

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 16	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2017 - * 06 Amendment No. (req. for Amendments *) 1
----------------	--	---

Filing by Municipal Securities Rulemaking Board
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
--	--

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Margaret Last Name * Blake

Title * Associate General Counsel

E-mail * mblake@msrb.org

Telephone * (202) 838-1500 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,
Municipal Securities Rulemaking Board
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 11/07/2017 Corporate Secretary

By Ronald W. Smith

(Name *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

rsmith@msrb.org, rsmith@msrb.org

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

The Municipal Securities Rulemaking Board (“MSRB”) is filing this partial amendment (“Amendment No. 1”) to File No. SR-MSRB-2017-06, originally filed with the Securities and Exchange Commission (the “Commission”) on August 30, 2017, with respect to a proposed rule change regarding MSRB Rule G-34, on CUSIP numbers, new issue, and market information requirements (the “original proposed rule change” and, together with Amendment No. 1, the “proposed rule change”). The SEC published notice of the original proposed rule change on September 13, 2017,¹ and notice was then published in the Federal Register on September 18, 2017.² The SEC received 11 comment letters in response to the original proposed rule change.³ The MSRB intends to implement the proposed rule change six months following the date of Commission approval.

As noted above, the original proposed rule change consists of proposed amendments to Rule G-34. The MSRB submitted the original proposed rule change to codify the MSRB’s longstanding interpretive view that brokers, dealers and municipal securities dealers (collectively, “dealers”) are “underwriters” within the meaning of Rule G-34(a)(i)(A) when acting as placement agent in private placements of municipal securities, including direct purchases. In addition, the original proposed rule change would extend to non-dealer municipal advisors the requirement that a municipal advisor must obtain a CUSIP number when advising on a competitive sale of municipal securities. Finally, the original proposed rule change would provide a principles-based exception for dealers and municipal advisors from the CUSIP number requirements when selling a new issue of municipal securities to a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a dealer registered under the Securities Exchange Act of 1934 (“non-dealer control affiliate”), or a consortium of such entities, and the dealer or municipal advisor reasonably believes the purchaser is purchasing the new issue of

¹ See Exchange Act Release No. 81595 (Sept. 13, 2017).

² See 82 FR 43587 (Sept. 18, 2017).

³ See letters from Noreen P. White, Co-President and Kim M. Whelan, Co-President, Acacia Financial Group, Inc. dated Oct. 10, 2017 (“Acacia”); Cristeena G. Naser, Vice President and Senior Counsel, American Bankers Association, dated Oct. 10, 2017 (“ABA”); Peter Warms, Senior Manager of Fixed Income, Entity, Regulatory Content and Symbology, Bloomberg, L.P., dated Oct. 10, 2017 (“Bloomberg”); Dennis Dix, Dixworks LLC, dated Oct. 10, 2017 (“Dixworks”); Steve Apfelbacher, President, Ehlers, undated (“Ehlers”); Stephan Wolf, CEO, Global Legal Entity Identifier Foundation, dated Oct. 9, 2017 (“GLEIF”); Emily S. Brock, Director, Federal Liaison Center, Government Finance Officers Association, undated, (“GFOA”); Susan Gaffney, Executive Director, National Association of Municipal Advisors, dated Oct. 10, 2017 (“NAMA”); Marianne F. Edmonds, Senior Managing Director, Public Resources Advisory Group, dated Oct. 10, 2017 (“PRAG”); Leslie M. Norwood, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association, dated Oct. 10, 2017 (“SIFMA”); Michael G. Sudsina, President, Sudsina & Associates, LLC, dated Oct. 10, 2017 (“Sudsina”).

municipal securities with the present intent to hold the securities to maturity. The original proposed rule change further would provide dealers with the same principles-based exception from the depository eligibility requirements of the rule.

