



Municipal Securities Rulemaking Board

June 6, 2019

Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Response to Comments on SR-MSRB-2019-07; Proposed Rule Change to Amend Rules G-11 and G-32 and Form G-32 Regarding a Collection of Data Elements Provided in Electronic Format to the EMMA Dataport System in Connection With Primary Offerings

Dear Secretary:

On April 2, 2019, the Municipal Securities Rulemaking Board (MSRB) filed with the Securities and Exchange Commission (SEC or “Commission”) a proposed rule change to MSRB Rule G-11, on primary offering practices, MSRB Rule G-32, on disclosures in connection with primary offerings and Form G-32, regarding a collection of data elements provided in electronic format to the Electronic Municipal Market Access Dataport (the “EMMA Dataport”)¹ system in connection with primary offerings (the “original proposed rule change”). The SEC published the original proposed rule change for comment in the Federal Register on April 12, 2019² and received three comment letters.³

¹ EMMA[®] is a registered trademark of the MSRB. The EMMA Dataport is the submission portal through which information is provided for display to the public on EMMA.

² See [Exchange Act Release No. 85551 \(Apr. 8, 2019\)](#); [84 FR 14988 \(Apr. 12, 2019\)](#) (File No. SR-MSRB-2019-07).

³ See Letters from [Mike Nicholas, Chief Executive Officer, Bond Dealers of America, dated May 3, 2019](#) (“BDA Letter”); [Susan Gaffney, Executive Director, National Association of Municipal Advisors, dated May 3, 2019](#) (“NAMA Letter”); and [Leslie M. Norwood, Managing Director and Associate General Counsel and Bernard V. Canepa, Vice-President and Assistant General Counsel, Securities Industry and Financial Markets Association, dated May 3, 2019](#) (“SIFMA Letter”).

To inform its development of the original proposed rule change, the MSRB sought public comment on draft amendments in two separate requests for comment.⁴ In response to these requests, the MSRB received a total of 22 comment letters. After considering the comments received and conducting additional stakeholder outreach, the MSRB filed the original proposed rule change with the SEC, responding to commenters concerns and in some instances modifying proposed changes. This letter responds to the three comment letters received by the SEC. In addition, the MSRB is filing this day, Amendment No. 1 to SR-MSRB-2019-07 (“Amendment No. 1” and together with the original proposed rule change, “proposed rule change”) to make certain technical amendments as discussed below and in further detail in Amendment No. 1.⁵

Original Proposed Changes to Rule G-11

The original proposed rule change would amend Rule G-11(f) to codify the existing obligation of selling group members to comply with communications relating to the issuer terms and conditions, priority provisions and order period requirements. In addition, the original proposed rule change would amend Rule G-11(g) to require that the senior syndicate manager communicate to all syndicate and selling group members, at the same time, when the issue is free to trade. The original proposed rule change would amend Rule G-11(g)(ii) and (iii) to require the senior syndicate manager to provide information to issuers regarding designations and allocations of municipal securities in a primary offering, as they currently provide to the syndicate. Finally, the original proposed rule change would amend Rule G-11(j) to align the timeframe for the payment of group net sales credits with the payment of net designation sales credits so that both are paid within 10 calendar days following the date the issuer delivers the securities to the syndicate.

None of the commenters expressed concerns with respect to these aspects of the original proposed rule change. However, as set forth in Amendment No. 1, the MSRB is proposing to make a technical amendment to correct erroneous drafting in the original proposed rule change with respect to proposed Rule G-11(g)(iv) (currently Rule G-11(g)(iii)). Currently, Rule G-

⁴ See [Request for Comment on a Concept Proposal Regarding Amendments to Primary Offering Practices of Brokers, Dealers and Municipal Securities Dealers, MSRB Regulatory Notice 2017-19](#) (Sept. 14, 2017); and [Request for Comment on Draft Amendments to MSRB Rules n Primary Offering Practices, MSRB Notice 2018-15](#) (Jul. 19, 2018).

