

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 17	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2020 - * 05 Amendment No. (req. for Amendments *)
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Filing by Municipal Securities Rulemaking Board
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input checked="" type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposed Rule Change Consisting of Amendments to MSRB Rules A-3 and A-4 Relating to Board Quorum, Meeting, and Voting Requirements

Contact Information
Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Jacob Last Name * Lesser
Title * Deputy General Counsel
E-mail * jlesser@msrb.org
Telephone * (202) 838-1500 Fax

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934,
Municipal Securities Rulemaking Board
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.
(Title *)

Date 09/15/2020
By Ronald W. Smith (Name *)
Corporate Secretary
rsmith@msrb.org, rsmith@msrb.org

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”),¹ and Rule 19b-4 thereunder,² the Municipal Securities Rulemaking Board (“MSRB” or “Board”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change consisting of amendments to MSRB Rules A-3 and A-4 (the “proposed rule change”) relating to Board quorum, meeting, and voting requirements. The MSRB has designated the proposed rule change as “concerned solely with the administration of the self regulatory organization” under Section 19(b)(3)(A)(iii)³ of the Act and Rule 19b-4(f)(3)⁴ thereunder, which renders the proposal effective upon filing with the Commission. As described below, the draft amendments would:

- Revise the Board’s quorum requirement by replacing the specific Board category representation requirements with a more general requirement that a majority of the Board’s public representatives and a majority of the Board’s regulated members be present;
- Modify the voting requirement for the Board to remove a member for cause by replacing the requirement for the vote to include the affirmative vote of members from specified Board categories with a requirement that the vote include the affirmative vote of a majority of the Board’s public representatives and a majority of the Board’s regulated members;
- Add an express statement that the Board may meet through the use of any means of communication by which all persons participating may simultaneously hear each other (including through the use of captioning or other similar transcription means) during the meeting;
- Update the requirement for taking Board action without a meeting; and
- Move the provision on Board resolutions into its own subsection and rephrase the provision on special meetings of the Board to clarify its meaning.

(a) The text of the proposed rule change is attached as Exhibit 5. The text proposed to be added is underlined, and text proposed to be deleted is enclosed in brackets. Changes are marked against Rule A-3 as it will appear on October 1, 2020, the effective date for amendments to Rule A-3 that were recently approved by the Commission.⁵

(b) Not applicable.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(3).

⁵ See Exchange Act Release No. 89484 (Aug. 5, 2020), 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04).

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The Board approved the proposed rule change at its meeting on August 21, 2020. Questions concerning this filing may be directed to Jacob N. Lesser, Deputy General Counsel, at 202-838-1500.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

MSRB Quorum and Cause Removal Voting Requirements

MSRB Rule A-4(c) currently provides that a quorum consists of “two-thirds of the members of the whole Board (at least one of whom shall be a public representative, one a broker-dealer representative, one a bank representative and one a municipal advisor representative)” MSRB Rule A-3(c) uses the same formulation when describing the vote required to remove a Board member for cause.⁶ The proposed rule change includes parallel amendments to both of these provisions. Specifically, the amendments would replace the specific category representation requirements in both rules with a requirement that there be a majority of the public representatives and a majority of the regulated representatives.

The purpose of these amendments is twofold. First, requiring a majority of the public representatives and a majority of the regulated representatives would provide additional assurance of the Board’s commitment to balanced representation on the Board, including the substantial participation of both public and regulated representatives in Board decisions. Second, eliminating the more specific category requirements would mitigate the risk, increased by the Board’s impending reduction in size,⁷ that the absence of a single Board member (or a small

⁶ MSRB Rule A-3(c) provides, “In the event the Board shall find that any member has willfully violated any provision of the Act, any rule or regulation of the Commission thereunder, or any rule of the Board or has abused his or her authority or has otherwise acted, or failed to act, so as to affect adversely the public interest or the best interests of the Board, the Board may, upon the affirmative vote of two-thirds of the whole Board (which shall include the affirmative vote of at least one public representative, one broker-dealer representative, one bank representative and one municipal advisor representative), remove such member from office.” The Commission recently approved amendments to Rule A-3 that are effective on October 1, 2020. See Exchange Act Release No. 89484 (Aug. 5, 2020); 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04). The approved amendments include minor wording changes to the language quoted above but do not modify the substance.

group of Board members) could prevent the Board from meeting the quorum requirement or the voting requirement for removal for cause even if the other requirements are met.

