



Putting EMMA[®] to Work for You

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Municipal Securities Rulemaking Board

Presentation Outline

- Role of the MSRB and **EMMA**®
- **EMMA**® Tools for Issuers
- Importance of Financial Disclosure
- Bank Loans and Voluntary Disclosures on **EMMA**®
- Municipal Advisor Rulemaking
- MSRB Resources



Role of the MSRB and EMMA®

About the MSRB

- A self-regulatory organization created by Congress in 1975
- Protects investors, municipal entities and the public interest
- Promotes a fair and efficient municipal market



How the MSRB Fulfills its Mission

- Regulates municipal securities dealers and municipal advisors
- Operates market transparency systems including the **EMMA**® website
- Conducts education, outreach and market leadership

Value of EMMA to Marketplace



emma.msrb.org

- Only non-commercial, objective and free source of trade data and disclosure documents municipal market
- Provides a platform for issuers to communicate with investors
- Provides investors free access to transaction prices of municipal securities
- Makes more than one million disclosure documents easily available
- Relied on by more than 80,000 unique users each month

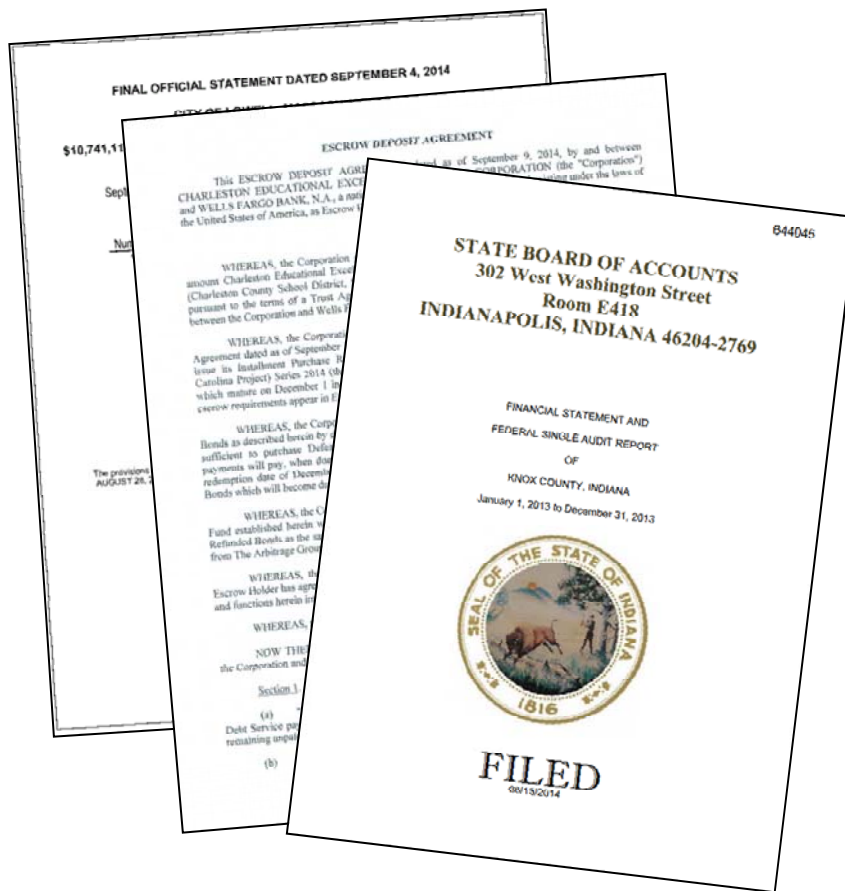


Data Available on EMMA

- Trade Prices and Yields
- Variable Rate Securities Information
 - Interest rate resets
 - Credit enhancement documents
- Market Statistics
 - New issuance
 - Trade statistics
 - Disclosure statistics
- Credit Ratings from All Major Agencies

