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MSRB Requests Comment on Updating Dealer Advertising Requirements and Applying Similar Standards to Municipal Advisors: Webinar

Washington, DC – The Municipal Securities Rulemaking Board (MSRB) is seeking comment on a plan to update and harmonize certain provisions of its municipal securities dealer advertising rule with those of other financial regulators, and to create similar advertising standards for municipal advisors.

“The changes we are proposing today would standardize advertising requirements for dealers and municipal advisors, and reinforce protections for the investors and municipal securities issuers that rely on their products and professional services,” said Executive Director Lynnette Kelly. “We think the changes we are seeking comment on would improve consistency of advertising standards across the financial services sector and would be appropriately tailored to the business needs of municipal finance professionals.”

[MSRB Rule G-21](#), which defines advertising and establishes standards for advertising by dealers, has been in place since 1978 and is a key investor protection rule. The draft amendments published today would harmonize Rule G-21 with certain provisions of an advertising rule of the Financial Industry Regulatory Authority (FINRA), Rule 2210. Market participants have frequently suggested that the MSRB harmonize Rule G-21 with FINRA Rule 2210. Further, the draft amendments to Rule G-21 update advertising requirements for municipal fund security products, such as 529 college savings plans, to conform with recent amendments made by the Securities and Exchange Commission to its parallel investor protection rules.

Because the purpose of advertising standards is similar for different market participants, the MSRB has incorporated the substance of the draft amendments to Rule G-21 into a new draft municipal advisor advertising rule, MSRB Rule G-40. Rule G-40 defines advertising and establishes standards for advertising by municipal advisors, but contains terms relevant to municipal advisors. At this juncture, draft rule G-40 omits certain provisions of the dealer rule concerning product advertisements.

[Read the request for comment.](#) Comments should be submitted no later than March 24, 2017. The MSRB will host a webinar on Thursday, March 9, 2017 at 3:00 p.m. to 4:00 p.m. to discuss today's request for comment. [Register for the webinar.](#)

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Contact: Jennifer A. Galloway, Chief Communications Officer
202-838-1500 jgalloway@msrb.org