⁵ The MSRB believes that Amendment No. 1 does not materially change the MSRB’s previous assessment that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Securities Exchange Act of 1934 (“Exchange Act”).

11(g)(iii) requires the senior syndicate manager to disclose, in writing, to each member of the syndicate all available information on net designations paid to syndicate and non-syndicate members within 10 business days following the date of sale and to disclose all information about net designations paid to syndicate and non-syndicate members with the sending of the designation checks pursuant to Rule G-11(j). In the original proposed rule change, the MSRB intended to require the senior syndicate manager to provide the information on net designations paid, as set out in the current rule, but also to provide information on group net designations paid to members of the syndicate. The MSRB also intended that this information should be provided to the issuer, as well as the members of the syndicate. In drafting, the MSRB inadvertently deleted language necessary to make the disclosure requirements of the rule operate properly and within the prescribed timeframes. Amendment No. 1 amends the language to correct the deletions and reinstate the timing distinction between the initial disclosure of all available information within 10 business days following the date of sale, and the disclosure of all information with the sending of designation checks 10 calendar days following the date the issuer delivers the securities to the syndicate.

In Amendment No. 1, the MSRB also is proposing to amend Rule G-11(k) in response to comments received from SIFMA.⁶ In its comment letter, SIFMA suggested that Rule G-11(k) be amended to codify existing market practices with regard to retail order period representations and required disclosures. In particular, SIFMA noted that section (k) currently requires dealers who submit orders during a retail order period to provide certain representations and disclosures “[f]rom the end of the retail order period but no later than the Time of Formal Award. . .” (emphasis added). According to SIFMA, in practice, dealers using electronic order entry systems typically submit these representations and disclosures earlier than the end of the retail order period, which is technically not within the four corners of the timeframe specified in the rule. SIFMA suggested amending the rule to require the representations and disclosures be made by the Time of Formal Award. The MSRB agrees with SIFMA’s proposed technical rule change, as it would align the rule with existing industry practice, which is consistent with the MSRB’s goal in conducting the retrospective rule review of, among others, Rule G-11.

Original Proposed Changes to Rule G-32

The original proposed rule change would amend Rule G-32(b)(ii) to require that in an advance refunding, where advance refunding documents are prepared, the underwriter must provide access to the documents and certain related information to the entire market at the same time.⁷ The original proposed rule change also would amend Rule G-32 to repeal section (c)

⁶ SIFMA Letter at 2-3.

⁷ This means underwriters would be precluded from disseminating advance refunding documents and information to any market participant, without first submitting it to the

which requires a dealer financial advisor that prepares the official statement (OS) to make it available to the managing or sole underwriter after the issuer approves it for distribution.

Commenters did not provide comment on these proposed changes.

Original Proposed Changes to Form G-32

The original proposed rule change would amend Form G-32 to include 57 additional data fields that would be auto-populated with datapoints already required to be input into the Depository Trust Company's (DTC) New Issue Information Dissemination Service (NIIDS),⁸ as applicable, for NIIDS-eligible offerings. However, for a non-NIIDS-eligible primary offering, an underwriter would not be required to manually input data into all 57 fields, but rather would only be required to complete the field regarding the original minimum denomination of the offering, if applicable.

The original proposed rule change would amend Form G-32 to include nine additional data fields for manual completion (i.e., not auto-populated from NIIDS), as applicable, by

EMMA Dataport; provided that this restriction does not prohibit communication with anyone that may require such information for purposes of facilitating the completion of the transaction.

⁸ NIIDS is an automated, electronic system that receives comprehensive new issue information on a market-wide basis for the purposes of establishing depository eligibility and immediately re-disseminating the information to information vendors supplying formatted municipal securities information for use in automated trade processing systems. See Rule G-34(a)(ii) regarding the application for depository eligibility and dissemination of new issue information and the exclusion of certain issues as set forth in that subsection.

