



September 28, 2010

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Ms. Leslie Carey  
Associate General Council  
Municipal Securities Rulemaking Board  
1900 Duke Street, Suite 600  
Alexandria, VA 22314

**RE: Proposed MSRB Rule-23 on the Underwriting Activities of  
Financial Advisors**

Dear Ms. Carey:

As per the "Request for Comment" on the above-referenced proposed Rule [MSRB Notice 2010-27/August 17, 2010] the following our comments on the draft rule change:

- 1.) **Should a dealer be precluded for a specific timeframe from entering into a financial advisory relationship with an issuer after serving as an underwrite on one of the issuer's prior offerings of securities:**

**COMMENT:**

*Absolutely not, the long term "ripple effect" of precluding a financial advisory relationship with an issuer solely because of a distinctly segregated underwriting effort by the same firm would produce the exact opposite results purportedly intended by the rule itself. The ultimate "protectee" should be the issuer, and they deserve the best of both worlds in financial advisory and underwriting efforts. To legislate that they have to take less than the best would increase their costs: the yields on their debt would rise, the liquidity of their bonds would decrease, and the ultimate "sufferer" would be the taxpayer who would have to underwrite the increased costs by paying higher taxes or get less services or most likely both. In Kentucky, where our Firm has served over 130 school districts as well as provided the best financial advisory services for decades, and supported the liquidity of the municipal market place by bidding on virtually all the debt of the Commonwealth of Kentucky in both the primary and secondary markets ensuring liquidity and competitive pricing, the negative effect of introducing the proposed G-23 would seriously undermine the quality of education across the state, and ultimately produce a less educated and less skilled individual. Surely, this is not the intention of the MSRB? Instead, I would suggest that the regulatory bodies focus on the parameters of the "Chinese Wall" that has historically existed between financial advisory groups and the underwriting arms of their firms to ensure that there is not "inside dealing" that is not ethical and competitive. Industry veterans know the financial advisory types and underwriter types are like the proverbial "oil and water". The groups tend to look down on one another, and it would not be difficult by the prudent application of reasonable regulatory standards to ensure their separation and the true implementation of that "Chinese Wall". A call for wisdom of legislative rulemaking is in order which should focus on the competitive underwriting model and its effect in the Commonwealth of Kentucky accompanied by some well-defined disclosure parameters on the financial advisory side. The combination would achieve the purported intent of Rule G-23 and insure the best results for all the parties involved, most notably the issuers and the ultimate buyers of their debt.*

INVESTMENT  
BANKING  
FINANCIAL  
ADVISORY  
PUBLIC  
FINANCE  
BROKERAGE  
SERVICES

Charleston, SC  
Columbia, SC  
Columbus, OH  
Emeryville, CA  
Frankfort, KY  
Indianapolis, IN  
Louisville, KY  
Nashville, TN  
Owensboro, KY  
St. Petersburg, FL



ROSS, SINCLAIRE & ASSOCIATES, LLC

- 2.) *If the MSRB were to amend Rule G-23 to prohibit dealers from serving as underwriter on transactions for which they served as financial advisor to the issuer, should there be an exception for competitively bid transactions? Would it matter if the notice of sale was made available 5-7 business days before a competitively bid transaction to allow additional time for other competing firms to conduct due diligence? Should a financial advisor be allowed to bid in a competitively bid transaction in which a failed bid had occurred? How would the situation be handled in which there is a failed bid and the financial advisor cannot step in to buy the bonds because of the prohibition? Is this a common occurrence?*

**COMMENT:**

*As we have indicated in the response to question # 1 above, to achieve the purported intent of MSRB Rule G-23 implementation of regulations requiring competitive bidding would be essential. There could be some exceptions that could allow for utilization of negotiated transactions, but as a general rule competitive bidding insures the best results and the most transparent and fair process. Again, to restrict the underwriting pool by eliminating an underwriter whose firm served as the financial advisor for a transaction is contrary to the intent of the proposed rule. There would be circumstances where issuers might receive no bids for their bonds as illustrated in the examples attached herein as **Exhibit A**. In 10 of the bond sales in the last 10 months alone Ross, Sinclair & Associates, LLC ["RSA"], has been a sole bid for bonds sold at competitive sale in deals where RSA was the Financial Adviser. Were it not for those bids, the bonds would have gone unsold, the projects would have gone unfunded, and the school buildings would not have been built. Also, noted in **Exhibit B** are 6 bond sales in which RSA won by a significant lower NIC than the cover NIC, thus allowing the Issuer to have a substantial savings. Instead I would encourage focus on creating a fair and equitable process to ensure transparency and fair practices. To respond to the other questions, if the MSRB were to implement prohibitions, of course it would be prudent to provide for remedies such as allowing underwriters to step in should there be failed bids or perhaps no bids. But, I must point out that under the current format RSA has never had a failed bid. Full disclosure is important, and distributing all pertinent data broadly including the notice of sale and the official statements well in advance of any sale is pivotal. I would even say it could be 10 days prior to allow maximum transparency.*

