

# MSRB Notice

**2026-06**

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**Stakeholders**  
Dealers; Municipal  
Securities Dealers

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Informational Notice

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September 16, 2026

**Category**  
Uniform Practice

**Affected Rules**  
[Rule G-28](#)

## MSRB Amends Rule G-28, on Transactions with Employees and Partners of Other Municipal Securities Professionals, Consistent with FINRA Rule 3210, on Accounts at Other Broker-Dealers and Financial Institutions

### Overview

On June 18, 2026, the Municipal Securities Rulemaking Board (MSRB) filed with the U.S. Securities and Exchange Commission (“Commission”)<sup>1</sup> a proposed rule change to amend MSRB Rule G-28, on transactions with employees and partners of other municipal securities professionals, to (i) revise the MSRB’s requirements for accounts that effect transactions in municipal securities for customers who are employees or partners of another broker, dealer or municipal securities dealer (collectively, “dealers”), and (ii) make technical amendments to retitle MSRB Rule G-28 and certain provisions to enhance the clarity of the rule. The rule change is designed to conform MSRB Rule G-28 to the Financial Industry Regulatory Authority (FINRA) Rule 3210, on accounts at other broker-dealers and financial institutions.<sup>2</sup>

### Effective Date

The MSRB’s rule change was filed for immediate effectiveness with an operative date of September 16, 2026. Until September 16, 2026, dealers are subject to the existing provisions of MSRB Rule G-28, but may choose to come into compliance with the rule change prior to the operative date.

<sup>1</sup> File No. [SR-MSRB-2026-03](#).

<sup>2</sup> See Securities Exchange Act of 1934 (“Exchange Act”) Release No. 77550 (Apr. 7, 2016), 81 FR 21924 (Apr. 13, 2016), File No. SR-FINRA-2015-029.



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### Summary of Rule Change

MSRB Rule G-28 establishes requirements for the opening and maintenance of accounts that effect transactions in municipal securities for employees or partners of dealers (“employer dealers”) by another dealer (“executing dealers”). The rule change is intended to more closely harmonize provisions under MSRB Rule G-28 to FINRA Rule 3210 in furtherance of promoting greater efficiency for dealers in complying with their regulatory obligations. The rule was adopted to prevent an employee of a dealer from effecting transactions that are contrary to the interests of the employer dealer or from otherwise acting illegally or improperly with respect to the transactions in municipal securities.<sup>3</sup>

MSRB Rule G-28 prohibits the opening and/or maintenance by an executing dealer of any account in which transactions in municipal securities may be effected, if the executing dealer knows its customer to be an employee or partner of an employer dealer without first providing written notice to the employer dealer. Additionally, the rule requires the executing dealer to simultaneously send to the employer dealer a duplicate copy of each confirmation sent to the subject customer in connection with any effectuated transactions, and to act in accordance with any written instructions provided by the employer dealer in connection with the subject account.

In 2015, FINRA combined and reorganized certain predecessor rules to create FINRA Rule 3210,<sup>4</sup> the requirements of which differ from those of MSRB Rule G-28. As part of its ongoing retrospective rule review,<sup>5</sup> the MSRB is mindful of the potential burden on regulated entities of unnecessary inconsistencies between MSRB rules and rules of FINRA, as applicable to other aspects of a dealer’s business. The rule change seeks to harmonize requirements, to the extent possible, for dealers that are subject to the rules of both the MSRB and FINRA.

Broadly, the rule change effects the following amendments:

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<sup>3</sup> See Exchange Act Release No. 13987 (Sept. 22, 1977), 42 FR 49856, 49863 (Sept. 28, 1977), File No. SR-MSRB-77-12 (“The Board believes that proposed rule G-28 is more likely to assure that an employer is fully informed regarding the trading activities of its employees and partners and that this is necessary to assure that accounts maintained by such persons are not used for illegal or improper purposes.”). See *also* Exchange Act Release No. 47189 (Jan. 15, 2003), 68 FR 3073, 3073 (Jan. 22, 2003), File No. SR-MSRB-2002-15.

