

Rule G-34

CUSIP Numbers, New Issue, and Market Information Requirements

(a) *New Issue Securities.*

(i) *Assignment and Affixture of CUSIP Numbers.*

(A) Except as otherwise provided in this section (a) and section (d), a broker, dealer or municipal securities dealer acting as an underwriter in a new issue of municipal securities, and a municipal advisor advising the issuer with respect to a competitive sale of a new issue of municipal securities, shall apply in accordance with the procedures of the designee to the designee of the Board for assignment of a CUSIP number or numbers to such new issue, as follows:

(1) The underwriter in a negotiated sale shall make an application by no later than the time that pricing information for the issue is finalized. Such application for CUSIP number assignment shall be made at a time sufficient to ensure final CUSIP number assignment occurs prior to the formal award of the issue.

(2) The underwriter in a competitive sale for which no CUSIP numbers have been pre-assigned shall make an application immediately after receiving notification of the award from the issuer. The underwriter in a competitive sale shall ensure that CUSIP numbers are assigned prior to disseminating the Time of First Execution required under paragraph (a)(ii)(C) of this Rule G-34.

(3) A municipal advisor advising the issuer with respect to a competitive sale of a new issue of municipal securities for which no CUSIP numbers have been pre-assigned, shall make an application for CUSIP numbers at a time sufficient to ensure final CUSIP number assignment occurs prior to the award of the issue.

(4) In making applications for CUSIP number assignment, the underwriter or municipal advisor shall provide the information required by the designee of the Board for such application.

(5) Any changes to information identified in subparagraph (a)(i)(A)(4) and included in an application for CUSIP number assignment shall be provided to the Board's designee as soon as they are known but no later than a time

sufficient to ensure final CUSIP number assignment occurs prior to disseminating the time of first execution required under subparagraph (a)(ii)(C)(1)(b) of this Rule G-34.

(B) The information required by subparagraph (i)(A)(4) of this section (a) shall be provided in accordance with the provisions of this paragraph. The application shall include a copy of a notice of sale, official statement, legal opinion, or other similar documentation prepared by or on behalf of the issuer, or portions of such documentation, reflecting the information required by subparagraph (i)(A)(4) of this section (a). Such documentation may be submitted in preliminary form if no final documentation is available at the time of application. In such event the final documentation, or the relevant portions of such documentation, reflecting any changes in the information required by subparagraph (i)(A)(4) of this section (a) shall be submitted when such documentation becomes available. If no such documentation, whether in preliminary or final form, is available at the time application for CUSIP number assignment is made, such copy shall be provided promptly after the documentation becomes available.

(C) The provisions of subsection (i) of this section (a) shall not apply with respect to any new issue of municipal securities on which CUSIP numbers have been preassigned by the designee of the Board or on which the issuer or a person acting on behalf of the issuer has submitted an application for assignment of a CUSIP number or numbers.

(D) In the event that the proceeds of the new issue will be used, in whole or in part, to refund an outstanding issue or issues of municipal securities in such a way that part but not all of the outstanding issue or issues previously assigned a single CUSIP number is to be refunded to one or more redemption date(s) and price(s) (or all of an outstanding issue is to be refunded to more than one redemption date and price), the broker, dealer or municipal securities dealer shall apply in writing to the designee of the Board for a reassignment of a CUSIP number to each part of the outstanding issue refunded to a particular redemption date and price and shall provide to the designee of the Board the information required by the designee of the Board.

(E) The underwriter, prior to the delivery of a new issue of municipal securities to any other person, shall affix to, or arrange to have affixed to, the securities certificates of such new issue the CUSIP number assigned to such new issue. If more than one CUSIP number is assigned to the new issue, each such number shall be affixed to the securities certificates of that part of the issue to which such number relates.