In addition, the proposed rule change would move two sentences in MSRB Rule A-4(c) that relate to Board resolutions into a new subsection, A-4(e). Locating the provision on resolutions in its own subsection, rather than in the subsection on the Board's quorum requirement, will improve the overall organization of the rule.

Board Meetings and Board Action Without a Meeting

MSRB Rule A-4(a) requires the Board to meet at least quarterly and governs the conduct of regular and special meetings. In practice, the Board generally meets in person each quarter and by conference call more frequently. While the Board's power to conduct meetings telephonically or otherwise remotely has never been in doubt, the proposed rule change includes an amendment to MSRB Rule A-4(a) expressly providing that meetings may be held through the use of any communications method by means of which all persons participating in the meeting can hear each other (including through the use of captioning or other similar transcription means). This amendment is intended to provide additional assurance to the public that the Board is able to conduct business even when circumstances prevent it from meeting in person. The proposed rule change also includes an amendment to rephrase the sentence in MSRB Rule A-4(a) on special meetings of the Board to clarify its meaning.

MSRB Rule A-4 also sets forth the requirements for the Board to take action without a meeting. The Board takes action without a meeting infrequently, generally when a matter requires prompt attention in between scheduled meetings and circumstances preclude convening a special meeting. MSRB Rule A-4(d) provides that such action may be taken by written consent or by telephone or email poll of all members of the Board. The proposed amendments to MSRB Rule A-4(d) are intended to simplify the rule and more clearly describe the process for taking action without a meeting under the Virginia Nonstock Corporation Act,⁸ pursuant to which the Board is organized. As amended, the rule would no longer provide that action without a meeting may be taken by telephone or email poll, but rather that it must be taken by unanimous written consent of the Board members.⁹

⁷ See Exchange Act Release No. 89484 (Aug. 5, 2020), 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04) (approving amendments to MSRB Rule A-3 that reduce the Board's size to 17 members for fiscal year 2021 and 15 members thereafter).

⁸ Va. Code Ann. §§ 13.1-801 et seq.

⁹ Articles 3 and 4 of the Bylaws of the MSRB ("Bylaws") restate MSRB Rules A-3 and A-4, respectively. The MSRB will update the Bylaws to mirror amended MSRB Rules A-3 and A-4, as well as amended MSRB Rule A-6, which the Commission recently approved. See Exchange Act Release No. 89484 (Aug. 5, 2020), 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04).

The proposed rule change will become operative on October 1, 2020, the effective date for the recently-approved amendments to MSRB Rule A-3 that, among other things, reduce the Board's size.¹⁰

(b) Statutory Basis

The MSRB has adopted the proposed rule change pursuant to Section 15B(b)(2)(I) of the Exchange Act,¹¹ which provides that the MSRB's rules shall:

provide for the operation and administration of the Board, including the selection of a Chairman from among the members of the Board, the compensation of the members of the Board, and the appointment and compensation of such employees, attorneys, and consultants as may be necessary or appropriate to carry out the Board's functions under this section.

The amendment to MSRB Rule A-3 would modify the existing voting requirement to remove a Board member for cause by requiring the vote to include the affirmative vote of a majority of the public representatives and a majority of the regulated representatives. Similarly, the proposed rule change would modify the existing quorum requirement in MSRB Rule A-4(c) to require that a majority of the public representatives and a majority of the regulated representatives be present. As such, these amendments provide for the operation and administration of the Board and are therefore consistent with Section 15B(b)(2)(I) of the Exchange Act.¹²

The amendments to MSRB Rule A-4 also would include an express statement that the Board may meet remotely, update the Board's requirements for taking Board action without a meeting, relocate the existing provision governing Board resolutions, and clarify an existing sentence regarding special meetings of the Board. Accordingly, these amendments also provide for the operation and administration of the Board and are therefore consistent with Section 15B(b)(2)(I) of the Exchange Act.¹³

4. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Exchange Act requires that MSRB rules not be designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.¹⁴ The proposed rule change relates only to the administration of the Board

¹⁰ See id.

¹¹ 15 U.S.C. 78o-4(b)(2)(I).

¹² Id.

¹³ Id.