DTC sets forth the criteria for making a security depository eligible and thus NIIDS eligible. According to DTC, securities that can be made depository eligible include those that have been issued in a transaction that: (i) has been registered with the SEC pursuant to the Securities Act of 1933, as amended ("Securities Act"); (ii) was exempt from registration pursuant to a Securities Act exemption that does not involve (or, at the time of the request for eligibility, no longer involves) transfer or ownership restrictions; or (iii) permits resale of the securities pursuant to Rule 144A or Regulation S under the Securities Act, and, in all cases, such securities otherwise meet DTC's eligibility criteria. See The Depository Trust Company, Operational Arrangements p. 2 (Oct. 2018).

underwriters in NIIDS-eligible primary offerings of municipal securities. Underwriters in non-NIIDS-eligible primary offerings would be required to manually complete two of these data fields: the “yes” or “no” indicator regarding whether the original minimum denomination for a new issue has the ability to change, and the “yes” or “no” indicator regarding whether the new issue has any restrictions. However, underwriters in non-NIIDS-eligible offerings would not be required to complete the other seven data fields.

Commenters did not raise concerns regarding the proposed addition of 57 data fields on Form G-32 that would be auto-populated from NIIDS. Nor did they have comments about the single data field regarding original minimum denomination that would need to be manually completed by underwriters in a non-NIIDS-eligible offering. However, each of the three commenters expressed concern regarding the proposed addition of the nine data fields for manual completion in NIIDS-eligible offerings, noting that the addition of these fields would create an additional burden on underwriters and introduce the risk of error in data entry.⁹ Further, BDA and SIFMA asserted that the MSRB underestimated the time and resources necessary to comply with providing these additions on a manual basis, citing system changes, amendment of policies and procedures, quality checking information and the need for additional staff.¹⁰

BDA and SIFMA indicated that the information being requested is already available in the OS and if the MSRB were to make the data collected on Form G-32 publicly available on EMMA this could harm investors if they relied on the Form G-32 data instead of looking at the OS.¹¹ SIFMA suggested that the MSRB leverage its resources to retrieve the data requested from the OS.¹²

With respect to the additional data fields, BDA specifically opposed the addition of the full call schedule, legal entity identifiers (LEI) for credit enhancers and obligated persons, other than issuers, if readily available; and the dollar amount of CUSIP numbers being refunded.¹³ Regarding the full call schedule, BDA noted that the requirement to enter numbers and dates would burden dealers and create enhanced risk of error in the data entry. With respect to LEIs, BDA noted that the requirement to provide the LEI for credit enhancers and the obligated

⁹ BDA Letter at 2; NAMA Letter at 2 and SIFMA Letter at 3-4.

¹⁰ BDA Letter at 2; SIFMA Letter at 3-4.

¹¹ BDA Letter at 2 and SIFMA Letter at 4.

¹² SIFMA Letter at 4.

¹³ BDA Letter at 2.

person(s), if readily available, would require dealers to create a new process for determining where to search for the LEI and how to document whether it was “readily available.”¹⁴ BDA did not specify why it objected to the dollar amount of CUSIP numbers being refunded.

SIFMA commented that while it is supportive of the voluntary collection of LEIs, if readily available, it noted that using a search engine to obtain an LEI is frequently futile, as identifying the correct LEI can be difficult and time consuming.¹⁵ In addition, SIFMA noted that the information may not be helpful in, for example, multi-family and senior living deals “where a special purpose entity [is] set up to be the borrower.”¹⁶ SIFMA requested that the MSRB provide additional clarification on what it means to be “readily available.”¹⁷

NAMA noted that with respect to the proposed rule change to include the “municipal advisor” on Form G-32, it would like clarification about the information that must be submitted and how it will be submitted.¹⁸

SIFMA requested clarification on what types of restrictions are meant to be included in the proposed “yes” or “no” indicator for restrictions on the issue. SIFMA suggested that rather than a “yes” or “no” option to indicate if there is a restriction on the issue, the MSRB should change the data field to include check boxes for the types of investors to which the offering is limited.¹⁹

After careful consideration of the comments received, the MSRB continues to believe that the nine data fields requiring manual completion, as applicable, for NIIDS-eligible offerings are necessary to enhancing MSRB regulatory transparency initiatives and the time and resources necessary to comply with providing these additional data fields should not be unduly

¹⁴ Id.

