

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [79 FR 10578, February 25, 2014].

STATUS: Closed Meeting.

PLACE: 100 F Street NE., Washington, DC.

DATE AND TIME OF PREVIOUSLY ANNOUNCED MEETING: Thursday, February 27, 2014 at 2:00 p.m.

CHANGE IN THE MEETING: Time Change.

The Closed Meeting scheduled for Thursday, February 27, 2014 at 2:00 p.m. has been changed to Thursday, February 27, 2014 at 11:00 a.m.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551-5400.

Dated: February 25, 2014.

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2014-04396 Filed 2-25-14; 11:15 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-71598; File No. SR-MSRB-2013-04]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 1 Thereto, Relating to a New MSRB Rule G-45, on Reporting of Information on Municipal Fund Securities

February 21, 2014.

I. Introduction

On June 10, 2013, 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”)¹ and Rule 19b-4 thereunder,² a proposed rule change consisting of (1) MSRB Rule G-45 (reporting of information on municipal fund securities), (2) MSRB Form G-45, (3) amendments to MSRB Rule G-8 (books and records), and (4) MSRB Rule G-9 (preservation of records). The proposed rule change was

published for comment in the **Federal Register** on June 28, 2013.³

The Commission initially received five comment letters on the proposal.⁴ On August 9, 2013, the MSRB granted an extension of time, until September 26, 2013, for the Commission to act on the filing. On September 26, 2013, the Commission instituted proceedings to determine whether to disapprove the proposed rule change.⁵ In response to the Order Instituting Proceedings, the Commission received four additional comment letters on the proposal.⁶ On December 19, 2013, the Commission extended the time period for Commission action to February 23, 2014.⁷ On January 14, 2014, the MSRB submitted a response to the comment letters⁸ and filed Amendment No. 1 to the proposed rule change.⁹ The

³ Securities Exchange Act Release No. 69835 (June 24, 2013), 78 FR 39048 (“Notice”).

⁴ See letters to Elizabeth M. Murphy, Secretary, Commission, from Tamara K. Salmon, Senior Associate Counsel, Investment Company Institute, dated July 16, 2013 (“ICI Letter”); David L. Cohen, Managing Director, Associate General Counsel, Securities Industry and Financial Markets Association, dated July 18, 2013 (“SIFMA Letter”); Roger Michaud, Chairman, College Savings Foundation, dated July 19, 2013 (“CSF Letter”); Michael L. Fitzgerald, Chairman, College Savings Plans Network, dated July 19, 2013 (“CSPN Letter”); and Michael B. Koffler, Partner, Sutherland Asbill & Brennan, dated July 19, 2013 (“Sutherland Letter”).

⁵ Securities Exchange Act Release No. 70531 (Sept. 26, 2013), 78 FR 60985 (Oct. 2, 2013) (“Order Instituting Proceedings”).

⁶ See letters to Elizabeth M. Murphy, Secretary, Commission, from Tamara K. Salmon, Senior Associate Counsel, Investment Company Institute, dated November 8, 2013 (“ICI Letter II”); Roger Michaud, Chairman, College Savings Foundation, dated November 18, 2013 (“CSF Letter II”); Michael L. Fitzgerald, Chairman, College Savings Plans Network, dated November 18, 2013 (“CSPN Letter II”); and Michael B. Koffler, Partner, Sutherland Asbill & Brennan, dated November 18, 2013 (“Sutherland Letter II”).

⁷ Securities Exchange Act Release No. 71144 (December 19, 2013), 78 FR 78451 (December 26, 2013).

⁸ See letter to Elizabeth M. Murphy, Secretary, Commission, from Lawrence P. Sandor, Deputy General Counsel, MSRB, dated January 14, 2014 (“MSRB Response Letter”).

⁹ Amendment No. 1 has been placed in the public comment file for SR-MSRB-2013-04 at <http://www.sec.gov/comments/sr-msrb-2013-04/msrb201304-11.pdf> (see letter from Lawrence P. Sandor, Deputy General Counsel, MSRB, to Elizabeth M. Murphy, Secretary, Commission, dated January 14, 2014). In Amendment No. 1, the MSRB amended and restated the original proposed rule change to: (i) Clarify that the information submitted by underwriters includes asset allocation information for the assets of each investment option; (ii) omit statements concerning the interpretation of the meaning of “underwriter” under the federal securities laws and rules thereunder; (iii) clarify that each entity must determine, based on the facts and circumstances, whether it is an underwriter under the federal securities laws; (iv) revise the rule text to clarify that an underwriter that submits Form G-45 would be obligated to submit information only for itself

Commission is publishing this notice to solicit comments on Amendment No. 1 to the proposed rule change from interested persons and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposed Rule Change

The MSRB’s Electronic Municipal Market Access (“EMMA”) system currently serves as a centralized venue for the submission by underwriters of 529 plan primary offering disclosure documents (“plan disclosure documents”) and continuing disclosures, such as annual financial reports submitted by issuers or their agents. The MSRB, however, does not currently receive detailed underwriting or transaction information as it does for other types of municipal securities. According to the MSRB, the proposed rule change will, for the first time, provide the MSRB with more comprehensive information regarding 529 plans underwritten by brokers, dealers, or municipal securities dealers by gathering data directly from such persons.

The MSRB proposes to adopt Rule G-45. Rule G-45 will require each underwriter of a primary offering of municipal fund securities¹⁰ (excluding interests in local government

and those entities that identify themselves as underwriters of the 529 plan and aggregate their information with the submitter’s information; (v) clarify that underwriters must identify the percentage of each underlying investment in an investment option but not submit information regarding the assets in each underlying investment; (vi) clarify that, for each investment option offered by a 529 plan, the underwriter will provide the MSRB with the name and allocation percentage of each underlying investment in each investment option as of the end of the most recent semi-annual period; (vii) clarify that the MSRB does not contemplate that a state sponsor of a 529 plan, as an instrumentality of the state, would be an underwriter under federal securities laws; (viii) explain that an underwriter would not be required to submit information on Form G-45 that it neither possesses nor has the legal right to obtain; (ix) explain that, to the extent the information submitted was prepared by the underwriter or, through delegation, one of its contractors or sub-contractors, and the information was inaccurate or incomplete, the underwriter would be responsible for the information and therefore be liable for such information under proposed Rule G-45; and (x) clarify in Rule G-45 that performance data shall be reported annually. The MSRB also clarified various aspects of how the information should be reported on Form G-45.

¹⁰ The term “municipal fund security” is defined in MSRB Rule D-12 to mean a municipal security issued by an issuer that, but for the application of Section 2(b) of the Investment Company Act of 1940, would constitute an investment company within the meaning of Section 3 of the Investment Company Act of 1940. Interests in 529 plans are the only type of municipal fund security that will be covered by the proposed rule change.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.