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MSRB Elects New Board Leadership and Announces New Members for FY 2023 at Quarterly Meeting.

Washington, DC - The municipal market's self-regulatory organization (SRO) met July 27-28, 2022 for its final quarterly Board of Directors meeting of Fiscal Year 2022. The Municipal Securities Rulemaking Board (MSRB) elected new officers and announced four new members who will join the Board in FY 2023.

Also at its meeting, the Board discussed current and forthcoming initiatives to advance its mission of protecting and strengthening the \$4 trillion market that enables access to capital, economic growth, and societal progress in tens of thousands of communities across the country.

"The work of an SRO is never more important than at a time of profound evolution and modernization of financial markets," said MSRB Chair Patrick Brett. "I am proud and grateful to have served alongside a dedicated Board of experts steeped in the characteristics of our unique market, who have not shied from advancing an ambitious agenda. With engagement from a broad universe of market stakeholders, the MSRB has taken meaningful steps to enhance the efficiency and transparency of municipal market structure, to deepen our own and the broader market's understanding of how market practices are evolving, and to create opportunities for collaboration that will yield powerful new technology platforms and data analytics capabilities."

Board Leadership and New Members for FY 2023

Brett's term as Chair and Board member ends September 30, 2022. The Board announced today that it has elected public member Meredith L. Hathorn, Managing Partner, Foley & Judell, L.L.P. in Baton Rouge, LA, to serve as FY 2023 Chair of the Board. Public member Carol Kostik, the retired former deputy comptroller for public finance for the City of New York, will serve as Vice Chair. Officer terms are one year. The Board also announced the incoming class of four new Board members whose terms will begin October 1, 2022.

Chair-elect Hathorn, the FY 2022 Vice Chair and head of the Board's Nominating Committee said, "Each year, we cast a wide net to identify a new class of market experts to join us on the Board. We thank each applicant for their willingness to give back to our market, and we could not be more pleased to welcome four new members who each bring a distinct perspective, a wealth of experience and an outstanding commitment to overseeing the execution of the MSRB's long-term strategic goals."

New public members joining the MSRB Board in Fiscal Year 2023 are institutional investor representative David F. Belton, Director, American Family Insurance; and municipal issuer representative Horatio Porter, Chief Financial Officer, North Texas Tollway Authority. Joining the Board as regulated members are: bank representative Patrick O. Haskell, Managing Director and Head of Municipal Securities and Co-Head of Fixed Income Retail Capital Markets, Morgan Stanley; and municipal advisor representative Jill Jaworski, Managing Director and Partner, PFM Financial Advisors. The new Board members were selected from more than 70 applicants this year.

For FY 2023, the Board will have 15 members, including eight independent public members and seven members from MSRB-regulated broker-dealers, banks and municipal advisors. The size of the Board was reduced as part of a series of governance enhancements that also tightened standards of independence for public members and established a lifetime service limit for Board members. To implement the transition plan to a smaller Board, the terms of a current public member on the Board, Donna Simonetti, and one regulated member, Francis “Frank” Fairman, have been extended one year. Board member Daniel Kiley’s term also has been extended one year to complete the final year of a vacancy created by the 2021 resignation of a regulated representative on the Board.

Market Regulation

The Board discussed the status of the ongoing retrospective rule review to holistically consider its rules and interpretive guidance and identify opportunities to streamline, update and promote consistency with rules of other regulators. The Board authorized staff to prepare a new request for comment on MSRB Rule G-47 to seek feedback on a proposal to codify interpretive guidance and specify certain additional information that may be material and require time of trade disclosures to customers. The MSRB plans to engage with stakeholders prior to the release of the request for comment.

In coordination with the Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA), the MSRB is preparing to issue a request for comment in the coming week on proposed amendments to shorten MSRB Rule G-14’s time of trade reporting requirements as part of an initiative to enhance post-trade transparency across fixed income markets.

Market Transparency

The Board received a demonstration of continued work to develop the future-state MSRB.org website. The MSRB website is being redesigned to make MSRB rules, compliance resources, educational materials and other information easier and more intuitive to find, and to complement the ongoing work to modernize the Electronic Municipal Market Access (EMMA®) website and related market transparency systems.