In the comments received by the SEC, commenters stated their concerns with the proposed requirement in the principles-based exception set forth in new paragraph Rule G-34(a)(i)(F) that the dealer (or municipal advisor in a competitive sale) be required to have a reasonable belief that the purchaser is purchasing the new issue of municipal securities with the “present intent to hold the securities to maturity.”⁴ These commenters believed that this requirement would be too restrictive because municipal obligations may mature in 20 or 30 years, and the securities may often be subject to an earlier call provision to allow for refinancing or restructuring prior to maturity. Commenters suggested that the exception should instead include a representation from the purchaser that it is purchasing the municipal securities for its own account “with no present intent to sell or distribute the municipal securities.”⁵ One commenter believes this language more accurately reflects the realities of direct purchase transactions and will eliminate any concerns a purchaser may have with representing it is purchasing the securities with the present intent to hold them until maturity when the relevant documentation provides otherwise.⁶

The MSRB agrees with commenters’ concerns and believes the original proposed rule change should be amended to more accurately reflect the terms of direct purchase transactions including the potential for earlier redemption or mandatory tender. In response to these comments, the MSRB is amending the original proposed rule change to require dealers (and municipal advisors in a competitive sale) seeking to rely on the principles-based exception to reasonably believe the purchaser’s present intent is to hold the municipal securities to maturity “or earlier redemption or mandatory tender.” For consistency, the MSRB is making this same amendment to the proposed principles-based exception for dealers from the depository eligibility requirements of the rule set forth in subparagraph Rule G-34(a)(ii)(A)(3). This provision clarifies that the depository eligibility requirements of Rule G-34(a)(ii)(A) do not apply to municipal securities included in the principles-based exception.

Separately, commenters stated that the principles-based exception from the CUSIP number requirements should be expanded to include private placements of municipal securities to other municipal entities, including state revolving funds.⁷ The MSRB previously noted its

⁴ ABA, NAMA and SIFMA. As noted above, the SEC received 11 comment letters in response to the proposed rule change. This Amendment No. 1 addresses those comments for which the MSRB believes responsive amendments to the original proposed rule change should be made. The MSRB has addressed other comments received in its Response to Comments on SR-MSRB-2017-06 filed with the SEC concurrent with this Amendment No. 1.

⁵ ABA and SIFMA.

⁶ ABA.

⁷ GFOA, NAMA and SIFMA.

understanding that these transactions occur directly between the issuers and the purchasing municipal entities and thus, because no dealer or municipal advisor is involved, are not subject to the CUSIP number requirements of Rule G-34. However, commenters have indicated that dealers or municipal advisors sometimes are engaged in these transactions, thus subjecting them to the CUSIP number requirements.

After careful consideration of the comments received, the MSRB agrees that certain sales of municipal securities to municipal entities should be excepted from the CUSIP number requirements for the same policy reasons underlying the principles-based exception for purchases by banks and their non-dealer control affiliates. In particular, where a municipal entity is purchasing municipal securities using funds that are at least in part proceeds of that purchasing entity's issuance of other municipal obligations, or where the municipal securities being purchased are used to fully or partially secure or pay the purchasing entity's issue of municipal obligations, there is a strong expectation that the purchase of the underlying municipal securities is intended to be held and not traded in the secondary market. As with the exception for dealers (or municipal advisors in a competitive sale) engaging in direct purchase transactions of new issue municipal securities to banks, the MSRB believes that requiring a CUSIP number in these scenarios would not serve the purposes of Rule G-34 to, among other things, improve efficiencies in the processing, receiving, delivering and safekeeping of municipal securities. The MSRB is amending the original proposed rule change to expand the principles-based exception in paragraph Rule G-34(a)(i)(F) to include cases where a municipal entity purchases the municipal securities with funds that are at least in part proceeds of the purchasing entity's issue of municipal obligations, or the municipal securities being purchased are used to fully or partially secure or pay the purchasing entity's issue of municipal obligations.⁸ Just as in the case of purchases by banks and their non-dealer control affiliates, for a dealer (or municipal advisor in a competitive sale) to rely on the principles-based exception in this instance, it would be required to have a reasonable belief (*e.g.*, by obtaining a written representation) that the purchasing municipal entity has the present intent to hold the municipal securities to maturity or earlier redemption or mandatory tender. Again, for consistency, the MSRB is making this same amendment to the principles-based exception for dealers from the depository eligibility requirements of the rule set forth in subparagraph Rule G-34(a)(ii)(A).