¹⁴ 15 U.S.C. 78o-4(b)(2)(C).

and would not impose requirements on dealers, municipal advisors or others. Accordingly, the MSRB does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

The MSRB designates the proposed rule change as being immediately effective upon filing pursuant to Section 19(b)(3)(A)(iii) of the Act¹⁵ and Rule 19b-4(f)(3) thereunder.¹⁶ The proposed rule change is concerned solely with the administration of the MSRB in that it relates exclusively to provisions concerning Board meetings, Board votes, and taking Board action without a meeting.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notice Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervisions Act

Not applicable.

11. Exhibits

Exhibit 1 Completed Notice of Proposed Rule Change for Publication in the Federal Register

Exhibit 5 Text of Proposed Rule Change

¹⁵ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁶ 17 CFR 240.19b-4(f)(3).

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-_____ ; File No. SR-MSRB-2020-05)

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Consisting of Amendments to MSRB Rules A-3 and A-4 Relating to Board Quorum, Meeting, and Voting Requirements

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on _____ the Municipal Securities Rulemaking Board (“MSRB”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The MSRB filed with the Commission a proposed rule change consisting of amendments to MSRB Rules A-3 and A-4 (the “proposed rule change”) relating to Board quorum, meeting, and voting requirements. The MSRB has designated the proposed rule change as “concerned solely with the administration of the self regulatory organization” under Section 19(b)(3)(A)(iii)³ of the Act and Rule 19b-4(f)(3)⁴ thereunder, which renders the proposal effective upon filing with the Commission. As described below, the draft amendments would:

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(3).

- Revise the Board’s quorum requirement by replacing the specific Board category representation requirements with a more general requirement that a majority of the Board’s public representatives and a majority of the Board’s regulated members be present;
- Modify the voting requirement for the Board to remove a member for cause by replacing the requirement for the vote to include the affirmative vote of members from specified Board categories with a requirement that the vote include the affirmative vote of a majority of the Board’s public representatives and a majority of the Board’s regulated members;
- Add an express statement that the Board may meet through the use of any means of communication by which all persons participating may simultaneously hear each other (including through the use of captioning or other similar transcription means) during the meeting;
- Update the requirement for taking Board action without a meeting; and
- Move the provision on Board resolutions into its own subsection and rephrase the provision on special meetings of the Board to clarify its meaning.

The text of the proposed rule change is available on the MSRB’s website at www.msrb.org/Rules-and-Interpretations/SEC-Filings/2020-Filings.aspx, at the MSRB’s principal office, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in

Item IV below. The MSRB has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

MSRB Quorum and Cause Removal Voting Requirements

MSRB Rule A-4(c) currently provides that a quorum consists of “two-thirds of the members of the whole Board (at least one of whom shall be a public representative, one a broker-dealer representative, one a bank representative and one a municipal advisor representative)” MSRB Rule A-3(c) uses the same formulation when describing the vote required to remove a Board member for cause.⁵ The proposed rule change includes parallel amendments to both of these provisions. Specifically, the amendments would replace the specific category representation requirements in both rules with a requirement that there be a majority of the public representatives and a majority of the regulated representatives.

The purpose of these amendments is twofold. First, requiring a majority of the public representatives and a majority of the regulated representatives would provide additional assurance of the Board’s commitment to balanced representation on the Board, including the

⁵ MSRB Rule A-3(c) provides, “In the event the Board shall find that any member has willfully violated any provision of the Act, any rule or regulation of the Commission thereunder, or any rule of the Board or has abused his or her authority or has otherwise acted, or failed to act, so as to affect adversely the public interest or the best interests of the Board, the Board may, upon the affirmative vote of two-thirds of the whole Board (which shall include the affirmative vote of at least one public representative, one broker-dealer representative, one bank representative and one municipal advisor representative), remove such member from office.” The Commission recently approved amendments to Rule A-3 that are effective on October 1, 2020. See Exchange Act Release No. 89484 (Aug. 5, 2020); 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04). The approved amendments include minor wording changes to the language quoted above but do not modify the substance.

substantial participation of both public and regulated representatives in Board decisions. Second, eliminating the more specific category requirements would mitigate the risk, increased by the Board's impending reduction in size,⁶ that the absence of a single Board member (or a small group of Board members) could prevent the Board from meeting the quorum requirement or the voting requirement for removal for cause even if the other requirements are met.

