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July 19, 2013

VIA ELECTRONIC MAIL to: rule-comments@sec.gov

Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1090

**RE: *File Number SR-MSRB-2013-05; Notice of Filing of a Proposed Rule Change to Amend MSRB Rules G-8, G-11 and G-32 to Include Provisions Specifically Tailored for Retail Order Periods.***

Dear Ms. Murphy:

On behalf of the Bond Dealers of America ("BDA"), I am pleased to submit this letter in response to the Securities and Exchange Commission ("SEC") Release No. 34-69834; File No. SR-MSRB-2013-05 (the "Release"), which solicits comments in connection with a Notice of Filing of a proposed rule change to amend MSRB rules G-8, G-11 and G-32 (the "Notice") to include provisions specifically tailored for retail order periods. BDA is the only DC based group representing the interests of securities dealers and banks focused on the U.S. fixed income markets. We welcome this opportunity to state our position.

As we have previously stated in a letter to the MSRB dated November 2, 2012 in response to MSRB Notice 2012-50, Request for Comment on Revised Draft Rule Amendments and a Revised Draft Interpretive Notice on Retail Order Periods, we appreciate several of the changes that the MSRB has made to its retail order period proposal in its filing with the SEC.

While we remain generally supportive of the Notice, we strongly reiterate our concerns expressed in our comment letter to the MSRB dated April 13, 2012 in response to MSRB Notice 2012-13 (*Request for Comment on Proposed Rule Amendments and Interpretive Notice on Retail Order Periods*). Specifically, we remain concerned with subparagraph (k) of Rule G-11, in that we believe it will impose a costly, unreasonable and unnecessary burden on Dealers. Specifically, under subparagraph (k) of the Rule, there is no reason for the Rule to unconditionally require the production and submission of potentially voluminous amounts of information by each Dealer that submits an order during a retail order period to the syndicate manager or sole underwriter. In fact, we believe issuers should have the freedom to determine specific information related to the validity of

retail orders for themselves and to outline the information they wish for Dealers to compile, above and beyond what current MSRB rules already require. The BDA recognizes that if the issuer does include in its retail order period rules that certain material be produced, it necessarily must be produced by the deadline identified by the issuer. Therefore, we would like to reiterate our suggestion that the requirement in section (k)(i) – (iii) that Dealers provide specific information to the syndicate manager which has not been specifically requested by the issuer be eliminated due to the potential, particularly in cases in which the Dealer obtains large numbers of orders during retail order periods, that the information submitted to by dealers becomes no longer relevant to the recipient.

Additionally, the BDA believes that if the MSRB produces educational materials to assist issuers in drafting rules for retail order periods, the MSRB should explicitly include in these materials a recommendation that issuers reserve the right to conduct an audit of compliance by the syndicate of the issuer's retail order period rules. We believe this would serve the ultimate goal of enforcing compliance with the requirements of the retail order period rules as needed. However, we would also like to remind the SEC that the BDA also discouraged the MSRB from recommending to issuers that they must conduct these audits as this could lead to highly inefficient offerings of municipal securities. Finally, the BDA would suggest the MSRB affirmatively acknowledge in any educational materials that not every issuance needs to have a retail order period and that decision should be for the issuers to make on an issue by issue basis.

Thank you again for the opportunity to submit these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Nicholas". The signature is written in a cursive, flowing style.

Michael Nicholas  
Chief Executive Officer