<sup>4</sup> See Exchange Act Release No. 77550 (Apr. 7, 2016), 81 FR 21924 (Apr. 13, 2016), File No. SR-FINRA-2015-029.

<sup>5</sup> See MSRB Rulebook Modernization webpage, available at <https://www.msrb.org/Rulebook-Modernization>.

- i. expands the scope of accounts covered by the rule to those of any employee or partner (“associated person”)<sup>6</sup> of the employer dealer or those in which the associated person has a beneficial interest (as described below), as well as to accounts at other financial institutions (as described below) in addition to accounts at executing dealers;
- ii. clarifies that an associated person of an employer dealer may not open or otherwise establish an account for the associated person or an account in which the associated person has a beneficial interest at an executing dealer or any other financial institution without prior written consent from the employer dealer;
- iii. obligates an associated person to provide written notification to the executing dealer or other financial institution of such person’s association with the employer dealer before opening or otherwise establishing an account with such executing dealer or other financial institution;
- iv. streamlines the obligations related to confirmation delivery by allowing duplicate copies of confirmations and account statements, or transactional data that would be contained therein, to be provided only upon request; and
- v. adopts new supplementary material to clarify the requirements of the rule’s provisions.

The amendments to MSRB Rule G-28 implemented by the rule change are summarized below:

### ***Requiring Associated Persons to Obtain Consent from Employer Dealer and to Notify Executing Dealer or Other Financial Institution of Association with Employer Dealer***

The rule change requires associated persons seeking to open or otherwise establish<sup>7</sup> an account in which municipal securities transactions may be effected with an executing dealer or other financial institution to first i) obtain the written consent of the employer

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<sup>6</sup> Under Section 3(a)(18) of the Exchange Act (15 U.S.C. 78c(a)(18)), the term “person associated with a broker or dealer” or “associated person of a broker or dealer” means any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such broker or dealer, or any employee of such broker or dealer, except that any person associated with a broker or dealer whose functions are solely clerical or ministerial shall not be included in the meaning of such term.

<sup>7</sup> The rule change amends instances of the phrase “open and/or maintain” to “open or establish” to fully harmonize with corresponding provisions of FINRA Rule 3210. New Supplementary Material .01 to MSRB Rule G-28 addresses accounts existing prior to a person’s association with a dealer — accounts to be maintained. See “Clarifying Rule Applicability to Accounts Established Prior to Association with Employer Dealer,” *infra* page 7.

dealer,<sup>8</sup> and ii) provide written notification of the individual's association with the employer dealer to the executing dealer or other financial institution.<sup>9</sup> These requirements help to ensure that both the employer dealer and executing dealer or other financial institution are informed of the nature of the parties' respective relationships, and align with corresponding provisions of FINRA Rule 3210 by clarifying that the associated person has the affirmative obligation of informing both parties. Furthermore, by placing the burden of obtaining consent and providing notification upon the associated person, the rule change resolves any questions of an executing dealer's obligation to ascertain information beyond the information normally required under MSRB Rule G-8(a)(xi).<sup>10</sup> Of note, like FINRA Rule 3210.02,<sup>11</sup> new Supplementary Material .02 provides that an associated person having a beneficial interest in an account is also presumed to have established such account, thereby making the opening of such account in which the associated person has a beneficial interest subject to the notification requirement of MSRB Rule G-28(a)(ii), as amended.

### ***Expanding the Application of the Rule to All Associated Persons, to Accounts of Others and to such Accounts at Other Financial Institutions***

The rule change expands the breadth of the requirements of MSRB Rule G-28 in three respects, all of which serve to harmonize MSRB Rule G-28 with FINRA Rule 3210. First, as amended, MSRB Rule G-28 applies to accounts of all associated persons, as defined under Section 3(a)(18) of the Exchange Act,<sup>12</sup> of the employer dealer, not just to employees and partners of the employer dealer as stated in the existing rule text.

