

Proposed Rule Change 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"/>
			Rule		
Pilot <input type="checkbox"/>	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)	

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 proposed rule change (limit 250 characters).

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 proposed rule change.

First Name	<input type="text" value="Lawrence"/>	Last Name	<input type="text" value="Sandor"/>
Title	<input type="text" value="Associate General Counsel"/>		
E-mail	<input type="text" value="lsandor@msrb.org"/>		
Telephone	<input type="text" value="(703) 797-6600"/>	Fax	<input type="text" value="(703) 797-6700"/>

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 officer.

Date

By

(Name) (Title)

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 EFFF website.

Form 19b-4 Information

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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

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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 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

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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

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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

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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

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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 Proposed Rule Change

(a) The Municipal Securities Rulemaking Board (“MSRB” or “Board”) is hereby filing with the Securities and Exchange Commission (“Commission” or “SEC”) a proposed rule change consisting of amendments to Rules A-3, on membership on the Board, A-4, on meetings of the Board, A-5, on officers and employees of the Board, and A-6, on committees of the Board (the “proposed rule change”). The proposed rule change is set forth below, with underlining indicating additions and brackets indicating deletions:

Rule A-3. Membership on the Board

(a) - (b) No change.

(c) Nomination and Election of Members.

(i) – (iii) No change.

(iv) The Nominating Committee shall nominate one person for each of the Board positions to be filled and shall submit the nominees to the Board for approval. In making such nominations, **the Nominating Committee shall take into consideration such** factors **as** [to be considered include], without limitation, diversity in the geographic location, size and type of brokers, dealers, and municipal securities dealer represented. Each nomination shall be accompanied by a statement indicating the position for which such person is nominated, the nominee’s qualifications to serve as a member of the Board, and information concerning the nominee’s association with any broker, dealer, or municipal securities dealer. The names of the nominees will be confidential.

(v) – (vii) No change.

(d) Resignation and Removal of Members. A member may resign from the Board by submitting a written notice of resignation to the [Chairman] **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 [Chairman] **Chair**. If no date is specified, the resignation shall become effective immediately upon its delivery to the [Chairman] **Chair**. 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 and one bank representative), remove such member from office.

(e) - (f) No change.

(g) Affiliations. Two persons associated with the same broker, dealer or municipal securities dealer shall not serve as members of the Board at the same time.

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. Special meetings of the Board shall be called by the [Chairman] **Chair** of the Board or at the written request of not less than three members, which request shall in each case specify the purpose or purposes of 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) – (d) No change.

Rule A-5. Officers and Employees of the Board

(a) Officers of the Board. The officers of the Board shall consist of a [Chairman] **Chair** and Vice [Chairman] **Chair**, and such other officers as the Board may deem necessary or appropriate. The [Chairman] **Chair** shall preside at meeting of the Board. During the absence or inability to act of the [Chairman] **Chair**, or which the office of [Chairman] **Chair** is vacant, the Vice [Chairman] **Chair** shall be vested with all of the powers and shall perform all of the duties of the [Chairman] **Chair**. In the event of the absence of both the [Chairman] **Chair** and Vice [Chairman] **Chair** at any meetings of the Board, the Board may designate one of the members present as acting [Chairman] **Chair** for the purpose of presiding at such meeting. The officers of the Board shall have such other powers and perform such other duties as the Board may determine by resolution.

(b) *Election of Officers of the Board.* Officers of the Board shall be elected annually from among the members, by secret, written ballot of the members, at a meeting of the Board held prior to October 1 of each year according to procedures adopted by the Board. Officers shall serve for a term commencing on the October 1 next following their election and ending with the succeeding September 30; *provided, however,* that any officer may resign his or her office prior to the expiration of his or her term by filing a written notice of resignation with the Secretary to the Board which shall specify the effective date of such resignation. In no event shall such date be less than 10 days or more than 30 days from the date of filing of such notice. If no date is specified, the resignation shall become effective 10 days from the date of filing. The Board may remove any officer at any time by two-thirds vote of the whole Board. Vacancies in office shall be filled as soon as practicable by vote of the members and any person elected to fill a vacancy shall serve only for the remainder of his or her predecessor's term. **For purposes of this rule, the term "vacancies in office" shall include any vacancy resulting from the resignation of any person duly elected to an office prior to the commencement of his or her term.**

(c) – (d) No change.

Rule A-6. Committees of the Board

(a) The Board may establish one or more standing or special committees, each to have an exercise such powers and authority as may be provided by the Board in the resolution establishing such committee; provided, however, that no such committee shall have the authority to exercise any of the powers and authority specifically required to be exercised by the entire Board by the Act or by rule of the Board or other applicable law. The [Chairman] **Chair** of the Board shall be an *ex officio* member of each committee.

(b) No change.

* * * * *

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was adopted by the Board at its July 23, 2009 meeting. Questions concerning this filing may be directed to Lawrence P. Sandor, Associate General Counsel, and Ronald W. Smith, Senior Legal Associate, at (703) 797-6600.

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

(a) The Board has been reviewing its Administrative Rules and by-laws to ensure that they are consistent with current good corporate governance practices. Among other things, Rule A-3, on membership of the Board, states that the Board will be composed of 15 members and it describes the types of groups that will be represented on the Board (i.e., public representatives, broker-dealer representatives and bank representatives). The Board considered the possibility of two persons associated with the same firm being seated on the Board due to a merger, consolidation or similar corporate action of Board members’ firms or other change in circumstances. The Board decided to add new section (g) to Rule A-3 to prohibit two persons associated with the same firm from serving as members of the Board at the same time. The proposed rule change also revises the language in Rule A-3(c)(iv) to restore language that was inadvertently deleted from the rule in recent amendments.¹ The revised language now reads as was intended in the previous proposed rule change.

