MONROE FINANCIAL PARTNERS

December 16, 2019

Via Electronic Submission
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090
rule-comments@sec.gov

Re: Comments to the Publication or Submission of Quotations Without Specified Information (File Number S7-14-19) (the "Proposal")

Monroe Financial Partners, Inc. ("Monroe") has been making markets in over-the-counter ("OTC") community bank stocks and other value-oriented OTC securities since 1968. We do not make markets in penny stocks.

The Proposal should continue to permit the trading of community bank stocks in the OTC market, as explicitly provided by FINRA Rule 6530.

As currently written, the Proposal would – perhaps inadvertently – prevent the trading of over 340 community banks that have traded in the OTC markets for decades. These 340+ community banks are integral to their local economies and represent:

- Over ***$280 billion in assets***, including over $200 billion in loans in their communities
- Over ***$30 billion in market capitalization***, and
- Approximately ***$500 million in annual dividend payments***

FINRA has long expressly permitted banks to trade OTC, as FINRA recognizes the availability of abundant free information on US banks and their holding companies. (FINRA Rule 6530; which has been in place since 1994). FINRA Rule 6530 declares banks eligible for OTCBB trading so long as the issuer is a "bank or savings association (or a holding company for such an entity) that is not required to file reports with the SEC pursuant to … the Exchange Act and… is current with all required filings with its appropriate Federal banking agency." The Proposal simply needs to expressly enact this exception as well.

The FDIC provides abundant financial information on every US bank on a quarterly basis for free at www.FDIC.gov.

The Proposal would not improve the information available on these 340+ community banks, since the FDIC and Fed already provide exhaustive financial information available on every US bank – whether private or public – for free at www.fdic.gov and www.ffiec.gov . Federal banking agencies require rigorous financial disclosures on a quarterly basis by every bank, including balance sheets and income statements as well as detailed information on loans, deposits, capital, securities, non-performing assets and more. These disclosures are overseen by the FDIC and Fed and are subject to consistent, rigorous accounting standards and strict penalties for misstatements. For bank investors who want to go deep, these regulatory disclosures are generally more helpful than SEC filings or company press releases.

The Proposal would hurt community bank stock investors by overturning decades of trading history and leaving investors without ready access to over $30 billion in market value.

What would it mean to investors if these 340+ community banks no longer trade OTC? Investors would lose immediate access to over $30 billion in value – a needless, devastating loss.

For decades, investors have been able to readily buy and sell these shares by placing orders with their brokerage firms and determine the price of their shares by looking on the Internet. The Proposal would end this, leaving investors in the dark. Value of the banks would likely be depressed. The banks may have more difficulty attracting capital. Their communities would be impacted. These are the clear costs of passing the Proposal as currently drafted. These stocks have generated billions of dollars of wealth for investors over the years and currently pay out hundreds of millions in annual dividends; the Commission should not erect barriers to investing in them.

In conclusion, the Proposal should continue to support the trading of community bank stocks on the OTC in order to avoid needless investor harm.

The Proposal would overturn decades of explicitly sanctioned trading of community bank stocks pursuant to FINRA Rule 6530. Moreover, rather than prospectively protecting community bank stock investors, the Proposal would definitively cause them harm by leaving them without ready access to over $30 billion in market value. These costs would come with no informational benefits, since abundant financial information on every US bank is already provided for free by the FDIC and other banking regulatory agencies.

If you have any questions about any aspect of this letter, please do not hesitate to contact us as provided below.

We very much appreciate your consideration.

Sincerely,

Dan Kanter

Dan Kanter
President

Craig Carlino

Craig Carlino
Chief Compliance Officer