Second, the rule change expands the scope of application of MSRB Rule G-28 to accounts not actually owned by associated persons to include any account in which the associated person has a beneficial interest.<sup>13</sup> Under the rule change, an associated person is presumed to have a beneficial interest in any account held by the following categories of individuals:

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<sup>8</sup> Amended MSRB Rule G-28(a)(i), aligning with FINRA Rule 3210(a).

<sup>9</sup> Amended MSRB Rule G-28(a)(ii), aligning with FINRA Rule 3210(b).

<sup>10</sup> See MSRB Interpretive Letter, [Employer of Customer's Spouse](#) (Mar. 6, 1979) (stating that "a municipal securities dealer does not have to inquire of current customers whether their spouses are employed by another municipal securities dealer").

<sup>11</sup> Consistent with FINRA practice, FINRA Rule 3210 Supplementary Material is referenced herein as "FINRA Rule 3210.01-.05".

<sup>12</sup> 15 U.S.C 78c(a)(18); *see also supra* note 6 (providing much of the definition from Section 3(a)(18) of the Exchange Act).

<sup>13</sup> Amended MSRB Rule G-28(a)(i), mirroring FINRA Rule 3210(a).

- (a) the spouse of the associated person;<sup>14</sup>
- (b) a child of the associated person or of the associated person's spouse, provided that the child resides in the same household as or is financially dependent upon the associated person;<sup>15</sup>
- (c) any other related individual over whose account the associated person has control;<sup>16</sup>  
or
- (d) any other individual over whose account the associated person has control and to whose financial support the associated person materially contributes.<sup>17</sup>

New Supplementary Material .02 also provides that, regarding accounts held by persons described by category (a) or (b) above, the presumption of a beneficial interest can be rebutted if the associated person is able to demonstrate to the reasonable satisfaction of the employer dealer that the associated person derives no economic benefit from, and exercises no control over such accounts.<sup>18</sup> For purposes of category (a) or (b) above, the MSRB expects that an employer dealer, as a matter of sound supervisory practice, would have policies and procedures in place to make determinations as to accounts subject to Supplementary Material .02, and to document such determinations as appropriate.<sup>19</sup> While the rule change provides reasonable flexibility in recognition that there is no one-size-fits-all approach to supervision, employer dealers are reminded that the flexibility being afforded under the rule change does not lessen employer dealers' supervisory obligation with respect to the activities of their associated persons.

Third, the rule change amends MSRB Rule G-28 to add accounts at financial institutions other than dealers as accounts covered by the rule. The term "other financial institution" is defined in new Supplementary Material .04, as described below.<sup>20</sup>

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<sup>14</sup> New Supplementary Material .02(a), mirroring FINRA Rule 3210.02(a).

<sup>15</sup> New Supplementary Material .02(b), mirroring FINRA Rule 3210.02(b).

<sup>16</sup> New Supplementary Material .02(c), mirroring FINRA Rule 3210.02(c).

<sup>17</sup> New Supplementary Material .02(d), mirroring FINRA Rule 3210.02(d).

<sup>18</sup> New Supplementary Material .02, mirroring FINRA Rule 3210.02.

<sup>19</sup> This expectation is consistent with FINRA Interpretive Guidance, FAQ Concerning FINRA Rule 3210 (Accounts At Other Broker-Dealers and Financial Institutions), at Question 7, available at <https://www.finra.org/rules-guidance/rulebooks/finra-rules/3210/faq>.

<sup>20</sup> See "Clarifying Requirements for Accounts at Financial Institutions Other Than a Dealer," *infra* page 8.