Maturity Date	Interest Rate (%)	High/Low Price (%)	High/Low Yield (%)	Trade Count	Total Trade Amount (\$)	Ratings	
						Fitch	S&P
07/01/2033	5.25	100.092 / 97.934	5.426 / 5.242	25	2,000,000	-	<u>AA-</u>
06/01/2026	3	102.585 / 100.006	2.999 / 2.695	17	19,465,000	AAA	<u>AAA</u>
07/15/2026	5.25	113.898 / 112.898	1.284 / 1	12	4,060,000	-	<u>AA+</u>
06/15/2016	3	104.507 / 104.507	0.4 / 0.4	11	1,000,000	-	<u>A+</u>
03/15/2042	5	110.513 / 110.453	3.408 / 3.4	11	1,950,000	AA+	<u>AAA</u>
08/01/2041	5.25	78.737 / 76.81	7.215 / 7.019	10	1,420,000	BB-	<u>BBB-</u>
02/01/2029	3	100 / 98.19	3.157 / 3	10	3,760,000	AA+	<u>AA+</u>
08/01/2037	-	28.245 / 27.784	4.23 / 4.041	9	2,775,000	-	<u>AA</u>
03/01/2029	3	100 / 97.625	3.206 / 3	9	420,000	-	-
06/15/2042	5	111.025 / 110.663	3.421 / 3.371	9	140,000	-	<u>AA</u>
12/01/2027	4	110.282 / 107.62	2.89 / 2.524	9	370,000	AA-	<u>AA-</u>
03/01/2037	5	105.858 / 105.858	2.529 / 2.529	9	100,000	BBB+	<u>A-</u>
04/01/2035	5.125	99.555 / 99.055	5.2 / 5.16	8	100,000	-	-
01/01/2037	.967	89.76 / 88	1.509 / 1.509	8	740,000	AA-	<u>AA-</u>
07/01/2023	.02	100 / 100	-	8	5,200,000	A+	<u>AAA</u>

Disclosures Available on EMMA



- Official Statements
- Ongoing Financial Disclosures
- Event Notices
- Advance Refunding Documents
- 529 Plan Disclosure
- Political Contribution Disclosure
- Municipal Asset-Backed Securities Disclosure

Navigating EMMA

The screenshot shows the EMMA website with a dark blue header containing the title "Navigating EMMA". Below the header is a navigation bar with links: "MyEMMA", "EMMA Dataport", and "Contact Us". The main content area features a "Quick Search" box with the placeholder text "Enter CUSIP or Name" and a green search button. Below this is a green navigation bar with links: "ADVANCED SEARCH", "BROWSE ISSUERS", "FIND 529 PLANS", "MARKET ACTIVITY", and "EDUCATION CENTER". The main content area is divided into several sections. On the left, a sidebar titled "Are you new to EMMA?" contains four links: "Find prices, disclosures and other information for a specific municipal bond.", "Browse municipal securities information by issuer.", "Explore municipal market trends and data.", and "Learn how the MSRB protects municipal market participants." The main content area has a "Welcome to EMMA" section with a description of EMMA as the official repository for municipal bond information. Below this are three boxes: "EMMA 101" (watch our EMMA 101 video), "EMMA for Investors" (explore our user guide), and "EMMA for Issuers" (learn how state and local governments can use EMMA). At the bottom, there is a "MUNICIPAL MARKET RECAP" section titled "Most Actively Traded Fixed Rate Securities for 1/29/2014" with a table of data.

EMMA
Electronic Municipal Market Access
A service of the MSRB

MyEMMA | EMMA Dataport | Contact Us

Quick Search
Enter CUSIP or Name

ADVANCED SEARCH | BROWSE ISSUERS | FIND 529 PLANS | MARKET ACTIVITY | EDUCATION CENTER

Are you new to EMMA?

- Find prices, disclosures and other information for a specific municipal bond.
- Browse municipal securities information by issuer.
- Explore municipal market trends and data.
- Learn how the MSRB protects municipal market participants.

