

Deadline Near for Passing the Municipal Advisor Qualification Exam

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On September 12, 2016, the Municipal Securities Rulemaking Board (“MSRB”) began offering the Municipal Advisor Representative Qualification Examination (the “Series 50 Exam”). Municipal advisor professionals must pass the Series 50 Exam by September 12, 2017. After September 12, 2017, municipal advisor representatives who have not passed the Series 50 Exam may not engage in municipal advisory activities on behalf of municipal advisors. Additionally, municipal advisor principals who have not passed the Series 50 Exam may not directly engage in the management, direction or supervision of the municipal advisory activities of municipal advisors.

Municipal advisory activities means, absent the availability of an exclusion or exemption: (i) providing advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues; or (ii) solicitation of a municipal entity or obligated person.

For Municipal Entities and Obligated Persons: Municipal entities and obligated persons should verify whether the municipal advisor professionals that they have engaged or plan to engage have passed the Series 50 Exam. Verification could help ensure there are no disruptions in the delivery of municipal advisory services. The MSRB provides a list of municipal advisor professionals that have passed the Series 50 Exam on its website [here](#).

For Municipal Advisors: Municipal advisors should ensure that their municipal advisor professionals have taken and passed the Series 50 Exam. The MSRB has reminded municipal advisors that they owe municipal entity and obligated person clients a duty of care and it could be deemed inconsistent with that duty if a municipal advisor undertakes to provide municipal advisory services when it knows or should know that it will not be able to complete the engagement for such services beyond September 12, 2017.

Municipal advisors have an obligation to ensure that every associated natural person is qualified. After September 12, 2017, municipal advisors should make certain that non-qualified associated natural persons are not engaging in regulated activity until qualified. Municipal advisors seeking to qualify their municipal advisor professionals should consult the MSRB’s website [here](#).

For More Information: Our team helps clients manage the full range of compliance issues facing public finance professionals. Our attorneys have experience inside government, both

developing the regulatory framework for the public finance market and enforcing securities laws. Should you require additional information, please contact Paul Maco at 202.828.5821, Ed Fierro at 713.221.1107 or Britt Steckman at 202.828.5831.