(F) A broker, dealer or municipal securities dealer acting as an underwriter of a new issue of municipal securities, or a municipal advisor advising the issuer with respect to a competitive sale of a new issue, which is being purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; or by a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchasing entity's issue of municipal obligations (*e.g.*, state revolving fund or bond bank), may elect not to apply for assignment of a CUSIP number or numbers if the underwriter or municipal advisor reasonably believes (*e.g.*, by obtaining a written representation) that the present intent of the purchasing entity or entities is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

(ii) Application for Depository Eligibility and Dissemination of New Issue Information. Each underwriter shall carry out the following functions:

(A) Except as otherwise provided in this paragraph (ii)(A) and section (d), the underwriter shall apply to a securities depository registered with the Securities and Exchange Commission, in accordance with the rules and procedures of such depository, to make such new issue depository-eligible. The application required by this paragraph (ii)(A) shall be made as promptly as possible, but in no event later than one business day after award from the issuer (in the case of a competitive sale) or one business day after the execution of the contract to purchase the securities from the issuer (in the case of a negotiated sale). In the event that the full documentation and information required to establish depository eligibility is not available at the time the initial application is submitted to the depository, the underwriter shall forward such documentation as soon as it is available; provided, however, this paragraph (ii)(A) of this rule shall not apply to:

(1) an issue of municipal securities that fails to meet the criteria for depository eligibility at all depositories that accept municipal securities for deposit; or

(2) any new issue maturing in 60 days or less; or

(3) a new issue of municipal securities purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; or by a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchasing entity's issue of municipal obligations (*e.g.*, state revolving fund or bond bank), from an issuer in which an underwriter

reasonably believes (*e.g.*, by obtaining a written representation) that the present intent of the purchasing entity or entities is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

(B) Prior to acting as underwriter for a new issue of municipal securities eligible for submission to NIIDS:

(1) each broker, dealer or municipal securities dealer must register to use NIIDS with DTCC and shall test its capability to use NIIDS by successfully submitting two test new issues using the NIIDS Web Interface; and

(2) each broker, dealer or municipal securities dealer that plans to establish computer-to-computer connections with NIIDS (either directly or through a vendor) shall test its capability to use NIIDS by successfully submitting two test new issues using computer-to-computer connections.

(C) The underwriter of a new issue of municipal securities, which has been made depository eligible pursuant to paragraph (ii)(A) above, shall communicate information about the new issue in accordance with the requirements of this paragraph (a)(ii)(C) to ensure that other brokers, dealers and municipal securities dealers have timely access to information necessary to report, compare, confirm, and settle transactions in the new issue and to ensure that registered securities clearing agencies receive information necessary to provide comparison, clearance and depository services for the new issue; provided, however, that this paragraph (a)(ii)(C) shall not apply to commercial paper.

(1) The underwriter shall ensure that the following information is submitted to NIIDS in the manner described in the written procedures for system users and that changes or corrections to submitted information are made as soon as possible:

(a) the time of formal award.

(i) For purposes of this paragraph (a)(ii)(C), the "time of formal award" means:

(A) for competitive issues, the later of the time the issuer announces the award or the time the issuer notifies the underwriter of the award, and

(B) for negotiated issues, the later of the time the contract to purchase the securities from the issuer is executed or the time the issuer notifies the underwriter of its execution.

(ii) If the underwriter and issuer have agreed in advance on a time of formal award, that time may be submitted to NIIDS in advance of the actual time of formal award.

(b) the time of first execution.

(i) For purposes of this paragraph (a)(ii)(C), the "time of first execution" means the time the underwriter plans to execute its first transactions in the new issue.

(ii) The underwriter shall designate a time of first execution that is:

(A) for new issues consisting of variable rate instruments for which transactions occurring on the first day of trading are expected to settle on a same-day or next-day basis, any time after all information required by paragraph (a)(ii)(C) has been transmitted to NIIDS; or

(B) for all other new issues, no less than two business hours after all information required by paragraph (a)(ii)(C) has been transmitted to NIIDS; provided that the time of first execution may be designated as 9:00 A.M. Eastern Time or later on the RTRS business day following the day on which all information required by paragraph (a)(ii)(C) has been transmitted to NIIDS without regard to whether two business hours have elapsed.

