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Stakeholders
Municipal Securities
Dealers

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October 1, 2018

Category
Administration

Affected Rules
[Rule A-13](#)

MSRB Temporarily Reduces Underwriting, Transaction and Technology Fees Assessed on Dealers

Overview

Effective October 1, 2018, the rates of assessment for the MSRB's underwriting, transaction and technology fees under MSRB Rule A-13 will be reduced temporarily by approximately one-third to provide short-term limited relief to dealers.¹ The lower assessment rate will apply only for activity that occurs during the period October 1, 2018 – December 31, 2018. Rates of assessment will revert to current levels effective January 1, 2019.

Immediately effective amendments to Rule A-13 add a new section (h) that sets forth revised temporary assessment rates for these three types of assessments for activity that occurs during the months of October, November and December 2018. New Rule A-13(h)(i) provides that the underwriting assessment for certain primary offerings for this time period will be .00185% of the par value (\$0.0185 per \$1,000), a reduction from .00275% of the par value (\$.0275 per \$1,000). New Rule A-13(h)(ii) provides that the transaction assessment will be .00067% of the par value (\$0.0067 per \$1,000), a reduction from .001% (\$.01 per \$1,000). And, new Rule A-13(h)(iii) provides that the technology assessment will be \$0.67 per transaction (a reduction from \$1.00 per transaction).

The temporary reduced rates are for activity that occurs during the three-month period. Dealers are typically billed for these fees after the relevant month end. Specifically, the underwriting fee is billed immediately after the respective month end, while the transaction and technology fees are billed thirty days in arrears.

The temporary reduction in fees is designed to reduce excess MSRB reserves in a way that achieves a fair and equitable balance of fees across regulated entities.



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¹ See [File No. SR-MSRB-2018-06](#).

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Text of Amendments*

Rule A-13 Underwriting and Transaction Assessments for Brokers, Dealers and Municipal Securities Dealers

(a) – (g) No change.

(h) Temporary Fee Reduction in the Fee Rates Assessed on Activity During the Months of October 2018 – December 2018. Notwithstanding the rates specified elsewhere in this rule:

(i) Underwriting Assessment. For activity that occurs during the months of October 2018 through and including December 2018, the underwriting assessment described in (c)(i) above shall be .00185% (\$0.0185 per \$1,000) of the par value.

(ii) Transaction Assessment. For activity that occurs during the months of October 2018 through and including December 2018, the transaction assessment described in (d)(i) and (d)(ii) above shall be .00067% (\$0.0067 per \$1,000) of the par value.

(iii) Technology Assessment. For activity that occurs during the months of October 2018 through and including December 2018, the underwriting assessment described in (d)(iv)(a) and (d)(iv)(b) above shall be \$0.67 per transaction.

* Underlining indicates new language.