¹⁵ SIFMA Letter at 5.

¹⁶ Id. The MSRB notes that with respect to providing the name of the obligated person(s), other than the issuer, and thus the LEI of such obligated person(s), if readily available, the underwriter would be expected to provide the name of the obligated person(s) responsible for support payments and continuing disclosures, as set forth in the OS.

¹⁷ Id.

¹⁸ NAMA Letter at 1.

¹⁹ SIFMA Letter at 5.

burdensome on underwriters.²⁰ Commenters indicated that the MSRB's economic analysis did not adequately consider the burden on underwriters of having to complete these fields.²¹ However, commenters did not provide data to illustrate or support their concerns. The MSRB continues to believe that the immediate availability to regulators of the additional data elements would be an important enhancement to performing regulatory oversight of primary offerings and subsequent secondary market trading practices and would assist in ensuring a fair and efficient market. In addition, the MSRB expects to publicly disseminate, at some time in the future, some or all of the information provided. This would provide investors with useful data to consider when making an investment decision. The MSRB appreciates commenters concerns regarding the need for quality checks of data being entered. However, the MSRB believes the importance of providing this data outweighs the burden of checking for erroneous entries.

Regarding the specific data fields addressed by commenters, the MSRB continues to believe that with respect to LEIs for credit enhancers and obligated persons, other than the issuer, if readily available, this information would promote the value of obtaining LEIs and encourage industry participants to obtain them as a matter of course. To clarify, as noted in the MSRB's original proposed rule filing, an LEI would be considered "readily available" if it were easily obtainable via a general search on the internet. As set forth in the draft Form G-32 attached as Exhibit 3 to the original proposed rule change, where the form asks for the LEI of a credit enhancer or obligated person(s), other than the issuer, if readily available, the Form G-32 would include a weblink to an LEI search page.²² By including the weblink on the Form G-32, the MSRB intended to facilitate an underwriter's ability to quickly search for an LEI. If, after searching via the link provided, an LEI did not result for a particular credit enhancer or obligated person, the underwriter could conclude that the LEI was not "readily available." How the underwriter chooses to document the results of its search would be at its discretion. The MSRB believes that obtaining this information, when readily available, on credit enhancers and obligated persons, other than the issuer, would help advance the goal of having a global identification method for these parties and improve the quality of municipal market financial data reporting. The MSRB would continue to seek ways to further facilitate an underwriter's search for LEIs on the Form G-32.

²⁰ The MSRB notes that not all nine data fields will be required in every NIIDS-eligible offering, as an underwriter is only required to complete those data fields that apply to the particular offering. The data fields are largely "yes" or "no" indicators and other information generally available to the underwriter.

²¹ BDA Letter at 2; SIFMA Letter at 3.

²² See www.glei.org/en/lei/search.

With respect to the full call schedule, the MSRB notes that this information would immediately increase regulatory transparency and provide regulators with valuable data. The MSRB believes the access to regulators of the call schedule information outweighs the potential for erroneous entries as suggested by BDA.