- 3.) *Are there small and/or infrequent issuers that will be negatively affected by the proposed prohibition? What are the alternatives and costs for such issuers should the MSRB adopt the proposed draft rule amendment?*

**COMMENT:**

*There is a broad spectrum of issuers that would be negatively affected by the proposed prohibitions not only the small and/or frequent issuers. The proposed changes would increase costs for all parties to transactions, and decrease their ability to provide the ultimate services and fund the projects as intended.*

*The alternatives are either to endure higher costs of borrowing or in many cases to forego the projects altogether. Competition is the key, and fair and even application of prudent policies and procedures to ensure fair and best practices.*

- 4.) Is it appropriate for a dealer to serve as financial advisor to an issuer at the same time that it serves as underwriter on a separate issue for the same issuer?**

**COMMENT:**

*While our position is that there should not be the initial restriction precluding a financial advisor from serving as an underwriter in any competitively bid transaction, our responses to questions #1, # 2, and # 3 above detail why the answer to question #4 is a resounding yes.*

- 5.) As it relates to current practices, are there instances in competitively bid transactions in which a financial advisor should resign in order to "officially" bid on a competitive new issue transaction as an underwriter? Is there ever a time when the financial advisor does not conduct the bid process for the issuer, such as the use of electronic bidding platforms where the process of collecting bids is done by a third party on behalf of the issuer? Is it an uncommon practice for the bid process to be handled internally by the issuer?**

**COMMENT:**

*Not only are there numerous instances in competitively bid transactions in which a financial advisor should resign to bid on a new issue, indeed this is the common and accepted practice in Kentucky, and every competitive sale is conducted in this manner. And yes, there are some situations where a financial advisor does not conduct the bid process for an issuer, but this is typically in the case of very large and very sophisticated issuers. In most cases issuers are ill-equipped to manage the bidding process, and would be negatively impacted if they attempted to do so. Finance professionals are essential to the marketplace. Issuers should focus on their own missions, and let a well-regulated marketplace provide the lowest cost financing for their needs.*

- 6.) In the context of a primary offering, should the exception found in Rule G-23(d)(iii) be limited to situations in which a financial advisor purchases bonds from underwriters who won a competitive bid for the bonds in which multiple bids were received?**

**COMMENT:**

*There should be no limitations on allowing the marketplace for municipals to be one of free and open commerce. Instead there should be prudent parameters to establish best practices with full disclosure and transparency.*

Ms. Leslie Carey  
September 28, 2010  
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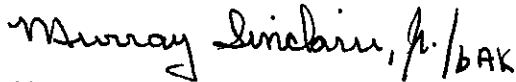
7.) *In competitively bid transactions, are there situations where the issuer may hire a financial advisor to serve on a specific issue and then, at some point, hire a second financial advisor to oversee the competitive bid process in order to allow the original financial advisor to bid on the issue?*

**COMMENT:**

*Implementation of undue and onerous bureaucracy to the municipal marketplace and the resultant increase of the costs of issuance by the introduction of a second financial advisor would be foolhardy and impose hardship on all the parties involved. The process would become cumbersome, and it would increase the amount of time it would take to complete any issuance which in turn would increase market risk as well as increasing the cost. An orchestra can have only one conductor, and instead of redundant professionals the focus should be to properly define the terms of the conduct and the role of the financial advisor.*

I appreciate your review of our Firm's package and urge you to not pursue the passage of Rule G-23 in its proposed form. We have also included as Exhibit C letters from various Issuers explaining why this new Rule would have a negative impact for school districts and/or municipalities.

