

June 7, 2012

Mr. Justin R. Pica  
Director  
Product Management-Market Transparency  
Municipal Securities Rulemaking Board  
1900 Duke Street, Suite 600  
Alexandria, VA 22314

Ms. Karen Du Brul  
Associate General Counsel  
Municipal Securities Rulemaking Board  
1900 Duke Street, Suite 600  
Alexandria, VA 22314

**Re: MSRB Notice 2012-29: Request for Comment on Elimination of Large Trade Size Masking on Price Transparency Reports**

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Dear Mr. Pica and Ms. Du Brul:

Benchmark Solutions<sup>1</sup> appreciates this opportunity to respond to Notice 2012-29<sup>2</sup> (the “Notice”) issued by the Municipal Securities Rulemaking Board (the “MSRB”) in which the MSRB is proposing to discontinue masking of the exact par value on transactions where the par value is in excess of \$1 million.

Benchmark Solutions is fully supportive of regulatory efforts to provide full post-trade transparency to all market participants in the timeliest and most complete manner possible. To this end, Benchmark Solutions is supportive of the MSRB’s proposal to unmask the par value of transactions greater than \$1 million as this information is important to market participants for a number of reasons.

**Equal access to information:**

We believe that all investors should have equal access to market transactions. As stated in the GAO report<sup>3</sup>, there is reason to believe that some investors may already have access to information that others do not thus creating an uneven playing field for certain customer segments of the market.

**Size assists in determining market impact:**

Full disclosure of the trade size will better assist the marketplace in understanding the market impact, in terms of price movement of not only the particular security associated with the transaction, but also other related bonds as certain securities are often viewed as reference securities used by market participants to assist them in determining the market value of securities which they currently may be holding.

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1 Benchmark Solutions is a privately owned corporation focused on providing real-time price transparency in the Fixed Income Markets.

2 MSRB Notice 2012-29(June 1, 2012)

3 GAO-12-265 (January 2012) Municipal Securities – Overview of Market Structure, Pricing, and Regulation

**Feedback Loop:**

We believe that there is a strong feedback loop where post-trade information is a valuable input to determining pre-trade price discovery. Therefore, any delay in either reporting (timeliness) or transparency (data) inhibits the ability of the market to provide pre-trade price discovery which may ultimately affect market liquidity.

**Other Concerns (Hedging):**

Market participants currently have up to 15 minutes to report transactions to MSRB, which gives them plenty of time to hedge their positions. Given the market liquidity and execution efficiency of the products typically used to hedge Municipal securities, one could make a case that 15 minutes may afford participants too much time to report their Municipal transactions thus depriving other market participants valuable price discovery knowledge even with the current masked quantities. From our perspective, transactions should be reported to post-trade reporting services as near real-time as possible.

**Ease of Implementation:**

As far as implementation of this proposal goes, since the actual trade size is currently captured through RTRS there should not be any business process changes to market participants or direct technology implementation costs to them.

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We wish to thank the MSRB and its staff for their work in developing the Proposed Rule and for this opportunity to comment on it. We would be pleased to discuss these comments in greater detail to help facilitate your review of the Proposed Rule. If you have any questions, please do not hesitate to contact the undersigned at (212) 220-4740.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jim Toffey", written in a cursive style.

Jim Toffey  
CEO