Welcome to EMMA

EMMA is the official repository for information on virtually all municipal bonds, providing free public access to official disclosures, trade data and other information about the municipal securities market.

EMMA 101
Watch our EMMA 101 video and learn how EMMA can help investors

EMMA for Investors
Explore our user guide for investors

EMMA for Issuers
Learn how state and local governments can use EMMA

MUNICIPAL MARKET RECAP
Most Actively Traded Fixed Rate Securities for 1/29/2014

Security Description	Maturity Date	Interest Rate (%)	Price Average	Yield Average	Number of Trades
MAINE ST HSG AUTH MTG PUR-SER A-2 (02/27/2014)	11/15/2028	4	99.864	4	130

- Browse for information by:
 - Issuer
 - Security
 - CUSIP
- View real-time market data

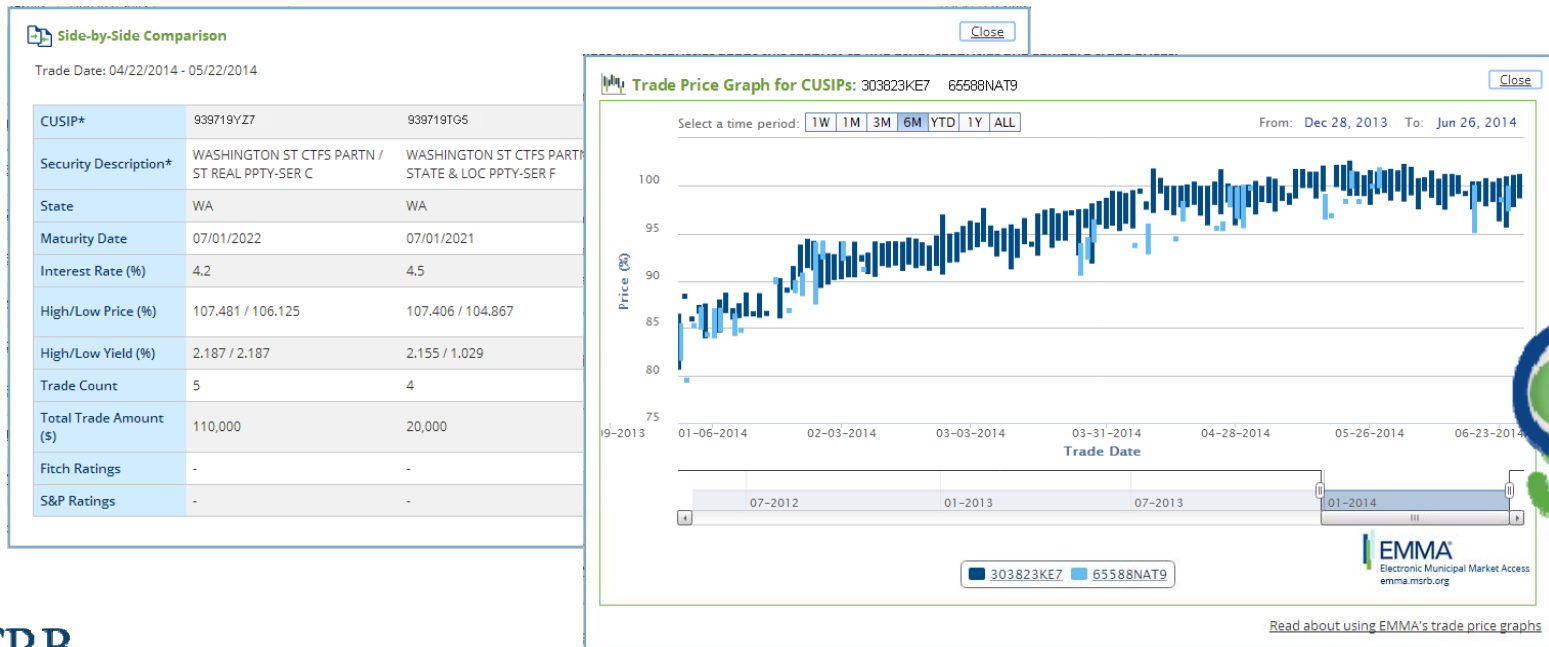
Price Discovery Tool

- New **EMMA**® feature aims to enhance municipal market price transparency
- munipricediscovery.org

