

September 15, 2006

Mr. Ernesto A. Lanza
Senior Associate General Counsel
Municipal Securities Rulemaking Board
1900 Duke Street, Ste 600
Alexandria, VA 22314

Re: MSRB Notice 2006-19 (July 27, 2006)
MSRB Seeks Comments on Application of "Access Equals Delivery" Standard to
Official Statement Dissemination for New Issue Municipal Securities

Dear Mr. Lanza:

We are pleased to respond with our comments on applying an "access equals delivery" standard to official statement dissemination for new issue municipal securities pursuant to the request of the Municipal Securities Rulemaking Board (the "MSRB") by Notice 2006-19 issued on July 27, 2006 (the "Notice").

The "access equals delivery" model is premised on making electronic versions of official statements available to the public on a "real time" basis, generally in lieu of delivering paper copies.

Availability of electronic official statements. We agree with the observation of the MSRB in the Notice that all or nearly all official statements are now produced electronically. A small but significant number of issues, however, settle with paper copies only. If all official statements are required to be available electronically, those distributed only in paper versions would have to be scanned, unless the electronic file used for printing was made available. Use of electronic files, rather than scanning, would yield smaller, better quality files that would be more user-friendly.

Benefits of "access equals delivery" cited in the Notice include decreased burden and expense of dealer deliveries of official statements, and lower printing costs, resulting in reduced transaction costs. Further, customers could receive earlier delivery of official statements.

Different methods of implementing this concept could produce divergent cost shifting and risk allocation among the parties. For example, some costs would be shifted to dealers if dealers become responsible for scanning those official statements not available in electronic form.

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The structure and provider chosen for the system could have a major effect not only on the usability and integrity of the repository, but also on its overall costs and the determination of who bears those costs. The electronic delivery system should produce overall costs savings *and* provide better service than the present physical delivery system. In this regard, we request more information on the allocation of fees and whether dealer costs may be passed through.

We would appreciate the opportunity to comment further on this approach when more detailed implementation proposals are being considered. The benefits to the market of this paradigm should outweigh the costs and burdens of obtaining electronic versions of official statements, but the process needs to be further developed to enable an informed projection.

Format for submission of official statements. Currently, submissions to the MSRB under Rule G-36 are required to be in portable document format (pdf). Comment is requested in the Notice about whether other formats should be accepted.

Any format used should be widely available and have an associated non-proprietary reader. Also, formats should provide reliable and faithful conversion from native word processor formats commonly in use for official statement creation. Pdf documents meet these specifications.

The addition of formats would presumably provide an option for dealers and not become a requirement to submit in multiple formats. Moreover, a selection of formats might be confusing and burdensome for customers.

An issue arises with scanned documents versus documents created by electronic conversion from a native word processor format. The scanned documents, being images, create significantly larger files, which can be difficult to manage. Some firms have limits on attachment size that would make e-mailing a scanned official statement difficult or worse. Although this can be addressed on the receiving (repository) end by creating a system that has a sufficiently large limit on attachments, an upload option, using an Internet-based file transfer (ftp) would assist dealers whose systems cannot handle such large attachments. Similarly, users, particularly smaller retail customers, may have difficulty handling large files. For these reasons, the industry and the MSRB should watch for any emergence of a widely utilized, non-proprietary, freely available format that would retain the desirable characteristics of pdf documents but create smaller scanned files.

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Pdf documents appear to be the current standard, with a thorough market penetration. Unless and until industry standards change and another application with similar or improved characteristics appears, pdf uniformity is preferable.

Central repository or central index; duration of postings. We believe a central repository would promote ease of access and enhance the ability of the MSRB to supervise the provider, rather than having a central index that points to documents residing on other websites. A central repository should also be more reliable than an assortment of sites managed by multiple parties.

Further, the market would be best served by the continuing availability of official statements for at least as long as the issues are outstanding. Portions of official statements, such as sections describing the terms of an issue, remain very useful in the secondary market. An appropriate disclaimer should be provided that includes notice that the official statements speak as of their dates and that no party has an obligation to update them in the repository, except that during the underwriting period, any amendments or supplements to an official statement must be posted to the repository.

In addition, the repository should provide a flexible indexing system, perhaps by using extensible markup language (xml), so that searches of the database may be performed on any reported field (as provided on the successor to the G-36(OS) form), including, without limitation, issuer, dealer, CUSIP, senior manager and issue date.

The Notice describes anticipated changes relating to the G-36(OS) form. The revised form should be usable as the submittal form for official statements to the repository and the MSRB.

In selecting the administrator or operator of the repository, we strongly prefer that it be one organization. That is, there should be a single site for users to access disclosure information, whether primary or secondary, and dealers should be able to satisfy their filing requirements by making a single filing.

The MSRB is our leading choice to be the host of the repository. The MSRB has a history and experience managing information repositories, and presently receives G-36 filings. As we believe that there should be a single site to access disclosure materials, the current database would have to be transferred to another provider if the MSRB is not the host. Similarly, official statements and G-36(ARD) forms would also need to be moved if the MSRB is not the repository.

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We understand that the central post office used for SEC Rule 15c2-12 secondary market disclosure filings (the "CPO") may be willing to accept the additional task of serving as the repository. This may be a viable approach, in that the secondary market disclosure is already being submitted there. In light of the usefulness of the repository in the secondary market as described above, adding the official statement repository and related forms to the functions of the CPO could also provide a single source for primary and secondary market information.

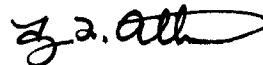
Similarly, dealers should be able to effect their filing requirements in one stop, whether by filing with the MSRB or with the repository. Once a dealer submits a filing in conformity with relevant rules and procedures, the dealer's responsibilities relating to submission of an official statement to the MSRB and any repository would be satisfied. Whether a filed official statement is, in fact, properly available should be a supervisory responsibility of the MSRB. It may be useful to have the repository generate a receipt that the submitting dealer could retain as proof of filing.

The repository may be able to cover some of its costs by selling subscriptions to its data to information services and other bulk users, while providing free and open access on an inquiry basis to others.

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We are aware that contemporaneously with the submission of this letter, The Bond Market Association ("TBMA") is also submitting a comment letter responsive to the Notice. We participated with TBMA in the preparation of that letter and we support the views expressed therein.

Very truly yours,



Terry L. Atkinson
Managing Director
UBS Securities LLC