



Phoenix Advisors, LLC
625 Farnsworth Avenue
Bordentown, NJ 08505

December 5, 2019

Re: Request for Comments on File No. S7-16-19

Ladies and Gentlemen:

Phoenix Advisors, LLC, is a multistate, non-dealer municipal advisor firm headquartered in Bordentown, New Jersey, currently employing thirteen Municipal Advisor Representatives. We appreciate the opportunity to respond to the Commission's request for comments, and to express our views concerning the proposed exemptive relief for registered municipal advisors to provide certain activities related to the direct placement of municipal securities.

The proposed exemption of municipal advisors from broker registration requirements would streamline market access for issuers without the added expense of hiring a broker/dealer as placement agent. Allowing municipal issuers to employ municipal advisors to explore direct financing options without the requirement for the municipal advisors to register as Broker/Dealers would help these issuers gain access to capital at a lower cost. This is especially true for smaller municipal issuers and local 501(c)(3) issuers.

The definition of Qualified Provider establishes standards for institutional investors that have both the financial resources and research capabilities to participate in direct placement financings and excludes individual investors as participants. We believe this is appropriate.

MAs understand that issuances of municipal securities large enough to benefit from competitive or negotiated sales would necessarily not be direct placements. Should the Commission choose to limit the exemption to direct placements of any particular size, the beneficial effects to issuers are not likely to be diminished. A significant majority of municipal securities direct placements are sized below \$50 million. The imposition of a reasonable threshold limiting the size of direct placements would still provide benefit to the issuers of a great majority of such placements.

Phoenix Advisors, LLC supports the proposal without objection to a threshold of \$25-50 million for these transactions.



David B. Thompson, CEO