Amended and Restated
By-Laws of the
Municipal Securities Rulemaking Board
(effective June 7, 2022)

Article 1. Definitions

As used in these By-laws, the following terms shall have the following meanings:

(a) “Board” shall mean the Municipal Securities Rulemaking Board.

(b) “Member” shall mean a director of the Municipal Securities Rulemaking Board.

(c) “Act” shall mean the Securities Exchange Act of 1934, as from time to time amended.

(d) “Commission” shall mean the Securities and Exchange Commission.

Article 2. Powers of Board

Rule A-2. Subject to the provisions of the Act and the rules and regulations of the Commission thereunder, and other applicable law, the Board shall have the power to determine all matters relating to the operation and administration of the Board and to exercise all other rights and powers granted by the Act and other applicable law to the Board. Notwithstanding anything to the contrary in the Board’s rules or By-laws, no delegation will derogate from Board powers under the Act or other applicable law.

Article 3. Board Membership: Composition, Elections, Removal, Compensation

Rule A-3. (a) Number and Representation. The Board shall consist of 15 members who are individuals of integrity and knowledgeable of matters related to the municipal securities markets and are:

(i) Public Representatives. Eight individuals who are independent of any municipal securities broker, municipal securities dealer, or municipal advisor, of which:

(1) at least one shall be representative of institutional or retail investors in municipal securities;

(2) at least one shall be representative of municipal entities; and

(3) at least one shall be a member of the public with knowledge of or experience in the municipal industry; and

(ii) Regulated Representatives. Seven individuals who are associated
with a broker, dealer, municipal securities dealer, or municipal advisor, of which:

(1) at least one shall be associated with and representative of brokers, dealers or municipal securities dealers that are not banks or subsidiaries or departments or divisions of banks;

(2) at least one shall be associated with and representative of municipal securities dealers that are banks or subsidiaries or departments or divisions of banks; and

(3) at least two shall be associated with and representative of municipal advisors and shall not be associated with a broker, dealer or municipal securities dealer.

(4) Affiliations. Two persons associated with the same broker, dealer, municipal securities dealer or municipal advisor shall not serve as members of the Board at the same time.

(b) Nomination and Election of Members; Vacancies.

(i) Elections.

(1) Members shall be nominated and elected in accordance with the procedures specified by this rule. The 15 member Board shall be divided into four classes, one class being comprised of three members and three classes being comprised of four members, who serve four-year terms. The classes shall be as evenly divided in number as possible between public representatives and regulated representatives. The terms will be staggered and, each year, one class shall be nominated and elected to the Board. The terms of office of all members of the Board shall commence on October 1 of the year in which elected and shall terminate on September 30 of the year in which their terms expire. A member may not serve more than six years. No broker-dealer representative, bank representative, or municipal advisor representative may be succeeded in office by any person associated with the broker, dealer, municipal securities dealer, or municipal advisor with which such member was associated at the expiration of such member’s term except in the case of a Board member who serves a partial term as a result of filling a vacancy pursuant to paragraph (b)(iii) of this rule and succeeds himself or herself in office.

(2) Candidates for Board membership shall be nominated by a committee that meets the composition requirements described in Rule A-6.

(ii) Annual Elections.

(1) The committee responsible for nominations shall publish a notice by means reasonably designed to provide broad dissemination to the public soliciting applicants for the positions on the Board to be filled in such year.
(2) The notice shall require that an application include the category of representative for which the person is applying, the person’s background and qualifications for membership on the Board and, if applicable, information concerning such person's association with any broker, dealer, municipal securities dealer, municipal advisor, municipal entity, or institutional investor. The committee responsible for nominations shall accept applications pursuant to such notice for a period of at least 30 days. Any interested member of the public, whether or not associated with a broker, dealer, municipal securities dealer, municipal advisor, municipal entity, or institutional investor, may submit an application to the committee.

