

Sentinel Brokers Company, Inc.

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September 30, 2022

Mr. Ronald W. Smith

Corporate Secretary

Municipal Securities Rulemaking Board

1300 I Street NW

Washington, DC 20005

Ms. Jennifer Piorko Mitchell

Office of the Corporate Secretary

Financial Industry Regulatory Authority

1735 K Street NW Washington, DC 20006

Re: Request for Comment on Transaction Reporting Obligations under MSRB Rule G-14; Request for Comment on Proposal to Shorten the Trade Reporting Timeframe for Transactions in Certain TRACE-Eligible Securities From 15 Minutes to One Minute

Dear Mr. Smith and Ms. Mitchell:

Sentinel Brokers Company, Inc. (SBC) would like to comment in response to proposals issued by the Municipal Securities Rulemaking Board (MSRB) and Financial Industry Regulatory Authority (FINRA) that would mandate corporate and municipal fixed income securities trades to be reported within one minute from the current 15-minute limit (the "Proposals"). SBC and virtually every contra party that we have discussed this proposal with (scores) are concerned that the MSRB and FINRA have failed to identify a market failure that warrants such a significant change, and that the proposals would disproportionately impact smaller and mid-size broker-dealers and their customers, as have other rules that have been enacted.

The MSRB Rule G-14 and FINRA Rule 6730 were enacted in 2005 requiring trades to be reported "as soon as practicable" but not later than 15 minutes after the time of trade. This prompted a huge expense for smaller and mid-sized firms, but they obliged despite only spurious evidence that this "increased transparency" actually benefited anybody in a tangible way, let alone the retail investor. As noted in both proposals, the vast majority of trades for both municipal and corporate securities are already reported in a very timely manner. In fact, your own statistics show that, currently, over 97% of all municipal and corporate securities transactions are reported within 5 minutes. This high success rate demonstrates that technology and human resources are already pushed to the limits and trades are already being reported "as soon as practicable".

Complicating your proposal further is that the rule makes no allotment for the difference between electronic trading and voice-brokers, or Institutional and Retail trades which is perplexing given that you must have concrete knowledge there are differences between them that may, at times, require a slightly larger time window yet won't stop all trades from being reported very promptly. If your goal, as seems to be the case, is to eliminate all but electronic transactions, then please just have the transparency to do that now, but you would no doubt see Best Execution tossed away as well.

The "arguments" that 1-minute reporting rather than the current 15-minute window would improve price transparency have simply not been made by the SROs so enacting yet another draconian rule simply "because" is not only unfounded, but unfair. It is widely being viewed as just another way for the SROs to fine, censure, or otherwise "ding" its members for yet another arbitrary and impossible-to-fully-follow rule.

In summary, it seems that your desire to have trades reported "as soon as practicable" has already been fulfilled to an incredibly high degree and is very effective by any metric of comparison available. Attempting to impose another more stringent rule on top of this that would cause hardship for all firms, but mostly the mid-sized and smaller firms and would be needless, biased, and inequitable, and I would urge you to reconsider.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph Lawless", written in black ink. The signature is fluid and extends across the width of the text block below it.

Joseph Lawless

CEO

Sentinel Brokers Company, Inc.