

Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2022 - * 10

Amendment No. (req. for Amendments *)

Filing by Municipal Securities Rulemaking Board

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposed Rule Change to Amend MSRB Rule A-12, on Registration, and Accompanying Form A-12 Changes

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Bri Last Name * Joiner

Title * Director, Regulatory Compliance

E-mail * bjoiner@msrb.org

Telephone * (202) 828-1500 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Municipal Securities Rulemaking Board has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 12/13/2022 (Title *)

By Ronald W. Smith Corporate Secretary
(Name *)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

rsmith@msrb.org
rg

Digitally signed by
rsmith@msrb.org
Date: 2022.12.13 11:32:03
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Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

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MSRB-2022-10 19b-4.docx

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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MSRB-2022-10 Exhibit 1.docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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MSRB-2022-10 Exhibit 3.docx

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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MSRB-2022-10 Exhibit 5.docx

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Exchange Act” or “Act”),¹ and Rule 19b-4 thereunder,² the Municipal Securities Rulemaking Board (the “MSRB” or “Board”) is hereby filing with the Securities and Exchange Commission (the “SEC” or “Commission”) a proposed rule change consisting of amendments to MSRB Rule A-12, on registration, and accompanying Form A-12³ changes that are intended to modernize and streamline the MSRB registration process for brokers, dealers and municipal securities dealers (collectively, a “dealer” or “dealers”) and municipal advisors, (together with dealers, a “registrant,” “registrants” or “regulated entities”) and provide additional information to the MSRB and examining authorities for regulatory purposes. Specifically, the proposed rule change consists of amendments to Rule A-12 to (i) remove a PDF upload requirement for notification to the appropriate regulatory agency or registered securities association and replace it with a requirement to provide the required notice information directly on Form A-12; (ii) make explicit the notification requirement for dealers when adding a new line of business via Form A-12; (iii) require registrants to provide, as applicable, information about predecessor firm registrations; (iv) require municipal securities dealers to identify the appropriate regulatory agency that is their designated examining authority; (v) require the primary regulatory contact of a municipal advisor firm to be duly qualified as a municipal advisor principal by having passed the Municipal Advisor Principal Qualification Examination (Series 54); (vi) extend the time period for regulated entities to annually affirm the information on Form A-12; (vii) make technical amendments to Rule A-12; and finally, make accompanying amendments to Form A-12 (collectively, the “proposed rule change”).

The MSRB has designated the proposed rule change as constituting a “non-controversial” rule change under Section 19(b)(3)(A)⁴ of the Act and Rule 19b-4(f)(6)⁵ thereunder, which renders the proposal effective upon receipt of this filing by the Commission. The MSRB proposes an operative date of January 1, 2023.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Form A-12 is the MSRB’s single, consolidated registration form used for initial registration as a dealer or municipal advisor, all registration amendments, including withdrawal from registration, and the annual affirmation process. Prior to registration with the MSRB, each dealer and municipal advisor must first register with, and receive approval from, the Commission.

⁴ 15 U.S.C. 78s(b)(3)(A).

⁵ 17 CFR 240.19b-4(f)(6).

(a) The text of the proposed rule change is attached as Exhibit 5. The text proposed to be added is underlined, and text proposed to be deleted is enclosed in brackets. Proposed Form A-12 changes are attached as Exhibit 3.⁶

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board at its meetings on September 15, 2022, and October 26, 2022. Questions concerning this filing may be directed to Bri Joiner, Director, Regulatory Compliance or Lisa Wilhelmy, Associate Director, Market Regulation at 202-838-1500.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The proposed rule change would amend Rule A-12, on registration, to modify certain MSRB registration requirements. In addition, the rule change reflects accompanying Form A-12 changes that are designed to modernize, streamline and improve the data collected when registrants complete, update or annually affirm their Form A-12 information. The MSRB believes that these changes will make it more efficient and less burdensome for regulated entities to complete the form. Also, the proposed rule change would make clarifying changes to Form A-12, in furtherance of form modernization.⁷ The MSRB also believes the proposed rule change would provide additional information to support the MSRB and the appropriate regulatory agencies in their regulatory purposes.

A. Proposed Rule Change and Accompanying Form A-12 Changes

Rule A-12 requires regulated entities to register with the MSRB prior to engaging in any municipal securities business or municipal advisory activities and to complete

⁶ The proposed Form A-12 changes outlined in Exhibit 3 represent a pre-production depiction of only the changes to the electronic form and do not represent the final appearance of the complete form, which may vary in non-substantive respects.

⁷ The MSRB's Registration Manual would be updated to reflect the proposed rule change and proposed Form A-12 changes. The MSRB Registration Manual is available at <https://www.msrb.org/sites/default/files/MSRB-Registration-Manual.pdf>.

Form A-12 in the designated electronic format.⁸ The MSRB proposed, and the SEC approved, amendments to Rule A-12 in 2014 to streamline MSRB registration requirements into one rule and simplify and clarify the MSRB registration process and rule requirements for registrants.⁹ As part of its ongoing retrospective review, the MSRB has identified aspects of the rule and the accompanying proposed Form A-12 changes that can benefit from greater clarity, simplification, and modernization, as discussed below.

1. Remove Separate Documentation for the Notice Requirement

Rule A-12(a) requires that prior to registering with the MSRB, regulated entities must register with, and be approved by the SEC. In addition, Rule A-12(a) requires, as applicable, that notification be made to the appropriate regulatory agency or registered securities association of the intent to engage in municipal securities and/or municipal advisory activities and then provide written evidence of such notice to the MSRB.¹⁰ Because approval of registration with the SEC is a prerequisite to registration with the MSRB, Rule A-12 does not require registrants to evidence such notice to the SEC. Currently dealers provide written evidence to the MSRB of notice having been provided to FINRA or, as applicable, the FRB, FDIC, or OCC by uploading a PDF document to Form A-12.¹¹

⁸ The information required by Form A-12 must be submitted electronically through a web portal located on the MSRB’s website. Registration with the MSRB does not become effective until the regulated entity is notified by the MSRB that its Form A-12 is complete, and its initial registration and annual registration fees have been received and processed.

