

# FINANCIAL INFORMATION FORUM

April 27, 2023

**Submitted electronically through the MSRB comment form**

Ronald W. Smith  
Corporate Secretary  
MSRB  
1300 I Street NW  
Washington, DC 20005

**Re: MSRB Notice 2022-07: Request for Comment on Transaction Reporting Obligations under MSRB Rule G-14**

Dear Mr. Smith,

The Financial Information Forum (“FIF”)<sup>1</sup> is submitting this comment letter as a supplement to the comment letter that FIF submitted on October 3, 2022 in relation to MSRB Notice 2022-07 (the “MSRB Notice”) published by the Municipal Securities Rulemaking Board (the “MSRB”).<sup>2</sup> In the MSRB Notice, “the MSRB is seeking input on a potential amendment to Rule G-14 to require that, absent an exception, transactions are reported as soon as practicable, but no later than within one minute of the Time of Trade.”<sup>3</sup> FIF appreciates the opportunity to submit this supplemental comment letter.

As discussed in the comment letter that FIF submitted on October 3, the current workflow for reporting trades to the MSRB’s Real-Time Transaction Reporting System (“RTRS”) is not suitable for reporting trades within a one-minute timeframe due to multiple layers that reports often pass through before they are received by RTRS. FIF is attaching a January 27, 2023 notice from DTCC relating to a delay in processing of trades in DTCC’s Real-Time Trade Matching system (“RTTM”). Currently the RTRS system only accepts trade reports for trades between broker-dealers if the reports are submitted via RTTM, and it is not possible for firms to report municipal bond trades between broker-dealers directly to RTRS. Accordingly, in the incident described in the attached notice, delays in RTTM processing resulted in delays in RTRS reporting.

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<sup>1</sup> FIF ([www.fif.com](http://www.fif.com)) was formed in 1996 to provide a centralized source of information on the implementation issues that impact the securities industry across the order lifecycle. Our participants include broker-dealers, exchanges, back office service bureaus, and market data, regulatory reporting and other technology vendors in the securities industry. Through topic-oriented working groups, FIF participants focus on critical issues and productive solutions to technology developments, regulatory initiatives, and other industry changes.

<sup>2</sup> MSRB Notice 2022-07, “Request for Comment on Transaction Reporting Obligations under MSRB Rule G-14” (August 2, 2022), available at <https://www.msrb.org/-/media/Files/Regulatory-Notices/RFCs/2022-07.ashx??n=1>.

<sup>3</sup> Id. at 1.

This incident illustrates the importance of permitting executing firms to report trades directly to the RTRS system (or any other system that the MSRB develops for processing trade reports for municipal bonds). The need to remove the current dependency on RTTM, which is linked to clearing and only available to firms with specialized clearing membership,<sup>4</sup> is one of multiple reasons discussed in FIF's October comment letter as to why direct reporting to RTRS is an important step in connection with any change to reduce the current MSRB reporting timeframes.

For the reasons discussed in our October comment letter, reporting trades within one minute of execution will be challenging even with direct reporting, but FIF members consider it important for the MSRB to enable direct reporting by executing firms in connection with any change to reduce the current MSRB reporting timeframes.

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FIF appreciates the opportunity to submit this supplemental comment letter on MSRB Notice 2022-07. If you would like clarification on any of the items discussed in this letter or would like to discuss further, please contact me at [howard.meyerson@fif.com](mailto:howard.meyerson@fif.com).

Very truly yours,

/s/ Howard Meyerson

Howard Meyerson  
Managing Director, Financial Information Forum

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<sup>4</sup> Only Government Securities Division (GSD) members, Mortgage Backed Securities Division (MBSD) members and National Securities Clearing Corporation (NSCC) members are eligible to use RTTM. See <https://www.dtcc.com/clearing-services/ficc-mbsd/mbsd-rttm>.

Attachment 1



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**Incident Notification**  
Friday, Jan 27, 2023 08:02 AM

**Summary of the Incident**

DTCC identified a residual issue that occurred as a result of yesterday's systems processing delay, which impacted Corporate, Municipal, and Unit Investment Trust (CMU) processing.

**Current Status of the Incident**

A subset of RTTM CMU trades accepted and reported to Members and MSRB were not processed into UTC on January 26, 2023. Today's UTC Cycle 1 processed these transactions.

**Client Impact**

These transactions will be reflected on UTC Cycle 1 output, as well as the Consolidated Trade Summary (CTS) Cycle 3 output.

**Action Required by the Client**

Members should review CTS Cycle 3 output available at approximately 12 PM EST.

We appreciate your patience and apologize for any inconvenience this issue may have caused.

**If you require further information regarding this issue, please contact The NSCC Production Support Hotline at 888-382-2721 (option 5, then 4).**

*Please do not reply to this email, as it is specifically for delivery of outbound notification purposes. For prompt assistance please use the contact information indication above.*

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