



Municipal Securities Rulemaking Board

August 9, 2017

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

Re: **Response to Comments on SR-MSRB-2017-04**

Dear Secretary:

On June 22, 2017, the Municipal Securities Rulemaking Board (the “MSRB”) filed with the U.S. Securities and Exchange Commission (the “SEC” or “Commission”) a proposed rule change consisting of amendments to MSRB Rule G-21(e), on municipal fund security product advertisements (the “proposed rule change”). The MSRB believes that the proposed rule change would address important regulatory developments and enhance investor protection in connection with municipal fund securities. In summary, the proposed rule change would amend Rule G-21(e) to:

- reflect relevant regulatory developments relating to the SEC’s money market reforms;
- enhance the “out-of-state disclosure obligation”¹ about the potential other benefits an investor may be provided by investing in a 529 college savings plan offered by the home state of the investor or of the designated beneficiary;
- clarify that certain advertisements that contain performance data may include a hyperlink to a website that contains more recent performance data; and
- include several revisions that are designed to promote understanding of and compliance with the rule.

The SEC published the proposed rule change for comment in the Federal Register on July 7, 2017,² and received two comment letters.³

¹ See Interpretation on Customer Protection Obligations Relating to the Marketing of 529 College Savings Plans (Aug. 7, 2006) (discussing point-of-sale disclosure obligations under Rule G-17 and defining “out-of-state disclosure obligation”).

² Exchange Act Release No. 81060 (Jun. 30, 2017), 82 FR 31644 (Jul. 7, 2017).

³ See Letters from Michael Koffler, Partner, Eversheds Sutherland, dated July 28, 2017 (“Eversheds Sutherland”); Robin Traxler, Esq., Vice President, Regulatory Affairs & Associate General Counsel, Financial Services Institute, dated July 28, 2017 (“FSI”).

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Both commenters supported the proposed rule change,⁴ and one commenter suggested a technical revision, with which the MSRB agrees. In response to the commenter's suggestion, the MSRB is filing this day a first partial amendment to SR-MSRB-2017-04 ("Amendment No. 1") to make a minor technical change as discussed below and in further detail in Amendment No. 1. The attachment to the letter sets forth Amendment No. 1.

Eversheds Sutherland suggested that the MSRB make a minor technical change to clarify that the proposed rule change to Rule G-21(e)(i)(A)(2)(c) applies to an advertisement of a municipal fund security "that has an investment option that invests solely in a money market fund." As initially proposed, Rule G-21(e)(i)(A)(2)(c) would apply to an advertisement of a municipal fund security "that the issuer holds out as having the characteristics of a money market fund." Eversheds Sutherland stated that the suggested revision was necessary for purposes of accuracy and internal consistency. In response, the MSRB is filing Amendment No. 1 in which the MSRB proposes that Rule G-21(e)(i)(A)(2)(c) apply to an advertisement of a municipal fund security "that has an investment option that invests solely in a money market fund."

* * *

If you have any questions, please feel free to contact me at 202.838.1500.

Sincerely,



Pamela K. Ellis
Associate General Counsel

Attachment

⁴ See, e.g., FSI letter at 2 ("...FSI supports MSRB's efforts and urges the SEC to adopt the Proposed Rule changes").

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934, as amended (the “Act”)¹ and Rule 19b-4 thereunder,² the Municipal Securities Rulemaking Board (the “MSRB”) is filing with the U.S. Securities and Exchange Commission (the “SEC” or “Commission”) a first partial amendment (“Amendment No. 1”) to File No. SR-MSRB-2017-04, a proposed rule change consisting of amendments to MSRB Rule G-21(e), on municipal fund security product advertisements (the “proposed rule change”). The proposed rule change would update Rule G-21(e) to: (i) reflect relevant regulatory developments relating to the SEC’s money market reforms; (ii) enhance the “out-of-state disclosure obligation”³ about the potential other benefits an investor may be provided by investing in a 529 college savings plan offered by the home state of the investor or of the designated beneficiary; (iii) clarify that certain advertisements that contain performance data may include a hyperlink to a website that contains more recent performance data; and (iv) include several revisions that are designed to promote understanding of and compliance with the rule. In response to a comment received by the Commission on the proposed rule change, Amendment No. 1 makes a minor technical change to clarify the application of the proposed rule change to Rule G-21(e)(i)(A)(2)(c).

