

## ***Amendment to SEC Rule 15c2-12 (Continuing Disclosure) Effective February 27, 2019***

Although the SEC Rule 15c2-12 amendment was outlined in CMA's September 2018 newsletter, we would like to remind our clients of this important change to continuing disclosure requirements which impacts all issuers of tax-exempt bonds or notes. As of **February 27, 2019**, all tax exempt issuers will be required to comply with filing notices related to the following two new events in addition to the existing fourteen that comprise Securities and Exchange Commission Rule 15c2-12:

- ✓ Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- ✓ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

Under the amendment, the definition of "financial obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities as to which a final official statement has been provided to MSRB consistent with Rule 15c2-12. The intention is to make available information regarding any obligation that functions as debt beyond bonds and notes. The most common obligations requiring disclosure are likely to be: lease-purchase or installment sale agreements; energy performance contract financings; loans from NYS Environmental Facilities Corporation; loans from other federal or state agencies; direct bank loans or private placements; guarantees or financial relationships with related entities such as a Community Development Agency, Housing Authority, or Local Development Corporation.

To the extent that a material financial obligation outstanding has not been previously described in an Official Statement or the terms of such obligation have changed, an event notice should be filed on EMMA. Notice of the occurrence of one of the now 16 "material events" must be filed on EMMA within 10 business days of the events' occurrence. If CMA is your continuing disclosure agent, it is very important that you inform us of any of the 16 material events as soon as they occur so that we may properly post to EMMA on your behalf. CMA recommends creating and maintaining a report for tracking and monitoring all arrangements which might constitute financial obligations and any amendments, modifications, accelerations or terminations of those obligations. Please do not hesitate to contact us with any questions you may have.

### **MMD GENERAL OBLIGATION INTEREST RATES**

	Today - February 1, 2019					1 Month Ago - January 2, 2019					1 Year Ago - February 1, 2018				
Term	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa
1 yr.	1.61%	1.62%	1.76%	1.86%	2.16%	1.73%	1.75%	1.88%	1.98%	2.28%	1.35%	1.38%	1.46%	1.56%	1.83%
5	1.76	1.82	2.04	2.17	2.52	1.92	2.00	2.20	2.33	2.68	1.86	1.99	2.18	2.30	2.61
10	2.17	2.33	2.52	2.65	3.02	2.27	2.45	2.62	2.75	3.12	2.39	2.62	2.78	2.91	3.26
15	2.57	2.77	2.93	3.06	3.45	2.59	2.78	2.95	3.08	3.47	2.67	2.91	3.07	3.20	3.56
20	2.86	3.07	3.20	3.36	3.72	2.84	3.04	3.18	3.34	3.70	2.83	3.07	3.21	3.36	3.70

### **RECENT CMA CLIENT SALE RESULTS**

<u>Issuer</u>	<u>Issue Type</u>	<u>Par Amount</u>	<u>Sale Date</u>	<u>Term</u>	<u>Rate</u>	<u>Purchaser</u>
Lloyd Town	BAN	\$ 2,075,086	31-Jan	12 mos.	2.31%	Jefferies LLC
Long Beach City	BAN	\$ 24,789,389	30-Jan	7 mos.	2.07%	Jefferies LLC
East Greenbush CSD	BAN	\$ 10,144,500	24-Jan	12 mos.	1.91%	TD Securities (USA) LLC
Hicksville UFSD	Bonds	\$ 16,317,000	15-Jan	15 yrs.	2.64%	Janney Montgomery Scott LLC
Westchester County	TAN	\$150,000,000	9-Jan	4 mos.	1.60%	JP Morgan Securities LLC
Walkill Town	BAN	\$ 3,300,900	3-Jan	12 mos.	2.12%	Piper Jaffray & Co.
West Haverstraw Vil.	Bonds	\$ 2,045,000	3-Jan	13 yrs.	2.63%	Robert W. Baird & Co., Inc.