

Bond Case Briefs

Municipal Finance Law Since 1971

Requesting Interpretive Guidance from the MSRB.

The MSRB is committed to facilitating industry understanding of, and compliance with, MSRB rules. The MSRB welcomes inquiries by regulated entities, including brokers, dealers and municipal securities dealers and municipal advisors, as well as issuers, attorneys, investors and other market participants relating to MSRB rules. To help ensure that requesters receive meaningful, effective and responsive assistance, the information below is provided to assist requesters in understanding the process and guidelines for asking for assistance from the MSRB.

Oral Interpretive Requests

A requester may contact the MSRB by telephone at 202-838-1330 to seek assistance in understanding an MSRB rule. MSRB Staff often can resolve many inquiries over the telephone by referring the caller to the specific rule language, any associated interpretive guidance, along with compliance resources and educational material that can be found on the MSRB's website at msrb.org.

In addition, the MSRB may receive inquiries from regulated entities on existing MSRB rules and interpretations that relate to a pending regulatory examination. To promote regulatory certainty essential to an effective regulatory framework, the MSRB staff may address, as appropriate to safeguard the integrity of the examining and disciplinary processes, an inquiry directly with the regulated entity or directly or jointly with the applicable examining authority (U.S. Securities and Exchange Commission, Financial Industry Regulatory Authority, Federal Reserve Board of Governors, Federal Deposit Insurance Corporation or Office of the Comptroller of the Currency).

As telephone inquiries are often, by their nature, informal and lack supporting documentation, responses will not necessarily contain a discussion of all material considerations, address the applicability of all MSRB rules or interpretations or all the possible regulatory and legal issues that may be involved. Information provided by MSRB staff in response to a telephone inquiry is intended as general information based on the facts as described by the requester, does not express any legal conclusion on the questions presented and should not be relied on as a definitive legal position of the MSRB.

Written Interpretive Requests

If a requester is seeking a more formal response to an inquiry, they may submit a written request for interpretive guidance to the MSRB at: MSRB Market Regulation, 1300 I Street NW, Suite 1000, Washington, DC 20005 or via email at: legalmail@msrb.org.

The written request should reflect any prior communications with MSRB staff relating to the issues presented; it is generally beneficial to speak with MSRB staff in advance of submitting a written interpretive request to discuss the request and allow staff to raise any additional questions that may help facilitate the interpretive guidance. The written request should include a description of the facts relating to the interpretive question, the MSRB rule(s) to which the facts relate and a description of the scenario under which those facts could arise. Upon receipt of a written interpretive request, MSRB staff will send an acknowledgement letter to the requester. The amount of time to provide a response to a written request for interpretive guidance varies depending on the

facts and circumstances raised.

Depending on the specific facts and circumstances raised, MSRB staff may respond to the request orally or in writing or conclude that it is not appropriate to respond to the request. Additionally, in some circumstances, a written response to a request for interpretive guidance may necessitate formal Board action and could require SEC approval. MSRB staff will inform the requester of the internal process and provide opportunities throughout the process to supplement or withdraw the initial request.

The Role of the MSRB in Providing Interpretive Assistance

MSRB staff can only provide guidance on matters that raise questions of interpretation under the MSRB's rules and such guidance does not provide an exemption, safe harbor or no-action relief from compliance with MSRB rules. In responding to requests, the MSRB is not acting as the requester's attorney and communications are not subject to an attorney-client privilege.