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**NFMA RELEASES WHITE PAPER ON BEST PRACTICES
IN CYBERSECURITY RISK DISCLOSURE FOR
STATE & LOCAL GOVERNMENTS IN MUNICIPAL OFFERINGS**

For Immediate Release

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The National Federation of Municipal Analysts (NFMA) announced today that it has released the White Paper on Best Practices in Cybersecurity Risk Disclosure for State & Local Governments in Municipal Offerings (White Paper). The paper was released for public comment on July 20, 2020, and a few comments were received, including from Government Finance Officers Association (GFOA).

The NFMA undertook the topic of cybersecurity disclosure because cyberattacks against state governments, local governments, 501c3 organizations, and conduit borrowers are becoming more commonplace. The costs to defend against cyberattacks and to remedy any resulting negative effects can be material, and present significant credit, fiscal and operational issues for issuers. "The NFMA believed it was important to provide municipal market participants with clear disclosure recommendations on cybersecurity event risk when crafting offering statements and meeting continuing disclosure responsibilities", according to Gilbert Southwell of Wells Capital Management, who was the lead author of the paper.

"The NFMA hopes that recommendations in this White Paper will serve as a benchmark for improved cybersecurity disclosure practices by issuers and underwriters. This White Paper reflects the NFMA's continued commitment to increasing its dialogue with industry groups and regulators on the primary and secondary market disclosure expectations of municipal investors.

Transparent disclosure remains essential to a well-functioning market”, said Nicole Byrd NFMA Chair.

The NFMA has written RBPs and white papers on nearly 30 different sectors and topics in the municipal bond market. To view all of the NFMA’s RBPs and white papers, go to www.nfma.org, and look under “Resources” for Best Practices in Disclosure and Position Statements.

Established in 1983, the NFMA is an organization of over 1,200 members, primarily research analysts, who evaluate credit and other associated risks in the municipal market. These individuals represent, among others, mutual funds, insurance companies, broker/dealers, bond insurers, rating agencies, and financial advisory firms.

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