

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105714; File No. SR-MSRB-2026-01]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Granting Approval of a Proposed Rule Change to Amend MSRB Rule G-12(c) to Codify and Retire or Revise Certain Existing Interpretive Guidance on Confirmation Requirements for Those Inter-Dealer Municipal Securities Transactions That are Ineligible for Automated Comparison

June 17, 2026.

I. Introduction

On May 1, 2026, the Municipal Securities Rulemaking Board (“MSRB”) filed with the Securities and Exchange Commission (“SEC” or “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Rule G-12 (“Rule G-12”), on uniform practice, to codify into rule language and to retire or revise existing interpretive guidance on confirmation requirements for those inter-dealer municipal securities transactions between two brokers, dealers or municipal securities dealers (collectively, “dealers”) that are ineligible for automated comparison at a registered clearing agency, as well as to retire or revise other related interpretive guidance and to make technical amendments (collectively, the “proposed rule change”).³

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Exchange Act Release No. 34-105362 (May 4, 2026), 91 FR 24919 (May 7, 2026) (File No. SR-MSRB-2026-01) (“Notice”).

The MSRB will announce the effective date of the proposed rule change, including the retirement and revision of the related interpretive guidance in a regulatory notice to be published on the MSRB website no later than 90 days following this approval.⁴ The effective date will be no later than one year following this approval.⁵ The MSRB has indicated that the effective date of the proposed rule change will occur simultaneously with the retirement and revision of the related interpretive guidance.

The proposed rule change was published for comment in the Federal Register on May 7, 2026.⁶ The public comment period closed on May 28, 2026, and no comment letters were received on the proposed rule change. As described further below, the Commission is approving the proposed rule change.

II. Description of the Proposed Rule Change

A. Background

Section (c) of Rule G-12 sets forth the confirmation requirements for inter-dealer municipal securities transactions that are ineligible for automated comparison in a system operated by a registered clearing agency,⁷ also referred to herein as “inter-dealer confirmations.”⁸

⁴ See Notice, 91 FR at 24919.

⁵ See id.

⁶ See id.

⁷ See Notice, 91 FR at 24919. A list of registered clearing agencies is available at <https://www.sec.gov/about/divisions-offices/division-trading-markets/clearing-agencies>. Currently, registered clearing agencies active in the municipal securities market consist of the Depository Trust & Clearing Corporation and its affiliates.

⁸ See Notice, 91 FR at 24919-20. Rule G-12(a) exempts inter-dealer transactions in municipal securities submitted to a registered clearing agency for comparison from the inter-dealer confirmation provisions of Rule G-12(c), since the purposes of transaction confirmations are subsumed within the automated comparison process as provided in Rule G-12(f)(i).

According to the MSRB, since the original adoption of Rule G-12(c) in 1977, Rule G-12 has requirements for the exchange and comparison of trade confirmations by dealers in inter-dealer transactions.⁹ Rule G-12(c) outlines a list of content requirements related to inter-dealer confirmations that, according to the MSRB, are analogous in scope to the content requirements for customer confirmations listed in pre-1990s iterations of section (a) of MSRB Rule G-15 (“Rule G-15”), on customer confirmations.¹⁰

According to the MSRB, a small number of inter-dealer trades remain subject to the confirmation requirement of Rule G-12(c), predominantly due to their ineligibility for CUSIP number assignment.¹¹ Nonetheless, market participants are contemplating new technological approaches that allow digitization and electronic record keeping of security ownership without the need for a traditional bond certificate and other aspects that would make such securities ineligible for the existing automated comparison and would therefore be subject to Rule G-12(c).¹² The MSRB believes that, given these recent technological innovations, it is timely to “update and streamline” Rule G-12(c).¹³

⁹ See Notice, 91 FR at 24920. See also Order Approving Proposed Rule Change, Exchange Act Release No. 13939 (Sept. 8, 1977), 42 FR 46445 (Sept. 15, 1977) (File No. SR-MSRB-76-12).

¹⁰ See Notice, 91 FR at 24920.