The screenshot displays the EMMA (Electronic Municipal Market Access) website's Price Discovery tool. At the top, the EMMA logo is accompanied by the text "Electronic Municipal Market Access" and "A service of the MSRB". Navigation links for "MyEMMA", "EMMA Datasets", and "Contact Us" are in the top right. A "Quick Search" bar prompts users to "Enter CUSIP or Name". A green navigation bar contains links for "ADVANCED SEARCH", "BROWSE ISSUERS", "FIND 529 PLANS", "MARKET ACTIVITY", and "EDUCATION CENTER". The main heading "Price Discovery" is preceded by a magnifying glass icon. Below it, a subheading reads "Find and compare trade prices of municipal bonds with similar characteristics." A search input field labeled "Enter CUSIP-9" is followed by a green "Start Search" button. The lower section, titled "How It Works", explains that the tool helps find prices for bonds that haven't traded recently by comparing them with similar securities. It lists three capabilities: adjusting search parameters, side-by-side comparison of up to five bonds, and graphing trade prices over time. To the right, a "See It Work" section features a video player with the MSRB logo and the title "HOW TO USE EMMA'S PRICE DISCOVERY TOOL".

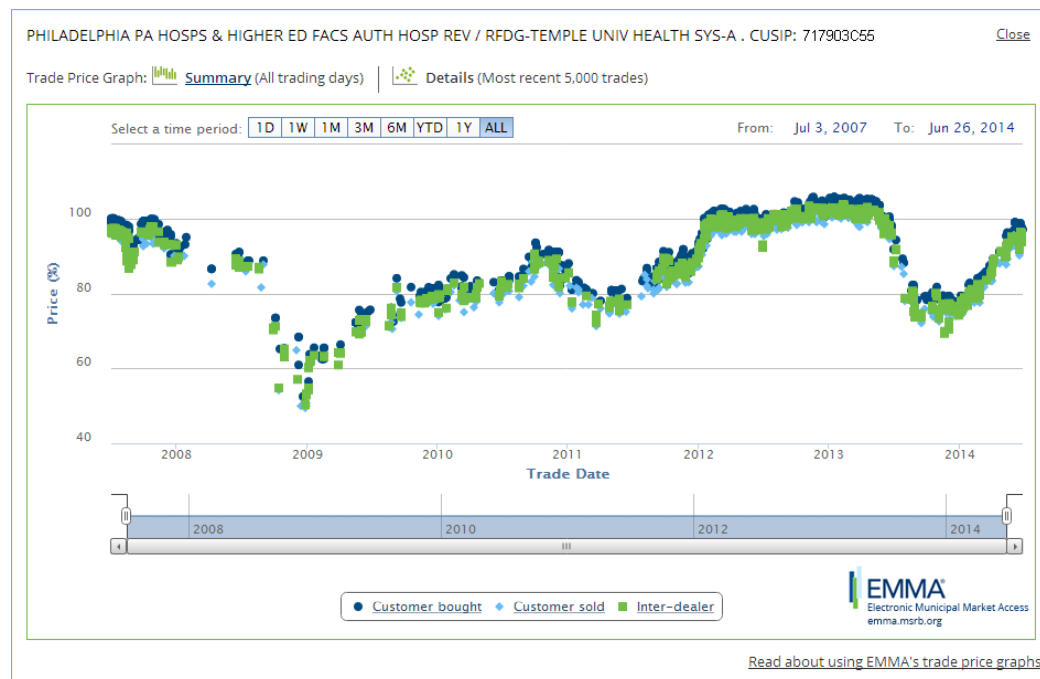
Price Discovery Tool (cont.)