⁸ The term "municipal entity" is defined by Section 15B(e)(8) of the Securities Exchange Act of 1934 to mean:

any State, political subdivision of a State, or municipal corporate instrumentality of a State, including—(A) any agency, authority, or instrumentality of the State, political subdivision, or municipal corporate instrumentality; (B) any plan, program, or pool of assets sponsored or established by the State, political subdivision, or municipal corporate instrumentality or any agency, authority, or instrumentality thereof; and (C) any other issuer of municipal securities.

In response to comments that the principles-based exception should apply to all sales of municipal securities from one municipal entity to another where a dealer (or municipal advisor in a competitive sale) is engaged, the MSRB disagrees. The principles-based exception is meant to facilitate financings by permitting the underwriting of new issue municipal securities by dealers (or advising by municipal advisors in a competitive sale) without requiring application be made for a CUSIP number where such new issues are not intended to trade in the secondary market. However, the MSRB understands that a municipal entity purchasing municipal securities for investment purposes may find itself in need of liquidity and thus may look to resell those municipal securities into the secondary market.⁹ In this instance, the holder of the municipal securities may find itself unable to readily resell the municipal securities because there is no CUSIP number and, based on discussions with industry participants, the MSRB understands there is also no established process for obtaining a CUSIP number at that late stage for secondary market trading. By applying for the CUSIP number on the new issue up front, the dealer (or municipal advisor in a competitive sale) avoids these potential problems and ensures that this important aspect needed for secondary market trading is in place. As a result, the MSRB does not believe the principles-based exception should be expanded to create a generalized private placement exception for all sales of municipal securities to another municipal entity where a dealer (or a municipal advisor in a competitive sale) is engaged, but rather, should be limited as set forth above.

The MSRB believes the Commission has good cause, pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934, for granting accelerated approval of Amendment No. 1. Specifically, the only substantive change to the proposal is responsive to commenters and expands the application of the previously proposed principles-based exception to include sales of new issue municipal securities to municipal entities that are purchasing the underlying municipal securities with funds that are at least in part proceeds of the purchasing entity's issue of municipal obligations, or the municipal securities being purchased are used to fully or partially secure or pay the purchasing entity's issue of municipal obligations. The other amendment merely clarifies that in a direct purchase transaction there may be a redemption or mandatory tender that occurs prior to the municipal security's maturity. In light of one of the purposes of the principles-based exception in the original proposal - to allow dealers and municipal advisors to provide services without inhibiting their issuer clients' access to certain financings - the revisions 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.

⁹ In a direct purchase transaction with a bank, the MSRB understands that banks needing liquidity typically sell to another bank and not into a broader secondary market.

Rule G-34: CUSIP Numbers, New Issue, and Market Information Requirements(a) *New Issue Securities.*(i) *Assignment and Affixture of CUSIP Numbers.*

(A) – (E) No change.

(F) A broker, dealer or municipal securities dealer acting as an underwriter of a new issue of municipal securities, or a municipal advisor advising the issuer with respect to a competitive sale of a new issue, which is being purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities[.]; or by a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchasing entity's issue of municipal obligations (e.g., state revolving fund or bond bank), may elect not to apply for assignment of a CUSIP number or numbers if the underwriter or municipal advisor reasonably believes (e.g., by obtaining a written representation) that the present intent of the purchasing entity or entities is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

(ii) Application for Depository Eligibility and Dissemination of New Issue Information. Each underwriter shall carry out the following functions:

(A) No change.

(1) – (2) No change.

(3) a new issue of municipal securities purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; or by a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchasing entity's issue of municipal obligations (e.g., state revolving fund or bond bank), from an issuer in which an underwriter reasonably believes (e.g., by obtaining a written representation) that the present intent of the purchasing entity or entities is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

(B) – (E) No change.

