

Memo: Comment Letters@msrb.org

Date: June 1, 2011

Re: Draft Rule G-44; G-8, and G-9 Amendments

I write as a sole practitioner single member LLC who has been a Municipal Financial Advisor for 40 years, the last 10 being as above. I would like to state, that while not required to do so until October 1, 2010, I did observe the various MSRB rules that might have been applicable, and that are now official, such as the limitation on political contributions, the limitation on gifts, and the assumption of fiduciary responsibility. The mandating of such compliance imposes no exceptional burden and would not impair my ability to fully function as a municipal financial advisor.

I am sure a number of sole practitioner Financial Advisors are now wondering, as am I, how can we comply with directives for formal supervision when we are supervising ourselves? I hope the Board is willing to address the possibility that some of the directives cannot reasonably be complied with in a single person firm.

Some specific points re Rule G-44:

(b)(i): The establishment and maintenance of written procedures could be time consuming and burdensome, but it can be done.

(b)(ii)(A - C): While I call myself a "Principal" as my title (I did pass the Series 52 and 53 exams many years ago), I would not qualify as such today under MSRB rules. Thus even if I did designated myself as responsible for supervision of myself (does this make sense?), it would not qualify under the rule as written, and I could not comply.

(b)(iii) Self-supervision in the past has guided me from areas in which I have no expertise (federal and state housing, for example, or very complex variable rate, swaps, or highly structured transactions). I would deem myself qualified after 40 years in practice, but under the rule, I would not be qualified to do so.

(b)(iv): I regularly monitor myself as to compliance, so an annual compliance review would be somewhat redundant. I am not sure what documentation would be sufficient to comply with this paragraph.

(c)(i)(A and B): With no principal on staff, compliance with the letter of these provisions would not be feasible. Again, self-supervision and ongoing compliance awareness would comply with the spirit of the paragraph.

(c)(i)(C and D): Lack of a principal notwithstanding, compliance with rules G-8 and G-9 is possible. Maintenance of supervisory procedures hinges on how such directives might be interpreted and applied to a sole practitioner.

(c)(ii): Depending on how such supervisory procedures are defined for a sole practitioner, I see no reason why this provision should create a problem

(d): No comment

(e): No comment

Rules G-8 and G-9: No comment.

I hope my comments reflect the inherent incongruities of self-supervision as promulgated under the proposed changes to Rule G-44. I look forward to the Board's thoughts as to how such directives might be reasonably observed by those such as myself.

Thank you for your attention.