITTEE No. 11-02 SEC RULES COMMITTEE No. 14-02 RE: NASDR STAFF PROVIDES VIEWS ON APPLICABILITY OF RULE 2210 TO STATISTICAL UPDATES TO MEMBER WEB SITES The staff of NASD Regulation, Inc. recently issued the attached letter in response to a request for clarification of the recordkeeping requirements for web sites under NASD Rule 2210(b)(2), relating to filing requirements and review of communications with the public. In particular, clarification was sought regarding the application of NASD Rule 2210 to statistical updates to pre-existing templates in the member's website. The letter states a firm "is not required to approve, file or maintain as advertising under Rule 2210 the Statistical Updates described in [the] letter." The staff's position is based, in part, on representations from the firm that it maintains procedures to review and verify statistical information that is posted on its web site in order to ensure that it is timely and accurate. The letter also notes that the firm has a registered principal responsible for reviewing and approving procedures designed to ensure that the web site does not include any false or misleading statistical information. Tamara K. Reed Associate Counsel Attachment Attachment (in .pdf format)

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