- Users can easily compare trade prices of securities with similar characteristics
 - Side-by-side comparison
 - Trade Price Graph



Enhanced Trade Data Display

- See daily high and low price for individual securities
- Visualize historical trading trends for every security





EMMA[®] Tools for Issuers



Top Ways Issuers Use EMMA


- Provide Information to Investors
- Comply with Financial Disclosure Obligations
- Monitor Outstanding Issues
- Research Municipal Market Activity

Issuer Homepages

- **Pilot! EMMA®**
Issuer Homepages display issuer information in a single location
 - Geographic search
 - More intuitive access to information on issuers for users
 - emma.msrb.org/IssuerHomePage

ADVANCED SEARCH | BROWSE ISSUERS | FIND 529 PLANS | MARKET ACTIVITY + | EDUCATION CENTER

Find an Issuer
Find any municipal securities issuer by state. Click on a state in the interactive map to browse a searchable list of cities, counties and other issuing authorities and access information about their municipal securities.



Consolidated Issuer Information
These pages provide a consolidated view of the information available on EMMA for each issuer. By default, this consolidation has been performed using certain third-party information that excludes matured securities and may contain errors or omissions. Issuers can customize their "Homepages" to confirm the consolidation of their securities information and provide contact information to investors. Customized homepages are labeled and listed first to assist users in exploring this pilot functionality. Homepages, including those that have been customized, may not reflect all outstanding securities for an issuer. To learn about additional methods for finding information, read about EMMA's search features. Read instructions for issuers on how to customize an EMMA issuer homepage. Please contact us to provide feedback on the pilot or to report any errors or omissions.

View: ☒ All Issuers ☐ State Issuers ☐ City Issuers ☐ County Issuers ☐ Other Issuers (Conduits, Localities, etc.)

Click on an issuer name to access information about its municipal securities. Issuers that have customized their information are displayed first.

Display 20 results Find in results:

Displaying 1 to 20 of 2,626 results.

Issuer Name	Issuer Type
COFH HOME CUSTOMIZED	City
REGIONAL TRANSPORTATION AUTHORITY CUSTOMIZED	Other
STATE OF ILLINOIS CUSTOMIZED	State
UNIVERSITY OF ILLINOIS CUSTOMIZED	City
ABINGDON ILL	City
ACORN PUB LIBR DIST ILL COOK CNTY	County
ADAMS & HANCOCK CNTYS ILL CMNTY UNIT SCH DIST NO 4	County
ADAMS CNTY ILL	County
ADAMS CNTY ILL CMNTY UNIT SCH DIST NO 001	County
ADAMS CNTY ILL SCH DIST NO 172	County
ADDISON ILL	City
ADDISON ILL INDL DEV REV	City

Issuer Homepage Features


- Listing of bond issues
- Trade activity
- Pre-sale documents
- Official statements
- Financial and event disclosures
- Refunding escrows

STATE OF ILLINOIS (IL)

Customized

Click on a tab to access data and documents about this issuer's municipal securities.

Issuer's Contact Information

Contact	Address	City, State, Zip
John Sinsheimer	100 W. Randolph St., Ste. 15-100	Chicago, IL 60601
Phone Number (312) 814-7279		
Email Address john.sinsheimer@illinois.gov	Issuer Website(s) State of Illinois Capital Markets 	

Issues Trade Activity Pre-Sale Documents Official Statements Refunded Issues Financial Disclosures Event-Based Disclosures

Click on the issue description to view details about the issue.

