

Bond Case Briefs

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BDA Submits Letter to MSRB on Rule G-12, Modernizing Close-Out Procedures.

The BDA submitted a comment letter to the MSRB on the proposed amendments to Rule G-12, to modernize close-out procedures. You can view BDA's letter [here](#).

The proposed amendments to MSRB Rule G-12 would require open inter-dealer transactions in municipal securities to be closed-out. Currently, there is no MSRB rule that requires a transaction to be closed-out.

The proposal seeks to:

- Require municipal securities transactions be closed-out no later than 30 calendar days after settlement
- Resolve all outstanding inter-dealer fails during a 90-calendar day grace period

Specifically, the BDA letter to the MSRB includes the following:

- A recommendation to improve upon the MSRB's three proposed options for closing out an open transaction
- Guidance for the operational and implementation requirements of the proposed amendments
- A 180-calendar day grace period for current outstanding inter-dealer fails

Additional information:

- You can view BDA's summary of the proposed amendments [here](#).
- You can view MSRB's regulatory notice [here](#).

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