



New Continuing DISCLOSURE REQUIREMENTS

A major amendment to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") will dramatically change the way governments comply with their continuing disclosure obligations.

In general, the Rule currently requires governments that have continuing disclosure obligations to file certain information with all nationally recognized municipal securities information repositories ("NRMSIRs") and the appropriate state information repository, if any ("SID"), such as the Municipal Advisory Council of Michigan. Effective July 1, 2009, compliance with the Rule will require governments to utilize the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

NEW CONTINUING DISCLOSURE OBLIGATIONS

Governments entering into continuing disclosure undertakings on and after July 1, 2009, will be required to provide filings of annual financial information and material event notices to the Municipal Securities Rulemaking Board (the "MSRB") instead of to the NRMSIRs and any SID. The MSRB will only accept continuing disclosure filings electronically through its Electronic Municipal Market Access system (commonly known as "EMMA").

EXISTING CONTINUING DISCLOSURE OBLIGATIONS

On and after July 1, 2009, governments having existing continuing disclosure undertakings will also be required to provide filings of annual financial information and material event notices to the MSRB through EMMA instead of to the NRMSIRs, but may still be required to provide filings to a SID. Governments having

existing continuing disclosure obligations in a state that has a SID (such as Michigan) may consider having counsel review their existing continuing disclosure obligations to determine what filings will be necessary to ensure future compliance with the Rule.

HOW TO MAKE AN EMMA FILING

EMMA is an internet-based portal and can be found at <http://www.emma.msrb.org>. Each government having continuing disclosure obligations will be required to obtain a password in order to use EMMA. All documents filed through EMMA must be PDF files configured to permit documents to be saved, viewed, printed, and retransmitted by electronic means. Any submitted disclosure document that is a reproduction of the original document must maintain the graphical and textual integrity of the original document.

In addition, starting January 1, 2010, PDF documents filed through EMMA must be word-searchable. Generally, PDF documents that are word-searchable are generated through the PDF software and not through a scanner.

ACCESS TO INFORMATION

EMMA will provide search functions allowing users to easily search and access filed documents. Once EMMA is fully operational, EMMA is expected to make municipal securities disclosure documents easily accessible to the public and investors.

CONCLUSION

Governments should implement internal policies to comply with the filing requirements of EMMA, including gaining an understanding of the technical aspects of making the required filings. In addition, governments should be aware that the implementation of the EMMA system does not necessarily relieve them of the requirement of filing annual financial information and material event notices with a SID.

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