(iii) – (iv) No change.

(b) – (e) No change.

Rule G-34: CUSIP Numbers, New Issue, and Market Information Requirements(a) *New Issue Securities.*(i) *Assignment and Affixture of CUSIP Numbers.*

(A) Except as otherwise provided in this section (a) and section (d), [each] a broker, dealer or municipal securities dealer acting as an underwriter in [who acquires, whether as principal or agent,] a new issue of municipal securities, and a municipal advisor advising the issuer with respect to [from the issuer of such securities for the purpose of distributing such new issue ("underwriter") and each broker, dealer or municipal securities dealer acting as a financial advisor in] a competitive sale of a new issue of municipal securities, [("financial advisor")] shall apply in writing to the Board or its designee for assignment of a CUSIP number or numbers to such new issue, as follows:

(1) - (2) No change.

(3) A [financial] municipal advisor advising the issuer with respect to a competitive sale of a new issue of municipal securities shall make an application by no later than one business day after dissemination of a notice of sale or other such request for bids. Such application for CUSIP number assignment shall be made at a time sufficient to ensure final CUSIP number[s] assignment occurs prior to the award of the issue.

(4) No change.

(5) Any changes to information identified in [this] subparagraph (a)(i)(A)(4) and included in an application for CUSIP number assignment shall be provided to the Board or its designee as soon as they are known but no later than a time sufficient to ensure final CUSIP number assignment occurs prior to disseminating the [T]time of [F]first [E]execution required under subparagraph (a)(ii)(C)(1)(b) of this Rule G-34.

(B) The information required by subparagraph (i)(A)(4) of this section (a) shall be provided in accordance with the provisions of this [sub]paragraph. The application shall include a copy of a notice of sale, official statement, legal opinion, or other similar documentation prepared by or on behalf of the issuer, or portions of such documentation, reflecting the information required by subparagraph (i)(A)(4) of this section (a). Such documentation may be submitted in preliminary form if no final documentation is available at the time of application. In such event the final documentation, or the relevant portions of such documentation, reflecting any changes in the information required by subparagraph (i)(A)(4) of this section (a) shall be submitted when such documentation becomes available. If no such documentation, whether in preliminary or final form, is available at the time application for CUSIP number assignment is made, such copy shall be provided promptly after the documentation becomes available.

(C) The provisions of [paragraph]subsection (i) of this section (a) shall not apply with respect to any new issue of municipal securities on which the issuer or a person acting on

behalf of the issuer has submitted an application for assignment of a CUSIP number or numbers.

(D) – (E) No change.

(F) A broker, dealer or municipal securities dealer acting as an underwriter of a new issue of municipal securities, or a municipal advisor advising the issuer with respect to a competitive sale of a new issue, which is being purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; or by a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchasing entity's issue of municipal obligations (e.g., state revolving fund or bond bank), may elect not to apply for assignment of a CUSIP number or numbers if the underwriter or municipal advisor reasonably believes (e.g., by obtaining a written representation) that the present intent of the purchasing entity or entities is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

(ii) Application for Depository Eligibility and Dissemination of New Issue Information. Each underwriter shall carry out the following functions:

(A) Except as otherwise provided in this [sub]paragraph (ii)(A) and section (d), the underwriter shall apply to a securities depository registered with the Securities and Exchange Commission, in accordance with the rules and procedures of such depository, to make such new issue depository-eligible. The application required by this [sub]paragraph (ii)(A) shall be made as promptly as possible, but in no event later than one business day after award from the issuer (in the case of a competitive sale) or one business day after the execution of the contract to purchase the securities from the issuer (in the case of a negotiated sale). In the event that the full documentation and information required to establish depository eligibility is not available at the time the initial application is submitted to the depository, the underwriter shall forward such documentation as soon as it is available; provided, however, this [sub]paragraph (ii)(A) of this rule shall not apply to:

(1) No change.