¹¹ See Notice, 91 FR at 24920 According to the MSRB, from 2020 to 2025, an annual average of 2,447 new municipal securities were issued without assigned CUSIP numbers, so that any inter-dealer trades in such securities would be ineligible for automated comparison and would therefore be subject to Rule G-12(c). See id.

¹² See Notice, 91 FR at 24920.

¹³ See id.

On September 28, 2023, the MSRB issued a Request for Comment, soliciting feedback from stakeholders on draft amendments to MSRB Rule G-12.¹⁴ The MSRB received one letter in response to the RFC,¹⁵ and the MSRB represents that it subsequently held a virtual meeting on May 2, 2024 with the commenter and representatives of its members to discuss the “suggestions and concerns” voiced in that letter.¹⁶ On July 26, 2024, the MSRB’s board of directors approved “codifying certain interpretive guidance pertaining to inter-dealer trade confirmations into [Rule G-12(c)] and consolidating remaining guidance into FAQs.”¹⁷

B. Summary of the Proposed Rule Change

As discussed below and in the Notice, the proposed rule change would amend Rule G-12 to codify into rule language and to retire or revise existing interpretive guidance on confirmation requirements for those dealers that are ineligible for automated comparison at a registered

¹⁴ See MSRB Notice 2023-08, Request for Comment on Retrospective Rule Review of Rule G-12(c) on Inter-Dealer Confirmations and Related Interpretive Guidance (Sep. 28, 2023) (“RFC”), available at <https://www.msrb.org/sites/default/files/2023-09/2023-08.pdf>. The draft amendments to Rule G-12 outlined in the RFC would have codified certain existing interpretive guidance pertaining to confirmation disclosure requirements for inter-dealer municipal securities transactions that are ineligible for automated comparison into existing Rule G-12(c); made certain clarifying amendments to the rule text to reorganize the rule; and retired certain guidance that would be codified or were already codified in current MSRB rules or that would be consolidated into frequently asked questions (FAQs) pertaining to Rule G-12(c), Rule G-15, on customer confirmations, and other MSRB rules. See RFC at 1.

¹⁵ Letter from Securities Industry and Financial Markets Association, dated December 15, 2023 (the “SIFMA Letter”), available at <https://www.msrb.org/sites/default/files/2023-12/SIFMA-Comment-Letter-2023-08.pdf>.

¹⁶ See Notice, 91 FR at 24927, note 71. The MSRB also addressed the SIFMA Letter in the Notice. See Notice, 91 FR at 24927-28.

¹⁷ See MSRB, MSRB Approves FY 2025 Budget, Elects Board Leadership and Advances Strategic Priorities at Quarterly Board Meeting (July 26, 2024), available at <https://www.msrb.org/Press-Releases/MSRB-Approves-FY-2025-Budget-Elects-Board-Leadership-and-Advances-Strategic>.

clearing agency, as well as to retire or revise other related interpretive guidance and to make technical amendments.¹⁸ In summary, the proposed rule change would:

- Codify principles from MSRB interpretive guidance into the rule text and reorganize the content of Rule G-12(c);¹⁹
- Remove certain existing requirements from current Rule G-12(c);²⁰
- Make technical modifications to the rule requirements under Rule G-12(c), including amending current Rule G-12(c)(vi) to replace it with a new definition section;²¹
- Retire certain guidance that is being codified or is already codified in current Rule G-12(c) or noted under other MSRB rules;²² and
- Amend and retain certain interpretive guidance relevant to Rule G-12 and Rule G-15 and retire certain other guidance.²³

¹⁸ See Notice, 91 FR at 24919-24.

¹⁹ See Notice, 91 FR at 24921-23.

²⁰ See Notice, 91 FR at 24923.

²¹ See Notice, 91 FR at 24923-24.

²² See Notice, 91 FR at 24923. The MSRB stated that it will publish a regulatory notice that sets forth a list of each item of interpretive guidance that would be amended or retired in connection with the proposed rule change, following this approval. See Notice, 91 FR at 24921.

²³ See Notice, 91 FR at 24924.

