



September 20, 2013

Ronald W. Smith
Corporate Secretary
Municipal Securities Rulemaking Board
1900 Duke Street
Suite 600
Alexandria, VA 22314

Re: MSRB Notice 2013-19: Request for Comment on Proposed Rule Change to Consolidate Registration Requirements

Dear Mr. Smith:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ appreciates this opportunity to respond to Notice 2013-19² (the “Notice”) issued by the Municipal Securities Rulemaking Board (the “MSRB”) in which the MSRB is requesting comment on proposed rule changes that would set forth in a single rule the requirements to and process by which brokers, dealers and municipal securities dealers (“dealers”) and municipal advisors (collectively “regulated entities”) register with the MSRB. SIFMA applauds the MSRB in its efforts to make it easier for firms to understand and follow the registration requirements of the MSRB. SIFMA and its members generally are supportive of consolidating rules, particularly when the effects are clarifying the rules, streamlining processes and reducing the compliance burdens on regulated entities. We do have some specific comments about certain aspects of this proposal that are more fully described below.

¹ The Securities Industry and Financial Markets Association (SIFMA) brings together the shared interests of hundreds of securities firms, banks and asset managers. SIFMA’s mission is to support a strong financial industry, investor opportunity, capital formation, job creation and economic growth, while building trust and confidence in the financial markets. 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 www.sifma.org.

² MSRB Notice 2013-19 (August 19, 2013).

I. The Proposed Changes Generally

The MSRB is proposing changes to Rules A-12 and G-14, the elimination of Rules A-14, A-15, and G-40, and the replacement of Forms RTRS and G-40 with Form A-12. SIFMA feels this rule consolidation makes the registration process easier to understand, and that is a benefit to regulated entities. At this time, we do not have any further substantive suggestions for the MSRB to assist new registrants in meeting their registration requirements, and do not feel that there are other provisions in the MSRB rules that should be consolidated into the proposed new registration rule. SIFMA would like to confirm that regulated entities would only need to submit new or changed information in Form A-12 when the new Form A-12 takes effect and annually thereafter.

II. Fees

We do not feel these proposed changes would impose any significant new burdens on regulated entities. SIFMA feels the assessment of late fees does not impose an undue burden on firms, as regulated entities typically pay their registration fees on a timely basis. We also feel that the waiver of the following year's annual fee for new firms that register in September is appropriate relief for firms that seek to register at the end of a fiscal year. We also wanted to confirm that the \$100 initial fee is only applicable to new MSRB registrants, and not to all regulated entities which will need to file a revised Form A-12. SIFMA appreciates the consideration of these matters by the MSRB, and believes the treatment of payment of fees in revised Rule A-12 is fair and reasonable.

III. Annual Certification and Firm Contact Information Spreadsheet

The MSRB, in Rule A-12(f), sets forth a number of designated contacts that a regulated entity must designate and specify on its Form A-12. SIFMA and its members applaud this change. Under current Rule G-40, there is one and only one designated contact for MSRB regulatory purposes. This singular point of contact between a regulated entity and the regulator created unintended points of failure and unnecessary delays in responding to requests from the MSRB or receiving information from the MSRB. For instance, a G-40 contact at a bank dealer must take a regulation-mandated two week vacation without access to their email and voicemail. Regular vacations, business travel, sick days, and other days the current G-40 contact is unavailable highlight the weaknesses in a single point of contact system. Additionally, the G-40 contact typically would route the MSRB's request for information to the appropriate internal contact; in new Rule A-12, the MSRB will be able to reach out directly to appropriate personnel at regulated entities. We encourage the MSRB to use a spreadsheet for contact information similar to the one developed by the Financial Industry Regulatory Authority (FINRA) for use by

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regulated entities related to FINRA's Trade Reporting And Compliance Engine (TRACE) System. SIFMA's member firms are familiar with this methodology for designating firm contact information and feel that the enhanced connectivity between the regulated entities and FINRA as a result of the implementation of this spreadsheet has been beneficial.

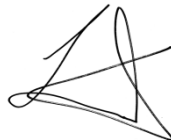
IV. Multiple Types of Business Activity

The revised Form A-12(iv) specifies that regulated entities shall, prior to registering with the Board, provide the "type of business activity" in which the regulated entity plans to conduct. SIFMA and its members were concerned that "type" was singular in this instance. In order to best serve their clients by offering a wide range of products and services, many broker dealers conduct a variety of business activities, including dealer activities, municipal advisor activities and municipal fund securities activities. The revised Form A-12 should permit a singular registration by a regulated entity for multiple business activities.

* * *

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,



Leslie M. Norwood
Managing Director and
Associate General Counsel

cc: ***Municipal Securities Rulemaking Board***
Lynnette Kelly, Executive Director
Gary L. Goldsholle, General Counsel
Lawrence P. Sandor, Deputy General Counsel