(c) All other information identified as required for "Trade Eligibility" in NIIDS.

(2) The underwriter shall ensure that all information identified in this paragraph (a)(ii)(C) is transmitted to NIIDS no later than two business hours after the time of formal award. For purposes of this paragraph (a)(ii)(C):

(a) "business hours" shall include only the hours from 9:00 A.M. to 5:00 P.M. Eastern Time on an RTRS business day.

(b) "RTRS business day" shall have the meaning set forth in Rule G-14 RTRS Procedures subsection (d)(ii).

(3) For purposes of paragraphs (B) and (C) of this subsection (a)(ii):

(a) "DTCC" means The Depository Trust and Clearing Corporation, a securities clearing agency registered with the Commission providing depository services for municipal securities.

(b) "NIIDS" means the New Issue Information Dissemination Service, an

automated, electronic system operated by DTCC as part of its underwriting eligibility request platform, UW Source, that receives comprehensive new issue information for municipal securities on a market-wide basis for the purposes of establishing depository eligibility and immediately re-disseminating such information to information vendors supplying formatted municipal securities information for use in automated trade processing systems.

(D) The underwriter of any new issue of municipal securities consisting of commercial paper shall, as promptly as possible, announce each item of information listed below in a manner reasonably designed to reach market participants that may trade the new issue. All information shall be announced no later than the time of the first execution of a transaction in the new issue by the underwriter.

(1) the CUSIP number or numbers assigned to the issue and descriptive information sufficient to identify the CUSIP number corresponding to each part of the issue assigned a specific CUSIP number; and

(2) the time of formal award as defined in subparagraph (a)(ii)(C)(1)(a).

(E) For any new issue of municipal securities eligible for comparison through the automated comparison facilities of a registered clearing agency under section (f) of rule G-12, the underwriter shall provide the registered securities clearing agency responsible for comparing when, as and if issued transactions with:

(1) final interest rate maturity information about the new issue as soon as it is available; and

(2) the settlement date of the new issue as soon as it is known and shall immediately inform the registered clearing agency of any changes in such settlement date.

(iii) *Underwriting Syndicate*. In the event a syndicate or similar account has been formed for the purchase of a new issue of municipal securities, the managing underwriter shall take the actions required of the underwriter under the provisions of this section (a).

(iv) *Limited Use of NRO Designation*. From and after the time of initial award of a new issue of municipal securities, a broker, dealer or municipal securities dealer may not use the term “not reoffered” or other comparable term or designation without also including the applicable price or yield information about the securities in any of its written communications, electronic or otherwise, sent by it or on its behalf. For

purposes of this subsection (iv), the “time of initial award” means the earlier of (A) the time of formal award as defined in subparagraph (a)(ii)(C)(1)(a), or (B) if applicable, the time at which the issuer initially accepts the terms of a new issue of municipal securities subject to subsequent formal award.

(b) *Secondary Market Securities.*

(i) Each broker, dealer, or municipal securities dealer that, in connection with a sale or an offering for sale of part of a maturity of an issue of municipal securities, acquires or arranges for the acquisition of a transferable instrument applicable to such part which alters the security or source of payment of such part shall apply in writing to the Board or its designee for the assignment of a CUSIP number to designate the part of the maturity of the issue which is the subject of the instrument when traded with the instrument attached. Such instruments shall include (A) insurance with respect to the payment of debt service on such portion, (B) a put option or tender option, (C) a letter of credit or guarantee, or (D) any other similar device. This paragraph (i) shall not apply with respect to any part of an outstanding maturity of an issue of municipal securities with respect to which a CUSIP number that is applicable to such part when traded with an instrument which alters the security or source of payment of such part has already been assigned.

