

## TEXT OF DRAFT AMENDMENTS

**Rule G-46: Duties of Solicitor Municipal Advisors**

(a) – (d) No change.

(e) *Disclosures to Solicited Entities.* A solicitor municipal advisor must disclose to any solicited entity all material facts about the solicitation within the timing and in the manner described in section (f) of this rule. This includes, but is not limited to, an obligation to disclose the following:

(i) No change.

(ii) *Conflicts Disclosures.* A solicitor municipal advisor must disclose any material conflicts of interest, including, but not limited to the fact that, because the solicitor municipal advisor is compensated for its solicitation efforts, it has an incentive to recommend its clients, resulting in a material conflict of interest. The solicitor municipal advisor also must disclose any material conflicts of interest, of which the solicitor municipal advisor is aware after reasonable inquiry, that could reasonably be anticipated to impair the solicitor[’s] municipal advisor’s ability to solicit the solicited entity in accordance with its duty of fair dealing.

(f) *Timing and Manner of Disclosures to Solicited Entities.* Any disclosures required under section (e) of this rule must be made in writing and comply with the following:

(i) *First Communication.* The disclosures must be delivered at the time of the first communication, as that term is used in the definition of “solicitation” under Rule G-46(a)(iii), with a solicited entity (or an intermediary in connection with an indirect solicitation) on behalf of a specific solicitor client, as specified below:

(A) *Direct Solicitations.* The disclosures must be provided to the solicited entity [solicitor client] representative with whom such communication is made.

(B) *Indirect Solicitations.* The disclosures must be provided to the intermediary with whom such communication is made.

(ii) No change.

(g) *Specified Prohibitions.* A solicitor municipal advisor is prohibited from:

(i) No change.

(ii) making payments for the purpose of obtaining or retaining an engagement to perform municipal advisory activities other than: (1) payments to an affiliate of the solicitor municipal advisor for a direct or indirect communication with a municipal entity or obligated person on behalf of the solicitor municipal advisor where such communication is made for the purpose of obtaining or retaining an engagement to perform municipal advisory activities; (2) reasonable

fees paid to another municipal advisor registered as such with the Commission and the Board for making such a communication as described in Rule G-46(g)[(iii)](ii)(1) above; and (3) payments that are permissible “normal business dealings” as described in Rule G-20.

**Supplementary Material**

.01 - .04. No change.

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**Rule G-8: Books and Records to be Made by Brokers, Dealers, and Municipal Securities Dealers and Municipal Advisors**

(a) – (h) No change.

**Supplementary Material**

.01 - .02 No change.