⁹ See Exchange Act Release No. 71255 (January 8, 2014), 79 FR 2483 (January 14, 2014) (File No. SR-MSRB-2013-09) (Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1), available at <https://www.sec.gov/rules/sro/msrb/2014/34-71255.pdf>; See Exchange Act Release No. 71616 (February 26, 2014), 79 FR 12254 (March 4, 2014) (File No. SR-MSRB-2013-09) (Order Granting Approval of Proposed Rule Change), available at <https://www.sec.gov/rules/sro/msrb/2014/34-71616.pdf>.

¹⁰ The term “appropriate regulatory agency,” with respect to a municipal securities dealer, means the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), or the Federal Deposit Insurance Corporation (FDIC), and the SEC. With respect to municipal advisors, “appropriate regulatory agency” means the SEC. See 15 U.S.C. 78c(a)(34)(A) and MSRB Rule D-14. The appropriate registered securities association for broker-dealers is the Financial Industry Regulatory Authority (FINRA), as defined in 15 U.S.C. 78o-3.

¹¹ Pursuant to Rule A-12(l), the MSRB Registration Manual, as updated or amended from time to time, is comprised of the specifications for the reporting of

The proposed rule change to add Supplementary Material .02, on notification requirements, would specify that dealers that, after initial registration, subsequently amend their registration status to add municipal advisory activities as a line of business must provide notice to FINRA or, as applicable, the FRB, FDIC, or OCC of the dealer's intent to conduct the new business activity. This aligns with the goal that the appropriate regulatory authority primarily responsible for examining dealers' compliance with MSRB rules is continuously kept abreast of such line of business changes that subsequently add a new registration category for a firm post the dealer's initial registration.¹²

The proposed rule change also would streamline the process for a dealer to inform the MSRB that the requisite notification was made. Rather than creating a separate written statement, the proposed rule change would require information relevant to the requisite notification be provided on Form A-12. Specifically, rather than uploading a PDF document, dealers will be required to input the requisite information (the name of the person who is the firm's point of contact at the registered securities association or appropriate regulatory agency, the email address where the notification was sent, the date of such notification and the intended effective date the firm intends to begin engaging in municipal securities and/or municipal advisory activities) directly into proposed Form A-12.

The MSRB believes that removing the requirement to upload a PDF would simplify completion of Form A-12 without diminishing the information provided on the form. In addition, removing the PDF upload requirement and replacing it with the requirement to provide the name and contact information for a contact person at the registered securities association or appropriate regulatory agency would provide the MSRB with more fulsome and relevant information.

2. Succession Information

Presently, Rule A-12 does not require, and Form A-12 does not collect, information about successor firms. The proposed rule change would amend Rule A-12 to require regulated entities to provide, as applicable, information on successor firms on

information required under Rule A-12. The Registration Manual notes that a signed written notice must be uploaded as a PDF document and should include, among other things, the regulatory agency that was notified and the date notification was given. See MSRB Registration Manual at 13.

¹² In instances where a FINRA-member firm may have initially registered with the MSRB only as a municipal advisor (i.e., the firm is not registered as a dealer firm with the MSRB) and then subsequently amends its registration status to add the dealer registration category and municipal securities business, notification must be provided to FINRA and evidenced to the MSRB via a Form A-12 amended filing.

Form A-12. The SEC's applications for registration, Form MA, application for municipal advisor registration; Form BD, application for broker-dealer registration; and Form MSD, application for registration as a municipal securities dealer all contain questions about successor registrations that must be completed as part of the SEC registration process.¹³ As SEC registration is a prerequisite to registration with the MSRB, the collection of this information would align the collection of succession information on Form A-12 with the SEC, which would provide more comprehensive and complete registration information for the MSRB in furtherance of regulatory consistency.

Proposed Form A-12 changes would capture the required new succession information by including a question asking regulated entities to identify whether it is a successor firm and if yes, to provide the prior SEC and/or MSRB identification number(s) of the predecessor firm. The MSRB believes that this information will support the examination and enforcement activities of other regulators by combining such information with other information on Form A-12 in one convenient location accessible to such staff.

3. Appropriate Regulatory Agency

New subparagraph A-12(f) would be added to require a municipal securities dealer to provide the name of the firm's appropriate regulatory agency (i.e., OCC, FRB, or FDIC) and proposed Form A-12 changes would capture this information. This new requirement would ensure that the MSRB is kept informed of the appropriate regulatory agency that is responsible for examining the registrant's compliance with MSRB rules and any changes thereto.

4. Designated Contacts

Pursuant to A-12(f), on designated contacts, registrants must designate, on Form A-12, a primary regulatory contact, master account administrator, billing contact, compliance contact, and primary data quality contact.¹⁴ Registrants are required to provide the name, title, address, phone number, and email address of each of these designated contacts on Form A-12 and are permitted to designate one individual for any or all the required contacts.

The proposed rule change does not alter any obligations of each of the designated contacts, but promotes consistency across the regulatory framework, and makes technical amendments to the rule to aid registrants in the registration process. Specifically, the proposed rule change would create a similar requirement as that under current

¹³ See Form MA Item 3: Successions; Form BD Section III; Form MSD Item 1(a).

¹⁴ Registrants may also provide an optional regulatory contact, optional data quality contact and/or optional technical contact.

subparagraph A-12(f) for dealers by requiring the primary regulatory contact¹⁵ of a municipal advisor firm (and optional regulatory contact, if the firm opts to include this contact on Form A-12) to be a duly qualified municipal advisor principal by having taken and passed the “Series 54.”¹⁶ The proposed rule change is not establishing a new regulatory or compliance obligation since persons associated with a municipal advisor who are directly engaged in the management, direction or supervision of the municipal advisory activities of the municipal advisor and its associated persons have been required to be qualified with the Series 54 since November 30, 2021. The proposed rule change is solely specifying that the designated primary regulatory contact and, if applicable, the optional regulatory contact, who are persons with the authority to receive official communications from the Board are qualified as a municipal advisor principal. Additionally, the proposed rule change aligns with existing requirements for the primary regulatory contact and optional regulatory contact, as applicable, of dealers pursuant to Rule A-12(f).

The proposed amendments to current subparagraph A-12(f) would result in the subparagraph being re-lettered as Rule A-12(g) and current subparagraphs A-12(g)-(l) would be re-lettered to subparagraphs (h)-(m).