(3) The committee responsible for nominations shall nominate one person for each of the Board positions to be filled and shall submit the nominees to the Board for approval. In making such nominations, the committee shall take into consideration such factors as, without limitation, diversity in the geographic location, size and type of brokers, dealers, municipal securities dealers, and municipal advisors represented on the Board, as well as the background, experience, and knowledge of the municipal securities markets of the public Board members. Each nomination shall include the category of representative for which such person is nominated, the nominee’s qualifications to serve as a member of the Board, and information concerning the nominee’s association, if any, with a broker, dealer, municipal securities dealer, municipal advisor, municipal entity, or institutional investor. The names of the nominees shall be confidential.

(4) The Board shall accept or reject each nominee submitted by the committee responsible for nominations. If the Board rejects a nominee, the committee shall propose another nominee for Board consideration.

(5) The names of all applicants who agreed to be considered by the committee responsible for nominations shall be made available on the Board’s website no later than one week after the announcement of the names of new Board members.

(iii) Elections to Fill Vacancies. Vacancies on the Board shall be filled by vote of the members of the Board. Any person so elected to fill a vacancy shall serve for the unexpired portion of the term, or any part thereof as designated by the Board at the time of election, for which such person’s predecessor was elected, provided that no member may serve for more than six years, including any partial term.

(c) **Resignation, Disqualification and Removal.**

(i) A member may resign from the Board by submitting a written notice of resignation to the Chair of the Board which shall specify the effective date of such member’s resignation. In no event shall such date be more than 30 days from the date of delivery of such notice to the Chair. If no date is specified, the
resignation shall become effective immediately upon its delivery to the Chair.

(ii) If a member’s change in employment or other circumstances results in a conflict with the requirements of section (a) of this rule the member shall be disqualified from serving on the Board as of the date of the change. If the Board determines that a member’s change in employment or other circumstances does not result in disqualification pursuant to this paragraph but changes the category of representative in which the Board member serves, the member will remain on the Board pending a vote of the other members of the Board, to be taken within 30 days, determining whether the member is to be retained.

(iii) If the Board finds that any member has willfully violated any provision of the Act, any rule or regulation of the Commission thereunder, or any rule of the Board or has abused his or her authority or has otherwise acted, or failed to act, so as to affect adversely the public interest or the best interests of the Board, the Board may, upon the affirmative vote of two-thirds of the whole Board (which shall include the affirmative vote of a majority of the public representatives and a majority of the regulated representatives), remove such member from the Board.

(d) Compensation and Expenses. The Board may provide for reasonable compensation of the Chair, Vice Chair, committee Chairs, members of the Board, and members of any committee, including committees made up entirely of non-Board members. The Board also may provide for reimbursement of actual and reasonable expenses incurred by such persons in connection with the business of the Board.

(e) For purposes of this rule:


(ii) the term “independent of any municipal securities broker, municipal securities dealer, or municipal advisor” means that the individual has “no material business relationship” with any municipal securities broker, municipal securities dealer, or municipal advisor. The term “no material business relationship” means that, at a minimum, the individual is not and, within the last five years, was not associated with a municipal securities broker, municipal securities dealer, or municipal advisor, and that the individual does not have a relationship with any municipal securities broker, municipal securities dealer, or municipal advisor, whether compensatory or otherwise, that reasonably could affect the independent judgment or decision making of the individual. The Board may determine that additional circumstances involving the individual constitute a “material business relationship” with a municipal securities broker, municipal securities dealer, or municipal advisor.

(iii) the terms “municipal advisor” and “municipal entity” have the meanings set forth in Section 975(e) of the Dodd-Frank Act.
(f) Transition.

(i) Notwithstanding any other provision of this rule, for the Board’s fiscal years commencing October 1, 2020 and ending September 30, 2024, the Board shall transition to 15 Board members with four staggered classes, three of which will include four Board members and one of which will include three Board members. During this transitional period, Board members who were elected prior to July 2020 and whose terms end on or after September 30, 2020 may be considered for term extensions of one year in order to facilitate the transition.

(ii) For the Board’s fiscal year commencing on October 1, 2020, the Board shall consist of 17 members, 9 of whom are public representatives and 8 of whom are regulated representatives. During this period, the Board shall be composed in accordance with section (a) in all other respects.

(iii) The amendment to subsection (e)(ii) shall apply only to individuals who are elected after the date on which the amendment is effective.