Rule A-5, on officers and employees of the Board, among other things, describes the procedure for the election of officers. Rule A-5(b) notes that vacancies in office shall be filled as soon as practicable by vote of the Board members. The proposed rule change

¹ See Securities Exchange Act Release No. 57500 (March 14, 2008), 73 FR 15244 (March 21, 2008). See also File No. SR-MSRB-2008-02.

adds language to Rule A-5(b) to provide for an election to fill a vacancy if a Board member elected to a Board office becomes unable to take the position (e.g., by resignation) prior to the commencement of the term.

The proposed rule change also revises the language in Rules A-3, A-4, on meetings of the Board, A-5 and A-6, on committees of the Board, to ensure gender neutrality by replacing the word “Chairman” with the word “Chair.”

(b) The MSRB believes that the proposed rule change is consistent with the requirements of Section 15B(b)(2)(I) of the Securities Exchange Act of 1934 (the “Act”), which authorizes the MSRB to adopt rules that provide for the operation and administration of the MSRB. The proposed rule change is concerned solely with the operation and administration of the MSRB.

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

The MSRB does not believe the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

5. Self-Regulatory Organization’s Statement on Comments Received on the Proposed Rule Change by 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)

The proposed rule change is to take effect upon filing pursuant to Section 19(b)(3)(A)(iii) of the Act and Rule 19b-4(f)(3) thereunder. The MSRB hereby designates the proposed rule change as concerned solely with the operation and administration of the MSRB.

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

Not applicable.

9. Exhibits

1. Federal Register Notice

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-MSRB-2009-11)

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of Amendments to Rule A-3, on Membership on the Board, Rule A-4, on Meetings of the Board, Rule A-5, on Officers and Employees of the Board, and Rule A-6, on Committees of the Board

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 29, 2009, the Municipal Securities Rulemaking Board (“MSRB” or “Board”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. The MSRB has designated the proposed rule change as concerned solely with the operation and administration of the Board pursuant to Section 19(b)(3)(A)(iii) of the Act,³ and Rule 19b-4(f)(3) thereunder,⁴ which renders the proposal effective upon filing with the Commission. 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 Board has been reviewing its Administrative Rules and by-laws to ensure that they are consistent with current good corporate governance practices. Pursuant to this review, the MSRB is filing amendments to Rule A-3, on membership on the Board, Rule

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).

A-4, on meetings of the Board, Rule A-5, on officers and employees of the Board, and Rule A-6, on committees of the Board. The text of the proposed rule change is available on the MSRB's Web site at [www.msrb.org /msrb1/sec.asp](http://www.msrb.org/msrb1/sec.asp), at the MSRB's principal office, and at the Commission's Public Reference Room.

I. 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

The Board has been reviewing its Administrative Rules and by-laws to ensure that they are consistent with current good corporate governance practices. Among other things, Rule A-3, on membership of the Board, states that the Board will be composed of 15 members and it describes the types of groups that will be represented on the Board (i.e., public representatives, broker-dealer representatives and bank representatives). The Board considered the possibility of two persons associated with the same firm being seated on the Board due to a merger, consolidation or similar corporate action of Board members' firms or other change in circumstances. The Board decided to add new section (g) to Rule A-3 to prohibit two persons associated with the same firm from serving as members of the Board at the same time. The proposed rule change also revises the

language in Rule A-3(c)(iv) to restore language that was inadvertently deleted from the rule in recent amendments.⁵ The revised language now reads as was intended in the previous proposed rule change.

Rule A-5, on officers and employees of the Board, among other things, describes the procedure for the election of officers. Rule A-5(b) notes that vacancies in office shall be filled as soon as practicable by vote of the Board members. The proposed rule change adds language to Rule A-5(b) to provide for an election to fill a vacancy if a Board member elected to a Board office becomes unable to take the position (e.g., by resignation) prior to the commencement of the term.

The proposed rule change also revises the language in Rules A-3, A-4, on meetings of the Board, A-5 and A-6, on committees of the Board, to ensure gender neutrality by replacing the word “Chairman” with the word “Chair.”

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with the requirements of Section 15B(b)(2)(I) of the Act,⁶ which authorizes the MSRB to adopt rules that provide for the operation and administration of the MSRB. The proposed rule change is concerned solely with the operation and administration of the MSRB.

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

The MSRB does not believe the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act since it only applies to the operation and administration of the MSRB.

⁵ See Securities Exchange Act Release No. 57500 (March 14, 2008), 73 FR 15244 (March 21, 2008). See also File No. SR-MSRB-2008-02.

⁶ 15 U.S.C. 78o-4(b)(2)(I).

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 proposed rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act⁷ and Rule 19b-4(f)(3) thereunder,⁸ in that the proposed rule change is concerned solely with the operation and administration of the self-regulatory organization. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate 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.⁹

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 e-mail to rule-comments@sec.gov. Please include File Number SR-MSRB-2009-11 on the subject line.

⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

⁸ 17 CFR 240.19b-4(f)(3).

⁹ See Section 19(b)(3)(C) of the Act, 15 U.S.C. 78s(b)(3)(C).

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-MSRB-2009-11. This file number should be included on the subject line if e-mail 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 Web site (<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 inspection and copying 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 such filing also will be available for inspection and copying at the MSRB's offices. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2009-11 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

Elizabeth M. Murphy
Secretary

¹⁰ 17 CFR 200.30-3(a)(12).