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## [MSRB Updates Market Participants on Progress of Proposed Standards of Conduct for Municipal Advisors.](#)

The Municipal Securities Rulemaking Board (MSRB) is updating the municipal advisory community and other market participants on the status of the development of MSRB Rule G-42, on duties of non-solicitor municipal advisors. As a reminder, the following steps of the rulemaking process have been completed:

### COMPLETED STEPS

#### **Request for Comment, January 2014**

Draft MSRB Rule G-42 seeks to ensure that municipal advisors are fulfilling their fiduciary duty to their municipal entity clients and their duty of care toward all clients.

#### **Review of Comments Received, March 2014 - August 2014**

The MSRB received significant public comment on the initial draft rule and determined to seek additional public comment on a revised draft rule.

#### **Second Request for Comment, July 2014**

Input on the revised draft rule has significantly aided the MSRB in its further development of the rule.

The MSRB Board of Directors has approved the submission of a further revised version of the rule for the SEC's formal consideration. The process related to this formal submission is described below.

### NEXT STEPS

#### **Formal Filing to the SEC**

The MSRB plans to submit a revised version of the rule for the SEC's formal consideration. The MSRB will distribute a link to the filed rule proposal to all registered firms.

#### **Publication of MSRB Filing in Federal Register**

When the SEC receives the filing, it will publish the MSRB's proposed rule in the Federal Register for an additional public comment period, the length of which is determined by the SEC but typically is 21 days. The MSRB will notify registered firms about this opportunity for comment via email.

#### **SEC Action on Proposed Rule**

Following the Federal Register comment period, the SEC will have 45 days to act on the proposed rule, during which time the MSRB typically responds to all public comments received by the SEC. The SEC can seek up to a 45-day extension of its deadline to act, and then institute additional proceedings to determine what action to take that can last up to an additional 150 days.

#### **Effective Date of MSRB Rule**

The MSRB anticipates that the rule, if approved, would become effective six months following the date of approval. The information in this status update is being provided so that advisors may plan,

as much as possible given the nature of the rulemaking process, for the effectiveness of any approved rule. Advisors are encouraged to familiarize themselves with the proposed rule that the MSRB files with the SEC to begin to consider implementation strategies and how they would prepare timely to comply with an approved rule.

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