5. Form A-12 Annual Affirmation

The proposed rule change to current subparagraph A-12(k), on Form A-12 annual affirmation, would extend and set the dates for the annual affirmation period. As a result, the current regulatory requirement, which has the annual affirmation period beginning on January 1st and ending 17 business days after that date each year, would be amended to reflect an annual affirmation period that runs from January 1 to January 31 each year. This proposed rule change would alleviate confusion about the annual affirmation filing deadline and simplify the affirmation obligation to provide more regulatory certainty for registrants. Additionally, under this subparagraph, any regulated entity that submits its initial Form A-12 during the annual affirmation period would not be required to affirm Form A-12 during that period for that calendar year. The proposed rule change would reduce regulated entities' burdens and provide greater certainty in the filing requirements by providing that any Form A-12 amendments made by regulated entities during the month of January would be deemed an annual affirmation.¹⁷

B. Other Form A-12 Changes

¹⁵ The primary regulatory contact is charged with receiving official communications from the MSRB.

¹⁶ As of November 30, 2021, all individuals acting in the capacity of a municipal advisor principal were required to become duly qualified with the Series 54.

¹⁷ The annual affirmation is required to be completed by the designated primary regulatory contact, optional regulatory contact or compliance contact.

In addition to the Rule A-12 and accompanying Form A-12 changes noted above, Form A-12 would include the revisions identified below.

- **General Information regarding Registrant:**
 - **Name:** The field for “Name” would be renamed to “Firm’s Legal Name.”
 - **Doing-Business-As (DBA) Name:** The MSRB would add an optional text field to Form A-12 for registrants to include a “doing business as” name that may differ from the firm’s legal name provided on Form A-12.
- **Types of Business Activity:** Each registrant is presently required to identify its types of business activities and multiple activities may be selected. The following reflects the proposed changes to the business activities section of Form A-12 for the specified registration categories.
 - **Broker/Dealer – Municipal Fund Securities:** “ABLE Program Underwriting” and “ABLE Program Sales” would be added to the list of business activities from which to select.
 - **Broker/Dealer – Other:** If registrants select “Alternate Trading System” from the existing list of business activities, a new field “SEC Form ATS has been filed” would then be displayed. Registrants to whom such business activity applies would check the box affirming that the dealer is an SEC Form ATS filer.

(b) Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2) of the Act,¹⁸ which provides that the Board shall propose and adopt rules to effect the purposes of the Exchange Act with respect to transactions in municipal securities effected by brokers, dealers, and municipal securities dealers and advice provided to or on behalf of municipal entities or obligated persons by brokers, dealers, municipal securities dealers, and municipal advisors with respect to municipal financial products, the issuance of municipal securities, and solicitations of municipal entities or obligated persons undertaken by brokers, dealers municipal securities dealers, and municipal advisors.

Section 15B(b)(2)(C) of the Act¹⁹ provides that the MSRB’s rules shall be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged

¹⁸ 15 U.S.C. 78o-4(b)(2).

¹⁹ 15 U.S.C. 78o-4(b)(2)(C).

in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The MSRB believes the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act²⁰ because the proposed rule change would remove impediments to and perfect the mechanism of a free and open market by streamlining and simplifying the registration process for new registrants and the annual affirmation process for existing regulated entities. Similarly, the proposed rule change would remove impediments by streamlining certain registration-related processes, such as removing the PDF upload requirement and replacing it with a requirement to complete requisite fields on Form A-12, which would be a simpler and less onerous component of the MSRB registration process. Additionally, the proposed rule change would promote just and equitable principles of trade because reducing burdens in the registration process and annual affirmation process would facilitate better and timelier compliance with Rule A-12 without negatively impacting investors, issuers, or the public interest. Moreover, the inclusion of a few additional fields on Form A-12 would promote clarity and ease in completing Form A-12 during the initial registration process and the subsequent review, updating and affirming of such information thereby removing impediments to a free and open municipal securities market by creating a more efficient process.

The MSRB also believes that the proposed rule change is consistent with Section 15B(b)(2)(L)(iv) of the Act,²¹ which requires that rules adopted by the Board not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons, provided that there is robust protection of investors against fraud. The MSRB believes the proposed rule change is consistent with Section 15B(b)(2)(L)(iv)²² because the proposed rule change would clarify and simplify the registration process, as well as the annual affirmation process, for all municipal advisors, including small municipal advisors.

4. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Act requires that MSRB rules be designed not to impose any burden on competition not necessary or appropriate in furtherance of the

²⁰ Id.

²¹ 15 U.S.C. 78o-4(b)(2)(L)(iv).

²² Id.

purposes of the Act.²³ Section 15B(b)(2)(L)(iv) of the Act,²⁴ requires that rules adopted by the Board not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons, provided that there is robust protection of investors against fraud. The Board's policy on the use of economic analysis limits its application regarding those rules for which the Board seeks immediate effectiveness.²⁵ The MSRB believes that on aggregate, with offsetting impacts from various components, the proposed rule changes and proposed Form A-12 changes would reduce the compliance burden for regulated entities because the proposed rule change would clarify and simplify the registration process, as well as the annual affirmation process, for all municipal advisors, including small municipal advisors. Small municipal advisors typically have fewer associated persons and, as a result, their resources may be more limited, and the benefits of the proposed rule change may provide smaller municipal advisors a greater benefit given their limited resources. Finally, the proposed changes to Form A-12 are designed to promote the collection of information from all municipal advisors so that the MSRB and appropriate regulatory authorities have more fulsome and useful information from the Form A-12 data submitted by registrants. Therefore, the proposed rule change would not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.

The proposed rule change would modify Rule A-12 and Form A-12 for the purposes of reducing regulatory burdens, clarifying relevant information, and enhancing usability for regulated entities. First, on reducing regulatory burdens, the proposed rule change would extend the annual affirmation period allowing regulated entities added time to comply with the rule's requirements, and the proposed Form A-12 changes are designed to reduce the complexity of the form format. Additionally, regulatory burdens are reduced by simplification and clarification of the regulatory requirement — that being making the annual affirmation period the whole month of January (*i.e.*, January 1 to January 31 of each calendar year) rather than seventeen business days after January 1 of each calendar year. The proposed rule change would also streamline the process of notification to the MSRB that the applicable appropriate regulatory agency or registered securities association has been notified of the regulated entities intent to engage in municipal securities and/or municipal advisor activities by removing the prescribed requirement of uploading a PDF document. In place of a document upload feature, Rule A-12 would require dealers to complete the requisite fields on Form A-12 to fulfill the notification requirement.

