



RW SMITH & ASSOCIATES, INC

June 30, 2008

Justin R. Pica  
Uniform Practice Policy Advisor  
Municipal Securities Rulemaking Board  
1900 Duke Street, Ste 600  
Alexandria, VA 22314

*Sent via email to [jpica@msrb.org](mailto:jpica@msrb.org)*

**RE: MSRB Notice 2008-24**

Dear Mr. Pica:

We would like to take this opportunity to respond to the MSRB's Notice 2008-24 requesting comment on its proposal to create a centralized system for collection and dissemination of Variable Rate Demand Obligations' ("VRDOs") market information.

RWS firmly supports transparency in the secondary market as we believe it is essential to maintaining liquid and efficient markets. In keeping with this overriding belief we consider it to be in the best interest of the investing public to subject VRDOs to the same 15-minute reporting time frame as other municipal securities.

The remarketing agent sets the VRDO reset rate the morning of remarketing. The reset rate is communicated to purchasers of the securities and specific market vendors (such as Bloomberg); the latter typically receive the data electronically. Remarketing agents permission customers to view their reset rates via Bloomberg, however, the overall market does not have access to individual remarketing agent reset data. In today's electronic environment, pertinent security and price information can be relayed easily and quickly. As remarketing agents have the ability to report their resets to purchasers, Bloomberg, etc., it follows they should necessarily report the rates with the corresponding transactions to MSRB to facilitate information flow, market transparency and fair pricing.

The municipal market has experienced firsthand this year in the auction rate securities market the effect of allowing market participants to restrict the flow of information to reporting agencies and the overall market. Liquidity as a right, not a privilege, should exist for all municipal market participants. RW Smith believes the most effective way to ensure efficient, liquid markets is through timely distribution of security data, market pricing and transaction information.

RW Smith supports the MSRB proposal concerning reporting requirements for the collection and dissemination of VRDO data.

Sincerely,

A handwritten signature in cursive script that reads "S. Lauren Heyne".

S. Lauren Heyne  
Chief Compliance Officer