

To Whom It May Concern;

Please accept this communication as my comment on the NASD's proposal to adopt Rule 2231, requiring members to provide additional disclosure to customers when effecting transactions in debt securities. I appreciate the opportunity to comment on this important proposal.

I understand and agree with the goals behind this proposal. Investors should have easy access to information about their transactions, no matter what kind of products they choose to include in their portfolio. This information should be understandable and readily comparable, allowing the customer to make informed decisions about the objectives, risks, and overall expenses of each position they own or are considering.

The proposal would require additional transaction-specific disclosures for debt securities transactions be added to the disclosures already required under SEC 10b-10 at purchase, as well as referring customers to the NASD website for further important information on investing in bonds. I applaud these proposed additions - specific information pertinent to the customer's understanding of the product he has chosen, over the life of the investment, provided him in writing at his fingertips at or directly after the point of sale.

The only problem I have with this proposal is that it is not clear as to who the responsibility will fall for providing this transaction-specific disclosure to the customer. Rule 10b-10 requires broker-dealers to provide certain information to customers at or before completion of that transaction. Historically, this information has been provided to the customer by the clearing firm in a printed confirmation of the trade after a transaction has been done, though delivery by the clearing firm is not specifically spelled out in the Rule. NTM 05-21 states that "the disclosures would be provided in the same manner that a member confirms the terms of a transaction in a debt security under Rule 10b-10". If industry will agree that this additional disclosure requirement will be tacked on to the information already provided by the clearing firm on its confirmations, then I am all for it. The additional information, specific to each product and each transaction, can be the most cost effectively incorporated into the product data base for disclosure on each transaction confirmation at the clearing firm.

This seems to be the most reasonable method for providing this important, trade-specific information to the client, promoting both market integrity and investor protection through complete, fair disclosure and product education to each and every client.

Thank you,

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