
SEC Approves Regulation Best Interest, Heightening Broker-Dealer Standards

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On June 5, 2019, the Securities and Exchange Commission (the “Commission”) voted 3-1, with Commissioner Robert L. Jackson Jr. dissenting, to approve Regulation Best Interest (“Reg. BI”). Reg. BI will require broker-dealers, when making a recommendation, “to act in the best interest of the retail customer at the time the recommendation is made without placing the financial or other interest of the broker, dealer, or a natural person who is an associated person of a broker or dealer making the recommendation ahead of the interest of the retail customer.”

Attached is the memorandum which discusses Regulation Best Interest.

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