

**MEMO# 24316**

May 24, 2010

## **MSRB Proposes to Amend Proposal Permitting Voluntary Disclosures on EMMA**

[24316]

May 24, 2010

TO: MUNICIPAL SECURITIES ADVISORY COMMITTEE No. 19-10    RE: MSRB PROPOSES TO  
AMEND PROPOSAL PERMITTING VOLUNTARY DISCLOSURES ON EMMA

The Municipal Securities Rulemaking Board (“MSRB”) has filed with the Securities and Exchange Commission an amendment to its proposal that would permit voluntary disclosures of certain information by issuers through the MSRB’s Electronic Municipal Market Access (“EMMA”) system. [\[1\]](#) The MSRB’s original proposal would have allowed an issuer to elect to have the EMMA website highlight the issuer’s undertaking to provide annual financial disclosures to EMMA within 120 days after the end of the issuer’s fiscal year, as well as its undertaking to prepare audited financial statements according to certain industry accounting standards. The proposed amendment would require that these undertakings be included in the contractual agreements entered into by the issuer or its obligated person, under Securities Exchange Act Rule 15c2-12, as a condition to having such undertakings highlighted on EMMA. Specifically, the amendment would clarify that the EMMA indicator with respect to either of these voluntary undertakings would be indicative of an issuer’s voluntary undertaking, entered into as a contractual obligation, for the benefit of bondholders, under a continuing disclosure agreement or another contract.

If the issuer or obligated person later rescinds the undertaking through an amendment to the continuing disclosure agreement or other contractual arrangement, the issuer or obligated person would be expected to remove the indicator of its voluntary undertaking on EMMA. The proposed amendment would become effective within twelve months of SEC approval.

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**endnotes**

[1] See MSRB Notice 2010-14, *MSRB Amends Pending Proposal on Additional Voluntary Submissions by Issuers and Obligated Persons to the MSRB's Electronic Municipal Market Access System (EMMA) in Response to Securities and Exchange Commission Request* (May 21, 2010), available at <http://www.msrb.org/msrb1/whatsnew/2010-14.asp>. See also, Memorandum to Municipal Securities Advisory Committee 38-09 [23737], dated August 24, 2009, available at [http://www.ici.org/my\\_ici/memorandum/memo23737](http://www.ici.org/my_ici/memorandum/memo23737).

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