The MSRB believes that the rule change, including both the amended rule text to address associated persons' beneficial interest in personal and other related accounts at either executing dealers or other financial institutions, and the accompanying supplementary material outlining such types of accounts and other financial institutions, will ensure that those accounts presenting the greatest risk of abuse or improper activity fall within the scope of MSRB Rule G-28. Furthermore, the MSRB believes that the adoption of provisions that directly correspond to FINRA's provisions regarding this subject matter will enable dealers to better fulfill their supervisory obligations under both MSRB and FINRA rules.

### ***Requiring Executing Dealer to Provide Customer Confirmations, Account Statements or Transactional Data to Employer Dealer upon Request***

The rule change amends MSRB Rule G-28(b)(i) to further align with FINRA Rule 3210 by eliminating the requirement for the executing dealer to automatically send duplicate copies of all customer confirmations to the employer dealer, and instead requires duplicate confirmations and account statements or transactional data contained therein to be transmitted only upon the written request of the employer dealer.<sup>21</sup> The rule change provides greater flexibility to employer dealers in carrying out their supervisory responsibility without mandating a specific mode of surveillance of associated persons' trading activities for prohibited transactions or other purposes. While the MSRB believes it is appropriate that employer dealers determine for themselves what would constitute timely receipt of information based upon their business model and the risk profile of their activities, it notes that such determination must be reasonable within the context of employer dealers overall supervisory obligations. Additionally, the expansion of the types of information that can be requested — account statements and, in particular, transactional data — should further facilitate an employer dealer's in-depth review of the trading activity of its associated persons.

### ***Retaining Existing Requirement for Executing Dealers to Follow Written Instructions from Employer Dealers***

MSRB Rule G-28(b)(ii) requires executing dealers to obey written instructions provided by employer dealers with respect to transactions for accounts of associated persons of the employer dealer. Although FINRA Rule 3210 contains no corresponding requirement, the rule change maintains this existing requirement. The MSRB believes this requirement enhances employer dealers' ability to ensure compliance with MSRB rules and federal securities laws by providing a means by which employer dealers may proscribe certain transactions or types of transactions that such employer dealers assess to be more likely contrary to the interests of the employer dealer or improper with respect to transactions in municipal securities. This requirement, together with any confirmations, account statements, or transactional data requested by and received by the employer dealer

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<sup>21</sup> See FINRA Rule 3210(c).

pursuant to MSRB Rule G-28(b)(i), will enable employer dealers, when reviewing the trading activities of their associated persons for accounts held away from the employer dealer, to meet overarching supervisory obligations with regard to compliance with MSRB rules and with applicable federal securities laws.

To clarify, MSRB Rule G-28(b)(i) and (ii) on receipt of confirmations and adherence with written instructions, respectively, apply solely to executing dealers, which are subject to MSRB rules, and do not apply to other financial institutions outside of the MSRB's regulatory authority.<sup>22</sup> Nonetheless, and consistent with new Supplementary Material .03 of MSRB Rule G-28 described below,<sup>23</sup> the MSRB encourages employer dealers to make such requests for confirmations, and account statements, or transactional data, as appropriate, and provide such written instructions, consistent with these subsections, to any other such financial institutions as the employer dealers deem appropriate. Additionally, such financial institutions are encouraged to honor such requests, to assist employer dealers to meet their supervisory and compliance obligations.<sup>24</sup>

### ***Clarifying Certain Provisions through Addition of Supplementary Material***

The rule change adopts new supplementary material to provide additional clarification to certain provisions of MSRB Rule G-28, as summarized below. The structure and content of the new supplementary material largely mirrors the structure of FINRA Rule 3210.

#### **(I) Clarifying Rule Applicability to Accounts Established Prior to Association with Employer Dealer**

MSRB Rule G-28 applies both to accounts opened during an individual's association with an employer dealer, and to accounts opened prior to such association. The rule change includes supplementary material clarifying requirements for maintaining an account established prior to association with a particular employer dealer. Under new Supplementary Material .01, an associated person wishing to maintain such an account with an executing dealer or other financial institution is required, within 30 calendar days of their association with the employer dealer, to i) obtain the written consent of the employer dealer to maintain the account, and ii) provide written notification of their association with the employer dealer to the executing dealer or other financial institution.<sup>25</sup>

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<sup>22</sup> To note, the stated application of the rule change with respect to copies of confirmations and account statements, or transactional data to only those subject to MSRB rules is consistent with FINRA Rule 3210(c).

