

## SEC SIMPLIFIES CONTINUING DISCLOSURE RULE

### What Did the SEC Change In Rule 15c2-12?

In December 2008, the SEC voted to simplify continuing disclosure filing requirements for municipal securities issuers. Beginning July 1, 2009, issuers or obligated parties will no longer need to file documents at multiple Nationally Recognized Municipal Securities Information Repositories (NRMSIRs) but instead will file at a single designated location. The SEC decision also will provide free public access to continuing disclosure documents filed by issuers.

### What Does the Rule Change Mean for Issuers?

- Starting July 1, 2009, continuing disclosures, such as annual financial information and material event notices, are to be electronically filed at a single location, the Electronic Municipal Market Access (EMMA) system.
- The rule change does not place additional disclosure obligations on issuers, agents or obligated persons; it merely changes the submission process.
- There are no costs associated with EMMA filings.
- Issuers/obligors also will be able to submit past annual financial filings and material event notices to EMMA.
- Submissions to EMMA will satisfy submission obligations to multiple NRMSIRs under existing continuing disclosure agreements (CDAs) and it will no longer be necessary to file with the NRMSIRs.
- Issuers/obligors should check with their disclosure or bond counsel if they have questions about existing CDAs. All new CDAs should state that submissions will be filed with EMMA.
- For issuers/obligors with less than \$10 million in municipal securities outstanding, annual financial and operating information that previously would have been provided to investors upon request will, for new issues on or after July 1, 2009, now be submitted to EMMA.

## THE MSRB'S ELECTRONIC MUNICIPAL MARKET ACCESS (EMMA) SYSTEM

### What Is EMMA?

EMMA, the Electronic Municipal Market Access system, is a website that provides free information about individual municipal securities, including disclosure documents and trade price data. EMMA was created by the Municipal Securities Rulemaking Board, and approved by the Securities and Exchange Commission, to provide a central and accessible location where investors can obtain municipal bond information.

EMMA currently houses electronic versions of official statements submitted by underwriters since 1990 and real-time and historic municipal bond trade data since January 2005. Beginning July 1, 2009, EMMA will accept, and post for free to the public, ongoing disclosure information for municipal bond issues. These documents will be matched to existing documents and trade data on each security, providing investors with a single source of consolidated disclosure and trade price information.



July 1, 2009 is the first date on which all continuing disclosures must be submitted to EMMA rather than to the existing NRMSIRs. A pilot submission program will be made available prior to this date to give issuers/obligors an opportunity to create accounts and learn more about the submission process.

## FREQUENTLY ASKED QUESTIONS ABOUT SUBMITTING DOCUMENTS TO EMMA

### When do I need to begin submitting documents to EMMA?

Beginning July 1, 2009, all continuing disclosure documents obligated under continuing disclosure agreements (CDAs) are to be submitted to EMMA, rather than to existing NRMSIRs, at such times as set forth in each CDA.

### What documents do I submit?

CDAs outline what information is to be submitted, including annual financial statements, material event notices and other disclosure items described in each CDA. MSRB also expects to accept other voluntary filings.

### What format must I use to submit documents?

Continuing disclosure documents are to be submitted electronically to EMMA as portable document format (PDF) files.

### Where do I submit the documents?

Issuers and their agents simply should go to the EMMA Dataport at [www.emma.msrb.org](http://www.emma.msrb.org).

### What happens to my submission?

EMMA will make all documents submitted available to the public within 15 minutes of submission. Neither the EMMA system nor the MSRB will change or adjust submissions. They will be posted on EMMA exactly as sent by the issuer/obligor. Users of EMMA can search, view and download all documents related to a particular issue or security. All information submitted by issuers will be displayed chronologically on EMMA for each security.

### What if I make an incorrect filing?

EMMA will allow issuers/obligors making submissions to review submitted documents and resubmit documents to correct any errors.