

# **Bond Case Briefs**

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## **MSRB Files Amendment to Mark-up Disclosure Proposal.**

The Municipal Securities Rulemaking Board (MSRB) has filed with the Securities and Exchange Commission (SEC) an amendment to its rule proposal to require the disclosure of mark-ups and mark-downs to retail customers on certain principal transactions and to provide guidance on prevailing market price. The [original proposed rule change](#), filed on September 2, 2016, consisted of proposed changes to [MSRB Rule G-15](#), on confirmation, clearance, settlement and other uniform practice requirements with respect to transactions with customers, and [MSRB Rule G-30](#), on prices and commissions.

The amendment addresses comments received by the SEC on the original proposal. The amendment extends the proposed implementation period from one year to 18 months and makes several minor technical changes and clarifications as follows:

- Clarifies that the proposed rule change requires disclosure only in cases where the retail customer trade has an offsetting same-day principal trade;
- Replaces the requirement that dealers disclose a link to a specific existing page on EMMA (i.e., the “Security Details” page) with a more generic requirement to disclose a link in a format specified by the MSRB to a webpage on EMMA that contains trading data for the security;
- Requires dealers to disclose the time of execution only for retail customer confirmations, rather than for both retail and institutional customer confirmations; and
- Clarifies that a dealer, when considering relevant factors to determine the degree to which a municipal security is similar to another, may look to the spread over U.S. Treasury securities of a similar duration or over an “applicable index,” to account for the guidance’s applicability to both taxable and tax-exempt municipal securities.

[View the full amendment.](#)