



September 10, 2021

**VIA ELECTRONIC SUBMISSION**

Vanessa A. Countryman  
Secretary  
Securities and Exchange  
Commission, 100 F Street, NE  
Washington, DC 20549

**Re: File Number SR-MSRB-2021-04; MSRB Notice 2021-08 – Amendments to Rule G-10 Notification Requirement for Dealers**

Dear Ms. Countryman,

The Securities Industry and Financial Markets Association (“SIFMA”)<sup>1</sup> appreciates this opportunity to provide input to the Securities and Exchange Commission (“SEC”) on the Municipal Securities Rulemaking Board’s (“MSRB’s”) Filing of a Proposed Rule Change Consisting of Amendments to Rule G-10, on Investor and Municipal Advisory Client Education and Protection, and Rule G-48, on Transactions With Sophisticated Municipal Market Professionals, To Amend Certain Dealer Obligations (the “Filing”).<sup>2</sup> SIFMA appreciates the MSRB review of Rule G-10, as part of its retrospective rule review. SIFMA supports many elements of the proposed amendments, which reduce the compliance burden on the dealer community without reducing investor protections. The proposed amendments will render potential cost savings, and each customer notification that no longer needs to be printed or mailed will reduce the environmental impact of this process. The ongoing COVID-19 pandemic also adds an additional risk for dealer staff that need to produce and mail these physical customer notifications. In that vein, the recent societal changes mean that many recipients of these notifications may not be receiving mail at their offices and may be less willing to touch any mail they do receive.

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<sup>1</sup> SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

<sup>2</sup> 86 Fed. Reg. 46890 (Aug. 20, 2021).

SIFMA members, however, did want to raise two issues relating to the proposed amendments. First, members believe that Rule G-10(c), which is intended to avoid the delivery of duplicative disclosures by introducing dealers and their carrying dealers, would more effectively achieve this aim if introducing dealers and carrying dealers had the flexibility to allocate responsibility for delivery of the disclosures outside of a clearing agreement. We have previously proposed language that would provide this flexibility. Second, members wanted to reiterate their belief that current Rule G-10(b), amended Rule G-10(d), should not require annual notifications by municipal advisors to their municipal advisory clients. These notifications are already made promptly after the establishment of a municipal advisory relationship in the engagement letter/agreement where other required disclosures are included as required under G-42. SIFMA members strongly disagree with the MSRB's assertion that the G-10 notifications are not commonly included in municipal advisor engagement letters as most members believed this to be a natural place for them and updated their templates to include them. Requiring annual notifications under Rule G-10 by municipal advisors to their clients is a manual and unnecessary process as the terms of the engagement are in force for as long as the engagement is active. There are no other municipal advisor disclosures that are required to be made on an annual basis. If any changes in required disclosures by municipal advisors are thought necessary, then those changes should be made in Rule G-42, as this is the rule that sets forth the disclosures required by non-solicitor advisors. Again, in this instance SIFMA members feel the information required to be disclosed by Rule G-10 can adequately be communicated by municipal advisors to their municipal advisory clients as it has been in the municipal advisory engagement letter/agreement or through website disclosure.

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Thank you for considering SIFMA's comments. Overall, SIFMA appreciates the MSRB's proposed amendments, even though we seek reconsideration of the annual notices required to be sent by municipal advisors. If a fuller discussion of our comments would be helpful, I can be reached at (212) 313-1130 or [lnorwood@sifma.org](mailto:lnorwood@sifma.org).

Sincerely,

A handwritten signature in black ink, appearing to be 'L. Norwood', written in a cursive style.

Leslie M. Norwood  
Managing Director  
and Associate General Counsel

cc: ***Securities and Exchange Commission***

Rebecca Olsen, Director, Office of Municipal Securities

***Municipal Securities Rulemaking Board***

Gail Marshall, Chief Compliance Officer

Bri Joiner, Director, Regulatory Compliance

Lisa Wilhelmy, Assistant Director, Market Regulation