(2) any new issue maturing in 60 days or less[.]; or

(3) a new issue of municipal securities purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; or by a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchasing entity's issue of municipal obligations (e.g., state revolving fund or bond bank), from an issuer in which an underwriter reasonably believes (e.g., by obtaining a written representation) that the present intent of the purchasing entity or

entities is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

(B) No change.

(C) The underwriter of a new issue of municipal securities, which has been made depository eligible pursuant to paragraph (ii)(A) above, shall communicate information about the new issue in accordance with the requirements of this paragraph (a)(ii)(C) to ensure that other brokers, dealers and municipal securities dealers have timely access to information necessary to report, compare, confirm, and settle transactions in the new issue and to ensure that registered securities clearing agencies receive information necessary to provide comparison, clearance and depository services for the new issue; provided, however, that this paragraph (a)(ii)(C) shall not apply to commercial paper.

(1) The underwriter shall ensure that the following information is submitted to NIIDS in the manner described in the written procedures for system users and that changes or corrections to submitted information are made as soon as possible:

(a) the [T]time of [F]ormal [A]award.

(i) For purposes of this paragraph (a)(ii)(C), the "[T]time of [F]ormal [A]award " means:

(A) – (B) No change.

(ii) If the underwriter and issuer have agreed in advance on a [T]time of [F]ormal [A]award, that time may be submitted to NIIDS in advance of the actual [T]time of [F]ormal [A]award.

(b) the [T]time of [F]irst [E]xecution.

(i) For purposes of this paragraph (a)(ii)(C), the "[T]time of [F]irst [E]xecution" means the time the underwriter plans to execute its first transactions in the new issue.

(ii) The underwriter shall designate a [T]time of [F]irst [E]xecution that is:

(A) No change.

(B) for all other new issues, no less than two [B]business [H]hours after all information required by paragraph (a)(ii)(C) has been transmitted to NIIDS; provided that the [T]time of [F]irst [E]xecution may be designated as 9:00 A.M. Eastern Time or later on the RTRS [B]business [D]day following the day on which all information required by paragraph (a)(ii)(C) has been transmitted to NIIDS without regard to whether two [B]business [H]hours have elapsed.

(c) No change.

(2) The underwriter shall ensure that all information identified in this paragraph (a)(ii)(C) is transmitted to NIIDS no later than two [B]business [H]hours after the [T]time of [F]formal [A]award. For purposes of this paragraph (a)(ii)(C):

(a) “[B]business [H]hours” shall include only the hours from 9:00 A.M. to 5:00 P.M. Eastern Time on an RTRS [B]business [D]day.

(b) “RTRS [B]business [D]day” shall have the meaning set forth in Rule G-14 RTRS Procedures subsection (d)(ii).

(3) No change.

(a) – (b) No change.

(D) The underwriter of any new issue of municipal securities consisting of commercial paper shall, as promptly as possible, announce each item of information listed below in a manner reasonably designed to reach market participants that may trade the new issue. All information shall be announced no later than the time of the first execution of a transaction in the new issue by the underwriter.

(1) No change.

(2) the [T]time of [F]formal [A]award as defined in subparagraph (a)(ii)(C)(1)(a).

(E) No change.

(1) - (2) No change.

(iii) No change.

(iv) *Limited Use of NRO Designation.* From and after the time of initial award of a new issue of municipal securities, a broker, dealer or municipal securities dealer may not use the term “not reoffered” or other comparable term or designation without also including the applicable price or yield information about the securities in any of its written communications, electronic or otherwise, sent by it or on its behalf. For purposes of this subsection (iv), the “time of initial award” means the earlier of (A) the [T]time of [F]formal [A]award as defined in subparagraph (a)(ii)(C)(1)(a), or (B) if applicable, the time at which the issuer initially accepts the terms of a new issue of municipal securities subject to subsequent formal award.

(b) *Secondary Market Securities.*

(i) No change.

