
Rule 4210 Update: BDA Submits Capital Charge Letter to FINRA.

On June 7, 2018, the BDA continued leading the advocacy push opposing FINRA Rule 4210 by submitting a letter in support of a "Capital Charge" provision in lieu of the proposed margin requirements. The letter, which comes on the heels of a 9 month delay of implementation of the rule by the SEC last month, showcases BDA firms and how the requested change would positively impact these firms.

Highlighted points include:

- These firms do not believe that the Capital Charge Proposal will have any anti-competitive impact on their businesses.
- These firms expect that the existing covered agency transaction rules will cause some erosion in their businesses.
- These firms strongly support the Capital Charge Proposal.

BDA Continues Advocacy on Capitol Hill

The BDA continues to work with partners on the House Financial Services Committee and Senate Banking Committee to pressure the SEC and FINRA to rethink the rule. **This includes both advocating for the "Capital Charge" proposal as well for outright termination of the amendment due to its anti-competative nature before implementation on March 25, 2019.**

In the coming weeks, it is expected that multiple Members of Congress will reach out to both FINRA and the SEC. We will provide an update once this occurs

Bond Dealers of America

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