



Department of Business Regulation

Securities Division

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A reminder to regulated firms of customer obligations and investors about risks of stock price volatility

CRANSTON — The State of Rhode Island Department of Business Regulation (DBR) today called on firms, and other regulated entities, to ensure that investor protection obligations are being met, especially during price volatility in shares of certain publicly traded companies.

“Regulated entities have an obligation to their customers. DBR will work with fellow regulators to ensure that investor protection, fairness and transparency are upheld in the public securities markets,” said Donald DeFedele, Associate Director of Commercial Licensing and Chief of Securities. “We are closely monitoring this developing situation and will examine actions by online brokerages and others to ensure that they are in compliance with their client obligations.”

DBR also cautioned investors about the risks associated with investing in publicly traded companies that are experiencing volatility. “Investing in companies experiencing price volatility can be risky and investors should understand their risk tolerance when considering such investments,” DeFedele said.

Investors can learn more about the fundamentals of investing by visiting the website of the Department of Business Regulation at www.dbr.ri.gov/divisions/securities/.

Department or agency: Department of Business Regulation — Securities Division

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