²³ 15 U.S.C. 78o-4(b)(2)(C).

²⁴ 15 U.S.C. 78o-4(b)(2)(L)(iv).

²⁵ Policy on the Use of Economic Analysis in MSRB Rulemaking, available at <http://msrb.org/Rules-and-Interpretations/Economic-Analysis-Policy.aspx>.

Next, the proposed changes specific to Form A-12 would, among other things, require municipal securities dealers to identify the appropriate regulatory agency that is the firm's designated examining authority.²⁶ Also, proposed form changes would require registrants to provide the information for any applicable predecessor firm as well as optionally providing a "doing business as" name that differs from a firm's legal name. All of the aforementioned required information should be readily available to regulated entities and thus would not impose much burden on regulated entities. Finally, on enhancing usability, the proposed changes to Form A-12 would also provide clearer language to improve form usability for regulated entities.

Finally, with respect to the proposed rule change prescribing that the primary regulatory contact and optional regulatory contact, as applicable, be qualified with the Series 54, the proposed rule change is not establishing a new regulatory nor compliance obligation for municipal advisors. Individuals associated with a municipal advisor firm who are directly engaged in the management, direction or supervision of the municipal advisory activities of the municipal advisor and its associated persons have been required to be qualified with the Series 54 since November 30, 2021. Thus, the proposed rule change is only specifying that the persons with the authority to receive official communications from the Board are qualified as a municipal advisor principal. Additionally, the proposed rule change aligns with existing requirements for the primary regulatory contact and optional regulatory contact, as applicable, of dealers pursuant to Rule A-12(f).

The MSRB believes that the proposed rule change may improve the operational efficiency of the municipal securities market by eliminating complexity concerning the annual affirmation period, modifying outdated requirements in the registration process, and improving the usability of Form A-12. Additionally, the proposed rule change would lead to providing more streamlined information to the SEC, FINRA and other appropriate regulatory agencies. Finally, the MSRB believes the proposed rule change would not impose any burden on competition, as the proposed rule change is equally applicable to all regulated entities. The MSRB does not believe that small, regulated entities would be disadvantaged by the proposed rule change.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

6. Extension of Time Period of Commission Action

Not applicable.

²⁶ For example, for municipal securities dealers, the appropriate regulatory agency would be FDIC, OCC, or the FRB.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

The MSRB has designated the proposed rule change as being immediately effective upon filing pursuant to Section 19(b)(3)(A) of the Exchange Act²⁷ and paragraph (f)(6) of Rule 19b-4 thereunder²⁸ in that the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) by its terms, become operative for 30 days after filing or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

In accordance with Rule 19b-4(f)(6),²⁹ the MSRB provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and any text of the proposed rule change, at least five business days prior to the date of filing the proposed rule change or such shorter time as the Commission may designate.

The MSRB requests that the Commission designate the proposed rule filing operative on January 1, 2023, to allow the changes to be in place for the commencement of the calendar year 2023 annual affirmation period. This operative date allows regulated entities to benefit from the enhancements to Form A-12 and promotes regulatory consistency; as Form A-12 data collected during the 2023 affirmation period will be consistent whether a registrant completes the annual affirmation on January 1, 2023, or on January 12, 2023 (30 days from the date the proposed rule change was filed with the Commission). In addition, a January 1st effective date would alleviate any confusion about when the annual affirmation period ends.

The MSRB believes the amendments to Rule A-12 do not significantly alter the substantive or underlying regulatory obligations of regulated entities or would require regulated entities to make material changes to current procedures. The proposed amendments are designed to reduce compliance burdens for regulated entities by modernizing Rule A-12 and enhancing the usability of Form A-12.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

²⁷ 15 U.S.C. 78s(b)(3)(A).

²⁸ 17 CFR 240.19b-4(f)(6).

²⁹ Id.

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 Completed Notice of Proposed Rule Change for Publication in the Federal Register

Exhibit 3 Text of Proposed Form A-12

Exhibit 5 Text of Proposed Rule Change

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-MSRB-2022-10)
 Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and
 Immediate Effectiveness of a Proposed Rule Change to Amend MSRB Rule A-12, on
 Registration, and Accompanying Form A-12 Changes

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on _____ the Municipal Securities Rulemaking Board (“MSRB” or “Board”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The MSRB filed with the Commission a proposed rule change consisting of amendments to MSRB Rule A-12, on registration, and accompanying Form A-12³ changes that are intended to modernize and streamline the MSRB registration process for brokers, dealers and municipal securities dealers (collectively, a “dealer” or “dealers”) and municipal advisors, (together with dealers, a “registrant,” “registrants” or “regulated entities”) and provide additional information to

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Form A-12 is the MSRB’s single, consolidated registration form used for initial registration as a dealer or municipal advisor, all registration amendments, including withdrawal from registration, and the annual affirmation process. Prior to registration with the MSRB, each dealer and municipal advisor must first register with, and receive approval from, the Commission.

the MSRB and examining authorities for regulatory purposes. Specifically, the proposed rule change consists of amendments to Rule A-12 to (i) remove a PDF upload requirement for notification to the appropriate regulatory agency or registered securities association and replace it with a requirement to provide the required notice information directly on Form A-12; (ii) make explicit the notification requirement for dealers when adding a new line of business via Form A-12; (iii) require registrants to provide, as applicable, information about predecessor firm registrations; (iv) require municipal securities dealers to identify the appropriate regulatory agency that is their designated examining authority; (v) require the primary regulatory contact of a municipal advisor firm to be duly qualified as a municipal advisor principal by having passed the Municipal Advisor Principal Qualification Examination (Series 54); (vi) extend the time period for regulated entities to annually affirm the information on Form A-12; (vii) make technical amendments to Rule A-12; and finally, make accompanying amendments to Form A-12 (collectively, the “proposed rule change”).

The MSRB has designated the proposed rule change as constituting a “non-controversial” rule change under Section 19(b)(3)(A)⁴ of the Act and Rule 19b-4(f)(6)⁵ thereunder, which renders the proposal effective upon receipt of this filing by the Commission. The MSRB proposes an operative date of January 1, 2023.

