



BOUSQUET HOLSTEIN PLLC

# Alert

**Public Finance Practice Group**

## **New Material Events for EMMA Filing By 501(c)(3) Organizations Effective February 27, 2019**

**February 2019**

Compliance with the event notices added to Rule 15c2-12 of the Securities Exchange Act of 1934 (Rule), by the Securities and Exchange Commission on August 20, 2018, is required starting on February 27, 2019. 501(c)(3) borrowers, municipal issuers and other obligated persons must now file with the Electronic Municipal Market Access system (EMMA), notices of the incurrence of debt and other financial obligations undertaken in a direct placement and of default under these obligations.

Specifically, an obligated person must file an event notice within 10 business days of: (1) the incurrence of a financial obligation, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and (2) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the obligated person, any of which reflect financial difficulties. You can refer to our prior Legal Alert for more details on the requirements: <http://bhlawpllc.com/publication/amendment-to-rule-15c2-12-expands-continuing-disclosure-obligations-to-financial-obligations-undertaken-in-direct-placements/>

Please feel free to contact our Public Finance Attorneys to discuss questions regarding the new event notices including materiality of financial obligations, or what constitutes financial difficulties and when do they occur.

Link to the initial SEC press release and amendment: <https://www.sec.gov/news/press-release/2018-158>.

### **Bousquet Holstein Public Finance Practice Group**

If we can provide you with additional insight and information regarding these event notices, please contact:

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