



August 23, 2022

BY ELECTRONIC SUBMISSION

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

Dear Mr. Smith,

The following comments are submitted in response to 2022-07. Founded in 1980, Amuni Financial, Inc. (AMUNI) is a full-service broker-dealer specializing in the sale of individual fixed income securities. AMUNI is very active in fixed income, particularly in the secondary municipal bond market.

Although, I do believe that this amendment has been proposed in good faith, I feel strongly that the small broker-dealers still left in the municipal marketplace will be disproportionately penalized. My main area of concern involves circumstances where multiple transactions occur simultaneously at firms that have not fully automated their order flow. This can happen verbally as well as electronically. For example, if 10 bids are hit at one time and/or when numerous offers are lifted at one time, there is no way for a trader or a team of traders to manually enter those tickets within one minute. Many firms "release" batches of orders all at once and AMUNI is often on the other sides of these trades, providing liquidity. A trader can only manually enter so many trades in a given timeframe. It can be difficult to enter these types of trades in a 15-minute period without errors occurring, let alone one-minute.

Consider why "23.1% of trades" were not entered in the proposed one-minute window. I believe there are valid reasons why many of those orders could not be entered in less than one minute. The premise that every trade can be executed and reported in under one minute deserves further consideration. Perhaps trading that involves retail customers should be segmented from the dealer-to-dealer trading data. Dealer-to-dealer and institutional ticketing is a much different experience than what occurs during a retail order and trade. Some valid reasons for the time difference seen in the trades could involve lack of automation, necessary human intervention, multiple parties involved in the transaction, firm-mandated trader releases, counterparty data discrepancies in descriptive data, best execution verification across platforms, etc. I do believe that we should encourage accuracy over speed when ticketing.

Even with a very expensive order management system, like Bloomberg TOMS, I believe the proposed amendment would do more harm than good. I feel strongly that the trading statistics are skewed by automated trading occurring in certain parts of the market. For instance, our firm can automatically book trades that execute on a particular ATS due to that platform's relationship with our clearing firm. Those trades are reported instantly, matching the execution time of the counterparty (in this case, the platform) due to automated ticketing.

I do believe increased transparency in the municipal market is beneficial, but at what cost? Reducing market liquidity by forcing small broker-dealers out of the marketplace, despite the best of intentions, seems reckless.



I would suggest focusing regulatory resources on increasing transparency in verbal block trading that moves the market. As always, thank you for allowing the industry to comment on proposed rule changes.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "MPetagna", with a long horizontal flourish extending to the right.

Mike Petagna  
President  
Amuni Financial, Inc.