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[Rule G-3](#)

## MSRB Files Content Outline for Municipal Advisor Representative Qualification Examination (Series 50)

### Overview

Earlier this year, the Securities and Exchange Commission (SEC) approved amendments to Municipal Securities Rulemaking Board (MSRB) Rule G-3, which established the qualification examination requirements for municipal advisor representative and municipal advisor principal candidates.<sup>1</sup> To qualify as either a municipal advisor representative or municipal advisor principal, an individual must pass the Municipal Advisor Representative Qualification Examination (Series 50). The examination requirement is intended to protect municipal entities, obligated persons and the integrity of the municipal market by requiring municipal advisory professionals to possess the general knowledge necessary to be sufficiently qualified to perform municipal advisory activities.

On April 22, 2015, the MSRB filed the [Series 50 examination content outline](#) with the SEC for immediate effectiveness.<sup>2</sup> The Series 50 examination content outline sets forth the topic areas that will be covered in the Series 50 examination in order to measure a candidate's general knowledge of the municipal advisory industry, as well as the regulatory requirements, including MSRB rules, SEC rules, rule interpretations and other federal law, applicable to municipal advisory activities.

The Series 50 examination content outline has been developed to assist municipal advisor representative and municipal advisor principal candidates in preparing for the Series 50 examination and is available on the MSRB's

<sup>1</sup> See Exchange Act Release No. 74384 (Feb. 26, 2015), 80 FR 11706 (Mar. 4, 2015), File No. SR-MSRB-2014-08.

<sup>2</sup> The MSRB also filed the specifications for the selection of the Series 50 examination questions separately with the SEC, requesting confidential treatment by the SEC pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, to preserve the validity and integrity of the examination.



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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 Series 50 examination content outline contains a "reference materials" section that 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. The reference materials were recommended by municipal advisors as having been helpful resources in carrying out the job functions of a municipal advisor. The reference materials are not intended to be all-inclusive, nor are the reference materials intended to specifically represent content that may be covered on the examination.

## About the Series 50 Examination

The Series 50 examination will consist of 100 multiple-choice questions and candidates will be allowed 180 minutes to complete the examination.<sup>3</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. As provided for in MSRB Rule G-3(g) and consistent with other MSRB examinations, candidates that fail to pass the Series 50 examination are permitted to take the examination again after a period of 30 days has elapsed from the date of the prior examination. Any person, however, who fails to pass the Series 50 examination three or more times in succession will be prohibited from taking the examination again until six months has elapsed from the date the candidate last failed the examination.

To provide for an orderly transition to the new examination requirement for municipal advisor representatives and municipal advisor principals, the MSRB will allow municipal advisor professionals one year from the announced effective date of the Series 50 examination to pass the examination. This one-year grace period is intended to provide municipal advisor

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<sup>3</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.

representatives and municipal advisor principals with sufficient time to study for and take the examination without causing undue business disruption.

Prior to announcing the effective date of the Series 50 examination, the MSRB will conduct a pilot for the Series 50 examination. The Series 50 pilot examination will assist the MSRB in validating the bank of examination questions and establishing the passing score. The Series 50 pilot examination will consist of 120-125 questions and candidates will have 240 minutes to complete the Series 50 pilot examination.<sup>4</sup> Municipal advisor professionals who volunteer for the Series 50 pilot examination will be able to register for the pilot examination this fall. A municipal advisor representative or municipal advisor principal who takes and passes the Series 50 pilot examination will be qualified as a municipal advisor representative and will not be required to take the permanent Series 50 examination.<sup>5</sup> The candidates who volunteer will receive notification from the MSRB of their examination results approximately three months after taking the Series 50 pilot examination.

The MSRB will announce the dates and registration process for the Series 50 pilot examination in a notice published on the MSRB's website in the coming weeks.<sup>6</sup> In addition, the MSRB will announce an effective date for the permanent Series 50 examination in a notice published on the MSRB's website no later than one year from the date of this Regulatory Notice and with at least 60 days advance notice.

The MSRB will be hosting a webinar regarding the Series 50 pilot examination on June 11, 2015, at 3pm EST. To register for the webinar visit the [Upcoming Events page](#) at msrb.org.

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<sup>4</sup> Prior to beginning the pilot 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 240 minutes allowed to complete the examination.

<sup>5</sup> An individual who fails to pass the Series 50 pilot examination will, consistent with MSRB Rule G-3(g), still be allowed three attempts to pass the permanent Series 50 examination before having to wait a period of six months to take the permanent Series 50 examination again.

<sup>6</sup> For the most up-to-date information on the Series 50 pilot examination visit the [Municipal Advisor Professional Qualifications page](#) on the MSRB's website.

Questions about this notice may be directed to Michael Cowart, Assistant General Counsel, or Loretta Jones, Director of Professional Qualifications, at 703-797-6600.

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