Respectfully submitted,



Murray Sinclair, Jr.  
President/CEO

MSjr:bak

Enclosures: Exhibits

R S A

# **EXHIBITS**

**[PROPOSED MSRB RULE-23 ON THE  
UNDERWRITING OF FINANCIAL ADVISORS]**

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# **EXHIBIT A**

## **SOLE BIDS**

**[PROPOSED MSRB RULE-23 ON THE  
UNDERWRITING OF FINANCIAL ADVISORS]**

## SOLE BID

R I S A

ISSUER	DATED DATE	ISSUE SIZE	NIC	
Eminence, KY Independent School District Finance Corporation	01/01/10	\$ 300,000	4.103%	SOLE BID
Greenup County, KY School District Finance Corporation	06/01/10	\$ 1,630,000	3.890%	SOLE BID
City of Union, KY Fire Protection District	06/23/10	\$ 1,705,000	3.675%	SOLE BID
Calloway County, KY School District Finance Corporation	09/01/10	\$ 1,025,000	2.502%	SOLE BID
Clay County, KY School District Finance Corporation	09/01/10	\$ 5,555,000	2.532%	SOLE BID
Paintsville, KY Independent School District Finance Corporation	09/01/10	\$ 1,525,000	2.375%	SOLE BID
City of Stanford, KY	09/28/10	\$ 2,225,000	2.986%	SOLE BID
Mercer County, KY School District Finance Corporation	09/01/10	\$ 1,785,000	2.483%	SOLE BID
Harrison County, KY School District Finance Corporation	09/01/10	\$ 1,080,000	2.540%	SOLE BID
Trimble County, KY School District Finance Corporation	10/01/10	\$ 4,440,000	2.802%	SOLE BID

**AON Sales Results Report**

**\$300,000.00**  
**Eminence ISD Fin Corp, KY**  
**School Building Revenue Bonds, Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: EMINENCE**  
**Sale Date: 01/13/2010 13:00:00 PM EST**  
**Ross Sinclair**

**Delivery Date: 02/03/2010**  
**First Int Date: 07/01/2010**

**Dated Date: 01/01/2010**  
**Int Accrue Date: 01/01/2010**  
**Submitted via Parity: 01/13/2010 11:43:27 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>4.103461</b>	<b>4.134562</b>



### AON Sales Results Report

\$1,630,000.00

Greenup Co SD Fin Corp, KY  
School Building Revenue Bonds, Series 2010

S&P: / Moody: / Fitch:

Description: GREENUP

Sale Date: 06/16/2010 11:30:00 AM EDST

Ross Sinclair

Delivery Date: 07/07/2010

First Int Date: 02/01/2011

Dated Date: 06/01/2010

Int Accrue Date: 06/01/2010

Submitted via Parity: 06/16/2010 10:24:45 AM EST

The results stated below show only bids submitted by BiDCOMP users

Firm Name	City	State	Final Bid	NIC	TIC
Ross, Sinclair & Associates, Inc.	Cincinnati	OH	x	3.890375	3.902058

**Erin Giles**

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**From:** Irene Nicoella <Irene.Nicoella@ipreo.com>  
**Sent:** Wednesday, September 01, 2010 10:43 AM  
**To:** Erin Giles  
**Subject:** Sales Results

**Hancock County School District Finance Corporation**

Winning Bid(s)	\$ Amount	NIC
<b>Lead Manager:</b> Ross, Sinclair & Associates, Inc.		
<b>Co-Manager(s):</b> Duncan-Williams, Inc.; FTN Financial Capital Markets; NatCity Investments, Inc.; Robert W. Baird & Co., Inc.	\$1,850,000	3.411000%
Other Bid(s)		
J.J.B. Hilliard, W.L. Lyons, Inc. (Alone)	\$1,850,000	3.790500%
Stifel, Nicolaus & Co., Inc. (Alone)	\$1,850,000	3.896000%

**Union Fire Protection District**

Winning Bid(s)	\$ Amount	TIC
<b>Lead Manager:</b> Ross, Sinclair & Associates, Inc.		
<b>Co-Manager(s):</b> Duncan-Williams, Inc.; J.J.B. Hilliard, W.L. Lyons, Inc.; Robert W. Baird & Co., Inc.	\$1,705,000	3.675300%

Irene Nicoella  
Product Manager  
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### AON Sales Results Report

**\$1,025,000.00**  
**Calloway Co SD Fin Corp, KY**  
**School Building Refunding Revenue Bonds,**  
**Series of 2010**  
**S&P: / Moody: Aa2 / Fitch:**  
**Description: CALLOWAY**  
**Sale Date: 09/07/2010 13:00:00 PM EDST**  
**Ross Sinclair**

**Delivery Date: 10/05/2010**  
**First Int Date: 03/01/2011**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 09/07/2010 12:38:18 PM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.502908</b>	<b>2.516148</b>

**AON Sales Results Report**

**\$5,555,000.00**  
**Clay Co SD Fin Corp, KY**  
**School Building Refunding Revenue Bonds,**  
**Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: CLAY**  
**Sale Date: 09/08/2010 11:00:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 09/29/2010**  
**First Int Date: 04/01/2011**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 09/08/2010 10:45:34 AM EST**

**The results stated below show only bids submitted by BIDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.532555</b>	<b>2.542652</b>