The text of the proposed rule change is available on the MSRB’s website at <https://msrb.org/2022-SEC-Filings>, at the MSRB’s principal office, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the

⁴ 15 U.S.C. 78s(b)(3)(A).

⁵ 17 CFR 240.19b-4(f)(6).

Proposed Rule Change

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The MSRB has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The proposed rule change would amend Rule A-12, on registration, to modify certain MSRB registration requirements. In addition, the rule change reflects accompanying Form A-12 changes that are designed to modernize, streamline and improve the data collected when registrants complete, update or annually affirm their Form A-12 information. The MSRB believes that these changes will make it more efficient and less burdensome for regulated entities to complete the form. Also, the proposed rule change would make clarifying changes to Form A-12, in furtherance of form modernization.⁶ The MSRB also believes the proposed rule change would provide additional information to support the MSRB and the appropriate regulatory agencies in their regulatory purposes.

Proposed Rule Change and Accompanying Form A-12 Changes

Rule A-12 requires regulated entities to register with the MSRB prior to engaging in any municipal securities business or municipal advisory activities and to complete Form A-12 in the

⁶ The MSRB's Registration Manual would be updated to reflect the proposed rule change and proposed Form A-12 changes. The MSRB Registration Manual is available at <https://www.msrb.org/sites/default/files/MSRB-Registration-Manual.pdf>.

designated electronic format.⁷ The MSRB proposed, and the SEC approved, amendments to Rule A-12 in 2014 to streamline MSRB registration requirements into one rule and simplify and clarify the MSRB registration process and rule requirements for registrants.⁸ As part of its ongoing retrospective review, the MSRB has identified aspects of the rule and the accompanying proposed Form A-12 changes that can benefit from greater clarity, simplification, and modernization, as discussed below.

Remove Separate Documentation for the Notice Requirement

Rule A-12(a) requires that prior to registering with the MSRB, regulated entities must register with, and be approved by the SEC. In addition, Rule A-12(a) requires, as applicable, that notification be made to the appropriate regulatory agency or registered securities association of the intent to engage in municipal securities and/or municipal advisory activities and then provide written evidence of such notice to the MSRB.⁹ Because approval of registration with the SEC is

⁷ The information required by Form A-12 must be submitted electronically through a web portal located on the MSRB's website. Registration with the MSRB does not become effective until the regulated entity is notified by the MSRB that its Form A-12 is complete, and its initial registration and annual registration fees have been received and processed.

⁸ See Exchange Act Release No. 71255 (January 8, 2014), 79 FR 2483 (January 14, 2014) (File No. SR-MSRB-2013-09) (Notice of Filing of a Proposed Rule Change, as Modified by Amendment No. 1), available at <https://www.sec.gov/rules/sro/msrb/2014/34-71255.pdf>; See Exchange Act Release No. 71616 (February 26, 2014), 79 FR 12254 (March 4, 2014) (File No. SR-MSRB-2013-09) (Order Granting Approval of Proposed Rule Change), available at <https://www.sec.gov/rules/sro/msrb/2014/34-71616.pdf>.

⁹ The term "appropriate regulatory agency," with respect to a municipal securities dealer, means the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), or the Federal Deposit Insurance Corporation (FDIC), and the SEC. With respect to municipal advisors, "appropriate regulatory agency" means the SEC. See 15 U.S.C. 78c(a)(34)(A) and MSRB Rule D-14. The appropriate registered securities association for broker-dealers is the Financial Industry Regulatory Authority (FINRA), as defined in 15 U.S.C. 78o-3.

a prerequisite to registration with the MSRB, Rule A-12 does not require registrants to evidence such notice to the SEC. Currently dealers provide written evidence to the MSRB of notice having been provided to FINRA or, as applicable, the FRB, FDIC, or OCC by uploading a PDF document to Form A-12.¹⁰

The proposed rule change to add Supplementary Material .02, on notification requirements, would specify that dealers that, after initial registration, subsequently amend their registration status to add municipal advisory activities as a line of business must provide notice to FINRA or, as applicable, the FRB, FDIC, or OCC of the dealer's intent to conduct the new business activity. This aligns with the goal that the appropriate regulatory authority primarily responsible for examining dealers' compliance with MSRB rules is continuously kept abreast of such line of business changes that subsequently add a new registration category for a firm post the dealer's initial registration.¹¹

The proposed rule change also would streamline the process for a dealer to inform the MSRB that the requisite notification was made. Rather than creating a separate written statement, the proposed rule change would require information relevant to the requisite notification be provided on Form A-12. Specifically, rather than uploading a PDF document,

¹⁰ Pursuant to Rule A-12(l), the MSRB Registration Manual, as updated or amended from time to time, is comprised of the specifications for the reporting of information required under Rule A-12. The Registration Manual notes that a signed written notice must be uploaded as a PDF document and should include, among other things, the regulatory agency that was notified and the date notification was given. See MSRB Registration Manual at 13.

¹¹ In instances where a FINRA-member firm may have initially registered with the MSRB only as a municipal advisor (i.e., the firm is not registered as a dealer firm with the MSRB) and then subsequently amends its registration status to add the dealer registration category and municipal securities business, notification must be provided to FINRA and evidenced to the MSRB via a Form A-12 amended filing.

dealers will be required to input the requisite information (the name of the person who is the firm's point of contact at the registered securities association or appropriate regulatory agency, the email address where the notification was sent, the date of such notification and the intended effective date the firm intends to begin engaging in municipal securities and/or municipal advisory activities) directly into proposed Form A-12.

The MSRB believes that removing the requirement to upload a PDF would simplify completion of Form A-12 without diminishing the information provided on the form. In addition, removing the PDF upload requirement and replacing it with the requirement to provide the name and contact information for a contact person at the registered securities association or appropriate regulatory agency would provide the MSRB with more fulsome and relevant information.

Succession Information

Presently, Rule A-12 does not require, and Form A-12 does not collect, information about successor firms. The proposed rule change would amend Rule A-12 to require regulated entities to provide, as applicable, information on successor firms on Form A-12. The SEC's applications for registration, Form MA, application for municipal advisor registration; Form BD, application for broker-dealer registration; and Form MSD, application for registration as a municipal securities dealer all contain questions about successor registrations that must be completed as part of the SEC registration process.¹² As SEC registration is a prerequisite to registration with the MSRB, the collection of this information would align the collection of succession information on Form A-12 with the SEC, which would provide more comprehensive and complete registration information for the MSRB in furtherance of regulatory consistency.

