



SENTRY MANAGEMENT, INC.
INVESTMENT ADVISERS

MEMO

TO: Woody Gossom, County Judge
Wichita County

FROM: Murphy Davis, Sr., CFA, President

RE: New SEC Municipal Advisor Rule (MA rule)

DATE: June 27, 2014

Authorities – Securities and Exchange Commission (SEC)
Municipal Securities Rules Making Board (MSRB)

The SEC and MSRB issued new guidelines and rules for firms (persons) serving municipalities as “municipal advisor.” Section 975 of the Dodd/Frank Act and amended Section 15B of the Securities Exchange Act of 1934 place new requirements on persons or firms serving municipalities as “investment advisor”.

A person may serve as a municipal advisor to municipalities if he/she is registered with the SEC and the MSRB as an Independent Registered Municipal Advisor (IRMA). Sentry Management, Inc. and its principals are registered with the SEC and MSRB as an IRMA.

Independent Registered Municipal Advisor Rule

As of July 1, 2014, The SEC’s Municipal Advisor Rule imposes a registration regime and fiduciary duty upon firms that give advice to municipal entities with respect to (1) the issuance of municipal securities, (2) investment strategies and (3) municipal financial products.

The MA Rule grants potential underwriters and placement agents a broad exemption for sharing information with respect to the three topics above to the extent the municipal entity is represented by an independent registered municipal advisor (Sentry Management Inc.) regarding the same subject

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matter. To comply with the new MA rule concerning sharing advice and information, a potential underwriter/placement agent must receive assurances the municipality is receiving counsel (advice) from an IRMA lest the potential underwriter/placement agent may be deemed to be giving unauthorized advice. The following language may be used by municipal issuers if they have an independent registered municipal advisor and wish to continue to receive information from underwriters/placement agents.

Independent Registered Municipal Advisor Certificate

[Date]

Wichita County has retained an independent registered municipal advisor. Wichita County is represented by and will rely on its municipal advisor Sentry Management Inc. to provide advice on proposals from financial services firms concerning the issuance of municipal securities and municipal financial products (including investments of bond proceeds and escrow investments). This certificate may be relied upon until otherwise withdrawn.

- This IRMA declaration may be posted on the Wichita County website or made available upon request.

Please call if you have questions.