Codification of Certain Principles from Existing Interpretive Guidance and Reorganization of Rule G-12(c)

The proposed rule change would codify certain principles of existing MSRB interpretive guidance and reorganize the content of Rule G-12(c)(v)–(vi).²⁴ According to the MSRB, the proposed rule change would not impose any new requirements and would eliminate obsolete or superfluous requirements.²⁵ The proposed rule change would organize informational elements required to be disclosed in a transaction subject to Rule G-12(c) into three categories, with the first covering securities transaction information, set forth in proposed Rule G-12(c)(v)(A), and the second covering securities identification information, set forth in proposed Rule G-12(c)(v)(B).²⁶ The proposed rule change would also add, in proposed Rule G-12(c)(v)(C), a third category of additional securities information beyond the information noted under the securities transaction and securities identification category that, in limited circumstances, may be necessary to ensure that the counterparties are in agreement as to the fundamental terms of an inter-dealer transaction and to the identity of the specific security being transacted.²⁷ The items of information that would be required to be included on an inter-dealer confirmation in these three categories pursuant to proposed amended Rule G-12(c) are described below.

Securities Transaction Information

²⁴ See Notice, 91 FR at 24921-23.

²⁵ See Notice, 91 FR at 24921.

²⁶ See id.

²⁷ See id.

The proposed rule change would codify certain elements consisting of securities transaction information into Rule G-12(c)(v)(A).²⁸ The following securities transaction information would be required to be disclosed under the proposed rule change.

- The confirming party's name (that is, the name of the dealer producing the confirmation) and its contact information;²⁹
- The contra party's identification (that is, the name of the dealer with whom the confirming dealer is engaging in a transaction ineligible for automated comparison);³⁰
- Designation of whether the transaction is a purchase from or sale to the contra party;³¹
- Par value of the securities;³²
- Trade date;³³

²⁸ See Notice, 91 FR at 24921-22. Proposed Rule G-12(c)(v)(A) would include informational elements currently described in Rule G-12(c)(v)(A)–(D), G-12(c)(v)(G)–(N) and in the additional language following Rule G-12(c)(v)(N). See Notice, 91 FR at 24921, note 18.

²⁹ See Notice, 91 FR at 24921. Under the proposed rule change, existing Rule G-12(c)(v)(A) would be redesignated as Rule G-12(c)(v)(A)(1) and would be modified to allow for address, telephone number or other information providing reasonable means of contacting the confirming party. See Notice, 91 FR at 24921, note 19.

³⁰ See Notice, 91 FR at 24921. Existing Rule G-12(c)(v)(B) would be redesignated as Rule G-12(c)(v)(A)(2) without substantive change. See Notice, 91 FR at 24921, note 20.

³¹ See Notice, 91 FR at 24921. Existing Rule G-12(c)(v)(C) would be redesignated as Rule G-12(c)(v)(A)(3) without substantive change. See Notice, 91 FR at 24921, note 21.

³² See Notice, 91 FR at 24921. Existing Rule G-12(c)(v)(D) would be redesignated as Rule G-12(c)(v)(A)(4) and the proposed rule change would further state that, for zero coupon securities, the maturity value of the securities must be shown if it differs from the par value, thus incorporating language currently in the second paragraph following Rule G-12(c)(v)(N), which would be deleted as part of the proposed rule change. See Notice, 91 FR at 24921, note 22.

³³ See Notice, 91 FR at 24921. Existing Rule G-12(c)(v)(G) would be redesignated as Rule G-12(c)(v)(A)(5) without substantive change. See Notice, 91 FR at 24921, note 23.

- Settlement date;³⁴
- Yield and dollar price, to be computed and shown as follows:³⁵
 - For transactions effected on the basis of yield to maturity, yield to call date, or yield to put date, proposed Rule G-12(c)(v)(A)(7)(a) would require that the yield at which the transaction was effected be shown and, if that yield is to a call or put date, this must be noted, along with the date and dollar price of the call or put date;³⁶
 - For transactions effected on the basis of dollar price, proposed Rule G-12(c)(v)(A)(7)(b) would require that a dollar price at which the transaction was effected be shown and, unless the transaction was effected at par, a yield be computed and shown;³⁷
 - Proposed Rule G-12(c)(v)(A)(7)(c)(i) would specify that yield shown on confirmations must be computed to the lower of call date or maturity date (instead of lowest of price to call, price to par option, or price to maturity, as stated in

