



December 1, 2017

Brent J. Fields
Secretary
Securities and Exchange Commission
100 F Street NE.
Washington, DC 20549-1090

Re: File No. SR-MSRB-2017-06; Amendment No. 1 to Proposed Rule Change to Amend MSRB Rule G-34, on CUSIP Numbers, New Issue, and Market Information

Dear Mr. Fields:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ appreciates this opportunity to respond to the Municipal Securities Rulemaking Board’s (“MSRB’s”) Amendment No. 1² (the “Amendment”) to the proposed rule filing SR-MSRB-2017-06 (the “Proposal”),³ which would amend MSRB Rule G-34 (“Rule G-34”), on CUSIP numbers, new issue and market information. We appreciate the MSRB’s solicitations for comment and their revisions to the original proposal to date.⁴ However, SIFMA would like to reiterate its concerns about the scope of the exception and urges the Securities and Exchange Commission (“SEC” or “Commission”) to institute disapproval proceedings regarding the Proposal in its

¹ SIFMA is the voice of the U.S. securities industry. We represent the broker-dealers, banks and asset managers whose nearly 1 million employees provide access to the capital markets, raising over \$2.5 trillion for businesses and municipalities in the U.S., serving clients with over \$20 trillion in assets and managing more than \$67 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

² 82 Fed. Reg. 54455 (Nov. 17, 2017) (File No. SR-MSRB-2017-06).

³ 82 Fed. Reg. 43587 (Sept. 18, 2017) (File No. SR-MSRB-2017-06).

⁴ See, MSRB Notice 2017-05 (March 1, 2017) (the “First Notice”) and MSRB Notice 2017-11 (June 11, 2017) (the “Second Notice”). See also, letter from Leslie M. Norwood, Managing Director and Associate General Counsel, SIFMA, to Ron Smith, Secretary, MSRB, dated March 31, 2017 (“SIFMA Letter I”), letter from Leslie M. Norwood, Managing Director and Associate General Counsel, the SIFMA, to Ron Smith, Secretary, MSRB, dated June 30, 2017 (“SIFMA Letter II”), and letter from Leslie M. Norwood, Managing Director and Associate General Counsel, SIFMA, to Brent J. Fields, Secretary, SEC, dated October 10, 2017 (“SIFMA Letter III”).

Mr. Brent J. Fields
Secretary
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Page 2 of 3

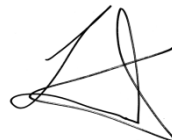
current form, because the amendment as filed is unduly restrictive for market participants.

To clarify SIFMA's prior comments, investors are not reliably willing to sign a letter stating anything regarding the timeframe on their intent to hold a security, other than setting forth their present intention to hold a security. Indeed, investors may not be willing to make a statement currently required by the amendment (given the time horizons of municipal debt or otherwise) that may be second-guessed if they, e.g., many years later, determine to sell their securities. Stating a specific time frame for their intent to hold, whether it be to redemption, maturity, or otherwise is not required in similar situations, such as the limited offering exemption to Rule 15c2-12 or the practice for corporate private placements. It is not clear why such a distinction is necessary here, with respect to municipal securities, if the investor evinces its present intent with respect to the securities.

Therefore, the requirement of the exception should be refined such that the underwriter or municipal advisor must only have a reasonable belief (e.g., by obtaining a written representation) that purchasing entity or entities has no present intent to sell or distribute the municipal securities. The current language in Rule G-34(a)(ii)(A)(3) restricts the exception to situations where the present intent of the purchasing entity is to hold the municipal securities "to maturity or earlier redemption or mandatory tender". This language is still unduly restrictive. Although a purchasing entity may have no present intent to sell the municipal bond, they may, as noted above, feel less comfortable certifying that they have a present intent to hold the municipal bond until a date certain.

Again, SIFMA and its members urge the SEC to consider our comments on the MSRB's proposed Amendment to the amendment to Rule G-34, and ask the SEC to institute proceedings for disapproval if SIFMA's comments are not incorporated into the Proposal. We would be pleased to discuss any of these comments in greater detail, or to provide any other assistance that would be helpful. If you have any questions, please do not hesitate to contact the undersigned at (212) 313-1130.

Sincerely yours,

A handwritten signature in black ink, appearing to be "Leslie M. Norwood", written in a cursive style.

Leslie M. Norwood
Managing Director and
Associate General Counsel

Mr. Brent J. Fields
Secretary
Securities and Exchange Commission
Page 3 of 3

cc: ***Securities and Exchange Commission***
Rebecca Olsen, Acting Director

Municipal Securities Rulemaking Board
Michael L. Post, General Counsel
Margaret R. Blake, Associate General Counsel

Financial Industry Regulatory Authority
Cynthia Friedlander, Director, Fixed Income Regulation