Background

On June 22, 2017, the MSRB filed with the SEC File No. SR-MSRB-2017-04. The SEC published the proposed rule change for comment in the Federal Register on July 7, 2017,⁴ and received two comment letters.⁵

The MSRB is filing this Amendment No. 1 primarily, as suggested by a commenter, to make a minor technical change to clarify the application of the proposed rule change to Rule G-21(e)(i)(A)(2)(c).

The MSRB requests that the proposed rule change be approved with an effective date of three months after the Commission approval date for all changes.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Interpretation on Customer Protection Obligations Relating to the Marketing of 529 College Savings Plans (Aug. 7, 2006) (discussing point-of-sale disclosure obligations under Rule G-17 and defining “out-of-state disclosure obligation”).

⁴ Exchange Act Release No. 81060 (Jun. 30, 2017), 82 FR 31644 (Jul. 7, 2017).

⁵ See Letters from Michael Koffler, Partner, Eversheds Sutherland, dated July 28, 2017 (“Eversheds Sutherland”); Robin Traxler, Esq., Vice President, Regulatory Affairs & Associate General Counsel, Financial Services Institute, dated July 28, 2017 (“FSI”).

Technical change made in response to comments

Both commenters supported the proposed rule change,⁶ and one commenter suggested a minor technical revision. Specifically, the proposed rule change to Rule G-21(e)(i)(A)(2)(c) would apply to an advertisement “for a municipal fund security that has an investment option that the issuer holds out as having the characteristics of a money market fund.” Eversheds Sutherland suggested that the MSRB make a minor technical change to clarify that the proposed rule change to Rule G-21(e)(i)(A)(2)(c) would apply to an advertisement of a municipal fund security “that has an investment option that invests solely in a money market fund.” Eversheds Sutherland stated that the suggested revision was necessary for purposes of accuracy and internal consistency. After carefully considering Eversheds Sutherland’s suggestion, the MSRB agrees and Amendment No. 1 therefore contains a minor technical change to the proposed rule change to Rule G-21(e)(i)(A)(2)(c). Amendment No. 1 clarifies that the proposed rule change to Rule G-21(e)(i)(A)(2)(c) would apply to an advertisement of a municipal fund security “that has an investment option that invests solely in a money market fund.”

The MSRB believes that the Commission has good cause, pursuant to Section 19(b)(2) of the Act, for granting accelerated approval of Amendment No. 1. Specifically, the minor change responds to a concern of a commenter and is technical in nature. In addition, the minor change is consistent with the purposes of the proposed rule change to enhance investor protection by promoting the understanding of and compliance with Rule G-21(e). Amendment No. 1 raises no significant issues with respect to the proposed rule change.

The change made by Amendment No. 1 to the original proposed rule change is indicated in attached 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.

⁶ See, e.g., FSI letter at 2 (“. . .FSI supports MSRB’s efforts and urges the SEC to adopt the Proposed Rule changes”).

Rule G-21: Advertising

(a) - (d) No change.

(e) *Municipal Fund Security Product Advertisements*. In addition to the requirements of section (c), all product advertisements for municipal fund securities shall be subject to the following requirements:

(i) No change.

(A) No change.

(1) No change.

(2) *additional disclosures for identified products* – that refers by name (including marketing name) to any municipal fund security, issuer of municipal fund securities, state or other governmental entity that sponsors the issuance of municipal fund securities, or to any securities held as assets of municipal fund securities or to any issuer thereof, must include the following disclosures, as applicable:

(a) No change.

(b) if the advertisement relates to municipal fund securities issued by a qualified tuition program under Internal Revenue Code Section 529, a statement to the effect that an investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's qualified tuition program; provided, however, that this statement shall not be required for any advertisement relating to municipal fund securities of a specific state if such advertisement is sent to, or is otherwise distributed through means that are reasonably likely to result in the advertisement being received by, only residents of such state and is not otherwise published or disseminated by the broker, dealer or municipal securities dealer, or made available by the broker, dealer or municipal securities dealer to any of its affiliates, the issuer or any of the issuer's agents with the expectation or understanding that such other parties will otherwise publish or disseminate such advertisement; and

(c) if the advertisement is for a municipal fund security that has an investment option that [the issuer holds out as having the characteristics of a] invests solely in a money market fund:

(i) and that money market fund is not a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940 or a retail money market fund, as defined in Rule 2a-7(a)(21), 17 CFR 270.2a-7(a)(21), under the Investment Company Act of 1940, statements to the effect that:

