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May 2, 2016

Ms. Margaret Blake, Associate General Counsel
Mr. Carl Tugberk, Assistant General Counsel
Municipal Securities Rulemaking Board
1300 I Street NW, Suite 1000
Washington, DC 20005

Re: Comment to Publication 2016-11

Dear Ms. Blake and Mr. Tugberk:

The purpose of this letter is to comment on the Concept Proposal to Improve Disclosure of Direct Purchases and Bank Loans. In my opinion, the MSRB's concern about the lack of timely material information relating to private bank loan transactions is well founded.

Unlike the private sector where corporations are subject to a rigid set of annual, quarterly and other filing requirements, municipal entities are not. Municipal audits may or may not be completed within six months of fiscal year end, which means private bank loan transactions may not be "visible" to the marketplace for 18 months after closing, or possibly longer.

If a client is already subject to annual continuing disclosure with respect to its publicly offered securities, it should not be that difficult to file an Event Notice for a private bank loan transaction that is on a parity with outstanding publicly offered debt. Such an Event Notice should at a minimum provide a debt service schedule showing: (1) debt service for previously issued parity debt, (2) debt service for the new private bank loan (showing principal, interest and total), (3) aggregate combined debt service, and (4) amount and percentage of aggregate principal outstanding as of each fiscal year end.

In addition, tables included in the Official Statements for publicly offered debt that reflect relevant debt ratios should also be updated and included in the Event Notice, i.e., debt/taxable assessed valuation and debt/capita for GO debt; coverage ratio for revenue debt. The interest rate(s) and prepayment terms of the private bank loan may also be considered relevant information.

Thank you for the opportunity to comment on the Concept Proposal to Improve Disclosure of Direct Purchases and Bank Loans. I look forward to seeing how this proposal develops.

Sincerely,



Tom Lawrence, President
Lawrence Financial Consulting LLC