Article 4. Meetings

Rule A-4. (a) Meetings. Regular meetings of the Board shall be held at least quarterly and at such time and place as from time to time determined by resolution of the Board or provided by rule of the Board. The Chair of the Board may, and upon the written request of not less than three members shall, call a special meeting, the purpose or purposes of which shall be specified. Meetings may be held either in person or through the use of any means of communication by which all persons participating may simultaneously hear each other (including through the use of captioning or other similar transcription means) during the meeting. At special meetings, the Board shall consider only those specific matters for which the meeting was called, unless all members consent either at the meeting or in writing before or after the meeting to the consideration of other matters.

(b) Notice of Meetings. Notice of the time and place of special meetings of the Board shall be provided to each member, as well as to the Secretary, not later than the third calendar day preceding the date on which the meeting is to be held or as otherwise required by law, provided that such advance notice may be waived by unanimous consent of all Board members attending such meeting. Notice of a special meeting shall also set forth the purpose or purposes of the meeting. Notice of a special meeting need not be given to any member who submits a signed waiver of notice before or after the meeting, or who attends the meeting without protesting, prior thereto or at the commencement thereof, the lack of notice to such member. No notice of regular meetings of the Board shall be required.

(c) Quorum and Voting Requirements. A quorum of the Board shall consist of two-thirds of the members of the whole Board, including a majority of the public representatives and a majority of the regulated representatives, and any action taken by the affirmative vote of a majority of the whole Board at any meeting at which a quorum is present shall, except as otherwise provided by rule of the Board, constitute the action of the Board.
(d) **Action Without a Meeting.** Action by the Board may be taken without a meeting by unanimous written consent.

(e) **Resolutions.** Unless otherwise specified by the Act or by rule of the Board, action by the Board may be by resolution. Resolutions of the Board shall take effect immediately, unless a different effective date shall be specified therein.

**Article 5. Officers and Employees of the Board**

Rule A-5. (a) **Officers of the Board.** The officers of the Board shall consist of a Chair, a Vice Chair, a President and a Secretary, and such other officers as the Board may deem necessary or appropriate and as shall be stated in a resolution of the Board. The Chair shall preside at meetings of the Board. During the absence or inability to act of the Chair, or while the office of Chair is vacant, the Vice Chair shall be vested with all of the powers and shall perform all of the duties of the Chair. In the event of the absence of both the Chair and Vice Chair at any meeting of the Board, the Board may designate one of the members present as acting Chair for the purpose of presiding at such meeting. The officers of the Board shall have such other powers and duties as the Board may determine by resolution.

(b) **Election of Chair and Vice Chair; Appointment of Other Officers.**

(i) The Chair and Vice Chair shall be elected annually from among the members, by secret, written ballot of the members, at a meeting of the Board held prior to October 1 of each year according to procedures adopted by the Board. Such officers shall serve for a term commencing on the October 1 next following their election and ending with the succeeding September 30; **provided, however,** that the Chair or Vice Chair may resign as an officer prior to the expiration of his or her term by delivering written notice of resignation to the Secretary which shall specify the effective date of such resignation. The Board may remove the Chair or Vice Chair at any time by two-thirds vote of the whole Board. A vacancy in office of the Chair or Vice Chair shall be filled as soon as practicable by vote of the members and any person elected to fill a vacancy shall serve only for the remainder of his or her predecessor’s term. For purposes of this rule, the term “vacancy in office” shall include any vacancy resulting from the resignation of any person duly elected to an office prior to the commencement of his or her term.

(ii) The persons serving as President and Secretary shall be appointed by resolution of the Board.

(c) **Executive and Administrative Staff.** The staff of the Board shall consist of a Chief Executive Officer, a Secretary, and such other employees as the Board shall deem necessary or appropriate. The duties and responsibilities of the Chief Executive Officer shall be as prescribed by the Board. The duties and responsibilities of all other staff shall be as prescribed by the Chief Executive Officer.

(d) **Attorneys, Consultants and Others.** The Board may retain such attorneys,
consultants and other independent contractors as the Board may deem necessary or appropriate.

Article 6. Committees of the Board

Rule A-6. (a) Establishment. The Board may establish one or more standing or special committees, each to have and exercise such powers and authority as may be provided by the Board in the resolution establishing such committee; provided, however, that no such committee shall have the authority to exercise any of the powers and authority specifically required to be exercised by the entire Board by the Act or by rule of the Board or other applicable law. The Chair of the Board shall be an ex officio member of each committee.

