

June 29, 2017

Ronald W. Smith  
Corporate Secretary  
Municipal Securities Rulemaking Board  
1300 I Street NW, Suite 1000  
Washington, DC 20005

RE: Comments to Notice 2017-11, Second Request for Comment  
on Draft Amendments to and Clarifications of MSRB Rule G-34 on  
Obtaining Cusip Numbers

Dear Mr. Smith:

Piper Jaffray & Co. (“Piper”) is pleased to respond to the notice issued by the Municipal Securities Rulemaking Board (the “MSRB”) on June 1, 2017, entitled, Notice 2017-11, Second Request for Comment on Draft Amendments to and Clarifications of MSRB Rule G-34, on Obtaining CUSIP Numbers (the “Notice”). As you are aware, Piper had submitted a comment letter to your initial request for comments on this proposed rule change.

We want to thank the MSRB for listening to our concerns and the concerns of many others in the industry and making several changes to the initial proposed amendments to MSRB Rule G-34 that we believe significantly improve the rule and make it more workable.

In particular, providing an exception to the requirement that an underwriter obtain a CUSIP number or seek depository eligibility for a direct purchase of a new issue by a bank or consortium of banks is a significant improvement and alleviates many of the concerns that we discussed in our prior comments. In addition, we appreciate your changes that “level the regulatory playing field” by requiring all municipal advisors (not just broker-dealer advisors) to obtain CUSIP numbers on competitive sales.

Our primary concern and comment relative to the revised version of G-34 is related to the wording of the exception for CUSIPs and DTC eligibility for direct placements to banks. Our concern is that there are a number of banks who are very active in purchasing direct placements who actually purchase the transaction into a non-bank subsidiary. We believe that the language of G-34 (a)(i)(F) and G-34 (a)(ii)(A)(3) that provides for the CUSIP and DTC eligibility exception should be expanded to allow purchasers who are “non-dealer subsidiaries of banks or bank holding companies” to qualify for this exception.

Ronald W. Smith

June 29, 2017

Page 2

We have talked to some larger bank purchasers about this exception and from those discussions we believe that it is important to allow for this addition to the CUSIP exception. We do not see any particular reason to differentiate between between the bank and other non-dealer subsidiaries of the bank or the bank's holding company. We believe that a broker-dealer subsidiary of a bank should not qualify for this exception.

It is our understanding that a group of bank purchasers has discussed this issue directly with the MSRB and has proposed specific language changes. We would support their proposed changes or other changes you deem appropriate that would have the effect of expanding the exception in the manner that we have suggested above.

Thank you for your work on this matter and for listening to our initial concerns on the proposed amendments. We would appreciate your willingness to consider the comments that we have expressed above to your revised rule proposal. As always, we would be happy to discuss further our views and experience on these issues with the MSRB staff. Feel free to contact us with any questions that you might have.

Sincerely,



Frank Fairman  
Managing Director  
Head of Public Finance Services



Rebecca Lawrence  
Managing Director  
Associate General Counsel  
Public Finance & Fixed Income