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## MSRB Revises Content Outline for the Municipal Advisor Representative Qualification Examination

### Overview

The Municipal Securities Rulemaking Board (MSRB) filed a proposed rule change with the Securities and Exchange Commission (SEC) on June 15, 2016, to revise the content outline for the Municipal Advisor Representative Qualification Examination (Series 50).<sup>1</sup> Periodic reviews of the content of the MSRB's qualification examinations are required to determine whether revisions are necessary or appropriate in view of changes to the laws, rules and regulations pertaining to the subject matter of the qualification examination. The content outline for the Series 50 has been amended to reflect changes to the laws, rules and regulations covered by the examination and, among other things, incorporate the functions and associated tasks performed by a municipal advisor representative.

The MSRB filed the revisions to the Series 50 content outline for immediate effectiveness and proposes to implement the revised Series 50 examination on September 12, 2016.

### Series 50 Content Outline Changes

MSRB Rule G-3(d) defines a municipal advisor representative as a natural person associated with a municipal advisor who engages in municipal advisory activities on the municipal advisor's behalf, other than a person performing only clerical, administrative, support or similar functions. Pursuant to MSRB Rule G-3(d), every municipal advisor representative is required to pass the Series 50 examination prior to acting in such capacity.

<sup>1</sup> On June 15, 2016, the MSRB filed these changes to the Series 50 content outline with the SEC. See [File No. SR-MSRB-2016-08](#).



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The Series 50 examination consists of 100 multiple-choice questions. Candidates are allowed 180 minutes to complete the examination.<sup>2</sup> Consistent with other financial regulatory qualification examinations, candidates may receive (at the option of their firm) an informational breakdown of their performance on each section of the examination and their pass/fail status at the completion of the testing session. The passing score for the Series 50 examination is 71%.

The Series 50 examination content outline has been prepared to assist municipal advisor representative candidates in preparing for the Series 50 examination and is available on the MSRB's website. The Series 50 examination content outline describes the following five topical sections comprising the examination:

- 1) Understanding SEC and MSRB Rules Regarding Municipal Advisors (12 questions);
- 2) Understanding Municipal Finance (35 questions);
- 3) Performing Issuer's Credit Analysis and Due Diligence (12 questions);
- 4) Structuring, Pricing and Executing Municipal Debt Products (31 questions); and
- 5) Understanding Requirements Related to the Issuance of Municipal Debt (10 questions).

The reference materials section of the Series 50 examination content outline is intended to provide candidates with a list of resources, which when used in conjunction with the Series 50 examination content outline, can assist candidates in preparing for the Series 50 examination.

As a result of recent rulemaking applicable to municipal advisors, the content outline for the Series 50 qualification examination was revised to reflect the current rule requirements and rule citations. Citations to MSRB Rule G-20, Gifts, Gratuities, Non-Cash Compensation and Expenses of Issuance; Rule G-37, Political Contributions and Prohibitions on Municipal Securities Business and Municipal Advisory Business; and Rule G-42, Duties of Non-

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<sup>2</sup> Prior to beginning the examination, candidates will receive a tutorial on how to complete the computerized examination. Candidates will be given 30 minutes to complete the tutorial in addition to the 180 minutes allowed to complete the examination.

Solicitor Municipal Advisors, were added to the outline. The citation to Rule G-32, Disclosures in Connection with Primary Offerings, was removed from the outline.

## **Permanent Series 50 Examination Program**

As provided for under MSRB Rule G-3, municipal advisor representatives are required to take and pass the Series 50 in order to engage in municipal advisory activities.<sup>3</sup> The permanent Series 50 examination will be available beginning September 12, 2016. To facilitate the transition to the new examination requirement, the MSRB is providing a one-year grace period, ending on September 12, 2017, during which individuals will be able to take the examination while continuing to engage in municipal advisory activities.

[Information about the Series 50 exam can be found on the MSRB's website.](#)

Questions about this notice may be directed to Michael Cowart, Deputy Director of Professional Qualifications - Assistant General Counsel, at 202-838-1500.

June 15, 2016

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<sup>3</sup> See Exchange Act Release No. 74384 (Feb. 26, 2015), 80 FR 11706 (Mar. 4, 2015), File No. SR-MSRB-2014-08.