¹² See Form MA Item 3: Successions; Form BD Section III; Form MSD Item 1(a).

Proposed Form A-12 changes would capture the required new succession information by including a question asking regulated entities to identify whether it is a successor firm and if yes, to provide the prior SEC and/or MSRB identification number(s) of the predecessor firm. The MSRB believes that this information will support the examination and enforcement activities of other regulators by combining such information with other information on Form A-12 in one convenient location accessible to such staff.

Appropriate Regulatory Agency

New subparagraph A-12(f) would be added to require a municipal securities dealer to provide the name of the firm's appropriate regulatory agency (*i.e.*, OCC, FRB, or FDIC) and proposed Form A-12 changes would capture this information. This new requirement would ensure that the MSRB is kept informed of the appropriate regulatory agency that is responsible for examining the registrant's compliance with MSRB rules and any changes thereto.

Designated Contacts

Pursuant to A-12(f), on designated contacts, registrants must designate, on Form A-12, a primary regulatory contact, master account administrator, billing contact, compliance contact, and primary data quality contact.¹³ Registrants are required to provide the name, title, address, phone number, and email address of each of these designated contacts on Form A-12 and are permitted to designate one individual for any or all the required contacts.

The proposed rule change does not alter any obligations of each of the designated contacts, but promotes consistency across the regulatory framework, and makes technical amendments to the rule to aid registrants in the registration process. Specifically, the proposed

¹³ Registrants may also provide an optional regulatory contact, optional data quality contact and/or optional technical contact.

rule change would create a similar requirement as that under current subparagraph A-12(f) for dealers by requiring the primary regulatory contact¹⁴ of a municipal advisor firm (and optional regulatory contact, if the firm opts to include this contact on Form A-12) to be a duly qualified municipal advisor principal by having taken and passed the “Series 54.”¹⁵ The proposed rule change is not establishing a new regulatory or compliance obligation since persons associated with a municipal advisor who are directly engaged in the management, direction or supervision of the municipal advisory activities of the municipal advisor and its associated persons have been required to be qualified with the Series 54 since November 30, 2021. The proposed rule change is solely specifying that the designated primary regulatory contact and, if applicable, the optional regulatory contact, who are persons with the authority to receive official communications from the Board are qualified as a municipal advisor principal. Additionally, the proposed rule change aligns with existing requirements for the primary regulatory contact and optional regulatory contact, as applicable, of dealers pursuant to Rule A-12(f).

The proposed amendments to current subparagraph A-12(f) would result in the subparagraph being re-lettered as Rule A-12(g) and current subparagraphs A-12(g)-(l) would be re-lettered to subparagraphs (h)-(m).

Form A-12 Annual Affirmation

The proposed rule change to current subparagraph A-12(k), on Form A-12 annual affirmation, would extend and set the dates for the annual affirmation period. As a result, the

¹⁴ The primary regulatory contact is charged with receiving official communications from the MSRB.

¹⁵ As of November 30, 2021, all individuals acting in the capacity of a municipal advisor principal were required to become duly qualified with the Series 54.

current regulatory requirement, which has the annual affirmation period beginning on January 1st and ending 17 business days after that date each year, would be amended to reflect an annual affirmation period that runs from January 1 to January 31 each year. This proposed rule change would alleviate confusion about the annual affirmation filing deadline and simplify the affirmation obligation to provide more regulatory certainty for registrants. Additionally, under this subparagraph, any regulated entity that submits its initial Form A-12 during the annual affirmation period would not be required to affirm Form A-12 during that period for that calendar year. The proposed rule change would reduce regulated entities' burdens and provide greater certainty in the filing requirements by providing that any Form A-12 amendments made by regulated entities during the month of January would be deemed an annual affirmation.¹⁶

Other Form A-12 Changes

In addition to the Rule A-12 and accompanying Form A-12 changes noted above, Form A-12 would include the revisions identified below.

- General Information regarding Registrant:
 - Name: The field for “Name” would be renamed to “Firm’s Legal Name.”
 - Doing-Business-As (DBA) Name: The MSRB would add an optional text field to Form A-12 for registrants to include a “doing business as” name that may differ from the firm’s legal name provided on Form A-12.
- Types of Business Activity: Each registrant is presently required to identify its types of business activities and multiple activities may be selected. The following reflects

¹⁶ The annual affirmation is required to be completed by the designated primary regulatory contact, optional regulatory contact or compliance contact.

the proposed changes to the business activities section of Form A-12 for the specified registration categories.

- Broker/Dealer – Municipal Fund Securities: “ABLE Program Underwriting” and “ABLE Program Sales” would be added to the list of business activities from which to select.
- Broker/Dealer – Other: If registrants select “Alternate Trading System” from the existing list of business activities, a new field “SEC Form ATS has been filed” would then be displayed. Registrants to whom such business activity applies would check the box affirming that the dealer is an SEC Form ATS filer.

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)) of the Act,¹⁷ which provides that the Board shall propose and adopt rules to effect the purposes of the Exchange Act with respect to transactions in municipal securities effected by brokers, dealers, and municipal securities dealers and advice provided to or on behalf of municipal entities or obligated persons by brokers, dealers, municipal securities dealers, and municipal advisors with respect to municipal financial products, the issuance of municipal securities, and solicitations of municipal entities or obligated persons undertaken by brokers, dealers municipal securities dealers, and municipal advisors.

Section 15B(b)(2)(C) of the Act¹⁸ provides that the MSRB’s rules shall be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles

¹⁷ 15 U.S.C. 78o-4(b)(2).

¹⁸ 15 U.S.C. 78o-4(b)(2)(C).

of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The MSRB believes the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act¹⁹ because the proposed rule change would remove impediments to and perfect the mechanism of a free and open market by streamlining and simplifying the registration process for new registrants and the annual affirmation process for existing regulated entities. Similarly, the proposed rule change would remove impediments by streamlining certain registration-related processes, such as removing the PDF upload requirement and replacing it with a requirement to complete requisite fields on Form A-12, which would be a simpler and less onerous component of the MSRB registration process. Additionally, the proposed rule change would promote just and equitable principles of trade because reducing burdens in the registration process and annual affirmation process would facilitate better and timelier compliance with Rule A-12 without negatively impacting investors, issuers, or the public interest. Moreover, the inclusion of a few additional fields on Form A-12 would promote clarity and ease in completing Form A-12 during the initial registration process and the subsequent review, updating and affirming of such information thereby removing impediments to a free and open municipal securities market by creating a more efficient process.

