

Comment on Notice 2018-03

from Kim Wyatt, Kensington Capital Advisors

on Thursday, February 22, 2018

Comment:

Thank you for the opportunity to make comments on the draft Frequently Asked Questions Regarding Rule G-42 and the Making of Recommendations. In the draft question 10, there is a discussion of the recording keeping requirements under Rule G-8 as it relates to recommendations.

Specifically, footnote 35 states that "a G-42 Recommendation is unique in that it is advice that includes a call to action to proceed with a specific municipal financial product or issuance of municipal securities. Advice that lacks specificity regarding a municipal financial product or issuance of municipal securities may, nevertheless, rise to the level of a recommendation for purposes of the Act and records relating to such recommendation would be required to be maintained according to Rule 15Ba1-8(a)(4)."

I propose that the MSRB add detailed commentary regarding the definition of a recommendation for the recordkeeping purpose of Rule 15Ba1-8(a)(4) as a comparison to the definition of a G-42 Recommendation. The detailed commentary would be helpful in ensuring that Municipal Advisors accurately define and preserve documents that are material to making a recommendation. This commentary could be placed within the resources for Rule G-8 and/or G-42.

Thank you.
Kim Wyatt