³⁴ See Notice, 91 FR at 24921. Existing Rule G-12(c)(v)(H) would be redesignated as Rule G-12(c)(v)(A)(6) and would state that initial confirmations for “when, as and if issued” transactions are excepted from this disclosure requirement, thus incorporating language currently in the third paragraph following Rule G-12(c)(v)(N), which paragraph would be deleted as part of the proposed rule change. See Notice, 91 FR at 24921, note 24.

³⁵ See Notice, 91 FR at 24921-22. Existing Rule G-12(c)(v)(I) would be redesignated as Rule G-12(c)(v)(A)(7) and would codify guidance noted in certain pieces of interpretive guidance. See Notice, 91 FR at 24921, note 25.

³⁶ See Notice, 91 FR at 24921. Proposed Rule G-12(c)(v)(A)(7)(a) would repurpose some text from current Rule G-12(c)(v)(I) and codify language noted in certain MSRB interpretive guidance. See Notice, 91 FR at 24921, note 26.

³⁷ See Notice, 91 FR at 24921.

current Rule G-12(c)(v)(I)).³⁸ For purposes of computing yield to call or dollar price to call, proposed Rule G-12(c)(v)(A)(7)(c)(ii)³⁹ would limit call features that may be used to only those call features that represent “in whole calls” of the type that may be used by the issuer without restriction in a refunding.⁴⁰ Proposed Rule G-12(c)(v)(A)(7)(c)(iii) would codify the computation and content requirements applicable to securities subject to a series of pricing calls at declining premiums, securities that, at the time of trade, are subject to a notice of a pricing call at any time, and additional requirements for zero coupon securities.⁴¹ Proposed Rule G-12(c)(v)(A)(7)(c)(iv) would require all yield and dollar price computations to be made in accordance with MSRB Rule G-33, on calculations (“Rule G-33”),⁴²

- Proposed Rule G-12(c)(v)(A)(7)(d) would not require yield to be shown for securities traded on a discounted basis and would not require dollar price to be shown for when-issued trades.⁴³ These exceptions would be incorporated from the first and third paragraphs following existing Rule G-12(c)(v)(N).⁴⁴

- Amount of concession,⁴⁵

³⁸ See id.

³⁹ See Notice, 91 FR at 24921-22.

⁴⁰ See Notice, 91 FR at 24921, note 27 and accompanying text.

⁴¹ See Notice, 91 FR at 24922, notes 28-30 and accompanying text.

⁴² See Notice, 91 FR at 24922, note 31 and accompanying text.

⁴³ See Notice, 91 FR at 24922, note 32 and accompanying text.

⁴⁴ See id.

⁴⁵ See Notice, 91 FR at 24922, note 33 and accompanying text.

- Final monies;⁴⁶ and
- Delivery of securities.⁴⁷

Securities Identification Information

The proposed rule change would codify certain informational elements consisting of securities identification information into proposed Rule G-12(c)(v)(B).⁴⁸ The proposed rule change would require inter-dealer confirmations to include the following elements of securities identification information.

- The name of the issuer;⁴⁹
- A securities identifier, if any, such as a CUSIP number or an alternative securities identifier that is mutually agreed upon between two parties;⁵⁰
- Maturity date;⁵¹
- Interest rate;⁵² and,
- Dated date.⁵³

⁴⁶ See Notice, 91 FR at 24922, note 34 and accompanying text.

⁴⁷ See Notice, 91 FR at 24922, note 35 and accompanying text.

⁴⁸ See Notice, 91 FR at 24922. Proposed Rule G-12(c)(v)(B) would largely consist of text from Rule G-12(c)(v)(E), (v)(F) and (vi)(A) and would also consolidate related text that appears in paragraphs between Rule G-12(c)(v) and (vi). See Notice, 91 FR at 24922, note 36.

⁴⁹ See Notice, 91 FR at 24922, note 37 and accompanying text.