**AON Sales Results Report**

**\$1,525,000.00**  
**Paintsville ISD Fin Corp, KY**  
**School Building Refunding Revenue Bonds,**  
**Series of 2010**  
**S&P: / Moody: Aa2 / Fitch:**  
**Description: PAINTSVILLE**  
**Sale Date: 09/02/2010 11:00:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 09/23/2010**  
**First Int Date: 12/01/2010**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 09/02/2010 10:56:34 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.375844</b>	<b>2.383399</b>

### AON Sales Results Report

**\$2,225,000.00**  
**Stanford, KY**  
**General Obligation Refunding and**  
**Improvement Bonds, Series 2010**  
**S&P: A- / Moody: / Fitch:**  
**Description: STANFORDB**  
**Sale Date: 09/16/2010 11:00:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 09/28/2010**  
**First Int Date: 11/01/2010**

**Dated Date: 09/28/2010**  
**Int Accrue Date: 09/28/2010**  
**Submitted via Parity: 09/16/2010 10:31:30 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.986174</b>	<b>2.995746</b>

### AON Sales Results Report

**\$1,785,000.00**  
**Mercer Co SD Fin Corp, KY**  
**School Building Refunding Revenue Bonds,**  
**Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: MERCER**  
**Sale Date: 09/13/2010 11:00:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 10/04/2010**  
**First Int Date: 02/01/2011**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 09/13/2010 10:46:53 AM EST**

**The results stated below show only bids submitted by BIDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.483278</b>	<b>2.493927</b>

### AON Sales Results Report

**\$1,080,000.00**  
**Harrison Co SD Fin Corp, KY**  
**School Building Refunding Revenue Bonds,**  
**Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: HARRISON**  
**Sale Date: 09/14/2010 13:00:00 PM EDST**  
**Ross Sinclair**

**Delivery Date: 10/05/2010**  
**First Int Date: 12/01/2010**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 09/14/2010 11:55:24 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.540487</b>	<b>2.548622</b>



### AON Sales Results Report

**\$4,440,000.00**  
**Trimble Co SD Fin Corp, KY**  
**School Building Revenue Refunding Bonds,**  
**Series 2010**  
**S&P: / Moody: / Fitch:**  
**Description: TRIMBLE**  
**Sale Date: 09/23/2010 13:00:00 PM EDST**  
**Ross Sinclair**

**Delivery Date: 10/14/2010**  
**First Int Date: 04/01/2011**

**Dated Date: 10/01/2010**  
**Int Accrue Date: 10/01/2010**  
**Submitted via Parity: 09/23/2010 12:53:47 PM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.802563</b>	<b>2.808193</b>

# **EXHIBIT B**

## **ISSUERS RECEIVING SUBSTANTIAL SAVINGS**

**[PROPOSED MSRB RULE G-23 ON THE  
UNDERWRITING OF FINANCIAL ADVISORS]**

**ISSUERS RECEIVING SUBSTANTIAL SAVINGS**

**R | S | A**

ISSUER	DATED DATE	ISSUE SIZE	RSA NIC	COVER NIC	DIFFERENCE
Hancock County, KY School District Finance Corporation	02/01/10	\$ 1,850,000	3.411%	3.790%	0.379%
Franklin County, KY School District Finance Corporation	05/01/10	\$ 3,410,000	3.550%	3.933%	0.383%
Kentucky Interlocal School Transportation Association	07/01/10	\$ 2,235,000	2.795%	4.737%	1.942%
Paris, KY Independent School District Finance Corporation	09/01/10	\$ 625,000	3.524%	4.050%	0.526%
Casey County, KY School District Finance Corporation	09/01/10	\$ 1,110,000	2.353%	2.629%	0.276%
Owsley County, KY School District Finance Corporation	09/01/10	\$ 690,000	2.428%	2.717%	0.289%

**Erin Giles**

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**From:** Irene Nicolella <Irene.Nicolella@ipreo.com>  
**Sent:** Wednesday, September 01, 2010 10:43 AM  
**To:** Erin Giles  
**Subject:** Sales Results

**Hancock County School District Finance Corporation**

Winning Bid(s)	\$ Amount	NIC
<b>Lead Manager:</b> Ross, Sinclair & Associates, Inc.		
<b>Co-Manager(s):</b> Duncan-Williams, Inc.; FTN Financial Capital Markets; NatCity Investments, Inc.; Robert W. Baird & Co., Inc.	\$1,850,000	3.411000%
Other Bid(s)		
J.J.B. Hilliard, W.L. Lyons, Inc. (Alone)	\$1,850,000	3.790500%
Stifel, Nicolaus & Co., Inc. (Alone)	\$1,850,000	3.896000%