(ii) Each broker, dealer or municipal securities dealer, in connection with a sale or an offering for sale of part of a maturity of an issue of municipal securities which is assigned a CUSIP number that no longer designates securities identical with respect to all features of the issue listed in items (a) through (h) of subparagraph (a)(i)(A)(4) of this rule, shall apply in writing to the Board or its designee for a new CUSIP number or numbers to designate the part or parts of the maturity which are identical with respect to items (a) through (h) of subparagraph (a)(i)(A)(4).

(iii) The broker, dealer or municipal securities dealer shall make the application required under this section (b) as promptly as possible, and shall provide to the Board or its designee:

(A) the previously assigned CUSIP number;

(B) all information on the features of the maturity of the issue listed in items (a) through (h) of subparagraph (a)(i)(A)(4) of this rule and documentation of the features of such maturity sufficient to evidence the basis for CUSIP number assignment; and,

(C) if the application is based on an instrument affecting the source of payment or security for a part of a maturity of an issue, information on the nature of the instrument, including the name of any party obligated with respect to debt service

under the terms of such instrument and documentation sufficient to evidence the nature of the instrument.

(c) *Variable Rate Security Market Information.*

(i) Auction Rate Securities.

(A) Auction Rate Securities Data.

(1) Each broker, dealer or municipal securities dealer that submits an order directly to an Auction Agent for its own account or on behalf of another account to buy, hold or sell an Auction Rate Security through the auction process ("program dealer") shall report, or ensure the reporting of, the following information about the auction rate security and concerning the results of the auction to the Board:

(a) CUSIP number;

(b) Interest rate produced by the auction process and designation of whether the interest rate is a maximum rate, all hold rate, or rate set by auction;

(c) Identity of all program dealers that submitted orders, including but not limited to hold orders;

(d) Date and time of the auction;

(e) Length of time, in days, that the interest rate produced by the auction process is applicable;

(f) Minimum denomination;

(g) Minimum and maximum rates, if any, applicable at the time of the auction or, if not calculable as of the time of auction, indication that such rate or rates are not calculable.

(h) Date and time the interest rate determined as a result of the auction process was communicated to program dealers;

(i) Aggregate par amount of orders to sell at any interest rate and aggregate par amount of such orders that were executed;

(j) Interest rate(s) and aggregate par amount(s) of orders to hold at a specific interest rate and aggregate par amount of such orders that were successfully held;

(k) Interest rate(s) and aggregate par amount(s) of orders to buy and aggregate par amount of such orders that were executed;

(l) Interest rate(s), aggregate par amount(s), and type of order – either buy, sell or hold – for a program dealer for its own account and aggregate par amounts of such orders, by type, that were executed; and

(m) Interest rate(s), aggregate par amount(s), and type of order – either buy, sell or hold – for an issuer or conduit borrower for such auction rate security.

(2) Information identified in paragraph (c)(i)(A) shall be provided to the Board by no later than 6:30 P.M. Eastern Time on the date on which an auction occurs if such date is an RTRS business day as defined in Rule G-14 RTRS Procedures subsection (d)(ii). In the event that any item of information identified in subparagraph (c)(i)(A)(1) is not available by the deadline in this subparagraph (c)(i)(A)(2), such item shall be provided to the Board as soon as it is available. In the event that an auction occurs on a non-RTRS business day, the information identified in subparagraph (c)(i)(A)(1) shall be reported by no later than 6:30 P.M. Eastern Time on the next RTRS business day.

(3) A program dealer may designate an agent to report the information identified in subparagraph (c)(i)(A)(1) to the Board, provided that an auction agent may submit information on behalf of a program dealer absent such designation by the program dealer. The failure of a designated agent to comply with any requirement of this subsection (c)(i) shall be considered a failure by such program dealer to so comply; provided that if an auction agent has, within the time periods required under subparagraph (c)(i)(A)(2), reported the information required under subparagraph (c)(i)(A)(1), the program dealer may rely on the accuracy of such information if the program dealer makes a good faith and reasonable effort to cause the auction agent to correct any inaccuracies known to the program dealer.