You could lose money by investing in this investment option. Because the share price of the money market fund in which your investment option invests (the “underlying fund”) will fluctuate, when you redeem your units in that investment option, those units may be worth more or less than what you originally paid for them. The underlying fund may impose a fee upon sale of those shares or may temporarily suspend the ability of the investment option to redeem shares if the underlying fund’s liquidity falls below required minimums because of market conditions or other factors. An investment in the investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

(ii) and that money market fund is a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940 or a retail money market fund, as defined in Rule 2a-7(a)(21), 17 CFR 270.2a-7(a)(21), under the Investment Company Act of 1940, and that is subject to the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940 (or is not subject to the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), pursuant to Rule 2a-7(c)(2)(iii), 17 CFR 270.2a-7(c)(2)(iii), under the Investment Company Act of 1940, but has chosen to rely on the ability to impose liquidity fees and suspend redemptions consistent with the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940), statements to the effect that:

You could lose money by investing in this investment option. Although the money market fund in which your investment option invests (the “underlying fund”) seeks to preserve the value of its shares at \$1.00 per share, the underlying fund cannot guarantee it will do so. The underlying fund may impose a fee upon the investment option’s redemption of the underlying fund’s shares or the underlying fund may temporarily suspend the investment option’s ability to redeem its shares if the underlying fund’s liquidity falls below required minimums because of market conditions or other factors. An investment in the investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

(iii) and that money market fund is a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940, that is not subject to the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940, pursuant to Rule 2a-7(c)(2)(iii), 17 CFR 270.2a-7(c)(2)(iii), under the Investment Company Act of 1940, and that has not chosen to rely on the ability to impose liquidity fees and suspend redemptions consistent with the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940, a statement to the effect that:

You could lose money by investing in this investment option. Although the money market fund in which your investment option invests (the “underlying fund”) seeks to preserve its value at \$1.00 per share, the underlying fund cannot guarantee it will do so. An investment in this investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not

expect that the sponsor will provide financial support to the underlying fund at any time.

(3) *additional disclosures concerning performance* – that includes performance data must include:

(a) a legend disclosing that the performance data included in the advertisement represents past performance; that past performance does not guarantee future results; that the investment return and the value of the investment will fluctuate so that an investor's units, when redeemed, may be worth more or less than their original cost; and that current performance may be lower or higher than the performance data included in the advertisement. Unless the advertisement includes total return quotations current to the most recent month ended seven business days prior to the date of any use of the advertisement, the legend must also identify either a toll-free (or collect) telephone number or website (that may be hyperlinked) where an investor may obtain total return quotations current to the most recent month-end for which such total return, or all information required for the calculation of such total return, is available, however an investment option that invests in a money market fund that is a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940 or a retail money market fund, as defined in Rule 2a-7(a)(21), 17 CFR 270.2a-7(a)(21), under the Investment Company Act of 1940 may omit the disclosure about principal value fluctuation;

(b) No change.

(c) to the extent that such performance data relates to municipal fund security investment options that are not held out as having the characteristics of a money market fund and to the extent applicable, the total annual operating expense ratio of such municipal fund security investment options (calculated in the same manner as the total annual fund operating expenses required to be included in the registration statement for a registered investment company, subject to paragraph (e)(ii)(A) hereof), gross of any fee waivers or expense reimbursements.

(4) No change.

(B) No change.

(ii) *Performance Data*. Each product advertisement that includes performance data relating to municipal fund securities must present performance data in the format, and calculated

pursuant to the methods, prescribed in paragraph (d) of Securities Act Rule 482 (or, in the case of a municipal fund security that the issuer holds out as having the characteristics of a money market fund, paragraph (e) of Securities Act Rule 482) and, to the extent applicable, subparagraph (e)(i)(A)(4) of this rule, provided that:

(A) - (E) No change.

(F) *applicability with respect to underlying assets* – notwithstanding any of the foregoing, this subsection (e)(ii) shall apply solely to the calculation of performance relating to municipal fund securities and does not apply to, or limit the applicability of any rule of the Commission, Financial Industry Regulatory Authority, Inc. (FINRA) or any other regulatory body relating to, the calculation of performance for any security held as an underlying asset of the municipal fund securities.

(iii) – (v) No change.