(ii) Each broker, dealer or municipal securities dealer, in connection with a sale or an offering for sale of part of a maturity of an issue of municipal securities which is assigned a CUSIP number that no longer designates securities identical with respect to all features of the issue listed in items ([1]a) through ([8]h) of subparagraph (a)(i)(A)(4) of this rule, shall apply in writing to the Board or its designee for a new CUSIP number or numbers to designate the

part or parts of the maturity which are identical with respect to items ([1]a) through ([8]h) of subparagraph (a)(i)(A)(4).

(iii) The broker, dealer or municipal securities dealer shall make the application required under this section (b) as promptly as possible, and shall provide to the Board or its designee:

(A) No change.

(B) all information on the features of the maturity of the issue listed in items ([1]a) through ([8]h) of subparagraph (a)(i)(A)(4) of this rule and documentation of the features of such maturity sufficient to evidence the basis for CUSIP number assignment; and,

(C) No change.

(c) *Variable Rate Security Market Information.* [The Board operates a facility for the collection and public dissemination of information and documents about securities bearing interest at short-term rates (the Short-term Obligation Rate Transparency System, or SHORT System).]

(i) *Auction Rate Securities.* [Auction Rate Securities are municipal securities in which the interest rate resets on a periodic basis under an auction process conducted by an agent responsible for conducting the auction process on behalf of the issuer or other obligated person with respect to such Auction Rate Securities ("Auction Agent") that receives orders from brokers, dealers and municipal securities dealers.]

(A) *Auction Rate Securities Data.*

(1) Each broker, dealer or municipal securities dealer that submits an order directly to an Auction Agent for its own account or on behalf of another account to buy, hold or sell an Auction Rate Security through the auction process [{"P}program [D]dealer"}] shall report, or ensure the reporting of, the following information about the [A]auction [R]rate [S]security and concerning the results of the auction to the Board:

(a) - (b) No change.

(c) Identity of all [P]program [D]dealers that submitted orders, including but not limited to hold orders;

(d) - (g) No change.

(h) Date and time the interest rate determined as a result of the auction process was communicated to [P]program [D]dealers;

(i) - (k) No change.

(l) Interest rate(s), aggregate par amount(s), and type of order – either buy, sell or hold – for a [P]program [D]dealer for its own account and aggregate par amounts of such orders, by type, that were executed; and

(m) Interest rate(s), aggregate par amount(s), and type of order – either buy, sell or hold – for an issuer or conduit borrower for such [A]uction [R]ate [S]ecurity.

(2) Information identified in [sub]paragraph (c)(i)(A) shall be provided to the Board by no later than 6:30 P.M. Eastern Time on the date on which an auction occurs if such date is an RTRS [B]usiness [D]ay as defined in Rule G-14 RTRS Procedures subsection (d)(ii). In the event that any item of information identified in subparagraph (c)(i)(A)(1) is not available by the deadline in this subparagraph (c)(i)(A)(2), such item shall be provided to the Board as soon as it is available. In the event that an auction occurs on a non-RTRS [B]usiness [D]ay, the information identified in subparagraph (c)(i)(A)(1) shall be reported by no later than 6:30 P.M. Eastern Time on the next RTRS [B]usiness [D]ay.

(3) A [P]rogram [D]ealer may designate an agent to report the information identified in subparagraph (c)(i)(A)(1) to the Board, provided that an [A]uction [A]gent may submit information on behalf of a [P]rogram [D]ealer absent such designation by the [P]rogram [D]ealer. The failure of a designated agent to comply with any requirement of this [paragraph]subsection (c)(i) shall be considered a failure by such [P]rogram [D]ealer to so comply; provided that if an [A]uction [A]gent has, within the time periods required under subparagraph (c)(i)(A)(2), reported the information required under subparagraph (c)(i)(A)(1), the [P]rogram [D]ealer may rely on the accuracy of such information if the [P]rogram [D]ealer makes a good faith and reasonable effort to cause the [A]uction [A]gent to correct any inaccuracies known to the [P]rogram [D]ealer.

