



PUBLIC INVESTORS ARBITRATION BAR ASSOCIATION

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December 9, 2016

Mr. Brent Fields, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: File Number SR-MSRB-2016-015
Proposed Rule Change Re: Customer Complaint and Recordkeeping Rules

Dear Secretary Fields:

On behalf of the Public Investors Arbitration Bar Association ("PIABA"), I thank you for the opportunity to comment on SR-MSRB-2016-015. PIABA is an international bar association comprised of attorneys who represent investors in securities arbitrations. Since its formation in 1990, PIABA has promoted the interests of the public investor in all securities and commodities arbitration forums, while also advocating for public education regarding investment fraud and industry misconduct. Our members and their clients have a strong interest in rules promulgated by regulators in the securities industry, of which the Municipal Securities Rulemaking Board ("the MSRB") is one, relating to both investor protection and disclosure.

The MSRB, through SR-MSRB-2016-015, has proposed an amendment to several rules that would modernize and extend customer complaint and related recordkeeping to municipal advisors. For example, the proposed amendment to Rule G-10 would require brokers, dealers, municipal securities dealers, and municipal advisors to provide certain information about the firm to investors, including information about how to file a complaint with regulators, on a yearly basis. The proposed amendments to Rules G-8 and G-9 would require dealers and municipal advisors to keep electronic records of customer complaints using a standard set of product and problem codes, and to keep those records for at least six years.

PIABA commends the stated purpose of these proposed changes: improving investor protection and investor education. While the current Rule G-10 requires that an investor be given a brochure that details how to file a complaint about their dealer and protections afforded by the MSRB, that brochure is generally not delivered to the investor until **after** they have filed a complaint, which diminishes the overall effectiveness of the existing Rule in its application.

The proposed amendments to Rule G-10 would do away with the brochure requirement, replacing it with annual notifications to customers (whether or not a complaint has been filed) that provide certain information to the customer, such as "(i) that the regulated entity is registered with the MSRB and the SEC, (ii) the MSRB's website address, and (iii) that there is a brochure available on the MSRB website that

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describes the protections available under MSRB rules and how to file a complaint with financial regulatory authorities.”

A common problem generally faced by victims of investment fraud or inappropriate investment advice is that they don't know that they are actually afforded protections and remedies by many self-regulatory organizations (and other laws). As such, PIABA supports the proposed amendment to Rule G-10, in part, because rule is aimed at educating investors before they encounter a problem, so that if they encounter one, they understand what their rights are and what they can do about it. By understanding that certain remedies exist, PIABA's hope is that investors will be more likely to exercise their rights in a more timely and efficient manner.

PIABA also supports the proposed amendments due to their potential to give investors greater access to information about the municipal securities industry as a whole. Many investors may be unaware of the fact that the industry is regulated by the MSRB and the SEC. Educating investors of this simple fact could in turn result in them going to those sources for more information related to investor education and protection.

There is to doubt that the proposed Rule G-10 will be more beneficial to investors than the current rule. PIABA believes that the more investors know, and the earlier they know it, the more likely they will be able to protect themselves if the first place and/or hold those that break the rules (or violate the laws) responsible for resulting damages. The earlier investors can be educated in this way, the better.

As to the proposed changes to Rule G-8, PIABA commends the MSRB's effort to modernize the municipal securities industry's recordkeeping requirements. However, the proposed amendments are still not sufficient in that they do not appear to provide a mechanism for investors to access the information required to be provided.

Under the current Rule G-8, dealers and municipal advisors are required to keep written records of customer complaints and follow up taken by the firm to address those concerns. The system now being proposed would require more detailed information about the complaint to be kept by the regulated entity in an electronic format easier to access than paper records. While it appears that the proposed amendments to Rule G-8 were proposed to try to ease the burden on regulators who may be required to search those complaints, there is no mention of how or if investors will have access to the same information.

Generally, a firm's history of complaints and corrective measures taken to resolve those complaints are (and should be) important factors for an investor to consider before making an informed decision about investing with any particular municipal advisor, municipal securities dealer, or other brokers/dealers. Thus, PIABA urges the MRSB to go a step further and also implement a plan to make those same records easily accessible to the public.

PIABA appreciates the opportunity to comment on the proposed rule changes discussed herein.

Very truly yours,



Marnie Lambert
PIABA, President