

FAQs on Municipal Advisor Principal Qualification Examination Requirements and Professional Qualification Standards **Series 54 Examination**

Introduction

The Municipal Securities Rulemaking Board (MSRB) developed this document to provide guidance to municipal advisors and their associated persons on the classification, qualification and examination requirements under [MSRB Rule G-2](#) on Standards of Professional Qualification and [MSRB Rule G-3](#) on Professional Qualification Requirements.

MSRB Rule G-2 requires, in part, 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 MSRB.

MSRB Rule G-3 outlines the professional qualification requirements that must be satisfied in order for municipal advisor professionals to engage in municipal advisory activities on behalf of the municipal advisor and/or to engage in the management, direction or supervision of the municipal advisory activities of the municipal advisor firm.

Frequently Asked Questions

Classifications

1. Who must qualify by examination with the Series 54 exam?

Any person associated with a municipal advisor who intends to engage in the management, direction or supervision of the municipal advisory activities of the municipal advisor firm and that of its associated persons must take and pass both the Series 50 exam and Municipal Advisor Principal Qualification Examination (Series 54 exam or examination) prior to becoming properly qualified as a municipal advisor principal.

MSRB Rule G-3(e)(ii)(C) allows individuals who are qualified as municipal advisor representatives to function as municipal advisor principals for up to 120 days without having taken and passed the Series 54 exam.

2. Is a sole proprietor required to take and pass the Series 54 exam?

The requirement to designate an individual as a municipal advisor principal, pursuant to MSRB Rule G-3, also applies in the case of a sole proprietorship where the sole proprietor is acting in the capacity of both the municipal advisor representative and the municipal advisor principal on behalf of the municipal advisor firm. Thus, under such business model, sole proprietors would need to qualify as a municipal advisor principal by taking and passing the Series 54 exam.

About the Series 54 Exam

3. Is the Series 54 exam customized to the particular business areas of municipal advisor firms (e.g., advice on swaps or investments only)?

No. The examination is not designed to specifically or extensively test each specialized functional area or service that may be provided or offered by a particular municipal advisor. The Series 54 exam is designed to test a broad knowledge of the activities engaged in by the municipal advisor firm and measure a candidate's understanding of the regulatory requirements governing the firm and the municipal advisory activities in which the firm engages. More specifically, the Series 54 exam will measure an individual's ability to apply the applicable regulatory requirements to the municipal advisor's activities. The [content outline](#) for the Series 54 exam includes topic areas that may be covered on the exam.

4. What is the passing score for the Series 54 exam?

The passing score for the Series 54 exam is 70%.

5. How much time will be allotted to take the Series 54 exam?

Individuals have 180 minutes to complete the Series 54 exam.

6. How many questions are on the Series 54 exam?

Each individual receives 110 questions (100 scored, 10 unscored) on the Series 54 exam. These 10 questions serve to pretest items to ensure that they meet acceptable standards prior to use on future administrations of the Series 54 exam.

7. What is the fee to take the Series 54 exam?

The fee to take the Series 54 exam is \$265.

8. How do I open an exam enrollment window for the Series 54 exam?

Individuals associated with a municipal advisor firm that is not a FINRA member will need to utilize FINRA's Test Enrollment Services System (TESS) to enroll to take the Series 54 exam. TESS can be accessed from [FINRA's website](#) and individuals can begin the exam enrollment process by clicking the "enroll" button under the section for "MSRB Exams" and following the prompts¹.

Individuals associated with a municipal advisor firm that is also a FINRA member will need to have their firm enroll them to take the Series 54 exam by amending the individual's Form U4 (Uniform Application for Securities Industry Registration or Transfer Form) to request the Series 54 exam by checking the "S54" box found under Section 7 (Examination Requests) of the Form U4.

Once an individual's exam enrollment request has been processed by FINRA, whether via TESS or Form U4, FINRA will send an email notification to the individual, who can then schedule an exam appointment with a Prometric testing center to take the Series 54 exam. A 120-calendar day exam enrollment window will open, during which time the individual can take the Series 54 exam.

For assistance with enrolling for the Series 54 exam, individuals can contact FINRA's Candidate Services: 1-800-999-6647 or CandidateServices@finra.org.

Hours of Operation:

8:00 a.m. – 6:00 p.m. ET

9. How do I schedule an appointment with a Prometric testing center to take the Series 54 exam?

¹ If an individual has previously created a user account through FINRA's enrollment system, an individual must use his or her existing user account information to login (i.e., User ID and Password). Please see [FINRA's FAQs About the Test Enrollment Services System](#) for additional information regarding requesting an exam and payment.

An appointment can be made by contacting the testing center either using the online registration page or by phone:

- Prometric: www.prometric.com/finra or 800-578-6273 (toll free)

If an individual chooses to call a selected testing center to schedule the examination, the call center representative will need the following information:

- Individual's name and unique candidate ID number given to the individual upon completing the TESS enrollment process;
- Individual's phone number; and
- Name of the qualifying examination or its identifying series ID (i.e., Municipal Advisor Principal Qualification Examination or Series 54 exam).

