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MSRB Seeks Comment on Draft Amendments to Its Rules Regarding Time of Trade Disclosure and Sophisticated Municipal Market Professionals.

Initiative Part of the MSRB's Rule Book Modernization Efforts

Washington, D.C. – The Municipal Securities Rulemaking Board (MSRB) issued a Request for Comment (RFC) today, opening a 60-day comment period on draft amendments to two MSRB rules to assess whether the rules are meeting their intended investor protection objectives and to assist brokers, dealers and municipal securities dealers in understanding and complying with MSRB rules relating to information that must be disclosed to an investor at or prior to the time of trade.

The RFC will seek input on draft amendments to [Rule G-47](#), on time of trade disclosure, designed to:

- Codify certain existing guidance;
- Add new supplementary material to identify disclosures that could be material in certain scenarios;
- Retire and consolidate certain pieces of interpretive guidance; and
- Make certain other clarifying changes to the rule, among other changes.

The RFC also includes questions specific to 529 savings plans to further the MSRB's thinking on other areas related to the MSRB's rule book modernization efforts.

Additionally, the RFC will seek input on draft amendments to [Rule D-15](#), defining the term sophisticated municipal market professional (SMMP), to exempt investment advisers registered with the Securities and Exchange Commission from having to make certain affirmations in order to qualify for status as an SMMP under MSRB rules.

"As part of the MSRB's rule book modernization efforts, we are finding opportunities to modernize certain rules in light of evolving market dynamics and to streamline our rule book by codifying certain guidance into the relevant rule and retiring guidance that no longer reflects market practices," said Saliha Olgun, Interim Chief Regulatory Officer. "We believe that today's draft amendments are reflective of our commitment to issuer and investor protection while being mindful of compliance burdens on regulated entities. We look forward to input from market participants."

Comments should be submitted no later than April 17, 2023.

[Read the request for comment.](#)

Date: February 16, 2023

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