**Union Fire Protection District**

Winning Bid(s)	\$ Amount	TIC
<b>Lead Manager:</b> Ross, Sinclair & Associates, Inc.		
<b>Co-Manager(s):</b> Duncan-Williams, Inc.; J.J.B. Hilliard, W.L. Lyons, Inc.; Robert W. Baird & Co., Inc.	\$1,705,000	3.675300%

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### AON Sales Results Report

**\$3,425,000.00**

**Franklin Co SD Fin Corp, KY  
School Building Revenue Bonds, Series of 2010  
(Taxable Build America Bonds-Direct Pay to.**

**Issuer**

**S&P: / Moody: Aa2 / Fitch:**

**Description: FRANKLIN**

**Sale Date: 05/18/2010 11:00:00 AM EDST**

**Ross Sinclair**

**Delivery Date: 06/03/2010**

**First Int Date: 11/01/2010**

**Dated Date: 05/01/2010**

**Int Accrue Date: 05/01/2010**

**Submitted via Parity: 05/18/2010 10:35:25 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>3.550576</b>	<b>3.567628</b>
<b>BB&amp;T Capital Markets</b>	<b>Richmond</b>	<b>VA</b>	<b>x</b>	<b>3.933056</b>	<b>3.952507</b>

**AON Sales Results Report**

**\$2,235,000.00**  
**Kentucky Interl Sch Transp, KY**  
**Equipment Lease Certificates of Participation,**  
**Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: KISTA**  
**Sale Date: 07/13/2010 11:30:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 08/03/2010**  
**First Int Date: 03/01/2011**

**Dated Date: 07/01/2010**  
**Int Accrue Date: 07/01/2010**  
**Submitted via Parity: 07/13/2010 10:15:39 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.795850</b>	<b>2.805718</b>
<b>Morgan Keegan &amp; Co., Inc.</b>	<b>Memphis</b>	<b>TN</b>	<b>x</b>	<b>4.737031</b>	<b>4.744379</b>

### AON Sales Results Report

**\$625,000.00**  
**Paris ISD Fin Corp, KY**  
**School Building Revenue Bonds, Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: PARIS**  
**Sale Date: 08/24/2010 11:00:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 09/14/2010**  
**First Int Date: 03/01/2011**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 08/24/2010 10:36:10 AM EST**

**The results stated below show only bids submitted by BIDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>3.524904</b>	<b>3.530391</b>
<b>Morgan Keegan &amp; Co., Inc.</b>	<b>Memphis</b>	<b>TN</b>	<b>x</b>	<b>4.050439</b>	<b>4.107615</b>

**AON Sales Results Report**

**\$1,110,000.00**  
**Casey Co SD Fin Corp, KY**  
**School Building Refunding Revenue Bonds,**  
**Series of 2010**  
**S&P: / Moody: / Fitch:**  
**Description: CASEY**  
**Sale Date: 08/27/2010 11:00:00 AM EDST**  
**Ross Sinclair**

**Delivery Date: 09/17/2010**  
**First Int Date: 11/01/2010**

**Dated Date: 09/01/2010**  
**Int Accrue Date: 09/01/2010**  
**Submitted via Parity: 08/27/2010 10:50:12 AM EST**

**The results stated below show only bids submitted by BiDCOMP users**

<b>Firm Name</b>	<b>City</b>	<b>State</b>	<b>Final Bid</b>	<b>NIC</b>	<b>TIC</b>
<b>Ross, Sinclair &amp; Associates, Inc.</b>	<b>Cincinnati</b>	<b>OH</b>	<b>x</b>	<b>2.353757</b>	<b>2.361582</b>
<b>Morgan Keegan &amp; Co., Inc.</b>	<b>Memphis</b>	<b>TN</b>	<b>x</b>	<b>2.629244</b>	<b>2.640768</b>



08/27/2010 01:00:28 PM EST

### AON Sales Results Report

Page 1 of 1

\$690,000.00  
Owsley Co SD Fin Corp, KY  
School Building Refunding Revenue Bonds,  
Series of 2010  
S&P: / Moody: / Fitch:  
Description: OWSLEY  
Sale Date: 08/27/2010 13:00:00 PM EDST  
Ross Sinclair

Delivery Date: 09/17/2010  
First Int Date: 02/01/2011

Dated Date: 09/01/2010  
Int Accrue Date: 09/01/2010  
Submitted via Parity: 08/27/2010 12:30:16 PM EST

The results stated below show only bids submitted by BIDCOMP users

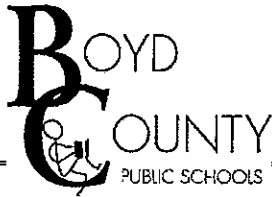
Firm Name	City	State	Final Bid	NIC	TIC
Ross, Sinclair & Associates, Inc.	Cincinnati	OH	x	2.428308	2.437574
Morgan Keegan & Co., Inc.	Memphis	TN	x	2.717028	2.730964