(vi) *Underlying Registered Securities*. If an advertisement for a municipal fund security provides specific details of a security held as an underlying asset of the municipal fund security, the details included in the advertisement relating to such underlying security must be presented in a manner that would be in compliance with any Commission or FINRA advertising rules that would be applicable if the advertisement related solely to such underlying security; provided that details of the underlying security must be accompanied by any further statements relating to such details as are necessary to ensure that the inclusion of such details does not cause the advertisement to be false or misleading with respect to the municipal fund securities advertised. This subsection does not limit the applicability of any rule of the Commission, FINRA or any other regulatory body relating to advertisements of securities other than municipal fund securities, including advertisements that contain information about such other securities together with information about municipal securities.

(vii) No change.

(f) No change.

---Supplementary Material:

.01 Investment Option. As used in Rule G-21(e), the term investment option shall have the same meaning as defined in Rule G-45(d)(vi).

.02 Contractual Financial Support Provided to Underlying Fund. Under Rule G-21(e)(i)(A)(2)(c), a dealer may omit the last sentence of the specified disclosure (“The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time”) if that disclosure is not applicable to the underlying fund under Rule 482(b)(4) pursuant to the Securities Act of 1933.

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Rule G-21: Advertising

(a) - (d) No change.

(e) *Municipal Fund Security Product Advertisements*. In addition to the requirements of section (c), all product advertisements for municipal fund securities shall be subject to the following requirements:

(i) No change.

(A) No change.

(1) No change.

(2) *additional disclosures for identified products* – that refers by name (including marketing name) to any municipal fund security, issuer of municipal fund securities, state or other governmental entity that sponsors the issuance of municipal fund securities, or to any securities held as assets of municipal fund securities or to any issuer thereof, must include the following disclosures, as applicable:

(a) No change.

(b) if the advertisement relates to municipal fund securities issued by a qualified tuition program under Internal Revenue Code Section 529, a statement to the effect that an investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's qualified tuition program; provided, however, that this statement shall not be required for any advertisement relating to municipal fund securities of a specific state if such advertisement is sent to, or is otherwise distributed through means that are reasonably likely to result in the advertisement being received by, only residents of such state and is not otherwise published or disseminated by the broker, dealer or municipal securities dealer, or made available by the broker, dealer or municipal securities dealer to any of its affiliates, the issuer or any of the issuer's agents with the expectation or understanding that such other parties will otherwise publish or disseminate such advertisement; and

(c) if the advertisement is for a municipal fund security that has an investment option that [the issuer holds out as having the characteristics of a] invests solely in a money market fund;

(i) and that money market fund is not a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940 or a retail money market fund, as defined in Rule 2a-7(a)(21), 17 CFR 270.2a-7(a)(21), under the Investment Company Act of 1940, statements to the effect that:

You could lose money by investing in this investment option. Because the share price of the money market fund in which your investment option invests (the “underlying fund”) will fluctuate, when you redeem your units in that investment option, those units may be worth more or less than what you originally paid for them. The underlying fund may impose a fee upon sale of those shares or may temporarily suspend the ability of the investment option to redeem shares if the underlying fund’s liquidity falls below required minimums because of market conditions or other factors. An investment in the investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

(ii) and that money market fund is a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940 or a retail money market fund, as defined in Rule 2a-7(a)(21), 17 CFR 270.2a-7(a)(21), under the Investment Company Act of 1940, and that is subject to the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940 (or is not subject to the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), pursuant to Rule 2a-7(c)(2)(iii), 17 CFR 270.2a-7(c)(2)(iii), under the Investment Company Act of 1940, but has chosen to rely on the ability to impose liquidity fees and suspend redemptions consistent with the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940), statements to the effect that:

You could lose money by investing in this investment option. Although the money market fund in which your investment option invests (the “underlying fund”) seeks to preserve the value of its shares at \$1.00 per share, the underlying fund cannot guarantee it will do so. The underlying fund may impose a fee upon the investment option’s redemption of the underlying fund’s shares or the underlying fund may temporarily suspend the investment option’s ability to redeem its shares if the underlying fund’s liquidity falls below required minimums because of market conditions or other factors. An investment in the investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time.

(iii) and that money market fund is a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940, that is not subject to the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940, pursuant to Rule 2a-7(c)(2)(iii), 17 CFR 270.2a-7(c)(2)(iii), under the Investment Company Act of 1940, and that has not chosen to rely on the ability to impose liquidity fees and suspend redemptions consistent with the requirements of Rule 2a-7(c)(2)(i) and/or (ii), 17 CFR 270.2a-7(c)(2)(i) and/or (ii), under the Investment Company Act of 1940, a statement to the effect that:

You could lose money by investing in this investment option. Although the money market fund in which your investment option invests (the “underlying fund”) seeks to preserve its value at \$1.00 per share, the underlying fund cannot guarantee it will do so. An investment in this investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not

expect that the sponsor will provide financial support to the underlying fund at any time.