In response to NAMA's request for clarification surrounding the information sought for the "municipal advisor" data point, as noted in the original proposed rule change, the MSRB anticipates implementing a method for populating the "municipal advisor" data field that would cause the field to autofill as the underwriter begins to type the name of the municipal advisor or provide a drop-down of municipal advisors by name. The MSRB anticipates that the autofill or drop-down function would include all municipal advisors registered with the SEC and with the MSRB and would include a "no municipal advisor" option. The MSRB believes the underwriter in a primary offering generally knows the identity of the municipal advisor that has been engaged. In addition, the municipal advisor typically is noted in the OS as being engaged to provide municipal advisory services on the particular offering.²³ Therefore, for purposes of completing this data field, the underwriter would look to the municipal advisor named in the OS, or if none are noted and the underwriter has knowledge of the municipal advisor's identity, the underwriter would use this information to complete the field. The MSRB anticipates that the Form G-32 would have the option for an underwriter to "add a municipal advisor" if more than one is noted in the OS or known to the underwriter.

In response to SIFMA's requested change to the proposed data field to indicate whether an offering is being made with restrictions, the MSRB continues to believe that the "yes" or "no" indicator for whether the offering is being made with a restriction would provide useful information to regulators and allow them to more easily identify transactions involving restricted municipal securities. Additionally, the MSRB believes that if the information is made available via EMMA in the future, it would enable dealers and other investors to identify primary offerings with restrictions and allow further inquiry, as desired, into the precise nature of those restrictions. At this time, however, the MSRB believes that requiring an underwriter to provide additional information regarding the specific types of investors to which an offering is limited is unnecessary.

SIFMA indicated that if the MSRB requires the nine additional data fields for manual completion, the "specs" should be released for comment before implementing the requirements for the fields. In addition, SIFMA indicated that the MSRB should provide a bulk uploader to upload data fields faster and more accurately, and to facilitate corrections in an

²³ This would include those entities meeting the definition of "municipal advisor" as defined in Exchange Act Section 15B(e)(4), whether or not specifically identified in the OS as a "municipal advisor" (e.g., financial advisor).

automated manner. The MSRB appreciates these suggestions and will conduct outreach with SIFMA and other stakeholders to consider ways in which the MSRB can support the technical aspects of implementing the proposed rule change. However, the MSRB believes these suggestions should not delay approval of the proposed rule change.

SIFMA requested that the MSRB allow one year for implementation with six months' notice to implement system changes. The MSRB indicated in the original proposed rule change, and again in Amendment No. 1, that it will publish one or more regulatory notices within 180 days of SEC approval, and the notices will specify the compliance dates for the respective rule changes, which in any case will not be less than 90 days or more than one year following the date of the notice establishing each such compliance date. The MSRB will work with stakeholders, as needed, to determine reasonable compliance dates for the changes.

The attachment to this letter sets forth Amendment No. 1.

* * *

If you have any questions regarding this matter, please contact me at 202-838-1500.

Sincerely,

A handwritten signature in blue ink, appearing to read "Margaret R. Blake", with a long horizontal flourish extending to the right.

Margaret R. Blake
Associate General Counsel

Attachment

The Municipal Securities Rulemaking Board (“MSRB”) is filing this partial amendment (“Amendment No. 1”) to File No. SR-MSRB-2019-07, originally filed with the Securities and Exchange Commission (the “Commission”) on April 2, 2019, with respect to a proposed rule change regarding MSRB Rule G-11, on primary offering practices, MSRB Rule G-32, on disclosures in connection with primary offerings and Form G-32, regarding a collection of data elements provided in electronic format to the Electronic Municipal Market Access Dataport (the “EMMA Dataport”)¹ system in connection with primary offerings (the “original proposed rule change” and together with Amendment No. 1, the “proposed rule change”). The MSRB submitted the original proposed rule change to update and enhance the general practices undertaken by underwriters and others, as applicable, in a primary offering of municipal securities. The SEC published notice of the original proposed rule change on April 8, 2019, and notice was then published in the Federal Register on April 12, 2019.² The SEC received three comment letters in response to the original proposed rule change.³ In response to commenters and to correct an inadvertent drafting error in the original proposed rule change, the MSRB is proposing to make two technical amendments, as set forth below.