(4) For Auction Rate Securities in which there are multiple [P]rogram [D]ealers, each [P]rogram [D]ealer must only report for items (i) through (m) of the items of information identified in subparagraph (c)(i)(A)(1) information reflective of the [P]rogram [D]ealer's involvement in the auction. A designated agent as described in subparagraph (c)(i)(A)(3) reporting results of an auction on behalf of multiple [P]rogram [D]ealers must report for items (i) through (m) of the items information identified in subparagraph (c)(i)(A)(1) information reflective of the aggregate of all such [P]rogram [D]ealers' involvement in the auction for which the designated agent is making a report. A [P]rogram [D]ealer may rely on the reporting of information by an [A]uction [A]gent as provided in subparagraph (c)(i)(A)(3) if the [A]uction [A]gent has undertaken to report, and the [P]rogram [D]ealer does not have reason to believe that the [A]uction [A]gent is not accurately reporting, all items of information identified in subparagraph (c)(i)(A)(1), to the extent applicable, for an auction that is reflective of all [P]rogram [D]ealers that were involved in the auction.

(5) Information reported to the Board pursuant to this subsection (c)(i) shall be submitted in the manner described in the written procedures for SHORT [S]ystem users and changes to submitted information must be made as soon as possible.

(6) Every broker, dealer or municipal securities dealer that submits an order to a [P]program [D]dealer on behalf of an issuer or conduit borrower for such [A]auction [R]rate [S]securities shall disclose at the time of the submission of such order that the order is on behalf of an issuer or conduit borrower for such [A]auction [R]rate [S]securities.

(B) Auction Rate Securities Documents.

(1) Each [P]program [D]dealer shall submit to the Board current documents setting forth auction procedures and interest rate setting mechanisms associated with an outstanding [A]auction [R]rate [S]security for which it acts as a [P]program [D]dealer by no later than September 22, 2011 and shall submit to the Board any future, subsequently amended or new versions of such documents no later than five business days after they are made available to the [P]program [D]dealer.

(2) All submissions of documents required under subparagraph (c)(i)(B)(1) shall be made by electronic submissions to the SHORT [S]system in a designated electronic format (as defined in Rule G-32) at such time and in such manner as specified herein and in the SHORT System Users Manual.

(ii) Variable Rate Demand Obligations. [Variable Rate Demand Obligations are securities in which the interest rate resets on a periodic basis with a frequency of up to and including every nine months, an investor has the option to put the issue back to the trustee, tender agent or other agent of the issuer or obligated person at any time, typically with specified advance notice ("Notification Period"), and a broker, dealer or municipal security dealer acts as a remarketing agent ("Remarketing Agent") responsible for reselling to new investors securities that have been tendered for purchase by a holder.]

(A) Variable Rate Demand Obligations Data.

(1) Each [R]remarketing [A]agent for a [V]variable [R]rate [D]demand [O]obligation shall report the following information to the Board about the [V]variable [R]rate [D]demand [O]obligation applicable at the time of and concerning the results of an interest rate reset:

(a) – (b) No change.

(c) Identity of the [R]remarketing [A]agent;

(d) – (h) No change.

(i) Identity of liquidity provider, type and expiration date of each liquidity facility applicable to the [V]variable [R]rate [D]demand [O]obligation;

(j) Identity of the agent of the issuer to which bondholders may tender their security (“[T]tender [A]agent”); and

(k) Aggregate par amount, if any, of the [V]variable [R]rate [D]demand [O]obligation held by a liquidity provider(s) (par amount held as “[B]bank [B]bonds”), and aggregate par amount, if any, of the [V]variable [R]rate [D]demand [O]obligation held by parties other than a liquidity provider(s), including the par amounts held by the [R]remarketing [A]agent and by investors.

