

July 16, 2018

**Submitted Electronically**

Ronald W. Smith  
Corporate Secretary  
Municipal Securities Rulemaking Board  
1300 I Street NW  
Washington, DC 20005

**RE: Request for Comment on MSRB Notice 2018-09 (the “Notice”) relating to Draft MSRB Rule G-36, on Discretionary Transactions in Customer Accounts, and Related Draft Amendments**

Dear Mr. Smith:

On behalf of the Bond Dealers of America (“BDA”), I am pleased to submit this letter in response to the MSRB’s request for comment on the Notice. The BDA appreciates the MSRB’s efforts in consolidating discretionary transaction rules and, except for one provision, supports the MSRB’s draft Rule G-36.

*The BDA believes that paragraph (a)(iii) of draft Rule G-36 is overly prescriptive and dealers should have the flexibility of fashioning appropriate policies and procedures.*

The BDA believes that paragraph (a)(iii) of draft Rule G-36 is overly prescriptive in that it requires either a municipal securities principal or municipal securities sales principal to approve each order in writing. The BDA believes that Rule G-36 should give dealers the flexibility to fashion reasonable policies and procedures—including which individuals are responsible for approving orders—to ensure that the order is both authorized by a customer authorization and meets suitability requirements. Dealers vary in size and structure and the draft rule affords little flexibility in the approval requirements.

Thank you for the opportunity to provide these comments.

Sincerely,



Mike Nicholas  
Chief Executive Officer