The MSRB intends to publish one or more regulatory notices within 180 days of effectiveness, and such notices shall specify the compliance dates for the respective rule changes, which in any case shall be not less than 90 days nor more than one year following the date of the notice establishing each such compliance date.

In Amendment No. 1, the MSRB proposes to make a technical amendment to correct erroneous drafting in the original proposed rule change with respect to proposed Rule G-11(g)(iv) (currently Rule G-11(g)(iii)). Currently, Rule G-11(g)(iii) requires the senior syndicate manager to disclose in writing to each member of the syndicate all available information on net designations paid to syndicate and non-syndicate members within 10 business days following the date of sale and to disclose all information about net designations paid to syndicate and non-syndicate members with the sending of the designation checks pursuant to Rule G-11(j). In the original proposed rule change, the MSRB intended to require the senior syndicate manager to provide the information on net designations paid, as set out in the current rule, but also to provide information on group net designations paid to members of the syndicate. The MSRB

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² See [Exchange Act Release No. 85551 \(Apr. 8, 2019\)](#); [84 FR 14988 \(Apr. 12, 2019\)](#) (File No. SR-MSRB-2019-07).

³ See Letters from [Mike Nicholas, Chief Executive Officer, Bond Dealers of America, dated May 3, 2019](#) (“BDA Letter”); [Susan Gaffney, Executive Director, National Association of Municipal Advisors, dated May 3, 2019](#) (“NAMA Letter”); and [Leslie M. Norwood, Managing Director and Associate General Counsel and Bernard V. Canepa, Vice-President and Assistant General Counsel, Securities Industry and Financial Markets Association, dated May 3, 2019](#) (“SIFMA Letter”).

also intended that this information should be provided to the issuer, as well as the members of the syndicate. In drafting, the MSRB inadvertently deleted language necessary to make the disclosure requirements of the rule operate properly and within the prescribed timeframes. Amendment No. 1 amends the language to correct the deletions and reinstate the timing distinction between the initial disclosure of all available information within 10 business days following the date of sale, and the disclosure of all information with the sending of designation checks 10 calendar days following the date the issuer delivers the securities to the syndicate.

The MSRB also is proposing to amend Rule G-11(k) in response to comments received from SIFMA.⁴ In its comment letter, SIFMA suggested that Rule G-11(k) be amended to codify existing market practices with regard to retail order period representations and required disclosures. In particular, SIFMA noted that section (k) currently requires dealers who submit orders during a retail order period to provide certain representations and disclosures “[f]rom the end of the retail order period but no later than the Time of Formal Award. . .” (emphasis added). According to SIFMA, in practice, dealers using electronic order entry systems typically submit these representations and disclosures earlier than the end of the retail order period, which is technically not within the four corners of the timeframe specified in the rule. SIFMA suggested amending the rule to require the representations and disclosures be made by the Time of Formal Award. The MSRB agrees with SIFMA’s proposed technical rule change, as it would align the rule with existing industry practice, which is consistent with the MSRB’s goal in conducting the retrospective rule review of, among others, Rule G-11.

The MSRB believes that the proposed technical amendment to Rule G-11(k) is consistent with the provisions of Section 15B(b)(2)(C) of the Securities Exchange Act of 1934 (the “Exchange Act”),⁵ as it would promote just and equitable principles of trade by aligning the rule requirements with actual industry practice.

The MSRB believes the Commission has good cause, pursuant to Section 19(b)(2) of the Exchange Act, for granting accelerated approval of the proposed rule change. Specifically, the only proposed amendments to the original proposed rule change are technical, non-substantive changes, one of which is in response to a commenter’s suggestion to align the rule with current

⁴ SIFMA Letter at 2-3.

⁵ Section 15B(b)(2)(C) provides that the MSRB’s rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

industry practices and the other of which is a correction to erroneous drafting in the original proposed rule change. These amendments are consistent with the original proposal and are unlikely to be controversial.

