

Surge of Settlements Under the SEC's MCDC Initiative Casts Doubt as to the Leniency of Settlement Terms for Self-Reporters

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PRACTICES Capital Markets and Securities, Securities and Shareholder Litigation

A wave of settlements with municipal underwriting firms under the SEC's Municipalities Continuing Disclosure Cooperation (MCDC) Initiative has brought renewed attention to continuing disclosure obligations in municipal offerings. But, it also raises questions about the initiative's purportedly favorable settlement terms. On July 18, 2015, the SEC announced settlements with 36 municipal underwriters for willfully violating Section 17(a)(2) of the Securities Act. The underwriters agreed to pay a total of \$9.29 million and to undertake remedial actions to settle SEC allegations that they sold bonds using offering documents that contained materially false or misleading statements or omissions about issuers' compliance with continuing disclosure obligations pursuant to Rule 15c2-12.

To read the full article, click on the PDF linked below:

[Surge-of-Settlements-Under-the-SEC's-MCDC-Initiative-Casts-Doubt.PDF](#)

For additional information, please contact one of the attorneys listed below:

SEC Enforcement Defense

[Kit Addleman](#)

214.651.5783

[\[email protected\]](#)

[Ronald W. Breaux](#)

214.651.5688

[\[email protected\]](#)

[David Siegal](#)

212.659.4995

[\[email protected\]](#)

Public Finance Chair

[Cheryl K. Rosenberg](#)

713.547.2074

[\[email protected\]](#)