Display results Find in results:

First Previous **1** 2 3 4 5 Next Last

Issue Description	Dated Date
GENERAL OBLIGATION BONDS, SERIES OF MAY 2014	05/08/2014
GENERAL OBLIGATION BONDS, SERIES OF APRIL 2014	04/17/2014
AGM-CR	04/17/2014
BUILD ILLINOIS BONDS (SALES TAX REVENUE BONDS) TAXABLE SERIES OF MARCH 2014	03/25/2014
AGM-CR	02/13/2014
MAC-CR	02/13/2014
GENERAL OBLIGATION BONDS, SERIES OF FEBRUARY 2014	02/13/2014
TAXABLE AGM-CR	12/19/2013
GENERAL OBLIGATION BONDS, TAXABLE SERIES OF DECEMBER 2013	12/19/2013
TAXABLE-BAM-CR	12/19/2013

Manage Issuer Homepages

- Customize and consolidate issuer information in a single location on **EMMA®**
 - Customize plain-English name of issuer and bond issues
 - Edit issue list, contact information and website links
 - Minimal annual maintenance needed – receive email alert when new issue is added to an issuer homepage

Sign Up for Email Reminders

- Issuers can schedule automated emails from **EMMA**® to be reminded of approaching annual or quarterly financial disclosure filing deadlines
- Include additional contacts to ensure all those with a role in disclosure are alerted



Export Trade Data

- Use EMMA Trade Monitor to export trade data from **EMMA**® to a desktop application
 - Analyze the prices, yield and amount of secondary market trade activity of municipal bonds
 - Support evaluation of pricing for new issues
 - Access with an organization account



Set Up an Organization Account

- Creates single continuing disclosure submission account for all staff of an issuer
- Allows master account administrator to securely and independently manage staff access
- Required to customize Issuer Homepage and export data from Trade Monitor



dataport.emma.msrb.org/AboutDataport.aspx

MSRB Support

- MSRB provides one-on-one telephone and webinar appointments to assist with:
 - Setting up an organization account
 - Signing up for email reminders
 - Customizing your issuer homepage
- Fill out the detachable contact card to request an appointment with MSRB Support
- **MSRB Support**
703-797-6668
MSRBsupport@msrb.org



Importance of Financial Disclosure Obligations

The Disclosure Framework

- Securities Exchange Act of 1934
 - Prohibits fraudulent, inaccurate or misleading information in disclosures to investors
 - Material information may not be omitted
- SEC Rule 15c2-12
 - Financial and Operational Information
 - Event Notices
- SEC Rule 10b-5
 - Anti-fraud provisions

The Disclosure Framework (*continued*)

- Continuing Disclosure Agreements
 - Typically include sections on:
 - Required timing of annual financials
 - Content that must be included in annual financials
 - Types of events that will warrant continuing disclosure
 - Information related to prior compliance with SEC Rule 15c2-12
 - Often included as exhibits or appendices in official statements
 - Details and requirements can vary from issue to issue

Types of 15c2-12 Continuing Disclosures

- Financial or Operational Information
 - Annual financial information concerning issuers or other obligated persons, or other financial information and operating data provided by issuers or other obligated persons; and
 - Audited financial statements for issuers or other obligated persons, if available
 - Submitted to **EMMA**® on or before date agreed to in continuing disclosure agreement
- Event Notices
 - Submitted within 10 business days of the event