The changes made by Amendment No. 1 to the original proposed rule change are indicated as attached in Exhibit 4. Material proposed to be added is underlined. Material proposed to be deleted is enclosed in brackets. The text of the proposed rule change is attached as Exhibit 5. Material proposed to be added is underlined. Material proposed to be deleted is enclosed in brackets.

Rule G-11: Primary Offering Practices

(a) – (f) No change.

(g) *Net Designations, Group Net Sales Credits, Allocations of Securities and Free-to-Trade Communications*. The senior syndicate manager shall:

(i) – (iii) No change.

(iv) disclose, in writing, to each member of the syndicate and the issuer all available information on net designations paid to any syndicate and non-syndicate members[,] or any group net sales credits (including the identity of each person submitting a group order) paid to any syndicate members[,] expressed in total dollar amounts[,] within 10 business days following the date of sale[,] and all information about net designations paid to syndicate and non-syndicate members[, paid to syndicate members,] or any group net sale credits (including the identity of each person submitting a group order) paid to any syndicate members expressed in total dollar amounts[,] with the sending of the net designation and group net sales credit checks pursuant to section (j) below; except this paragraph shall not apply to the senior syndicate manager of a qualified note syndicate as defined in subsection a(ix) above; and

(v) No change.

(h) – (j) No change.

(k) *Retail Order Period Representations and Required Disclosures*. [From the end of the retail order period but no later than] No later than the Time of Formal Award (as defined in Rule G-34(a)(ii)(C)(1)(a)), each broker, dealer, or municipal securities dealer that submits an order during a retail order period to the senior syndicate manager or sole underwriter, as applicable, shall provide, in writing, which may be electronic (including, but not limited to, an electronic order entry system), the following information relating to each order designated as retail submitted during a retail order period:

(i) - (v) No change.

(l) No change.

* * * *

Rule G-32: Disclosures in Connection with Primary Offerings

(a) – (c) No change.

Rule G-11: Primary Offering Practices

(a) – (e) No change.

(f) *Communications Relating to Issuer Requirements, Priority Provisions and Order Period.* Prior to the first offer of any securities by a syndicate, the senior syndicate manager shall furnish in writing to the other members of the syndicate and to members of the selling group, if any, for compliance therewith by all parties in sales or distribution of the new issue, (i) a written statement of all terms and conditions required by the issuer, (ii) a written statement of all of the issuer's retail order period requirements, if any, (iii) the priority provisions, (iv) the procedure, if any, by which such priority provisions may be changed, (v) if the senior syndicate manager or managers are to be permitted on a case-by-case basis to allocate securities in a manner other than in accordance with the priority provisions, the fact that they are to be permitted to do so, (vi) if there is to be an order period, whether orders may be confirmed prior to the end of the order period, and (vii) all pricing information. Any change in the priority provisions or pricing information shall be promptly furnished in writing by the senior syndicate manager to the other members of the syndicate and the selling group, if any. Syndicate and selling group members shall promptly furnish in writing the information described in this section to others, upon request. If the senior syndicate manager, rather than the issuer, prepares the written statement of all terms and conditions required by the issuer, such statement shall be provided to the issuer for its approval. An underwriter shall promptly furnish in writing to any other broker, dealer, or municipal securities dealer with which such underwriter has an arrangement to market municipal securities that includes the issuer's new issue, all of the information provided to it from the senior syndicate manager as required by this section.

(g) *Net Designations, Group Net Sales Credits, [and] Allocations of Securities and Free-to-Trade Communications.* The senior syndicate manager shall:

(i) No change.

(ii) notify all members of the syndicate and selling group members, at the same time, via an industry-accepted electronic method of communication, that the issue is free to trade.

