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Stakeholders
Municipal Advisors

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MSRB Reminds Municipal Advisors that the Series 50 Exam Deadline Is September 12, 2017

Overview

The Municipal Securities Rulemaking Board (MSRB) is issuing this notice to remind municipal advisor firms of their obligation to ensure that every individual associated with the municipal advisor firm is qualified in accordance with the rules of the MSRB.¹ Pursuant to MSRB Rule G-3, an associated person of a municipal advisor firm who engages in municipal advisory activities on behalf of the municipal advisor firm is required to be qualified as a “municipal advisor representative” by passing the Municipal Advisor Representative Qualification Examination (Series 50 exam).²

On May 31, 2016, the MSRB announced that the Series 50 exam would be offered beginning on September 12, 2016 and municipal advisor representatives had until September 12, 2017 to satisfy the qualification requirement under MSRB Rule G-3. Municipal advisors were provided this grace period to ensure that associated persons engaging in municipal advisory activities on behalf of the firm could study for and pass the Series 50 exam without causing disruption to the business of the municipal advisor.

¹ MSRB Rule G-2 provides that no municipal advisor shall engage in municipal advisory activities unless the municipal advisor and every natural person associated with the municipal advisor is qualified in accordance with the rules of the MSRB.

² Municipal advisory activities mean those activities that would cause a person (who is not a municipal entity or employee of a municipal entity) to be a municipal advisor such as “providing advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues; or solicitation of a municipal entity or an obligated person.” See Securities Exchange Act Rule 15Ba1-1(e)(1) and (2).



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After September 12, 2017, only an associated person of a municipal advisor firm who has passed the Series 50 exam can engage in municipal advisory activities on behalf of the municipal advisor firm. Additionally, municipal advisor principals — those individuals associated with a municipal advisor who are directly engaged in the management, direction or supervision of the municipal advisory activities of the municipal advisor and its associated persons — must likewise qualify as a municipal advisor representative by passing the Series 50 exam.³

Municipal advisors are reminded that they owe municipal entity and obligated person clients a duty of care. It could be deemed inconsistent with that duty if a municipal advisor undertakes to provide municipal advisory services when it knows or should know that it will not be able to complete the engagement for such services beyond September 12, 2017.

Pursuant to MSRB Rule G-3(g), an individual who fails to pass the Series 50 exam is only permitted to take the exam again after a period of 30 calendar days has elapsed from the date of the failed examination. Importantly, an individual does not have to wait 30 calendar days from the date of the failed examination to make the appointment to retake the exam. An individual who fails to pass the Series 50 exam three times in succession is not permitted to take the exam again until 180 calendar days (six months) have elapsed from the date the individual last failed the exam.

The MSRB has updated its Frequently Asked Questions on the Series 50 exam to provide municipal advisors important information to prepare for the expiration of the one-year grace period, including the enrollment process for the Series 50 exam.

Access information about the Series 50 exam on the MSRB's website.

- [FAQs on the Series 50 exam](#)
- [Content outline for the Series 50 exam](#)

Questions about this notice should be directed to Gail Marshall, Associate General Counsel-Enforcement Coordination, or Bri Joiner, Manager, Professional Qualifications, at 202-838-1500.

³ MSRB Rule G-3(e).