

Date: July 7, 2015  
To: Ronald W. Smith, Corporate Secretary  
Municipal Securities Rulemaking Board  
From: Bob Lamb, President  
Lamont Financial Services Corporation  
Re: Comments on Independence Standard for Investor Representatives (Rule A-3)

Lamont Financial appreciates the opportunity to comment on the proposal to expand the definition of independence regarding the required investor representative for its Board of Directors. In reading through all the material, I strongly believe that any person with a fiduciary duty to investor clients, including mutual funds, should qualify as independent for Board selection purposes. I believe this because any person who must care about his or her fiduciary responsibility on behalf of his or her clients is used to putting the clients interest ahead of the firm's interest. As a result, the relationship to an affiliated entity which may be a dealer should be approached from the basis of an ownership interest or where the person is an officer or director of a company.

This approach is parallel to the obligations that the Board is seeking from an Investor Representative. I believe that the Board seeks to recruit candidates that will approach issues being discussed for rulemaking from the point of view of an advocate for the investor in the marketplace. Any candidate, whether or not an employee of an affiliate of a regulated enterprise, who routinely approaches investment decision-making from the point of view of his or her fiduciary duty to clients should be an effective Investor Representative since he or she is used to putting the investor's interest first, ahead of the interests of the firm. This should be the standard that the MSRB seeks for all of its members, putting the Board first ahead of any individual firm interest.

In my opinion, the Board should have substantial flexibility to select candidates to the slot of Investor Representative so long as the candidate maintains a fiduciary responsibility to clients. I don't believe it is necessary to limit the flexibility regarding an Investor Representative to a single position, as I believe it would be good for the Board to more regularly recruit investor representatives with every class as independent board members. As a result, I write in support of the proposed amendments to the Independence Standard for Investor Representatives.

The Board also asked for comments about posting the names of persons who applied but were not selected by the Board. I think that this practice serves to limit the potential pool of candidates applying to the Board, and it should be abandoned.

The Board also asked for comments about the length of the term of board members. Given that most board members take longer than a year to become fully engaged in the rulemaking process, I would suggest staying with 3 year terms due to the number of board positions, but permit a board member to serve for a second consecutive 3 year term. Alternatively, the Board could permit former board members to reapply for a second term after two years. However, I believe that the chair should remain a one year obligation.