In addition, the proposed rule change would move two sentences in MSRB Rule A-4(c) that relate to Board resolutions into a new subsection, A-4(e). Locating the provision on resolutions in its own subsection, rather than in the subsection on the Board's quorum requirement, will improve the overall organization of the rule.

Board Meetings and Board Action Without a Meeting

MSRB Rule A-4(a) requires the Board to meet at least quarterly and governs the conduct of regular and special meetings. In practice, the Board generally meets in person each quarter and by conference call more frequently. While the Board's power to conduct meetings telephonically or otherwise remotely has never been in doubt, the proposed rule change includes an amendment to MSRB Rule A-4(a) expressly providing that meetings may be held through the use of any communications method by means of which all persons participating in the meeting can hear each other (including through the use of captioning or other similar transcription means). This amendment is intended to provide additional assurance to the public that the Board is able to conduct business even when circumstances prevent it from meeting in person. The proposed rule change also includes an amendment to rephrase the sentence in MSRB Rule A-4(a) on special meetings of the Board to clarify its meaning.

⁶ See Exchange Act Release No. 89484 (Aug. 5, 2020), 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04) (approving amendments to MSRB Rule A-3 that reduce the Board's size to 17 members for fiscal year 2021 and 15 members thereafter).

MSRB Rule A-4 also sets forth the requirements for the Board to take action without a meeting. The Board takes action without a meeting infrequently, generally when a matter requires prompt attention in between scheduled meetings and circumstances preclude convening a special meeting. MSRB Rule A-4(d) provides that such action may be taken by written consent or by telephone or email poll of all members of the Board. The proposed amendments to MSRB Rule A-4(d) are intended to simplify the rule and more clearly describe the process for taking action without a meeting under the Virginia Nonstock Corporation Act,⁷ pursuant to which the Board is organized. As amended, the rule would no longer provide that action without a meeting may be taken by telephone or email poll, but rather that it must be taken by unanimous written consent of the Board members.⁸

The proposed rule change will become operative on October 1, 2020, the effective date for the recently-approved amendments to MSRB Rule A-3 that, among other things, reduce the Board's size.⁹

2. Statutory Basis

The MSRB has adopted the proposed rule change pursuant to Section 15B(b)(2)(I) of the Exchange Act,¹⁰ which provides that the MSRB's rules shall:

provide for the operation and administration of the Board, including the selection of a Chairman from among the members of the Board, the compensation of

⁷ Va. Code Ann. §§ 13.1-801 et seq.

⁸ Articles 3 and 4 of the Bylaws of the MSRB ("Bylaws") restate MSRB Rules A-3 and A-4, respectively. The MSRB will update the Bylaws to mirror amended MSRB Rules A-3 and A-4, as well as amended MSRB Rule A-6, which the Commission recently approved. See Exchange Act Release No. 89484 (Aug. 5, 2020), 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04).

⁹ See id.

¹⁰ 15 U.S.C. 78o-4(b)(2)(I).

the members of the Board, and the appointment and compensation of such employees, attorneys, and consultants as may be necessary or appropriate to carry out the Board's functions under this section.

The amendment to MSRB Rule A-3 would modify the existing voting requirement to remove a Board member for cause by requiring the vote to include the affirmative vote of a majority of the public representatives and a majority of the regulated representatives. Similarly, the proposed rule change would modify the existing quorum requirement in MSRB Rule A-4(c) to require that a majority of the public representatives and a majority of the regulated representatives be present. As such, these amendments provide for the operation and administration of the Board and are therefore consistent with Section 15B(b)(2)(I) of the Exchange Act.¹¹

The amendments to MSRB Rule A-4 also would include an express statement that the Board may meet remotely, update the Board's requirements for taking Board action without a meeting, relocate the existing provision governing Board resolutions, and clarify an existing sentence regarding special meetings of the Board. Accordingly, these amendments also provide for the operation and administration of the Board and are therefore consistent with Section 15B(b)(2)(I) of the Exchange Act.¹²

B. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Exchange Act requires that MSRB rules not be designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.¹³ The proposed rule change relates only to the administration of the Board

¹¹ Id.

¹² Id.

¹³ 15 U.S.C. 78o-4(b)(2)(C).

and would not impose requirements on dealers, municipal advisors or others. Accordingly, the MSRB does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁴ and paragraph (f) of Rule 19b-4 thereunder.¹⁵ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-MSRB-2020-05 on the subject line.