(~~ii~~iii) within two business days following the date of sale, disclose to the other members of the syndicate and the issuer, in writing, a summary, by priority category, of all allocations of securities which are accorded priority over members' take-down orders, indicating the aggregate par value, maturity date and price of each maturity so allocated, including any allocation to an order confirmed at a price other than the original list price. The summary shall include allocations of securities to orders submitted through the end of the order period or, if the syndicate does not have an order period, through the first business day following the date of sale;

(~~iii~~iv) disclose, in writing, to each member of the syndicate and the issuer all available information on net designations paid to any syndicate and non-syndicate members or any group net sales credits (including the identity of each person submitting a group order)

paid to any syndicate members expressed in total dollar amounts within 10 business days following the date of sale and all information about net designations paid to syndicate and non-syndicate members or any group net sales credits (including the identity of each person submitting a group order) paid to any syndicate members expressed in total dollar amounts with the sending of the net designation and group net sales credit checks pursuant to section (j) below; except this paragraph shall not apply to the senior syndicate manager of a qualified note syndicate as defined in subsection (a)(ix) above; and

[(iv)v] disclose to the members of the syndicate, in writing, the amount of any portion of the take-down directed to each member by the issuer. Such disclosure is to be made by the later of 15 business days following the date of sale or three business days following receipt by the senior syndicate manager of notification of such set asides of the take-down.

(h) *Disclosure of Syndicate Expenses and Other Information.* At or before the final settlement of a syndicate account, the senior syndicate manager shall furnish to the other members of the syndicate:

(i) No change.

(ii) a summary statement showing:

(A) the identity of each related account submitting an order to which securities have been allocated as well as the aggregate par value and maturity date of each maturity so allocated; and

[(B) the identity of each person submitting a group order to which securities have been allocated as well as the aggregate par value and maturity date of each maturity so allocated except that this subparagraph shall not apply to the senior syndicate manager of a qualified note syndicate as defined in subsection (a)(ix) above; and]

[(C)B] the aggregate par values and prices (expressed in terms of dollar prices or yields) of all securities sold from the syndicate account. This subparagraph shall not apply to a qualified note syndicate as defined in subsection (a)(ix) above.

(i) No change.

(j) *Payments of Designations and Group Net Sales Credits.* All syndicate or similar account members shall submit the allocations of their designations according to the rules of the syndicate or similar account to the syndicate or account manager within two business days following the date the issuer delivers the securities to the syndicate. Any credit designated by a customer or any group net sales credits in connection with the purchase of securities as due to a member of a syndicate or similar account shall be distributed to such member by the broker, dealer or municipal securities dealer handling such order within 10 calendar days following the date the issuer delivers the securities to the syndicate.

(k) *Retail Order Period Representations and Required Disclosures.* [From the end of the retail order period but no later than] No later than the Time of Formal Award (as defined in Rule G-34(a)(ii)(C)(1)(a)), each broker, dealer, or municipal securities dealer that submits an order during a retail order period to the senior syndicate manager or sole underwriter, as applicable, shall provide, in writing, which may be electronic (including, but not limited to, an electronic order entry system), the following information relating to each order designated as retail submitted during a retail order period:

(i) - (v) No change.

(l) No change.

* * * *

Rule G-32: Disclosures in Connection with Primary Offerings

(a) No change.

(b) Underwriter Submissions to EMMA.

(i) No change.

(ii) *Advance Refunding Documents.* If a primary offering advance refunds outstanding municipal securities and an advance refunding document is prepared, each underwriter in such offering [shall,] is required to provide access to such information by all market participants at the same time by submitting, no later than five business days after the closing date[, submit]:

(A) – (B) No change.

(iii) – (vi) No change.

[(c) *Preparation of Official Statements By Financial Advisors.* A broker, dealer or municipal securities dealer that, acting as financial advisor, prepares an official statement on behalf of an issuer with respect to a primary offering of municipal securities shall make the official statement available to the managing underwriter or sole underwriter in a designated electronic format promptly after the issuer approves its distribution.]

[(d) c] No change.