

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-77856; File No. SR-MSRB-2016-06)

May 19, 2016

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Consisting of Amendments to the MSRB's Amended and Restated Articles of Incorporation

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act" or "Exchange Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on May 5, 2016, the Municipal Securities Rulemaking Board (the "MSRB" or "Board") filed with the Securities and Exchange Commission (the "Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The MSRB filed with the Commission a proposed rule change consisting of amendments to the MSRB's Amended and Restated Articles of Incorporation ("Articles of Incorporation") ("proposed rule change"). The MSRB has designated the proposed rule change for immediate effectiveness.

The text of the proposed rule change is available on the MSRB's website at www.msrb.org/Rules-and-Interpretations/SEC-Filings/2016-Filings.aspx, at the MSRB's principal office, and at the Commission's Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The MSRB has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On March 17, 2016, the Commission approved a proposed rule change consisting of amendments to MSRB Rule A-3, on membership on the Board.³ The amendments, among other things, lengthened the term of Board member service from three to four years and changed the number and size of Board classes from three classes comprised of seven members to four classes—one class comprised of six members and three classes of five. Additionally, the amendments deleted a provision that related to a previous transition process the MSRB used to increase its Board size from 15 to 21 members and to be in compliance with new requirements established by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.⁴

³ See Exchange Act Release No. 77390 (Mar. 17, 2016), 81 FR 15582 (Mar. 23, 2016) (File No. SR-MSRB-2016-01) (“SEC Approval Order”).

⁴ See Pub. L. No. 111-203, 124 Stat. 1376; Exchange Act Release No. 65424 (Sept. 28, 2011), 76 FR 61407 (Oct. 4, 2011) (File No. SR-MSRB-2011-11) (approving the MSRB’s establishment of a Board structure of 21 Board members divided into three classes, with each class being comprised of seven members who would serve staggered three-year terms).

The purpose of the proposed rule change is to amend the Articles of Incorporation as necessary and appropriate to conform them to amended Rule A-3, as described above.⁵ The proposed rule change will become operative on October 1, 2016, at the beginning of the first MSRB fiscal year for which the new term length and class structure will apply, and the MSRB will file the Articles of Incorporation with the Commonwealth of Virginia at a later date in accordance with Virginia law.

2. Statutory Basis

The MSRB has adopted the proposed rule change pursuant to Sections 15B(b)(1) and (2) of the Exchange Act,⁶ which require, among other things, that the rules of the Board establish fair procedures for the nomination and election of members of the Board and assure fair representation in such nominations and elections of public representatives, broker-dealer representatives, bank representatives, and advisor representatives and the terms that shall be served by such members.⁷ The MSRB believes that the proposed rule change is consistent with Sections 15B(b)(1) and (2) of the Exchange Act by conforming the Articles of Incorporation of the Board to amended Rule A-3.

B. Self-Regulatory Organization's Statement on Burden on Competition

The MSRB does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act, since the proposed rule change simply amends the Articles of Incorporation of the Board to

⁵ The MSRB will also amend its by-laws to reflect the recent amendments to Rule A-3.

⁶ 15 U.S.C. 78o-4(b)(1)-(2).

⁷ 15 U.S.C. 78o-4(b)(2)(B).

conform them to amended MSRB Rule A-3 and solely concerns the administration of the organization.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁸ and paragraph (f) of Rule 19b-4 thereunder.⁹ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-MSRB-2016-06 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f).

All submissions should refer to File Number SR-MSRB-2016-06. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2016-06 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, pursuant to delegated authority.¹⁰

Robert W. Errett
Deputy Secretary

¹⁰ 17 CFR 200.30-3(a)(12).