



September 22, 2009

Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Response to Comment on File No. SR-MSRB-2009-12 Relating to Proposed Amendments to MSRB Rule G-11(j), on Payment of Designations

Dear Ms. Murphy:

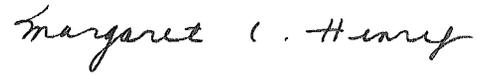
In August, the Commission published notice of the above-referenced rule filing¹ and, in response, received one letter from Michael Decker and Mike Nicholas of the Regional Bond Dealers Association (RBDA). Messrs. Decker and Nicholas felt that the deadlines of two days for submission of designations and 10 days for payments of designations proposed in the rule filing were too short and would create undue burdens for both syndicate members and managers. They recommended that the MSRB maintain the current 30-day deadline for the payments of designations.

The MSRB appreciates this input from the RBDA and has given it careful consideration. The proposed amendments to MSRB Rule G-11(j) are intended to reduce the exposure of co-managers to the credit risk of the senior manager. In most underwriting syndicates, a large percentage of the syndicate profits are distributed as payments for designations. The MSRB has determined that the shorter time periods are reasonable and that any administrative burdens associated with the changes are more than outweighed by the significant reduction in credit risk to co-managers, especially in the case of smaller firms. Accordingly, the MSRB does not propose to modify the rule filing.

¹ Exchange Act Release No. 34-60487 (August 12, 2009); *Federal Register*, Vol. 74, No. 158 (August 18, 2009).

If you have questions concerning this matter, please feel free to call me at 703-797-6625.

Sincerely,

A handwritten signature in cursive script that reads "Margaret C. Henry".

Margaret C. Henry
Associate General Counsel

cc: Martha M. Haines, SEC
Mary Simpkins, SEC