⁵⁰ See Notice, 91 FR at 24922, note 38 and accompanying text.

⁵¹ See Notice, 91 FR at 24922, note 39 and accompanying text.

⁵² See Notice, 91 FR at 24922, note 40 and accompanying text.

⁵³ See Notice, 91 FR at 24922, note 41 and accompanying text.

Securities Additional Information

The proposed rule change would move and modify language from existing Rule G-12(c)(vi)(I) to proposed new Rule G-12(c)(v)(C), which would retain the requirement that the confirmation include any additional information necessary to ensure that the parties agree to the details of the transaction, beyond the information that would be required under proposed Rule G-12(c)(v)(A), and would add reference to ensuring that the parties have uniquely identified the specific securities being transacted, beyond the information that would be required under proposed Rule G-12(c)(v)(B).⁵⁴ Although the MSRB expects that such additional information would only rarely be needed, the MSRB believes that such additional information about the securities at certain times may be necessary particularly where no CUSIP number or other alternative identifier has been assigned to the securities and/or where some event or change to the securities gives rise to the need to distinguish the subject securities from other securities that previously were fully fungible but which have become no longer fungible.⁵⁵

Amendments to Remove Certain Existing Requirements

The proposed rule change would remove current rule text pertaining to confirmation requirements that are primarily of a descriptive nature and are neither securities transaction information nor securities identification information.⁵⁶ The proposed rule change would also retire certain pieces of MSRB interpretive guidance currently memorializing such

⁵⁴ See Notice, 91 FR at 24922-23.

⁵⁵ See id.

⁵⁶ See Notice, 91 FR at 24923.

requirements.⁵⁷ The proposed rule change would remove the following confirmation requirements, which pertain to securities descriptive information.

- Credit backing (from current Rule G-12(c)(v)(E));⁵⁸
- Features of securities (from current Rule G-12(c)(vi)(B), (E) and (G));⁵⁹
- Status of securities (from current Rule G-12(c)(vi)(H));⁶⁰ and
- Tax information (from current Rule G-12(c)(vi)(C) and (D)).⁶¹

The MSRB stated that removing such requirements from inter-dealer confirmations would have no impact on whether dealers selling municipal securities in an inter-dealer transaction with features that would have been subject to confirmation disclosures under the current language of Rule G-12(c) must still comply with their obligations under other MSRB rules.⁶²

Addition of a New Definition Section and Other Technical Amendments to the Rule

The proposed rule change would add a definition section to Rule G-12(c) and reorganize and compile relevant definitions within the proposed rule text.⁶³ The new definitions section

⁵⁷ See id. The MSRB stated that it will publish a full list of interpretive guidance that would be retired pursuant to this proposed rule change by no later than 90 days from the approval date of this proposed rule change. See Notice, 91 FR at 24923, note 43.

⁵⁸ See Notice, 91 FR at 24923.

⁵⁹ See id.

⁶⁰ See id.

⁶¹ See id.

⁶² See id.

⁶³ See id.

would include the terms “stepped coupon securities,” “zero coupon securities,” “stripped coupon securities” and “pricing call,” codified as Rule G-12(c)(vi)(A)–(D).⁶⁴ Additionally, the proposed rule change would implement certain technical amendments to Rule G-12 as noted below:

- The proposed rule change would update certain internal cross references relating to the delivery of securities in Rule G-12(e)(ii),⁶⁵ on securities delivered, and Rule G-12(e)(iii),⁶⁶ on delivery ticket. The proposed rule change would also update Rule G-12(e)(v), on units of delivery under delivery of securities, to remove a separate reference to information regarding denomination of certificates to be delivered in case of bearer bonds since bearer bonds are no longer issued in the primary municipal securities market and any outstanding bearer bonds could be delivered in the same denominations applicable generally to municipal securities.⁶⁷
- The proposed rule change would also update internal cross-references under Rule G-12(g)(i) and (ii), on the reclamation requirements, from subparagraph (c)(v)(E) to paragraph (v)(B)(1)-(3) of section (c) of this rule.⁶⁸

⁶⁴ See id.