<sup>23</sup> See "Clarifying Requirements for Accounts at Financial Institutions Other Than a Dealer," *infra* page 8.

<sup>24</sup> *Id.* (stating: "This new supplementary material requires, ... the employer dealer to consider the extent to which it will be able to obtain [requested information] directly from such financial institution in determining whether to provide its written consent to an associated person to open or maintain such account.")

<sup>25</sup> New Supplementary Material .01, mirroring FINRA Rule 3210.01.

### (II) Expanding the Application of the Rule to Accounts of Others

As previously discussed,<sup>26</sup> new Supplementary Material .02 clarifies the meaning of beneficial interest in relation to accounts that are subject to the requirements of MSRB Rule G-28. The rule change utilizes language that closely mirrors FINRA Rule 3210.02 to further align compliance obligations under both regulations.

### (III) Clarifying Requirements for Accounts at Financial Institutions Other Than a Dealer

New Supplementary Material .03 makes clear and directly aligns the requirements relating to accounts of associated persons opened or maintained at financial institutions other than dealers. This new supplementary material requires, with respect to an account at a financial institution other than a dealer, the employer dealer to consider the extent to which it will be able to obtain, upon written request, duplicate copies of confirmations and account statements, or the transactional data contained therein, directly from such financial institution in determining whether to provide its written consent to an associated person to open or maintain such account.<sup>27</sup> New Supplementary Material .04 provides that the terms “other financial institution” and “financial institution other than a broker, dealer or municipal securities dealer” include, but are not limited to, investment adviser, bank, insurance company, trust company, credit union, investment company and any foreign or other broker-dealer not subject to MSRB rules.<sup>28</sup>

### **Operative Date**

As previously mentioned, the operative date for the rule change is September 16, 2026. Until such operative date, dealers are subject to the existing provisions of MSRB Rule G-28, but may choose to come into compliance with the rule change in its entirety at any time prior to the operative date. The period between the effective date and operative date is designed to provide all dealers with sufficient time to revise their policies and procedures to ensure efficient and effective compliance with the new requirements of the rule change without creating unnecessary burdens or disruption. While FINRA-member dealers should have come into compliance with the comparable policies and procedures under FINRA Rule 3210 in connection with their other securities market activities, they will need time to fully come into compliance, and bank dealers will need time to make the necessary changes under the rule change. If a dealer chooses to come into compliance at an earlier date than the operative date, its compliance policies and procedures must be updated as of

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<sup>26</sup> See “Expanding the Application of the Rule to All Associated Persons, to Accounts of Others and to such Accounts at Other Financial Institutions,” *supra*.

<sup>27</sup> New Supplementary Material .03, mirroring FINRA Rule 3210.04.

<sup>28</sup> New Supplementary Material .04, aligning with FINRA Rule 3210.05. New Supplementary Material .04 differs from FINRA Rule 3210.05 in that, unlike FINRA rules, which apply to FINRA-member firms, MSRB rules generally apply to dealers regardless of their registration status or membership with FINRA.

the date the dealer actually determines that it will come into compliance with all provisions of the rule change. Dealers are reminded that they are required to maintain a copy of all compliance policies and procedures in effect at any time within the required recordkeeping period, under MSRB Rule G-9, on preservation of records, and that it should be clear when such policies and procedures were in effect.

Questions concerning this filing may be directed to Bri Joiner, Senior Director, Market Regulation, or Lucian Grove, Assistant Director, Market Regulation, at (202) 838-1500.