R | S | A

# **EXHIBIT C**

## **LETTERS FROM ISSUERS**

**[PROPOSED MSRB RULE-23 ON THE  
UNDERWRITING OF FINANCIAL ADVISORS]**



1104 Bob McCullough Drive  
Ashland, KY 41102

"The Leader In Learning"  
Howard K. Osborne, Superintendent

Phone: (606) 928-4141  
Fax: (606) 928-4771

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

Dear Ms. Carey:

In December of last year, the Boyd County School District Finance Corporation issued \$810,000 School Building Revenue Bonds. These bonds allowed us to build educational facilities for the students of our District to give them a quality and safe educational experience. The winning bid came from Ross, Sinclair & Associates, LLC (RSA) at a market Net Interest Cost of 4.024%, which was the only bid offered.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have been able to secure the financing required to construct the needed school facilities. No other underwriting firm bid to purchase these bonds and the sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School Districts such as ours throughout the Commonwealth of Kentucky.

Sincerely,

A handwritten signature in cursive script that reads "Donald Fleu".

Donald Fleu  
Finance Director/Treasurer

# BARREN COUNTY SCHOOLS

**JERRY RALSTON, Ed.D.**  
**SUPERINTENDENT**

202 West Washington Street  
Glasgow, Kentucky 42141  
(270) 651-3787 Fax (270) 651-8836  
www.barrenschoools.com

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

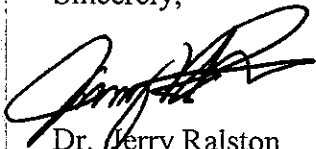
Dear Ms. Carey:

In January of last year, the Barren County School District Finance Corporation issued \$6,435,000 Refunding Revenue Bonds. These bonds allowed the District to realize substantial debt service savings compared to the original bonds previously offered. The winning bid, and only bid offered, came from Ross, Sinclaire & Associates, LLC {RSA} at a market Net Interest Cost of 2.750%.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have realized the savings that we did. No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,



Dr. Jerry Ralston  
Superintendent  
Barren County Schools

## Board Members

**Robbie Toms**  
*Chairman*

**Tim England**  
*Vice Chairman*

**Kenneth Edwards**

**Tammy Groce**

**Charlotte Beals**

## Central Office Directors

**Bill Walter**  
*Assistant Superintendent*

**Mark Wallace**  
*Special Services*

**Bo Matthews**  
*Pupil Personnel*

**Benny Lile**  
*Instruction and Technology*

**Steve Russell**  
*Facilities*

**Bud Tarry**  
*Transportation*

**John Stith**  
*Finance*

**Paula Russell**  
*Food Service*



# Crittenden County Schools

DR. RACHEL YARBROUGH  
SUPERINTENDENT

601 West Elm Street  
Marion, Kentucky 42064

Phone: (270) 965-3525  
Fax: (270) 965-9064

TONYA DRIVER  
SUPERVISOR K-8  
PD  
TITLE I

AL STARNES  
DPP  
TRANSPORTATION  
SCHOOL HEALTH

KAREN NASSERI  
SPECIAL EDUCATION  
PRESCHOOL

BRENT HIGHFIL  
CHIEF FINANCIAL OFFICER

BEN GRAINGER  
DISTRICT TECHNOLOGY  
COORDINATOR

VINCE CLARK  
SUPERVISOR 9-12  
PERSONNEL

HOLLY WHITE  
PUBLIC INFORMATION  
COMMUNITY EDUCATOR

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

Dear Ms. Carey:

In March of last year, the Crittenden County School District Finance Corporation issued \$1,160,000 Refunding Revenue Bonds. These bonds allowed the District to realize substantial debt service savings compared to the original bonds previously offered. The winning bid, and only bid offered, came from Ross, Sinclair & Associates, LLC [RSA] at a market Net Interest Cost of 3.357%.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have realized the savings that we did. No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,

Brent Highfil  
Finance Director

CHRISTOPHER COOK  
CHAIRMAN

ERIC LARUE  
BOARD MEMBER

WILLIAM ASBRIDGE  
BOARD MEMBER

PAM COLLINS  
BOARD MEMBER

PHYLLIS ORR  
BOARD MEMBER

# Dayton Independent Schools

200 Clay Street  
Dayton, Kentucky 41074-1201  
491-6565  
(Fax 292-3995)

Gary Rye  
Superintendent

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September 14, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

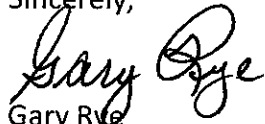
Dear Ms. Carey,

In February of last year, the Dayton Independent School District Finance Corporation issued \$1,290,000 Refunding Revenue Bonds. These bonds allowed the District to realize substantial debt service savings compared to the original bonds previously offered. The winning bid came from Ross, Sinclair & Associates, LLC [RSA] at a market Net Interest Cost of 3.35%, which was 23 basis points less than the next closest bid.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would have a much larger annual debt service requirement thru maturity. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School Districts such as ours throughout the Commonwealth of Kentucky.