¹⁹ Id.

The MSRB also believes that the proposed rule change is consistent with Section 15B(b)(2)(L)(iv) of the Act,²⁰ which requires that rules adopted by the Board not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons, provided that there is robust protection of investors against fraud. The MSRB believes the proposed rule change is consistent with Section 15B(b)(2)(L)(iv)²¹ because the proposed rule change would clarify and simplify the registration process, as well as the annual affirmation process, for all municipal advisors, including small municipal advisors.

B. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Act requires that MSRB rules be designed not to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.²² Section 15B(b)(2)(L)(iv) of the Act,²³ requires that rules adopted by the Board not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons, provided that there is robust protection of investors against fraud. The Board's policy on the use of economic analysis limits its application regarding those rules for which the Board seeks immediate effectiveness.²⁴ The MSRB believes that on aggregate, with offsetting impacts from

²⁰ 15 U.S.C. 78o-4(b)(2)(L)(iv).

²¹ Id.

²² 15 U.S.C. 78o-4(b)(2)(C).

²³ 15 U.S.C. 78o-4(b)(2)(L)(iv).

²⁴ Policy on the Use of Economic Analysis in MSRB Rulemaking, available at <http://msrb.org/Rules-and-Interpretations/Economic-Analysis-Policy.aspx>.

various components, the proposed rule changes and proposed Form A-12 changes would reduce the compliance burden for regulated entities because the proposed rule change would clarify and simplify the registration process, as well as the annual affirmation process, for all municipal advisors, including small municipal advisors. Small municipal advisors typically have fewer associated persons and, as a result, their resources may be more limited, and the benefits of the proposed rule change may provide smaller municipal advisors a greater benefit given their limited resources. Finally, the proposed changes to Form A-12 are designed to promote the collection of information from all municipal advisors so that the MSRB and appropriate regulatory authorities have more fulsome and useful information from the Form A-12 data submitted by registrants. Therefore, the proposed rule change would not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.

The proposed rule change would modify Rule A-12 and Form A-12 for the purposes of reducing regulatory burdens, clarifying relevant information, and enhancing usability for regulated entities. First, on reducing regulatory burdens, the proposed rule change would extend the annual affirmation period allowing regulated entities added time to comply with the rule's requirements, and the proposed Form A-12 changes are designed to reduce the complexity of the form format. Additionally, regulatory burdens are reduced by simplification and clarification of the regulatory requirement — that being making the annual affirmation period the whole month of January (i.e., January 1 to January 31 of each calendar year) rather than seventeen business days after January 1 of each calendar year. The proposed rule change would also streamline the process of notification to the MSRB that the applicable appropriate regulatory agency or registered securities association has been notified of the regulated entities intent to engage in municipal securities and/or municipal advisor activities by removing the prescribed requirement

of uploading a PDF document. In place of a document upload feature, Rule A-12 would require dealers to complete the requisite fields on Form A-12 to fulfill the notification requirement.

Next, the proposed changes specific to Form A-12 would, among other things, require municipal securities dealers to identify the appropriate regulatory agency that is the firm's designated examining authority.²⁵ Also, proposed form changes would require registrants to provide the information for any applicable predecessor firm as well as optionally providing a "doing business as" name that differs from a firm's legal name. All of the aforementioned required information should be readily available to regulated entities and thus would not impose much burden on regulated entities. Finally, on enhancing usability, the proposed changes to Form A-12 would also provide clearer language to improve form usability for regulated entities.

Finally, with respect to the proposed rule change prescribing that the primary regulatory contact and optional regulatory contact, as applicable, be qualified with the Series 54, the proposed rule change is not establishing a new regulatory nor compliance obligation for municipal advisors. Individuals associated with a municipal advisor firm who are directly engaged in the management, direction or supervision of the municipal advisory activities of the municipal advisor and its associated persons have been required to be qualified with the Series 54 since November 30, 2021. Thus, the proposed rule change is only specifying that the persons with the authority to receive official communications from the Board are qualified as a municipal advisor principal. Additionally, the proposed rule change aligns with existing requirements for the primary regulatory contact and optional regulatory contact, as applicable, of dealers pursuant to Rule A-12(f).

²⁵ For example, for municipal securities dealers, the appropriate regulatory agency would be FDIC, OCC, or the FRB.

The MSRB believes that the proposed rule change may improve the operational efficiency of the municipal securities market by eliminating complexity concerning the annual affirmation period, modifying outdated requirements in the registration process, and improving the usability of Form A-12. Additionally, the proposed rule change would lead to providing more streamlined information to the SEC, FINRA and other appropriate regulatory agencies. Finally, the MSRB believes the proposed rule change would not impose any burden on competition, as the proposed rule change is equally applicable to all regulated entities. The MSRB does not believe that small, regulated entities would be disadvantaged by the proposed rule change.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change..

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act²⁶ and Rule 19b-4(f)(6)²⁷ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

²⁶ 15 U.S.C. 78s(b)(3)(A).

²⁷ 17 CFR 240.19b-4(f)(6).

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-MSRB-2022-10 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-MSRB-2022-10. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment

submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2022-10 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, pursuant to delegated authority.²⁸

Secretary

²⁸ 17 CFR 200.30-3(a)(12).

Storyboard

Form A-12

1. Firm/ Sole Proprietorship Identifiers

FIRM/SOLE PROPRIETORSHIP IDENTIFIERS

Firm's Legal Name:*

Are you a successor firm? If so, please provide prior SEC and MSRB identification number, as applicable.* Yes No

SEC ID:* - - MSRB ID:

Are you a successor firm? If so, please provide prior SEC and MSRB identification number, as applicable.* Yes No

SEC ID:* - - MSRB ID:

- Select One
- 8
- 86
- 866
- 867

The proposed Form A-12 changes in Exhibit 3 represent a pre-production depiction of only the changes to the electronic form and do not represent the final appearance of the complete form, which may vary in non-substantive respects.