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**Text of Amendments\***

**Rule G-28: ~~Transactions with Employees and Partners of~~ Accounts at Other Municipal Securities Professionals Brokers, Dealers, Municipal Securities Dealers and Financial Institutions**

*(a) ~~Account Instructions~~ Obligations of Associated Persons.*

(i) No associated person of a broker, dealer or municipal securities dealer (“employer dealer”) broker, dealer or municipal securities dealer shall without prior written consent of such employer dealer open or otherwise establish maintain an account at another broker, dealer or municipal securities dealer (“executing dealer”), or any other financial institution in which transactions in municipal securities may be effected for a customer such account of the associated person or account in which the associated person has a beneficial interest who such broker, dealer or municipal securities dealer knows is employed by, or the partner of, another broker, dealer or municipal securities dealer, or for or on behalf of the spouse or minor child of such person unless such broker, dealer, or municipal securities dealer first gives written notice with respect to the opening and maintenance of such account to the broker, dealer or municipal securities dealer by whom such person is employed or of whom such person is a partner.

(ii) In the case of an account to be opened or otherwise established at an executing dealer or other financial institution, such associated person shall provide, prior to opening or otherwise establishing of such account subject to paragraph (a)(i) of this rule, a written notification to the executing dealer, or other financial institution, of his or her association with the employer dealer.

\* Underlining indicates new language; strikethrough denotes deletions.

~~(b) Account Transactions Obligations of Executing Dealer. No broker, dealer, or municipal securities dealer shall effect a transaction in municipal securities with or for an account subject to section (a) of this rule unless such broker, dealer, or municipal securities dealer~~

~~(i) sends simultaneously to the employing broker, dealer or municipal securities dealer a duplicate copy of each confirmation sent to the customer; An executing dealer shall furnish, upon written request by an employer dealer, duplicate copies of confirmations and account statements, or transactional data that would be contained therein, with respect to the account subject to this rule; and~~

~~(ii) acts in accordance with any written instructions which may be provided to the executing dealer by the employer dealer broker, dealer or municipal securities dealer by an employing broker, dealer or municipal securities dealer with respect to transactions effected with or for such account.~~

(c) *No change.*

### **Supplementary Material**

**.01 Account Opened Prior to Association With Employer Dealer.** If the account was opened or otherwise established prior to the person's association with the employer dealer, the associated person, within 30 calendar days of becoming so associated, shall obtain the written consent of the employer dealer to maintain the account and shall notify in writing the executing dealer or other financial institution of his or her association with the employer dealer.

**.02 Personal and Related Accounts.** For purposes of this rule, the associated person shall be presumed to have a beneficial interest in, and to have established, any account that is held by:

(a) the spouse of the associated person;

(b) a child of the associated person or of the associated person's spouse, provided that the child resides in the same household as or is financially dependent upon the associated person;

(c) any other related individual over whose account the associated person has control; or

(d) any other individual over whose account the associated person has control and to whose financial support the associated person materially contributes.

For purposes of paragraphs (a) and (b) of this Supplementary Material .02, an associated person need not be presumed to have a beneficial interest in, or to have established, an account if the associated person demonstrates, to the reasonable satisfaction of the employer dealer, that the associated person derives no economic benefit from, and exercises no control over, the account.

**.03 Accounts at a Financial Institution Other Than a Dealer.** With respect to an account subject to this rule at a financial institution other than a broker, dealer or municipal securities dealer, the employer dealer shall consider the extent to which it will be able to obtain, upon written request, duplicate copies of confirmations and account statements, or transactional data that would be contained therein, directly from such financial institution in determining whether to provide its written consent to an associated person to open or maintain such account.

**.04 Other Financial Institution.** For purposes of this rule, the terms "other financial institution" and "financial institution other than a broker, dealer or municipal securities dealer" include, but are not limited to, any investment adviser, bank, insurance company, trust company, credit union, investment company and any foreign or other broker-dealer not subject to MSRB rules.