[, statements to the effect that an investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency (unless such guarantee is provided by or on behalf of such issuer) and, if the security is held out as maintaining a stable net asset value, that although the issuer seeks to preserve the value of the investment at \$1.00 per share or such other applicable fixed share price, it is possible to lose money by investing in the security.]

(3) *additional disclosures concerning performance* – that includes performance data must include:

(a) a legend disclosing that the performance data included in the advertisement represents past performance; that past performance does not guarantee future results; that the investment return and the value of the investment will fluctuate so that an investor's [shares] units, when redeemed, may be worth more or less than their original cost; and that current performance may be lower or higher than the performance data included in the advertisement. Unless the advertisement includes total return quotations current to the most recent month ended seven business days prior to the date of any use of the advertisement, the legend must also identify either a toll-free (or collect) telephone number or [a] website (that may be hyperlinked) where an investor may obtain total return quotations current to the most recent month-end for which such total return, or all information required for the calculation of such total return, is available, however an investment option that invests in a money market fund that is a government money market fund, as defined in Rule 2a-7(a)(14), 17 CFR 270.2a-7(a)(14), under the Investment Company Act of 1940 or a retail money market fund, as defined in Rule 2a-7(a)(21), 17 CFR 270.2a-7(a)(21), under the Investment Company Act of 1940 may omit the disclosure about principal value fluctuation;

(b) No change.

(c) to the extent that such performance data relates to municipal fund [securities] security investment options that are not held out as having the characteristics of a money market fund and to the extent applicable, the total annual operating expense ratio of such municipal fund [securities] security investment options (calculated in the same manner as the total annual fund operating expenses required to be included in the registration statement for a registered

investment company, subject to paragraph (e)(ii)(A) hereof), gross of any fee waivers or expense reimbursements.

(4) No change.

(B) No change.

(ii) *Performance Data*. Each product advertisement that includes performance data relating to municipal fund securities must present performance data in the format, and calculated pursuant to the methods, prescribed in paragraph (d) of Securities Act Rule 482 (or, in the case of a municipal fund security that the issuer holds out as having the characteristics of a money market fund, paragraph (e) of Securities Act Rule 482) and, to the extent applicable, subparagraph (e)(i)(A)(4) of this rule, provided that:

(A) - (E) No change.

(F) *applicability with respect to underlying assets* – notwithstanding any of the foregoing, this subsection (e)(ii) shall apply solely to the calculation of performance relating to municipal fund securities and does not apply to, or limit the applicability of any rule of the Commission, [NASD] Financial Industry Regulatory Authority, Inc. (FINRA) or any other regulatory body relating to, the calculation of performance for any security held as an underlying asset of the municipal fund securities.

(iii) – (v) No change.

(vi) *Underlying Registered Securities*. If an advertisement for a municipal fund security provides specific details of a security held as an underlying asset of the municipal fund security, the details included in the advertisement relating to such underlying security must be presented in a manner that would be in compliance with any Commission or [NASD] FINRA advertising rules that would be applicable if the advertisement related solely to such underlying security; provided that details of the underlying security must be accompanied by any further statements relating to such details as are necessary to ensure that the inclusion of such details does not cause the advertisement to be false or misleading with respect to the municipal fund securities advertised. This subsection does not limit the applicability of any rule of the Commission, [NASD] FINRA or any other regulatory body relating to advertisements of securities other than municipal fund securities, including advertisements that contain information about such other securities together with information about municipal securities.

(vii) No change.

(f) No change.

---Supplementary Material:

.01 Investment Option. As used in Rule G-21(e), the term investment option shall have the same meaning as defined in Rule G-45(d)(vi).

.02 Contractual Financial Support Provided to Underlying Fund. Under Rule G-21(e)(i)(A)(2)(c), a dealer may omit the last sentence of the specified disclosure (“The underlying fund’s sponsor has no legal obligation to provide financial support to the underlying fund, and you should not expect that the sponsor will provide financial support to the underlying fund at any time”) if that disclosure is not applicable to the underlying fund under Rule 482(b)(4) pursuant to the Securities Act of 1933.

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