(4) For Auction Rate Securities in which there are multiple program dealers, each program dealer must only report for items (i) through (m) of the items of information identified in subparagraph (c)(i)(A)(1) information reflective of the program dealer's involvement in the auction. A designated agent as described in subparagraph (c)(i)(A)(3) reporting results of an auction on behalf of multiple program dealers must report for items (i) through (m) of the items information identified in subparagraph (c)(i)(A)(1) information reflective of the aggregate of all such program dealers' involvement in the auction for which the designated agent is making a report. A program dealer may rely on the reporting of information by an auction agent as provided in subparagraph (c)(i)(A)(3) if the

auction agent has undertaken to report, and the program dealer does not have reason to believe that the auction agent is not accurately reporting, all items of information identified in subparagraph (c)(i)(A)(1), to the extent applicable, for an auction that is reflective of all program dealers that were involved in the auction.

(5) Information reported to the Board pursuant to this subsection (c)(i) shall be submitted in the manner described in the written procedures for SHORT system users and changes to submitted information must be made as soon as possible.

(6) Every broker, dealer or municipal securities dealer that submits an order to a program dealer on behalf of an issuer or conduit borrower for such auction rate securities shall disclose at the time of the submission of such order that the order is on behalf of an issuer or conduit borrower for such auction rate securities.

(B) Auction Rate Securities Documents.

(1) Each program dealer shall submit to the Board current documents setting forth auction procedures and interest rate setting mechanisms associated with an outstanding auction rate security for which it acts as a program dealer by no later than September 22, 2011 and shall submit to the Board any future, subsequently amended or new versions of such documents no later than five business days after they are made available to the program dealer.

(2) All submissions of documents required under subparagraph (c)(i)(B)(1) shall be made by electronic submissions to the SHORT system in a designated electronic format (as defined in Rule G-32) at such time and in such manner as specified herein and in the SHORT System Users Manual.

(ii) Variable Rate Demand Obligations.

(A) Variable Rate Demand Obligations Data.

(1) Each remarketing agent for a variable rate demand obligation shall report the following information to the Board about the variable rate demand obligation applicable at the time of and concerning the results of an interest rate reset:

(a) CUSIP number;

(b) Interest rate and designation of whether the interest rate is a maximum

rate, set by formula or set by the remarketing agent;

(c) Identity of the remarketing agent;

(d) Date and time of the interest rate reset;

(e) Effective date and length of time, in days, that the interest rate is applicable;

(f) Minimum denomination;

(g) Length of Notification Period;

(h) Minimum and maximum rates, if any, applicable at time of the interest rate reset or, if not calculable as of the time of interest rate reset, indication that such rate or rates are not calculable;

(i) Identity of liquidity provider, type and expiration date of each liquidity facility applicable to the variable rate demand obligation;

(j) Identity of the agent of the issuer to which bondholders may tender their security ("tender agent"); and

(k) Aggregate par amount, if any, of the variable rate demand obligation held by a liquidity provider(s) (par amount held as "bank bonds"), and aggregate par amount, if any, of the variable rate demand obligation held by parties other than a liquidity provider(s), including the par amounts held by the remarketing agent and by investors.

(2) Information identified in subparagraph (c)(ii)(A)(1) shall be provided to the Board by no later than 6:30 P.M. Eastern Time on the date on which an interest rate reset occurs if such date is an RTRS business day as defined in Rule G-14 RTRS Procedures subsection (d)(ii). In the event that any item of information identified in subparagraph (c)(ii)(A)(1) is not available by the deadline in this subparagraph (c)(ii)(A)(2), such item shall be provided to the Board as soon as it is available provided that items (i) through (k) of the information identified in subparagraph (c)(ii)(A)(1) shall reflect the information available to the remarketing agent as of the date and time of the interest rate reset. In the event that an interest rate reset occurs on a non-RTRS business day, the information identified in subparagraph (c)(ii)(A)(1) shall be reported by no later than 6:30 P.M. Eastern Time on the next RTRS business day.