10. When will I find out if I passed the Series 54 exam?

Once an individual has completed the Series 54 exam at the test center, the test results will be displayed on the computer screen indicating whether the individual passed or failed the exam. In addition, the test center will provide each individual with a print-out of their exam results. Individuals should provide a copy of this notification to their firm's compliance officer. Furthermore, individuals are advised to retain a copy for their personal records, as FINRA does not preserve test information for municipal advisors who are not FINRA members beyond a specified period.

11. If I did not pass the Series 54 exam, how do I enroll to retake the exam and is there a waiting period?

Following a failed attempt, an individual can re-enroll to take the Series 54 exam either by using TESS or by submitting a new amendment to the individual's Form U4 requesting the Series 54 exam, as applicable, and then paying the appropriate examination fee (see Q. 8 for detailed information on how to enroll for the exam).

As provided for under MSRB Rule G-3, and consistent with other MSRB examinations, an individual who fails the Series 54 exam is only permitted to retake the exam after waiting a period of 30-calendar days from the date of the failed examination.

However, an individual does not have to wait 30-calendar days from the date of the failed examination to schedule an appointment to retake the exam. If an individual fails the Series 54 exam three times in succession, the individual must wait 180-calendar days (six months) from the date the individual last failed the exam to retake the exam.

Importantly, an individual who is unable to achieve the passing score on the Series 54 exam is not permitted to supervise the municipal advisory activities of the municipal advisor or that of its associated persons.

12. I passed the Series 54 exam, but I am no longer associated with a municipal advisor. How long is my exam valid?

As provided in MSRB Rule G-3, an individual experiences a lapse in qualification when the person ceases to be associated with or engaged in municipal advisory activities on behalf of a municipal advisor firm for two years.

13. Is there an exemption from retaking and repassing the Municipal Advisor Principal Qualification Examination after a lapse in qualification by a municipal advisor principal?

No. Rule G-3 provides no exemption from retaking and repassing the Series 54 exam to qualify as a municipal advisor principal. As a result, given that qualifying as a municipal advisor representative is a pre-requisite to qualifying as a municipal advisor principal, the individual would need to obtain the one-time exemption for the Series 50 exam before retaking and repassing the Series 54 exam to function in a principal-level capacity².

Post-Exam Information for Municipal Advisor Principals and Municipal Advisor Firms

14. How will market participants be able to verify an individual's successful passage of the Series 54 exam?

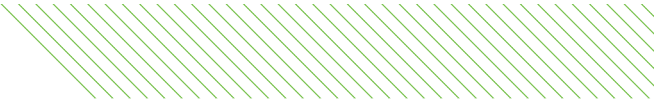
MSRB publishes the names of Series 54-qualified municipal advisor principal(s) who are employed with MSRB-registered municipal advisor firms on its website at MSRB.org. To be deemed a Series-54 qualified municipal advisor principal, an individual must have taken and passed both the Series 50 exam and Series 54 exam.

It is important to note that discrepancies between the information submitted on SEC Form MA-I (Information Regarding Natural Persons Who Engage in Municipal Advisory Activities) and the information submitted to enroll to take the Series 54 exam could delay the [display of a municipal advisor principal's name on MSRB.org](#) (e.g., a misspelled name or lack of uniformity in the individual's first, middle and last name or providing a "doing business as" name or using the name of an affiliate rather than the firm's legal name used on Form A-12 to register with MSRB).

15. Do municipal advisor principals have to participate in continuing education?

Yes. MSRB has established continuing education requirements for municipal advisor representatives and municipal advisor principals of a municipal advisor firm. Municipal advisor firms are required to annually conduct a needs analysis, develop a written training plan and

² Under MSRB Rule G-3(e)(ii)(C), a municipal advisor representative can function in a municipal advisor principal capacity for 120 days without having taken and passed the Series 54 exam. Individuals who are duly requalified as municipal advisor representatives by having satisfied the criteria-based exemption would be able to avail themselves of the 120-day timeframe.



deliver training to its municipal advisor representatives and municipal advisor principals that is consistent with the firm's needs analysis and [written training plan](#).

About the MSRB

The Municipal Securities Rulemaking Board (MSRB) protects and strengthens the municipal bond market, enabling access to capital, economic growth, and societal progress in tens of thousands of communities across the country. The MSRB fulfills this mission by creating trust in our market through informed regulation of dealers and municipal advisors that protects investors, issuers and the public interest; building technology systems that power our market and provide transparency for issuers, institutions, and the investing public; and serving as the steward of market data that empowers better decisions and fuels innovation for the future. The MSRB is a self-regulatory organization governed by a board of directors that has a majority of public members, in addition to representatives of regulated entities. The MSRB is overseen by the Securities and Exchange Commission and Congress.

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