(b) Procedure. The Board shall, by resolution, establish rules of procedure for each committee appointed by the Board, to the extent deemed necessary or appropriate by the Board. To the extent not so provided by the Board, each committee may determine its own rules of procedure.

(c) Public representative committee chairs. The chair of any committee that is responsible for assisting the Board in carrying out its responsibilities regarding the following matters shall be a public representative:

i. governance
ii. nominations, and
iii. auditing.

(d) Nominations committee membership. A majority of the committee responsible for nominations to the Board shall be public representatives, and the committee, as a whole, shall be representative of the Board’s membership.

Article 7. Assessments

Rule A-7. The Board shall, by rule, provide for the costs and expenses of its operation and administration by levying such fees and charges on brokers, dealers, municipal securities dealers, and municipal advisors as may be determined necessary or appropriate by the Board.

Article 8. Rulemaking Procedures

Rule A-8. (a) Adoption of Proposed Rules and Submission to Commission. The Board shall adopt such proposed rules as the Board shall deem necessary or appropriate to effect the purposes of the Act. Upon their adoption by the Board, the Board shall submit proposed rules to the Commission in accordance with the procedures set forth in section 19(b) of the Act and shall file such proposed rules with the appropriate regulatory agencies in accordance with the provisions of section 17(c) of the Act. A proposed rule of the Board shall become a rule of the Board upon its approval by the Commission, pursuant to section 19(b)(2) of the Act, or upon filing with the Commission in accordance with the provisions of section 19(b)(3)(A) of the Act, or upon the determination of the Commission in
accordance with the provisions of section 19(b)(3)(B) of the Act.

(b) **Signatures.** Documents required to be submitted to the Commission in connection with the proposed rules of the Board shall be signed on behalf of the Board by the Secretary, or by any person designated by the Board for that purpose by resolution.

(c) **Interpretations.** The Board may from time to time issue or cause to be issued interpretations of rules of the Board. Such interpretations shall be consistent with the Board's intent in adopting the rules which are the subject of such interpretations.

(d) **Access to Board Rules.** The Board shall post and maintain a current and complete version of its rules on its website.

**Article 9. Fiscal Year**

Rule A-9. The fiscal year of the Board shall commence on October 1 of each year and end on September 30 of the following year.

**Article 10. Independent Audit**

Rule A-10. The books and records of the Board shall be audited annually by independent certified public accountants selected by the Board, who shall certify the results of their audit to the Board not later than 90 days following the close of each fiscal year of the Board.

**Article 11. President**

The President shall be the individual serving as the Chief Executive Officer, with responsibility for advancing the Board’s strategic goals and for the general supervision, management and control of the organization. The President shall be responsible for the day-to-day management of the Board and its offices, including the hiring, termination and assignment of responsibilities of all staff, including those who are serving as officers of the corporation. The President shall have such other duties and responsibilities as may be determined by the members of the Board and set forth in a resolution.

**Article 12. Secretary**

The Secretary shall have responsibility for preparing and maintaining custody of the minutes of all meetings of the Board, which shall be adopted by the members of the Board. The Secretary shall maintain written records of all resolutions, including all delegations of authority, and of all actions taken by the Board without a meeting by unanimous written consent. The Secretary also shall be the custodian of the Board’s corporate seal. The Secretary shall have such other duties and responsibilities as may be determined by the President.

**Article 13. Policies and Procedures**

The members of the Board may adopt policies and procedures governing the
administrative and rulemaking activities of the Board, which shall not be inconsistent with these By-Laws and the Act.

Article 14. Amendment of By-Laws Provisions other than Rules of the Board

Any addition or amendment to any By-Laws provisions that did not need to be and was not promulgated as a “Rule of the Board” pursuant to Section 19(b) of the Act, shall be adopted by resolution of the Board passed in accordance with Article 4(e) (Rule A-4(e)) herein; provided that notice of the general nature of such proposed addition or amendment to the By-Laws shall be given to each Board member at least three days before the date of the Board meeting.