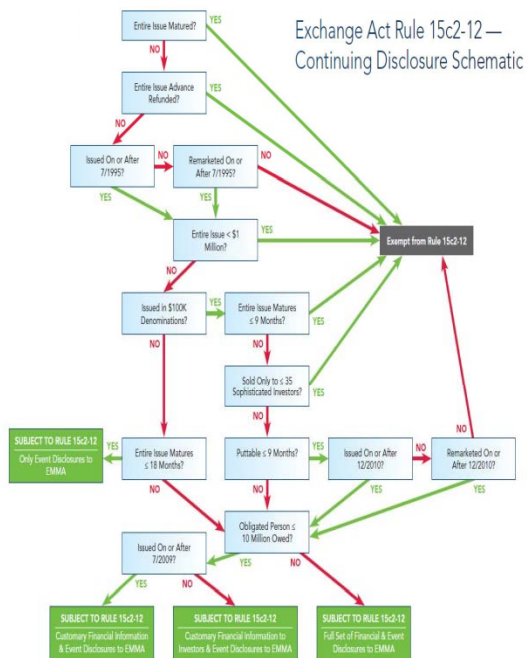
Types of 15c2-12 Event Notices

- Principal and interest payment delinquencies
- Non-payment related defaults
- Unscheduled draws on debt service reserves reflecting financial difficulties
- Unscheduled draws on credit enhancements reflecting financial difficulties
- Substitution of credit or liquidity providers, or their failure to perform
- Adverse tax opinions or events affecting the tax-exempt status of the security
- Modifications to rights of security holders
- Bond calls and tender offers
- Defeasances
- Release, substitution or sale of property securing repayment of the securities
- Rating changes
- Bankruptcy, insolvency or receivership
- Merger, acquisition or sale of issuer assets
- Appointment of successor trustee

Improving Municipal Financial Disclosure

- SEC's July 2012 report on the municipal securities market highlighted issue of inadequate disclosure
- SEC's March 2014 Municipalities Continuing Disclosure Cooperation (MCDC) Initiative
 - 40% increase in financial and operating disclosure submissions to **EMMA**® in June 2014 versus June 2013, attributable to MCDC
 - Average year-to-year increase in June filings is 7%
 - CAFR submissions also up over 30%

MSRB Market Transparency Advisory



- Types of information issuers must publicly disclose under SEC Rule 15c2-12 for various types of offerings
- How to use **EMMA**[®] to make these disclosures
- Benefits of timely and complete disclosures for issuers and investors alike
- msrb.org/Rules-and-Interpretations/Regulatory-Notices/2013/2013-18.aspx



Bank Loans and Voluntary Disclosure

Submitting Voluntary Disclosures

- Issuers may provide additional information to market participants on a voluntary basis via **EMMA**® including:
 - Pre-sale information such as preliminary official statements or investor and rating agency presentations
 - Information about the timing of and accounting standard used to prepare annual financials
 - Investor website address
 - Information about bank loans

Bank Loan Disclosure

- Disclosure of bank loans and debt-like obligation provides fullest picture of an issuer's liquidity or credit profile
- MSRB calls for more voluntary disclosure
 - [Market Advisory, Jan. 2015](#)
 - [Letter on SEC Rule 15c2-12, Jan. 2015](#)
 - [Notice on Voluntary Disclosure Process, April 2012](#)
 - [Notice on Direct Purchases and Bank Loans as Securities, Sept. 2011](#)



MSRB Resources on Bank Loans and Other Debt-like Obligations

The Municipal Securities Rulemaking Board (MSRB) believes that the availability of timely disclosure of additional debt in any form and debt-like obligations is beneficial to foster market transparency and to ensure a fair and efficient municipal market. The MSRB is concerned that investors and other market participants are often unaware of the potential impact of bank loans and other debt-like obligations on the seniority status of existing bondholders and the credit or liquidity profile of an issuer, among other implications. The MSRB developed the below resources to encourage voluntary disclosure of bank loans and other debt-like obligations of municipal securities issuers.

► MSRB Market Advisory on Disclosure of Bank Loans

January 2015

The MSRB advocated for enhanced transparency of undisclosed debt and provided best practices to support voluntary disclosure of bank loan information through the MSRB's EMMA website.

[Read the advisory.](#)

► MSRB Comment Letter on Securities and Exchange Commission Rule 15c2-12

January 2015

The MSRB urged the SEC to revisit its municipal market disclosure rule, Rule 15c2-12, and to consider changes to improve its operation and reflect current market practices. The letter encouraged the SEC to look to its disclosure standards for the corporate market as a precedent for disclosure of off-balance sheet obligations such as bank loans.

[Read the comment letter.](#)

► MSRB Notice Concerning Voluntary Disclosure of Bank Loans to EMMA®

April 2012

The MSRB first encouraged state and local governments in 2012 to make information about their bank loans publicly available on a voluntary basis on the EMMA website.

