

Chapman Client Alert

January 25, 2016

Current Issues Relevant to Our Clients

FINRA Mark-Up Rule Now Applies to Government Securities

The Securities and Exchange Commission (the “SEC”) recently approved amendments to Financial Industry Regulatory Authority, Inc. (“FINRA”) rules to apply FINRA Rule 2121 (Fair Prices and Commissions) to government securities. Government securities include securities that are direct obligations of, or obligations guaranteed as to principal or interest by, the United States and certain agency securities. The rule amendments became effective upon SEC approval on December 14, 2015. FINRA members should review policies and procedures to consider whether updates may be appropriate in light of the rule changes. The FINRA Regulatory Notice announcing the effectiveness of the rule change is available [here](#). For more information on the rule change and other regulatory proposals relating to mark-ups, mark-downs, commissions and pricing of debt securities, please see our October 5, 2015 Client Alert available [here](#).

For More Information

To discuss any topic covered in this Client Alert, please contact a member of the Investment Management Group or visit us online at chapman.com.

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To the extent that any part of this summary is interpreted to provide tax advice, (i) no taxpayer may rely upon this summary for the purposes of avoiding penalties, (ii) this summary may be interpreted for tax purposes as being prepared in connection with the promotion of the transactions described, and (iii) taxpayers should consult independent tax advisors.

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