

Checklist for Written Supervisory Procedures

Below is a sample checklist* of the MSRB rules to be addressed in written supervisory procedures to be established and maintained by a municipal advisor pursuant to proposed MSRB Rule G-44.

IMPORTANT NOTE: This checklist is not all-inclusive and does not necessarily represent all areas that are required to be addressed in the municipal advisor’s written supervisory procedures. This checklist is not a safe harbor with respect to potential deficiencies in a municipal advisor’s supervisory procedures, and is offered only as an aid in preparing such written supervisory procedures. Any written supervisory procedures must be updated when and as necessary to reflect new or amended MSRB rules.

Rule	Activity
G-44(b)	Supervisory System
	<input type="checkbox"/> Establish and maintain supervisory system: <ul style="list-style-type: none"> <input type="checkbox"/> Designate qualified municipal advisor principal(s) (“designated principal”) for each supervisory responsibility. <input type="checkbox"/> Keep record of written designation. <input type="checkbox"/> Conduct annual compliance meeting.
G-44(c)	Written Supervisory Procedures
	<input type="checkbox"/> Develop written supervisory procedures to describe how the designated principal(s) will monitor and enforce compliance with applicable MSRB rules, including but not limited to: <ul style="list-style-type: none"> <input type="checkbox"/> Books and records (G-8, G-9) concerning, among other things: <ul style="list-style-type: none"> • gifts and gratuities • political contributions <input type="checkbox"/> Annual MSRB fees (A-14) <input type="checkbox"/> Notification of change in status (A-15) <input type="checkbox"/> Fiduciary duty and fair dealing (G-36, G-17) including reasonable inquiry about:

Rule	Activity
	<ul style="list-style-type: none"> • qualification of personnel • delivery of required disclosures, including but not limited to: <ul style="list-style-type: none"> ○ conflicts of interest ○ compensation <p><input type="checkbox"/> Gifts and gratuities (G-20)</p> <p><input type="checkbox"/> Political contributions (G-42)</p> <p><input type="checkbox"/> Establishment and maintenance of MSRB electronic mail account and appointment of primary electronic mail contact (G-40)</p> <p><input type="checkbox"/> Written documentation (G-46) concerning municipal advisory engagements including:</p> <ul style="list-style-type: none"> • basis and scope of compensation • disclosures required by Rules G-17 and G-36 • products and services provided by affiliates • status of MSRB registration as municipal advisor <p><input type="checkbox"/> Disclosure to investors for official statement (G-46)</p> <p><input type="checkbox"/> Approval of advertisements (G-21)</p> <p><input type="checkbox"/> Post-use review of Sales Literature and Correspondence (G-17)</p> <p><input type="checkbox"/> Procedure for review of new or amended MSRB rules and appropriate amendment of policies and procedures</p>
G-44(d)	Internal Inspections
	<p><input type="checkbox"/> Develop schedule for internal review of municipal activities to ensure compliance with applicable MSRB rules.</p>

*This checklist is illustrative only. Much of the content of this checklist consists of items that have been published by the MSRB for comment or proposed by the MSRB to the SEC. These items have not yet become effective.