



Recap:
Fixed Income
Legal & Compliance Roundtable
June 2015

TO: BDA Members

RE: 2015 Fixed Income Legal & Compliance Roundtable Recap

On Thursday, June 18, the BDA held a Fixed Income Legal & Compliance roundtable in Washington, DC, sponsored by [National Public Finance Guarantee](#) and hosted at the offices of [Nixon Peabody](#). Attended by over 20 member firms, the roundtable included robust discussion about the SEC's MCDC Initiative, ongoing concerns with the SEC's Municipal Advisor rule, enforcement trends and more.

Kicking off the event was candid dealer to dealer discussion about a variety of issues directly impacting business at member firms including:

MCDC

- Discussion of materiality and whether we can glean a better grasp on materiality from last week's SEC enforcement actions
- BDA outside counsel Nixon Peabody is organizing a chart to outline the targets that triggered materiality in the orders we know of to this date and we will deliver that to our membership soon
- The MCDC orders trigger a number of disqualifications from exemptions but the SEC is providing waivers to move in tandem with the orders. You can find a list of these waivers [here](#).
- Statutory disqualification and what firms are doing to prepare for the requalification process, which will include working with FINRA

Municipal Advisor Rule Misinformation

- Based on misinformation appearing in the marketplace, the BDA is concerned that issuers may be receiving inaccurate information regarding roles and obligations under the MA Rule
- BDA is creating a guidance document to help our members provide accurate information to their clients about what they can and cannot discuss with them and we will have that to our membership soon

Compliance Programs at BDA Firms

- Discussion included candid discussion about internal processes firms follow under a variety of rules and circumstances including the roles of the different business units

The roundtable wrapped up with an hour and a half presentation and Q&A session with senior staff at FINRA and the SEC. Attendees engaged in discussion on regulatory and market regulation matters specific to the U.S. fixed income markets. Specifically, attendees heard from:

SEC Office of Municipal Securities

- Jessica Kane, Director and Rebecca Olsen, Deputy Director, discussed placement activities, advice on muni bond proceeds, market structure initiatives and more.

FINRA Market Regulation

- Patrick Geraghty, Vice President and Tina Gubb, Chief Counsel discussed enforcement actions including market integrity and reporting issues, areas of noncompliance, regulatory priorities for the year including manipulation related to issues in the fixed income markets and more.

View the full day's agenda [here](#).

The BDA holds two large Fixed Income Legal & Compliance roundtables throughout the year. The next L&C roundtable will be held in conjunction with our National Fixed Income Conference scheduled for the afternoon of October 7 at the Four Seasons in Denver, CO. For more information about BDA's National Fixed Income conference, including how to register, you can click [here](#).

We hope this information is helpful. Feel free to contact the BDA with any questions.

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