

# **Bond Case Briefs**

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## **SEC Approves FINRA Plan to Disclose Mark Ups in Bond Prices.**

The Financial Industry Regulatory Authority (FINRA) said the U.S. Securities and Exchange Commission had approved a plan that would require brokerage firms to disclose how much they mark up the price of most bonds they sell to retail customers.

The SEC also approved a similar plan by the Municipal Securities Rulemaking Board, which regulates municipal advisers and bond dealers, the Wall Street watchdog said on Friday.

The two controversial plans aim to help the public assess the fairness of prices charged by brokers for corporate and municipal bonds.

The securities industry had balked at the plan saying it would be expensive to implement, unnecessary and potentially confusing to investors.

Individual dealers determine the price at which they sell or buy bonds, unlike stocks that have a price publicly available on an exchange.

FINRA said on Friday it would announce when the new rule would be implemented in an upcoming regulatory notice.

### **Reuters**

Fri Nov 18, 2016 | 11:13am EST

(Reporting by Sruthi Shankar in Bengaluru; Editing by Shounak Dasgupta)