

MEMO# 12863

November 17, 2000

INSTITUTE COMMENT LETTER ON MSRB PROPOSAL TO PERMIT ELECTRONIC SUBMISSION OF DISCLOSURE DOCUMENTS AND FORMS

[12863] November 17, 2000 TO: FIXED-INCOME ADVISORY COMMITTEE No. 11-00 RE: INSTITUTE COMMENT LETTER ON MSRB PROPOSAL TO PERMIT ELECTRONIC SUBMISSION OF DISCLOSURE DOCUMENTS AND FORMS The Institute has filed the attached comment letter on the MSRB's proposal to establish an optional system of electronic submission by underwriters of official statements, advance refunding documents and Forms G-36(OS) and G36(ARD) to the MSRB's Municipal Securities Information Library® ("MSIL®") system. The comment letter is substantially similar to the draft letter sent to you earlier.¹ The Institute's letter supports the MSRB's proposal and recommends the following modifications. First, the letter notes that given that Institute members prefer to view official statements in paper rather than in electronic format, the MSRB should require underwriters who choose to file an electronic copy of an official statement to also file a paper copy. Second, the Institute's letter points out that the MSRB would permit the electronic submission of amended official statements and amended advance refunding documents only if the original official statement or advance refunding document was submitted electronically. The letter recommends that the MSRB consider the feasibility of permitting electronic submission of such amending documents even if the amended documents were submitted to MSIL in paper format, because expedient redelivery would minimize erroneous reliance on outdated documents. Third, the Institute's letter recommends the use of the "native" Adobe Acrobat® portable document format, rather than scanned image PDF files, for all documents electronically submitted to, or redelivered by, MSIL. The letter explains that native PDF files are substantially superior to scanned image PDF files, given their searchable nature and their significantly smaller file size. Finally, the Institute's letter urges the MSRB to clarify that the term "advance refunding documents" as used in MSRB Rule G-36 includes any verification reports by accountants and defeasance opinions by bond counsel issued in connection with the applicable advance refunding. Barry E. Simmons Associate Counsel Attachment 1 See Memorandum to Fixed-Income Advisory Committee, No. 10-00, dated November 8, 2000. 2Attachment (in .pdf format)