⁶⁵ See Notice, 91 FR at 24923. The proposed rule change would update internal cross-references under subparagraph (e)(ii)(A) from current rule language pertaining to paragraph (c)(v) and (c)(vi) to information now set forth in subparagraph (v)(B) of section (c) of this rule and would remove certain text under Rule G-12(e)(ii)(B). See Notice, 91 FR at 24923, note 45.

⁶⁶ See Notice, 91 FR at 24923. The proposed rule change would update internal cross-references under subparagraph (e)(iii) from current rule language pertaining to information set forth in subparagraph (c)(v) and (vi) to information now reflected under paragraph (v) of section (c) of this rule except the information set forth in items (3), (7), (8) and clauses (b) and (d) of item (9) of subparagraph (c)(v)(A) thereof. See Notice, 91 FR at 24923, note 46.

⁶⁷ See Notice, 91 FR at 24923.

⁶⁸ See id.

Retirement of Interpretive Guidance Codified in the Proposed Rule Text and Amendment of
Certain Interpretive Guidance

As discussed above, the proposed rule change would amend Rule G-12(c) not only through reorganization of existing rule text but also through the codification of certain pieces of related MSRB interpretive guidance.⁶⁹ The proposed rule change would retire such interpretive guidance in whole or have the relevant portions modified or removed in light of the incorporation of such requirements into the rule language.⁷⁰

The proposed rule change would fully retire MSRB Interpretive Guidance, Confirmation Disclosure Requirements for Callable Municipal Securities (Feb. 20, 1986), pertaining to confirmation of disclosure requirements for callable municipal securities, since the requirements of Rule G-12(c), as amended by the proposed rule change, would codify the confirmation requirements set forth therein.⁷¹

In addition, the proposed rule change would amend five other pieces of MSRB interpretive guidance to modify certain rule references to reflect current rule language, including the new language of Rule G-12(c) under the proposed rule change, or to remove portions of such guidance that would be codified by the proposed rule change, that have previously been codified into MSRB rules, or that address outdated practices that are no longer relevant in the market, with the remaining portions of such guidance continuing to be in effect:

⁶⁹ See Notice, 91 FR at 24924.

⁷⁰ See id.

⁷¹ See id.

- MSRB Interpretive Guidance, Yield Disclosures: Yields to Call on Zero Coupon Bonds (Jan. 4, 1984), which would be amended to conform a reference to Rule G-12 to the appropriate portion of the rule (as it would be modified by the proposed rule change) and a parallel reference to Rule G-15 to the appropriate current provision of that rule, as well as to make a minor language change to reflect current rule language;⁷²
- MSRB Interpretive Guidance, Confirmation Requirements for Partially Refunded Securities (Aug. 15, 1989), which would be amended to remove references to Rule G-12, to conform references to Rule G-15 to the appropriate current provisions of that rule, and to remove references to retired guidance;⁷³
- MSRB Interpretive Guidance, Notice of Interpretation on Escrowed-to-Maturity Securities: Rules G-17, G-12 and G-15 (Sep. 21, 1987), which would be amended to delete the first and last sections of the guidance so that the guidance would only apply to issues under MSRB Rule G-17 (“Rule G-17”), on conduct of municipal securities and municipal advisory activities;⁷⁴
- MSRB Interpretive Guidance, Notice Concerning Stripped Coupon Municipal Securities (Mar. 13, 1989), which would be amended by removing language in the guidance pertaining to the confirmation requirements under Rules G-12 and G-15 for transactions

⁷² See Notice, 91 FR at 24924. Specifically, a reference to former Rule G-15(a)(i)(I) would be changed to current Rule G-15(a)(i)(A)(5), an older reference to the Rule G-15 text would be removed, and a reference to current Rule G-12(c)(v)(I) in a footnote would be changed to proposed new rule text under Rule G-12(c)(v)(A)(7). See Notice, 91 FR at 24924, note 50.

⁷³ See Notice, 91 FR at 24924, note 52 and accompanying text.

