Putting EMMA® to Work for You

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Presentation Outline
- Role of the MSRB
- About EMMA®
- EMMA® Tools for Issuers
- Understanding and Complying with Financial Disclosure Obligations
- Submitting Voluntary Disclosures to EMMA®
- MSRB Resources

Role of the MSRB
- A self-regulatory organization created by Congress in 1975
- Protects investors and issuers of municipal securities
- 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
About EMMA®

The EMMA® Website
- Launched by the MSRB in 2008
- Serves as official, free and public source of trade data and disclosure information on virtually all municipal securities
- Provides a platform for issuers to communicate with investors
emma.msrb.org

Data Available on EMMA
- Trade Prices and Yields
- Credit Ratings
- Variable Rate Securities Information
  - Interest rate resets
  - Credit enhancement documents
- Market Statistics
  - New issuance
  - Trade statistics
  - Disclosure statistics

Disclosures Available on EMMA
- Official Statements
- Ongoing Financial Disclosures
- Event Notices
- Advance Refunding Documents
- 529 Plan Disclosure
- Political Contribution Disclosure

Navigating EMMA
- 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
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

Top Ways Issuers Use EMMA

- Comply with Financial Disclosure Obligations
- Provide Information to Investors
- 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

Issuer Homepage Features

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

- Customize and consolidate issuer information in a single location on EMMA®
  - Custom 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 responsible for disclosures 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 with Trade Monitor

MSRB Support

- MSRB provides one-on-one phone and webinar appointments to assist with:
  - Setting up an organization account to submit disclosures
  - Signing up for email reminders
  - Customizing your issuer homepage
- Fill out the detachable contact card to request an appointment with MSRB Support
- MSRB Support
  703-797-6568
  MSRBsupport@msrb.org

Understanding and Complying with 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
• Continuing Disclosure Agreements
  – When, how and for which parties disclosures are to be provided

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
  – Voluntary program
  – Encourages issuers and underwriters to self-report disclosure violations
  – Reduced sanctions if violations reported before enforcement investigation uncovers them

Improving Municipal Financial Disclosure (continued)

• Recent SEC securities fraud charges
  – State of Illinois: Inadequate pension disclosures
  – Harrisburg, PA: Misleading statements made outside of its securities disclosure documents
  – Victorville, CA: Inflated property valuations of security for bonds
  – South Miami: Failure to disclose threats to tax-exempt eligibility
  – City of Miami: False and misleading statements
  – West Clark Community Schools, IN: False statements and noncompliance with continuing disclosure obligations
  – Wenatchee, WA: Inaccuracies in the primary disclosure document resulting in $20,000 fine; first time SEC assessed financial penalties against an issuer

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

Submitting Disclosures

• Go to EMMA® Dataport
• Sign in with an organization account

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
MSRB Education Center

- Single location for free educational resources on the municipal market
- Three easy ways to learn about the municipal market:

  - Videos
  - Fact Sheets
  - Podcasts

  msrb.org/EducationCenter.aspx

Educational Resources on Financial Disclosures

- Educational podcasts
- Checklist on preparing to submit
- Video tutorials

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 responsible for timely filing receives an automated reminder
  - Keep track of filing deadlines

✓ Manage your issuer homepage
  - Customize your issuer homepage
  - View all outstanding issues in a single location
  - Help investors find information about your bond issues

dataport.emma.msrb.org/AboutDataport.aspx

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

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