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MSRB Initiates Retrospective Review of Underwriter Disclosures to Issuers.

Washington, DC – As part of its commitment to ongoing review of its rules and published interpretations, the Municipal Securities Rulemaking Board (MSRB) is [seeking comment on existing interpretive guidance that addresses the application of the MSRB's fair-dealing rule to underwriters of municipal securities](#). The guidance, adopted in 2012, established obligations for underwriters, including requirements to disclose information to issuers about the nature of their relationship and risks of transactions recommended by the underwriters, among other information.

“The MSRB has received informal feedback from market participants that the disclosure requirements adopted in 2012 could more effectively and efficiently achieve their intended purpose of assisting issuers in making informed decisions when engaging the services of an underwriter,” said MSRB President and CEO Lynnette Kelly.

For example, Kelly said, some market participants have indicated that underwriters' disclosures are duplicative, often boilerplate and burdensome for issuers to review. In addition, dealers have observed that in some cases the burdens on them of requiring certain disclosures may not be fully justified by the informational value to issuers.

“Soliciting formal public comment will help us consider whether and how to amend the guidance to improve its effectiveness and efficiency,” Kelly said.

[Read the request for comment.](#) Comments should be submitted no later than August 6, 2018.

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