Market Structure and Data

The Board continued its ongoing discussions about market structure, including the potential implications for the MSRB’s rules of the SEC’s proposal to bring more Alternative Trading Systems (ATSS) under the regulatory umbrella. Additionally, the Board discussed working with staff to develop coordinated proposals with fellow regulators on the collection of pre-trade data in the fixed income markets. The Board also discussed potential new opportunities to support the market’s use of structured data by leveraging EMMA Labs, the MSRB’s innovation sandbox, to advance transparency and the quality and comparability of data in the municipal securities market.

“A common theme in our long-term strategic plan is the objective of advancing market efficiency, improving price transparency, and enhancing overall market liquidity, especially in light of the opportunities presented by evolving technology and market practices across the fixed income markets,” said MSRB CEO Mark Kim.

Public Trust

The Board approved a \$45 million operating budget to fund the operations of the MSRB for FY 2023, beginning October 1, 2022. A budget summary detailing the MSRB’s projected expenses, revenues and reserve levels will be published at the beginning of the fiscal year. The Board recently proposed

amendments to its fee setting process to ensure the MSRB collects only the revenue needed to fund its operations without accumulating excess reserves. Based on comments received on its proposal, the MSRB has advanced a revised proposal for filing with the SEC. The proposed amendments will be available for further public comment and would become operative on October 1, 2022.

Additionally, the Board discussed releasing a summary report in the coming weeks on comments received in response to its request for information on environmental, social and governance (ESG) practices in the municipal securities market, published in December 2021.

About the New MSRB Board Members

David Belton is Director at American Family Insurance, where he provides credit research and portfolio management for the company's municipal bond holdings, both tax-exempt and taxable. Prior to joining American Family, Mr. Belton was Senior Vice President and Head of Municipal Bond Research at Standish Mellon Asset Management, where he was also portfolio manager of several Dreyfus municipal bond funds. Mr. Belton began his career at Van Kampen Merritt and subsequently held positions at Stein Roe & Farnham and Federated Investors. He has been active in the National Federation of Municipal Analysts at both the local and national levels. Mr. Belton holds a bachelor's degree in political science from Haverford College and an MBA from the University of Chicago. He is a Chartered Financial Analyst.

Patrick O. Haskell is Managing Director and Head of Municipal Securities and Co-Head of Fixed Income Retail Capital Markets at Morgan Stanley. Prior to this role, Mr. Haskell was Head of Credit Complex Trading, Americas, which included the Securitized Products Group, Corporate Credit and Municipal Securities. Prior to joining Morgan Stanley, Mr. Haskell was Chairman and CEO of diversified water technology company Ecosphere Technologies. Mr. Haskell began his career in municipal bond sales at Credit Suisse First Boston and went on to become Head of U.S. Government Bond Trading before joining HSBC as a Managing Director and Head of North American Rates Sales and Trading. He previously served as Board Chair of Tradeweb and as Chairman of the Primary Dealer Committee of SIFMA. He currently serves as the Board Chair for Boy's Hope/Girl's Hope NYC. Mr. Haskell earned a bachelor's degree in economics from Union College.

Jill Jaworski is Managing Director and Partner at PFM Financial Advisors, where she manages the Chicago financial advisory practice, serving a range of clients in Chicago and the Midwest, as well as transit and transportation clients nationally with a focus on the South and Mid-Atlantic regions. Ms. Jaworski began her career as an analyst in public finance investment banking at First Albany Capital, eventually rising to Vice President. She also worked at Jefferies & Company prior to joining PFM Financial Advisors. Ms. Jaworski holds a bachelor's degree in political science from the University of Chicago.

Horatio Porter is Chief Financial Officer and Assistant Executive Director of Finance at the North Texas Tollway Authority, where he is responsible for executing the company's financial strategies. In this role, he leads the accounting, business diversity, procurement and treasury functions. Mr. Porter was previously Chief Financial Officer for the City of Fort Worth and an Assistant Vice President at AmeriCredit, Corp. (now GM Financial). He is a certified public accountant and holds a bachelor's degree in accounting and a master's of business administration in finance from Texas Christian University.

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