Sincerely,



Gary Rye  
Superintendent

eh

Revenue Bonds

# East Bernstadt Independent School

P.O. Box 128

296 E. Hwy. 3094

East Bernstadt, KY 40729

Phone: 606-843-7373 Fax: 606-843-6249

Homer Radford – Superintendent

Board Members:

Gene Allen (Chair), Robert Frost, Kip Jervis, James Sutton, Kenneth Woodruff

---

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

Dear Ms. Carey:

In December of last year, the East Bernstadt Independent School District Finance Corporation issued \$200,000 School Building Revenue Bonds. These bonds allowed us to build educational facilities for the students of our District to give them a quality and safe educational experience. The winning bid came from Ross, Sinclair & Associates, LLC (RSA) at a market Net Interest Cost of 4.447%, which was the only bid offered.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have been able to secure the financing required to construct the needed school facilities. No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,



Homer Radford  
Superintendent

# Elliott County Board of Education

JOHN C. WILLIAMS, Superintendent  
P.O. BOX 767 • MAIN STREET  
SANDY HOOK, KENTUCKY 41171

PHONE 606-738-8002

FAX 606-738-8050

john.williams@elliott.kyschools.us

PATRICIA HOWARD, Chairperson  
SUSAN BURTON, Vice-Chairperson

DONNIE BARKER, Board Member  
JOE SALYERS, Board Member  
BRENDA SHEETS, Board Member

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors


Dear Ms. Carey:

In June of last year, the Elliott County School District Finance Corporation issued \$2,045,000 Refunding Revenue Bonds. These bonds allowed the District to realize substantial debt service savings compared to the original bonds previously offered. The winning bid, and only bid offered, came from Ross, Sinclair & Associates, LLC [RSA] at a market Net Interest Cost of 3.189%.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have realized the savings that we did. No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,

  
John Williams  
Superintendent





# **Greenup County Schools**

*All for One*

45 Musketeer Drive  
Greenup, KY 41144  
606.473.9819  
Fax: 606.473.5710  
Steve A. Hall, Superintendent

September 17, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

Dear Ms. Carey:

In June of this year, the Greenup County School District Finance Corporation issued \$1,630,000 School Building Revenue Bonds. These bonds allowed us to build educational facilities for the students of our District to give them a quality and safe educational experience. The winning bid came from Ross, Sinclair & Associates, LLC (RSA) at a market Net Interest Cost of 3.890%, which was the only bid offered.

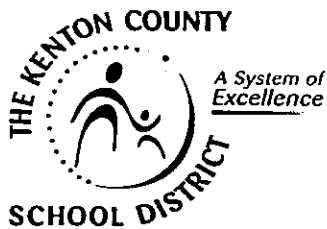
RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have been able to secure the financing required to construct the needed school facilities. **No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful.** Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to **not** pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,

*Scott P. Burchett*

Scott P. Burchett, CPA, CSFM  
Finance Director/Treasurer  
Greenup County Board of Education



**THE KENTON COUNTY BOARD OF EDUCATION**

1055 EATON DRIVE, FORT WRIGHT, KENTUCKY 41017

TELEPHONE: (859) 344-8888 / FAX: (859) 344-1531

WEBSITE: [www.kenton.kyschools.us](http://www.kenton.kyschools.us)

Tim Hanner, Superintendent of Schools

---

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

Dear Ms. Carey:

In February of last year, the Kenton County School District Finance Corporation issued \$3,635,000 Refunding Revenue Bonds. These bonds allowed the District to realize substantial debt service savings compared to the original bonds previously offered. The winning bid, and only bid offered, came from Ross, Sinclair & Associates, LLC [RSA] at a market Net Interest Cost of 3.11%.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have realized the savings that we did. No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,

Kelley Gamble  
Finance Director

**Kenton County Board of Education**

Board Members: Karen L. Collins, President Carl Wicklund, Vice President Mike Martin Becky Melching Tommie Mingo, Esq.