(3) A remarketing agent may designate an agent to report the information identified in subparagraph (c)(ii)(A)(1) to the Board. The failure of a designated

agent to comply with any requirement of this paragraph (c)(ii) shall be considered a failure by such remarketing agent to so comply.

(4) Information reported to the Board pursuant to this subsection (c)(ii) shall be submitted in the manner described in the written procedures for SHORT system users and changes to submitted information must be made as soon as possible.

(B) Variable Rate Demand Obligations Documents.

(1) Each remarketing agent shall use best efforts to obtain and shall submit to the SHORT system the current versions of the following documents detailing provisions of liquidity facilities associated with the variable rate demand obligation for which it acts as a remarketing agent by no later than September 22, 2011 and shall submit to the SHORT system any future, subsequently amended or new versions of such documents no later than five business days after they are made available to the remarketing agent:

(a) Stand-by bond purchase agreement;

(b) Letter of credit agreement; and

(c) any other document that establishes an obligation to provide liquidity.

(2) All submissions of documents required under this rule shall be made by electronic submissions to the SHORT system in a designated electronic format (as defined in Rule G-32) at such time and in such manner as specified herein and in the SHORT System Users Manual.

(3) In the event that a document described in subparagraph (c)(ii)(B)(1) is not able to be obtained through the best efforts of the remarketing agent, the remarketing agent shall submit notice to the SHORT system that such document will not be provided at such times as specified herein and in the SHORT System Users Manual.

(d) *Exemptions.* The provisions of this rule shall not apply to an issue of municipal securities (or for the purpose of section (b) any part of an outstanding maturity of an issue) which (i) does not meet the eligibility criteria for CUSIP number assignment or (ii) consists entirely of municipal fund securities.

(e) *Definitions.* For purposes of this rule, the following terms have the following meanings:

(i) The term "auction agent" shall mean the agent responsible for conducting the

auction process for auction rate securities on behalf of the issuer or other obligated person with respect to such securities and that receives orders from brokers, dealers and municipal securities dealers.

(ii) The term “auction rate security” shall mean municipal securities in which the interest rate resets on a periodic basis under an auction process conducted by an auction agent.

(iii) The term “notification period” shall mean the specified advance notice period during which an investor in a variable rate demand obligation has the option to put the issue back to the trustee, tender agent or other agent of the issuer or obligated person.

(iv) The term “program dealer” shall mean each broker, dealer or municipal securities dealer that submits an order directly to an auction agent for its own account or on behalf of another account to buy, hold or sell an auction rate security through the auction process.

(v) The term “remarketing agent” shall mean, with respect to variable rate demand obligations, the broker, dealer or municipal securities dealer responsible for reselling to new investors securities that have been tendered for purchase by a holder.

(vi) The term “SHORT system” shall mean the Short-term Obligation Rate Transparency System, a facility operated by the Board for the collection and public dissemination of information and documents about securities bearing interest at short-term rates.

(vii) The term “underwriter” shall mean an underwriter as defined in Securities Exchange Act Rule 15c2-12(f)(8) and includes a dealer acting as a placement agent.

(viii) The term “variable rate demand obligation” shall mean securities in which the interest rate resets on a periodic basis with a frequency of up to and including every nine months, where an investor has the option to put the issue back to the trustee, tender agent or other agent of the issuer or obligated person at any time, typically within a notification period, and a broker, dealer or municipal securities dealer acts as a remarketing agent responsible for reselling to new investors securities that have been tendered for purchase by a holder.

Supplementary Material

.01 Board's Designee. In 1983, the Board designated the CUSIP Service Bureau (currently known as CUSIP Global Services) as its designee to assign CUSIP numbers to new issues

of municipal securities.