Siebert Brandford Shank & Co., L.L.C.

Lake Merritt Plaza
1999 Harrison Street
Suite 2720
Oakland, California 94612
(510) 645-2245
(800) 529-3133
(510) 645-2255 - Fax

September 8, 2009

Peg Henry
Associate General Counsel
Municipal Securities Rulemaking Board
1900 Duke Street, Suite 600
Alexandria, VA 22314

Re: MSRB Notice 2009-47 — Proposed Amendment to Rule G-17

Dear Ms. Henry:

Siebert Brandford Shank & Co., LLC ("Siebert Brandford Shank") appreciates this opportunity to respond to the notice ("Notice") issued by the Municipal Securities Rulemaking Board ("MSRB") on August 11, 2009 (Notice 2009-47) in which the MSRB requests comment on draft rule changes to Rule G-17 regarding fair dealing in primary market offerings. Rule G-17 requires that each broker, dealer, and municipal securities dealer shall deal fairly with all persons and "shall not engage in any deceptive, dishonest or unfair practice."

At the heart of the current debate is the sporadic breakdown of syndicate procedures for filling bona fide "retail" orders. Prior to the financial crisis faced by many Wall Street firms, issuers and their financial advisors were quite diligent in demanding verification on true retail orders submitted during the retail order period. This verification practice was abandoned in early 2008 as issuers became more concerned with getting their deal completed quickly than maintaining the integrity of the order taking process that they had put in place to ensure fair dealing by the underwriters. Without the requirement for verifying compliance with syndicate retail priority rules, underwriting syndicates soon abandoned any pretense of "retail".

Syndicate members were allowed to combine numerous "small retail" orders into one "large retail" order. On large transactions with high investor demand, syndicate members with began submitting large orders of several million dollar bond orders and claim that these orders constitute bundled "retail" orders. Without any requirement for verification, institutional investors know that they can only get bonds if they submit their orders as "retail." For underwriters in the syndicate, they know that the only way to get their institutional orders filled is to get ahead of the line like everyone else. While the MSRB may try in earnest to correct this breakdown in compliance with well established syndicate rules, underwriting firms are already developing other methods to circumvent the syndicate rules with respect to fair dealing.

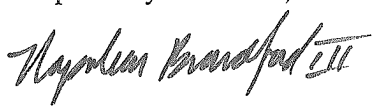
More and more underwriting firms have formed arrangements with other firms in order to funnel bonds at the full, or split, takedown out of the syndicate. Typically, this arrangement can work only with the book-running underwriter. By having another firm that is not formally a member of the syndicate, the book-runner can allocate a large amount of "retail" bonds to this non-syndicate firm at the full takedown. Since there is no requirement for verification, bonds can be allocated away from other syndicate underwriters under the pretense of "retail orders."

The only proper way to treat these "retail" firms without violating any syndicate rules is to add them as selling group members for the retail order period. The true institutional investors have a right to be angry when large blocks of "retail" going-away bonds somehow show up the next day in the secondary market.

Without enforcement there will be disregard of the underwriting rules governing fair dealing. Lack of enforcement will always receive token compliance by people too busy making more money. We are in full support of the position taken by the institutional investor community regarding the retail order periods that have run amok.

We appreciate the opportunity to comment on this rulemaking. If you have any questions concerning these comments, or would like to discuss these comments further, please feel free to contact me at 510-645-2245.

Respectfully submitted,



Napoleon Brandford, III
Chairman