

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-66954; File No. SR-MSRB-2012-04)

May 9, 2012

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of a Designation of a Longer Period for Commission Action on Proposed Rule Change Relating to Proposed Rule G-43, on Broker's Brokers; Proposed Amendments to Rule G-8, on Books and Records, Rule G-9, on Record Retention, and Rule G-18, on Execution of Transactions; and a Proposed Interpretive Notice on the Duties of Dealers that Use the Services of Broker's Brokers

On March 5, 2012, the Municipal Securities Rulemaking Board ("MSRB") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change consisting of proposed MSRB Rule G-43, on broker's brokers; amendments to MSRB Rule G-8, on books and records; amendments to MSRB Rule G-9, on record retention; amendments to MSRB Rule G-18, on execution of transactions; and a proposed interpretive notice on duties of dealers that use the services of broker's brokers. The proposed rule change was published for comment in the Federal Register on March 26, 2012.<sup>3</sup> The Commission received five comment

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 66625 (March 20, 2012), 77 FR 17548.

letters regarding the proposal.<sup>4</sup> On May 3, 2012, the MSRB submitted a response to the comment letters<sup>5</sup> and filed Amendment No. 1 to the proposed rule change.

Section 19(b)(2) of the Act<sup>6</sup> provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45<sup>th</sup> day from the publication of notice of filing of this proposed rule change is May 10, 2012. The Commission is extending the 45-day time period.

The Commission finds that it is appropriate to designate a longer period within which to take action on this proposed rule change. In particular, an extension of time will ensure the Commission has sufficient time to consider and take action on the MSRB's proposal in light of, among other things, the comment letters received on the proposal, and the MSRB's response to those comment letters.

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<sup>4</sup> See Letters to Elizabeth M. Murphy, Secretary, Commission, from John Webber, Chief Compliance Officer, Advisors Asset Management, Inc., dated April 16, 2012; Michael Nicholas, Chief Executive Officer, Bond Dealers of America, dated April 16, 2012; Thomas S. Vales, Chief Executive Officer, TMC Bonds, LLC, received April 16, 2012; Mark J. Epstein, President & Chief Executive Officer, Hartfield, Titus & Donnelly, dated April 18, 2012; and Paige W. Pierce, President & Chief Executive Officer, RW Smith & Associates, Inc., received April 19, 2012. The comment letters received by the Commission are available at <http://www.sec.gov/comments/sr-msrb-2012-04/msrb201204.shtml>.

<sup>5</sup> See Letter to Elizabeth M. Murphy, Secretary, Commission, from Margaret C. Henry, General Counsel, Market Regulation, MSRB, dated May 3, 2012.

<sup>6</sup> 15 U.S.C. 78s(b)(2).

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>7</sup> designates June 22, 2012 as the date by which the Commission should either approve or disapprove or institute proceedings to determine whether to disapprove this proposed rule change.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>7</sup> 15 U.S.C. 78s(b)(2).

<sup>8</sup> 17 CFR 200.30-3(a)(31).