⁷⁴ See Notice, 91 FR at 24924, note 54 and accompanying text.

in stripped coupon municipal securities which either were previously incorporated into Rule G-15 and/or would be codified into Rule G-12(c) pursuant to the proposed rule change;⁷⁵

- MSRB Interpretive Guidance, Calculation of Price and Yield on Continuously Callable Securities (Aug. 15, 1989), which would be amended to conform a reference to Rule G-12 to the appropriate portion of the rule (as it would be modified by the proposed rule change) and a parallel reference to Rule G-15 to the appropriate current provision of that rule.⁷⁶

III. Discussion and Commission Findings

The Commission has carefully considered the proposed rule change. The Commission finds that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to the MSRB.

In particular, the Commission finds that the proposed rule change is consistent with the provisions of Section 15B(b)(2)(C) of the Exchange Act,⁷⁷ which 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 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

⁷⁵ See Notice, 91 FR at 24924, note 56 and accompanying text.

⁷⁶ See Notice, 91 FR at 24924. Specifically, a reference to current Rule G-12(c)(v)(I) would be changed to proposed new Rule G-12(c)(v)(A)(7)(c), and a reference to former Rule G-15(a)(v)(I) would be changed to current Rule G-15(a)(i)(A)(5)(c). See Notice, 91 FR at 24924, note 58.

⁷⁷ 15 U.S.C. 78o-4(b)(2)(C).

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 Commission believes that the proposed rule change will foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitate transactions in municipal securities by streamlining the current rule requirements regarding the exchange and comparison of key information for transactions that are ineligible for automated comparison.⁷⁸ The Commission also believes that the proposed rule change will remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products because it clarifies the requirements of Rule G-12(c) applicable to inter-dealer transactions in digital, tokenized, and other municipal securities that do not have CUSIP numbers.⁷⁹

The Commission further believes that the proposed rule change will prevent fraudulent and manipulative acts and practices, and protect investors, municipal entities, obligated persons, and the public interest, because clarifying the required informational elements and consolidating guidance into the rule text and retiring outdated guidance will facilitate compliance by dealers with their requirements under Rule G-12(c), thus making it more likely that customers receive key securities and transaction information.⁸⁰

The Commission also finds that the proposed rule change is consistent with the provisions of Section 15B(b)(2)(C) of the Exchange Act,⁸¹ which requires that MSRB rules not

⁷⁸ See Notice, 91 FR at 24924-25.

⁷⁹ See Notice, 91 FR at 24920-23.

⁸⁰ See Notice, 91 FR at 24925.

⁸¹ 15 U.S.C. 78o-4(b)(2)(C).

be designed to impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act. The Commission finds that the proposed rule change would not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act because the proposed rule change applies equally to *all* dealers who engage in transactions subject to Rule G-12(c).⁸² Additionally, the proposed rule change would apply a uniform standard for information required to be provided under Rule G-12(c).⁸³

In approving the proposed rule change, the Commission has also considered the proposed rule change's impact on efficiency, competition, and capital formation under Section 3(f) of the Exchange Act.⁸⁴ The Commission finds that the record for the proposed rule change does not contain any information to indicate that the proposed rule change would have a negative impact on efficiency, competition, or capital formation.⁸⁵ In fact, the proposed rule change could promote market efficiency and capital formation by clarifying the requirements of Rule G-12(c) applicable to inter-dealer transactions in digital, tokenized, or other municipal securities that do not have CUSIP numbers.⁸⁶

For the reasons noted above, the Commission finds that the proposed rule change is consistent with the Exchange Act.

⁸² See Notice, 91 FR at 24925.

⁸³ See Notice, 91 FR at 24927.

⁸⁴ See 15 U.S.C. 78c(f).

⁸⁵ See 15 U.S.C. 78c(f).

⁸⁶ See Notice, 91 FR at 24920-23.

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Exchange Act,⁸⁷ that the proposed rule change (SR-MSRB-2026-01) be, and hereby is, approved.

For the Commission, pursuant to delegated authority.⁸⁸

Vanessa A. Countryman,

Secretary.

⁸⁷ 15 U.S.C. 78s(b)(2).

⁸⁸ 17 CFR 200.30-3(a)(12).