

Client Alert

Current Issues Relevant to Our Clients

July 27, 2015

SEC Approves New FINRA Equity and Debt Research Rules

The Securities and Exchange Commission (the “SEC”) recently published orders approving two rule proposals by the Financial Industry Regulatory Authority, Inc. (“FINRA”) governing equity and debt research analysts and research reports. The approved equity research rule proposal adopts current NASD Rule 2711 as FINRA Rule 2241 with several modifications and also includes amendments to NASD Rule 1050 and Incorporated NYSE Rule 344 to create an exception from the research analyst qualification requirements. The debt research rule, FINRA Rule 2242, will be the first FINRA rule specifically governing debt research analysts and research reports. Minor changes were made to the original proposals during the public comment period. For more information about the original proposals, please see our December 2, 2014 Client Alert available [here](#). The order approving the equity research proposal is available [here](#), and the order approving the debt research proposal is available [here](#). The effective date of the new rules will be no later than 180 days following publication of the Regulatory Notice announcing SEC approval and will be announced by FINRA in the coming months.

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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