316 South Mayo Trail  
Pikeville, Kentucky 41501-1522  
Phone (606) 433-9200 Fax (606) 432-3321

Educational  
eXcellence  
Challenging  
Every  
Learner

#### BOARD OF EDUCATION

Virgil Osborne  
Chairman, District 1  
Frank McGuire  
Vice Chairman, District 5  
Earl Thacker  
District 2  
Frank Ratliff  
District 3  
Chuck Johnson, MD  
District 4

#### ADMINISTRATIVE STAFF

Roger Wagner  
Superintendent  
Roger Johnson  
Assistant Superintendent  
Ralph Kilgore  
Director of Personnel  
Bill Dotson  
Director of Pupil Personnel  
Robert Osborne  
Federal Programs Coordinator  
Maritta Horne  
Director of Technology/CIO  
Nancy S. Ratliff, C.S.F.O.  
Director of Finance  
Sabrina Thompson  
Director of School Food Service  
Glenna Justice  
Director of Head Start  
Ancie Casey  
Director of Transportation/Athletics  
Judith Branham  
Director of Adult Education  
Sharon Moore  
Special Education  
Sissy Charles  
Special Education  
Tina Marcum  
New Construction

#### INSTRUCTION

Carlette Harris  
Supervisor  
Teresa Lockhart  
Supervisor  
Tonia Hopson  
Supervisor  
Kelli Thompson  
Supervisor  
Judy Dotson  
Supervisor

September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors

Dear Ms. Carey:

In October of last year, the Pike County School District Finance Corporation issued \$1,735,000 School Building Revenue Bonds. These bonds allowed us to build educational facilities for the students of our District to give them a quality and safe educational experience. The winning bid came from Ross, Sinclair & Associates, LLC [RSA] at a market Net Interest Cost of 3.930%, which was the only bid offered.

RSA is also the Financial Advisor for the District. Had RSA not bid on these bonds, the District would not have been able to secure the financing required to construct the needed school facilities. No other underwriting firm had bid to purchase these bonds and the Sale would have been unsuccessful. Our District and all of the School Districts in Kentucky have severe budgetary issues and we must do everything within our control to manage the finances of the District.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's such as ours throughout the Commonwealth of Kentucky.

Sincerely,

Nancy Ratliff  
Finance Director

**KISTA**  
**325 West Main Street**  
**Suite 300**  
**Lexington, KY 40507**

September 27, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

**RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors**

Dear Ms. Carey:


In July of this year, KISTA [Kentucky Interlocal School Transportation Association] issued \$2,235,000 Certificates of Participation [COP]. The COP's allowed us to lease new school buses to our member districts to provide them a quality and safe transportation experience. The winning bid came from Ross, Sinclair & Associates, LLC [RSA] at a market Net Interest Cost of 2.795%, which was **1.942% less than the next closest bid.**

RSA is also the Financial Advisor for the District. Had RSA not bid on these COP's, KISTA would not have been able to secure favorable financing terms for the member districts. The School Districts in Kentucky have severe budgetary issues and we must do everything within our control to provide them with the best financing opportunities possible.

I urge you to not pursue the passage of Rule G-23. It will have a defining negative impact on School District's throughout the Commonwealth of Kentucky.

Sincerely,

**KISTA:**  
Kentucky Interlocal School Transportation  
Association, a Kentucky Interlocal Cooperative  
Formed pursuant to KRS 56.210 through 65.300

  
Jack Moreland  
President



September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

**RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors**

Dear Ms. Carey:

Since 2002, the South Carolina Association of Governmental Organizations ("SCAGO") has issued bonds on behalf of municipal and educational entities in an amount that exceeds \$2.5 billion. The debt issued is used to construct capital facilities and cover cash shortfalls for municipalities and school districts within the State of South Carolina. Annually, SCAGO issues two pools, one for Tax Anticipation Notes and the other for General Obligation Bonds, not to mention other programs including Equipment Acquisitions, Qualified Zone Academy Bonds and Installment Purchase Revenue Bonds. Most times, these issues are bid competitively to obtain the lowest cost of capital possible for the Issuers. There are typically several bidders on SCAGO competitive issues, which often include Ross, Sinclair & Associates, LLC ("RSA").

RSA is also the Financial Advisor to SCAGO. As the Chairman of the Board of Directors, it is our opinion that without a competitive bid from RSA, SCAGO could possibly be forgoing the lowest bid and cost our Issuers the opportunity to achieve the greatest cost savings available. Throughout South Carolina, most municipal and educational entities are facing financial budgetary issues and we must do everything within our control to allow those issuing through SCAGO to achieve the lowest cost of capital.

I urge you not to pursue the passage of Rule G-23. It is our opinion this will have a negative impact on municipalities and school districts throughout South Carolina.

Sincerely,

A handwritten signature in black ink, appearing to read "Brantley D. Thomas III", with a long horizontal flourish extending to the right.

Brantley D. Thomas III  
Chairman of the Board of Directors  
for SCAGO