



March 21, 2017

VIA ELECTRONIC MAIL

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

Re: MSRB Regulatory Notice 2017-05: Request for Comment on Draft Amendments to and Clarifications of MSRB Rule G-34, on Obtaining CUSIP Numbers

Dear Mr. Smith:

Phoenix Advisors, LLC is a multistate, non-dealer municipal advisory firm that numbers among its clients hundreds of municipal governmental entities whose typical borrowing size does not exceed \$10 million. These are communities whose smaller profile in the municipal marketplace could subject them to higher costs than those of larger issuers, were it not for their access to capital through bank loans. Competitive sales of larger new issue municipal securities garner more attention in the marketplace than do smaller new issues. This is not irregular in and of itself, but it is an economic reality.

It is with particular attention to these typically smaller entities that we submit our comments relating to the above-captioned draft amendments to MSRB Rule G-34. Bank loans level the playing field for smaller issues, limiting the potentially punitive effects of both higher interest rates and higher relative costs of issuance in bringing smaller issues to market.

Phoenix Advisors, LLC believes that bank loans of up to \$10 million should be carved out from the requirements of G-34 and not generally be obliged to have CUSIP numbering. Our experience is that lenders treat municipal loan obligations as commercial loans, intend to hold them to their final maturities, and do not offer or distribute such loans to others. Importantly, municipal advisors, irrespective of whether they are dealer or non-dealer advisors, should be able to advise and assist a municipal entity through the process of securing bank financing without the redundancy of having a broker-dealer serve as placement agent.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Thompson", is written over a light blue horizontal line.

David B. Thompson, CEO