New Issuer and Obligated Person Voluntary Disclosures on EMMA

Additional Capabilities Begin May 23, 2011
EMMA Overview

- EMMA is the official repository for municipal market disclosures, including primary market and continuing disclosures.
- The MSRB supports timely and complete disclosures by issuers and obligated persons.
- Over the last 18 months, the MSRB has made a number of enhancements to EMMA to facilitate investor access to information and allow issuers to communicate information to the municipal market.
EMMA Overview

What is Currently Available on EMMA?

- Official Statements (current and historical from 1990)
- Advance Refunding Documents (current and historical from 1990)
- 529 Plan Disclosure Documents
- Continuing Disclosure Documents
- Municipal Trade Data (real-time and historical from 2005)
- Interest Rate Reset Information for ARS and VRDOs
- Market Statistics
- Educational Resources

www.emma.msrb.org
EMMA and Voluntary Disclosures

- Currently, issuers can voluntary submit:
  - Financial-based continuing disclosures, such as quarterly financial information
  - Event-based continuing disclosures, such as a communication from the IRS

- On May 23, issuers will be able to voluntarily submit:
  - For the first time, voluntary primary market information
  - Additional voluntary continuing disclosure information

*EMMA provides a centralized platform to communicate key information and the opportunity to present a complete picture to investors.*
New Voluntary Disclosures

- Issuers
  - Preliminary official statements and related documents
  - Voluntary Primary Market
    - 529 College Savings Plan Documents
    - Official statements
    - Advance refunding documents
  - Information about the timing and accounting standard used to prepare annual financials and URL

- Obligated Persons
  - Information about the timing and accounting standard used to prepare annual financials and URL
Pre-Sale Documents: Preliminary Official Statements and Related Documents

- Preliminary Official Statements on EMMA
  - Provides details of potential new issue
  - Provides centralized access to potential new issues
  - Assist with gauging market interest, including potential underwriters and investors

- Related pre-sale documents
  - Flexibility for issuers in communicating with potential investors and underwriters
  - Examples: Notice of Sale, Advertisement
### Market Activity

EMMA’s market activity pages provide a window for viewing market-wide information about municipal securities. Click on the tabs below to view recent trade data, official statements, continuing disclosures, advance refunding documents, daily market statistics, and recent data on auction rate securities (ARS) and variable rate demand obligations (VRDO).

**Newly Posted Pre-Sale Documents**
View preliminary official statements and other pre-sale documents recently posted on EMMA. Click on Issue Description to download document.

#### Most recent postings of Pre-Sale Documents
Displaying 1 record.

<table>
<thead>
<tr>
<th>Posting Date/Time</th>
<th>Issuer Name</th>
<th>State</th>
<th>Issue Description</th>
<th>Dated Date</th>
<th>Pre-Sale Documents</th>
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**Pre-Sale Documents Search**

**Issuer Name:**

**Issue Description:**

**State:**

**CUSIP-6:**

**Preliminary Official Statement Date:**

**Posting Date:**

**Dated Date:**

**Search**  **Clear**  **Close**

**NEW Pre-Sale Search Function**
Official Statements and Advance Refunding Documents

- Mandatory dealer disclosure
  - Underwriter must submit official statement to EMMA pursuant to MSRB Rule G-32

- Voluntary issuer disclosure
  - Provide documents not required to be submitted by an underwriter or otherwise missing from EMMA
    - Primary offering less than $1,000,000
    - Exempt offerings
  - Provide updated documents or issue information
    - Amendments to documents after underwriting period
    - Replace abbreviated issuer name or issue description with plain English text
529 College Savings Plan Documents

- Mandatory dealer disclosure
  - Dealer primary distributor of 529 College Savings Plan
  - A Plan Disclosure Document must be submitted to EMMA by the dealer

- Voluntary issuer disclosure
  - State issuer markets 529 College Savings Plan directly to investors without the assistance of a dealer
  - A Plan Disclosure Document may voluntarily be submitted to EMMA, beginning May 23, by the issuer
Timing and Accounting Standards for Annual Financials

- Provide details about the timing and preparation of annual financials

  - **Timing**
    - 120 or 150 days after the end of the fiscal year

  - **Accounting standard**
    - GAAP-GASB or GAAP-FASB

- **Issuer or Obligated Person URL**
  - Additional financial or operating data
  - Issuer/obligated person information or project-specific information

*This information augments required underwriter-provided details of continuing disclosure agreements.*
Recent Continuing Disclosure Enhancements

- As of Feb. 2011 underwriters must report:
  - Existence of continuing disclosure agreement
  - Identities of Obligated Persons
  - Contractual timeframe for filing annual financials

NEW Visual confirmation of continuing disclosure agreement
NEW Visual display of timing for annual financials
NEW Display of most recent filing
NEW Easy-to-use format
NEW Voluntary Disclosure of Timing of Annual Financials (120/150 days)

NEW Voluntary URL with additional financial information

NEW Voluntary Disclosure of Accounting Standard (GASB/FASB)
EMMA and Continuing Disclosure

Continuing Disclosure Submissions*, July 2009–December 2010

- **By Number of Documents**
  - Annual Fin. Info. and Oper. Data: 14%
  - Rating Change: 9%
  - Quarterly/ Monthly Fin. Info.: 6%
  - Defeasance: 1%
  - Failure to Provide Annual Fin. Info.: 1%
  - Budget: 1%
  - Other: 10%
  - Audited Fin. Statements or CAFR: 17%
  - Bond Call: 41%

- **By Number of Securities**
  - Rating Change: 14%
  - Quarterly/ Monthly Fin. Info.: 5%
  - Bond Call: 3%
  - Budget: 2%
  - Failure to Provide Annual Fin Info: 2%
  - Interim/ Additional Fin. Info./Oper. Data: 1%
  - Other: 13%
  - Audited Fin. Statements or CAFR: 35%
  - Annual Fin. Info. and Oper. Data: 25%

*The MSRB officially began collecting disclosure information on July 1, 2009. Due to amendments made by the SEC to Rule 15c2-12, the MSRB reorganized certain categories of event-based continuing disclosures on December 1, 2010. See MSRB Notice 2010-32 for more information.
EMMA and Continuing Disclosure

Financial Disclosures July 2009–December 2010

By Number of Documents

By Number of Securities
Upcoming EMMA Enhancements

- **Current Credit Ratings**
  - Available on EMMA in September
  - Free to the public

- **Issuer account management**
  - Separate account necessary to make voluntary submissions we have discussed today
  - MSRB working to create single account for all issuer submissions
Upcoming EMMA Enhancements

- Additional ARS and VRDO Disclosure
- MSRB provides market-wide current interest rates and key information for ARS and VRDOs on EMMA
- In May, EMMA also will provide:
  - New data elements
    - ARS “bidding information”
    - Additional VRDO information
  - New documents
    - ARS auction procedures and interest rate setting mechanisms
    - VRDO liquidity facilities
- Changes effective: Monday, May 16, 2011
Questions?
Training Webinars

- The MSRB will host training webinars with step-by-step submission instructions
  May 10, 2011 10:30 a.m. EST
  May 19, 2011 at 2:30 p.m. EST
- Both webinars will cover identical information
- Sign up under the News, Events & Training > Upcoming Events at www.msrb.org
- Questions:
  MSRB Market Information Department
  (703) 797-6668
  MarketInformation@msrb.org
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