[Read the regulatory notice.](#)

► MSRB Notice on Potential Applicability of MSRB Rules to Certain "Direct Purchases" and "Bank Loans"

September 2011

The MSRB advised the market that bank loans could, depending on the nature of the transaction, be a private placement of municipal securities and therefore subject to specific regulatory requirements, including disclosure. Because determining whether these products are loans or securities is not a straightforward analysis, the MSRB encouraged the SEC to provide further guidance on this issue.

[Read the regulatory notice.](#)



Municipal Advisor Regulation

Municipal Advisor Regulation

- Dodd-Frank Act of 2010 charged the MSRB with regulating professionals that provide advice to issuers on municipal finance transactions and products in order to:
 - Protect state and local governments and other municipal entities that engage the services of a municipal advisor
 - Promote a fair and efficient market
 - Preserve municipal market integrity

Recent Municipal Advisor Rulemaking

Purpose	Rule	Status
Establishing Supervision and Compliance Obligations	New MSRB Rule G-44	Effective April 23, 2015
Creating Professional Qualifications Requirements	Amended MSRB Rules G-2, G-3 and D-13	Effective April 27, 2015
Establishing Core Standards of Conduct	New MSRB Rule G-42	Filed with SEC April 2015
Prohibiting Pay-to-Play in Municipal Advisory Business	Amended MSRB Rule G-37	Preparing for SEC filing
Regulating Gifts and Gratuities in Municipal Advisory Business	Amended MSRB Rule G-20	Preparing for SEC filing

What to Expect from Your Advisor

- ✓ Registration with SEC and MSRB
- ✓ Federal fiduciary duty to municipal entity clients
- ✓ Fair dealing with all clients (municipal entities and obligated persons)

Coming Soon:

- ✓ Professional qualification exam requirement in 2016
- ✓ Proposed prohibitions on pay-to-play activities
- ✓ Proposed limitations on gifts
- ✓ Proposed Rule G-42 duties for non-solicitor municipal advisors

Proposed MSRB Rule G-42

Duties of Non-Solicitor Municipal Advisors

- Aims to ensure that municipal advisors are fulfilling their fiduciary duty to their municipal entity clients, and their duty of care toward all clients
- Duties under the proposed rule include:
 - Standards of conduct – duty of care and duty of loyalty (applicable to municipal entity clients)
 - Disclosure of conflicts of interest
 - Documentation of the municipal advisory relationship in writing
 - Suitability of recommendations
 - Specific prohibitions against excess compensation, misrepresentation of knowledge or qualifications, fee-splitting with underwriters, third-party payments and certain principal transactions



Resources

MSRB Education Center



[MSRB Home](#) | [EMMA®](#) | [News & Events](#) | [Contact](#)

Search the Education Center...



Welcome to the MSRB Education Center. This free and objective set of resources seeks to educate investors, state and local governments, and others interested in learning about the \$3.7 trillion municipal securities market. A multimedia library of information explains how the market works and how participants can make more informed decisions.

Understanding the Municipal Market



About Municipal Securities



Lifecycle of a Bond



529 College Savings Plans

For Investors



Preparing to Invest



Buying and Selling Bonds



Monitoring Bonds

For State & Local Governments



Issuing Municipal Securities



Monitoring Securities



Disclosing Information to Investors



Glossary



Videos



Fact Sheets



Webinars



Podcasts Coming Soon



Getting Started

- ✓ Set up an organization account
 - Streamline disclosure submission process
 - Customize Issuer Homepage
 - Access EMMA Trade Monitor
- ✓ Sign up for financial disclosure email reminders
 - Ensure anyone with a role in timely filing receives an automated reminder
 - Keep track of filing deadlines
- ✓ Manage your issuer homepage
 - Provide key contacts
 - View all bond issues and recent trade data
 - Organize information for investors

Contact the MSRB

MSRB Online

msrb.org

emma.msrb.org

MSRB Support

703-797-6668

Hours of Operation:

7:30 a.m. - 6:30 p.m. ET

MSRBsupport@msrb.org

MSRB Email Updates

— Subscribe at msrb.org

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