2. Dealer Designated Examining Authority

A) Dropdown options for Broker Dealer

DEALER DESIGNATED EXAMINING AUTHORITY

Dealer Designated Examining Authority:*

- Select One
- FINRA
- Exempt from FINRA Registration

B) Dropdown options for Municipal Securities Dealer (Bank Dealer)

DEALER DESIGNATED EXAMINING AUTHORITY

Dealer Designated Examining Authority:*

- Select One
- OCC
- FDIC
- FRB

C) Dealer Designated Examining Authority will not appear for Municipal Advisors

3. Written Notice to FINRA or Bank Regulator (FRB, OCC, or FDIC) as applicable

WRITTEN NOTICE TO FINRA OR BANK REGULATOR (FRB, OCC OR FDIC) AS APPLICABLE ?

Pursuant to Rule A-12, a dealer must notify its designated examining authority of its intent to engage in municipal securities and/or municipal advisory activities.

Name of point of contact who was notified at the firm's designated examining authority? ?

First Name of Recipient of Notice:* ?

Last Name of Recipient of Notice:*

Email Address of Recipient of Notice:

When was such notification provided?:* --/--/---- Intended Effective Date:* ? --/--/----

A) Written Notice Section will not appear for Municipal Advisors

The proposed Form A-12 changes in Exhibit 3 represent a pre-production depiction of only the changes to the electronic form and do not represent the final appearance of the complete form, which may vary in non-substantive respects.

4. Broker/Dealer – Business Activities

- ABLE Program Underwriting ?
- ABLE Program Sales ?

- Alternate Trading System ?
- SEC Form ATS has been filed ?

5. Type of Form Filing

MSRB Registration - Form A-12: Preview

This is a preview of your Form A-12. Please identify a Type of Form Filing at the top of the page. Please scroll to the end of the page to acknowledge the submission and click submit.

TYPE OF FORM FILING

Form A-12 Annual Affirmation Other Form A-12 Updates

Form A-12 Sections

- ✓ [General Information](#)
- ✓ [Business Activities](#)
- ✓ [Contact Information](#)
- ✓ Trade Reporting

Preview & Submit

The proposed Form A-12 changes in Exhibit 3 represent a pre-production depiction of only the changes to the electronic form and do not represent the final appearance of the complete form, which may vary in non-substantive respects.

Rule A-12 Registration

(a) *Registration Requirements.* Each broker, dealer and municipal securities dealer prior to engaging in municipal securities activities must register with the Board, and each municipal advisor prior to engaging in municipal advisory activities must register with the Board. Registration will not become effective until the broker, dealer, municipal securities dealer or municipal advisor is notified by the Board that its Form A-12 is complete and its initial registration fee and annual registration fee have been received and processed. Prior to registering with the Board[, each broker, dealer, municipal securities dealer, and municipal advisor must]:

(i) Each broker, dealer, municipal securities dealer, and municipal advisor must [R]register as such with, and be approved by, the Commission; and

(ii) [As applicable,] Each broker, dealer and municipal securities dealer must notify, as applicable, a registered securities association or appropriate regulatory agency of its intent to engage in municipal securities and[/or] municipal advisory activities and provide the Board, on Form A-12, with [a written statement evidencing such notification] the name of the person who is the firm's point of contact at the registered securities association or appropriate regulatory agency, the email address where the notification was sent, the date of such notification and the intended effective date the firm intends to begin engaging in municipal securities and/or municipal advisory activities.

(iii) If a broker, dealer or municipal securities dealer or municipal advisor succeeds to and continues the business of another broker, dealer or municipal securities dealer or municipal advisor as determined and approved by the Commission, such broker, dealer or municipal securities dealer or municipal advisor must provide such predecessor firm's full legal name, and SEC and MSRB identification numbers to the MSRB on Form A-12.

(b)-(e) No change.

(f) Designation of the Appropriate Regulatory Agency. Each municipal securities dealer shall provide to the Board, on Form A-12, the name of the appropriate regulatory agency (the Comptroller of the Currency, Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation) responsible for examining for the firm's compliance with MSRB rules.

([f]g) *Designated Contacts.* Each broker, dealer, municipal securities dealer and municipal advisor must designate, on Form A-12, a Primary Regulatory Contact, Master Account Administrator, Billing Contact, Compliance Contact, and Primary Data Quality Contact, and may designate one or more of the following contacts for purposes of communication between the firm and the Board: Optional Regulatory Contact, Optional

Technical Contact, or Optional Data Quality Contact. Each Primary and Optional Regulatory Contact shall, in the case of brokers, dealers, or municipal securities dealers, be an associated person with the firm who is a registered municipal securities principal (Series 53 or, in the case of a firm solely engaged in municipal fund securities business, Series 51 or 53) of the broker, dealer or municipal securities dealer and who shall be authorized to receive official communications from the Board. Each Primary and Optional Regulatory Contact shall, in the case of municipal advisors, be an associated person with the firm who is a qualified municipal advisor principal (Series 54), who shall be authorized to receive official communications from the Board. It shall be the responsibility of the Billing Contact to receive Board invoices and to respond to any Board inquiries regarding fees.

([g]h) No change.

([h]i) No change.

([i]j) No change.

([j]k) No change.

([k]l) *Form A-12 Annual Affirmation.* Each broker, dealer, municipal securities dealer and municipal advisor shall review, update as necessary, and affirm the information in Form A-12 during the Annual Affirmation Period that commences on January 1 of each calendar year and ends [17 business days thereafter] on January 31 of each year. The annual affirmation must be completed by the Primary Regulatory Contact, Optional Regulatory Contact or Compliance Contact designated by the firm. Any broker, dealer, municipal securities dealer or municipal advisor that submits [its] an initial Form A-12 or an amended Form A-12 during the Annual Affirmation Period (the month of January) need not affirm Form A-12 during that period for that calendar year.

([l]m) No change.

Supplementary Material

.01 No change.

.02 Notification Requirement. If a broker, dealer, or municipal securities dealer initially provides the applicable notice of its intent to engage in municipal securities activities pursuant to subparagraph A-12(a)(ii) and subsequently amends its registration status to include municipal advisory activities, notice of the dealer's intent to engage in municipal advisory activities must be provided to, as applicable, the registered securities association or appropriate regulatory agency.