

Wolfe & Hurst Bond Brokers, Inc.  
30 Montgomery Street  
Jersey City, New Jersey

November 29, 2010

Peg Henry, Deputy General Counsel  
Municipal Securities Rulemaking Board  
1900 Duke Street, Suite 600  
Alexandria, Virginia 22314

Re: MSRB Notice 2010-35: Request for Comment on MSRB Guidance on  
Broker's Brokers

Dear Ms. Henry:

Please accept this brief supplemental response on behalf of Wolfe & Hurst Bond Brokers Inc. (hereinafter "the firm") to the Municipal Securities Rulemaking Board's (hereinafter "MSRB") Notice 2010-35: Request for Comment on MSRB Guidance on Broker's Brokers ("Proposed Guidance"), dated September 9, 2010.

The firm reiterates its position that the MSRB should define a broker's broker as an intermediary exclusively working for broker-dealers and dealer portions of banks. To permit a broker's broker to engage in securities transactions with sophisticated municipal market professionals ("SMMP's") and institutional counter-parties is contrary to the purpose of a broker's broker. A broker's broker acts as an intermediary agent and never transacts business directly with customers, as they have been defined by the MSRB. Allowing a broker's broker to transact business directly with SMMP's and institutions creates confusion rather than the transparency sought by the regulatory bodies. Broker's brokers must be relied on to provide a neutral, intermediary auctioneer-type role in the marketplace. To do so, broker's brokers must not be permitted to act in competition with broker-dealers by effectuating transactions with the broker-dealers customers, including SMMP's and institutional counter-parties. The goal of transparency in the market would be further bolstered if broker-dealers and regulators could be sure that broker's brokers are dealing strictly with broker-dealers and dealer portions of banks. If this were the case, the regulatory bodies could tailor the rules more clearly for broker's brokers thus enhancing the desired transparency and clarity in the market.

Furthermore, the MSRB's proposed rule requiring written disclosure if a broker's broker cannot determine "a fair and reasonable price...within a reasonable degree of accuracy," would create additional and unnecessary complexity not only to member firm's record keeping obligations and regulator's review but also to the broker-dealer community in assuring compliance in an already fast-paced environment. Generally, expanding the business model and related rules applicable to broker's brokers would require regulators to undertake additional and unnecessary auditing responsibilities on each and every transaction to ensure compliance.

Rather than expanding the business model for a broker's broker, the rules promulgated by the MSRB should reflect the limited nature of the broker's brokers business. To provide further clarity, the regulatory bodies should recognize a separate registration category for broker's brokers.

We appreciate your willingness to consider this response on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "O. Gene Hurst", written in a cursive style.

O. Gene Hurst

cc: Leslie Norwood, SIFMA  
Members of SIFMA MSBB Committee