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f).

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-MSRB-2020-05. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2020-05 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, pursuant to delegated authority.¹⁶

Secretary

¹⁶ 17 CFR 200.30-3(a)(12).

Rule A-3: Board Membership: Composition, Elections, Removal, Compensation¹

(a)-(b) No change

(c) *Resignation, Disqualification and Removal.*

(i) A member may resign from the Board by submitting a written notice of resignation to the Chair of the Board which shall specify the effective date of such member's resignation. In no event shall such date be more than 30 days from the date of delivery of such notice to the Chair. If no date is specified, the resignation shall become effective immediately upon its delivery to the Chair.

(ii) If a member's change in employment or other circumstances results in a conflict with the requirements of section (a) of this rule the member shall be disqualified from serving on the Board as of the date of the change. If the Board determines that a member's change in employment or other circumstances does not result in disqualification pursuant to this paragraph but changes the category of representative in which the Board member serves, the member will remain on the Board pending a vote of the other members of the Board, to be taken within 30 days, determining whether the member is to be retained.

(iii) If the Board finds that any member has willfully violated any provision of the Act, any rule or regulation of the Commission thereunder, or any rule of the Board or has abused his or her authority or has otherwise acted, or failed to act, so as to affect adversely the public interest or the best interests of the Board, the Board may, upon the affirmative vote of two-thirds of the whole Board (which shall include the affirmative vote of a majority of the public representatives and a majority of the regulated representatives [at least one public representative, one broker-dealer representative, one bank representative and one municipal advisor representative]), remove such member from the Board.

(d)-(f) No change

Rule A-4: Meetings of the Board

(a) *Meetings.* Regular meetings of the Board shall be held at least quarterly and at such time and place as from time to time determined by resolution of the Board or provided by rule of the Board. The Chair of the Board may, and upon the written request of not less than three members shall, call a special meeting, the purpose or purposes of which shall be specified.[Special meetings of the Board shall be called by the Chair of the Board or at the written request of not

¹ Changes are marked against Rule A-3 as it will appear on October 1, 2020, the effective date for amendments to Rule A-3 that were recently approved by the Commission. See Exchange Act Release No. 89484 (Aug. 5, 2020), 85 FR 48579 (Aug. 11, 2020) (File No. SR-MSRB-2020-04).

less than three members, which request shall in each case specify the purpose or purposes of the meeting]. Meetings may be held either in person or through the use of any means of communication by which all persons participating may simultaneously hear each other (including through the use of captioning or other similar transcription means) during the meeting. At special meetings, the Board shall consider only those specific matters for which the meeting was called, unless all members consent either at the meeting or in writing before or after the meeting to the consideration of other matters.

(b) No change

(c) *Quorum and Voting Requirements.* A quorum of the Board shall consist of two-thirds of the members of the whole Board, including a majority of the public representatives and a majority of the regulated representatives [(at least one of whom shall be a public representative, one a broker-dealer representative, one a bank representative and one a municipal advisor representative)], and any action taken by the affirmative vote of a majority of the whole Board at any meeting at which a quorum is present shall, except as otherwise provided by rule of the Board, constitute the action of the Board. [Unless otherwise specified by the Act or by rule of the Board, action by the Board may be by resolution. Resolutions of the Board shall take effect immediately, unless a different effective date shall be specified therein.]

(d) *Action Without a Meeting.* Action by the Board may be taken without a meeting by unanimous written consent [of the Board setting forth the action so taken, or by telephone or e-mail poll of all members of the Board, provided that, in the case of action taken by telephone or e-mail poll, the Board, at a meeting, or the chairman of the Board authorizes the action to be taken by such means. The Chief Executive Officer shall transmit to each Board member, as soon as practicable after a telephone or e-mail poll is taken, a written statement setting forth the question or questions with respect to which the telephone or e-mail poll was taken and the results of the telephone or e-mail poll. Such statement shall also be entered in the minutes of the next Board meeting. In the case of action taken without a meeting by written consent, telephone or e-mail poll, an affirmative vote of a majority of the whole Board is required].

(e) *Resolutions.* Unless otherwise specified by the Act or by rule of the Board, action by the Board may be by resolution. Resolutions of the Board shall take effect immediately, unless a different effective date shall be specified therein.