(2) Information identified in subparagraph (c)(ii)(A)(1) shall be provided to the Board by no later than 6:30 P.M. Eastern Time on the date on which an interest rate reset occurs if such date is an RTRS [B]business [D]day as defined in Rule G-14 RTRS Procedures subsection (d)(ii). In the event that any item of information identified in subparagraph (c)(ii)(A)(1) is not available by the deadline in this subparagraph (c)(ii)(A)(2), such item shall be provided to the Board as soon as it is available provided that items (i) through (k) of the information identified in subparagraph (c)(ii)(A)(1) shall reflect the information available to the [R]remarketing [A]agent as of the date and time of the interest rate reset. In the event that an interest rate reset occurs on a non-RTRS [B]business [D]day, the information identified in subparagraph (c)(ii)(A)(1) shall be reported by no later than 6:30 P.M. Eastern Time on the next RTRS [B]business [D]day.

(3) A [R]remarketing [A]agent may designate an agent to report the information identified in subparagraph (c)(ii)(A)(1) to the Board. The failure of a designated agent to comply with any requirement of this paragraph (c)(ii) shall be considered a failure by such [R]remarketing [A]agent to so comply.

(4) Information reported to the Board pursuant to this subsection (c)(ii) shall be submitted in the manner described in the written procedures for SHORT [S]system users and changes to submitted information must be made as soon as possible.

(B) Variable Rate Demand Obligations Documents.

(1) Each [R]remarketing [A]agent shall use best efforts to obtain and shall submit to the SHORT [S]system the current versions of the following documents detailing provisions of liquidity facilities associated with the [V]variable [R]rate [D]demand [O]obligation for which it acts as a [R]remarketing [A]agent by no later than September 22, 2011 and shall submit to the SHORT [S]system any future, subsequently amended or new versions of such documents no later than five business days after they are made available to the [R]remarketing [A]agent:

- (a) Stand-[B]by [B]bond [P]purchase [A]agreement;
- (b) Letter of [C]credit [A]agreement; and
- (c) No change.

(2) All submissions of documents required under this rule shall be made by electronic submissions to the SHORT [S]system in a designated electronic format (as defined in Rule G-32) at such time and in such manner as specified herein and in the SHORT System Users Manual.

(3) In the event that a document described in subparagraph (c)(ii)(B)(1) is not able to be obtained through the best efforts of the [R]emarketing [A]gent, the [R]emarketing [A]gent shall submit notice to the SHORT [S]ystem that such document will not be provided at such times as specified herein and in the SHORT System Users Manual.

(d) No change.

(e) Definitions. For purposes of this rule, the following terms have the following meanings:

(i) The term “auction agent” shall mean the agent responsible for conducting the auction process for auction rate securities on behalf of the issuer or other obligated person with respect to such securities and that receives orders from brokers, dealers and municipal securities dealers.

(ii) The term “auction rate security” shall mean municipal securities in which the interest rate resets on a periodic basis under an auction process conducted by an auction agent.

(iii) The term “notification period” shall mean the specified advance notice period during which an investor in a variable rate demand obligation has the option to put the issue back to the trustee, tender agent or other agent of the issuer or obligated person.

(iv) The term “program dealer” shall mean each broker, dealer or municipal securities dealer that submits an order directly to an auction agent for its own account or on behalf of another account to buy, hold or sell an auction rate security through the auction process.

(v) The term “remarketing agent” shall mean, with respect to variable rate demand obligations, the broker, dealer or municipal securities dealer responsible for reselling to new investors securities that have been tendered for purchase by a holder.

(vi) The term “SHORT system” shall mean the Short-term Obligation Rate Transparency System, a facility operated by the Board for the collection and public dissemination of information and documents about securities bearing interest at short-term rates.

(vii) The term “underwriter” shall mean an underwriter as defined in Securities Exchange Act Rule 15c2-12(f)(8) and includes a dealer acting as a placement agent.

(viii) The term “variable rate demand obligation” shall mean securities in which the interest rate resets on a periodic basis with a frequency of up to and including every nine months, where an investor has the option to put the issue back to the trustee, tender agent or other agent of the issuer or obligated person at any time, typically within a notification period, and a broker, dealer or municipal securities dealer acts as a remarketing agent responsible for reselling to new investors securities that have been tendered for purchase by a holder.