

RESOLUTION NO. 39/2014

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
CORTE MADERA APPROVING THE ADOPTION OF
DISCLOSURE POLICIES AND PROCEDURES**

THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA, CALIFORNIA (the "TOWN") DOES RESOLVE AS FOLLOWS:

WHEREAS, the Securities and Exchange Commission (the "SEC") recommends that issuers of municipal bonds adopt policies and procedures to govern compliance and implement training with respect to their initial disclosure and continuing disclosure undertakings; and

WHEREAS, in response to the SEC's recommendations and in order to better monitor compliance with its disclosure undertakings, the Town finds it desirable to adopt and maintain disclosure policies and procedures; and

WHEREAS, attached hereto are "Disclosure Policies and Procedures" including Exhibit A;

NOW, THEREFORE, it is hereby DETERMINED and ORDERED as follows:

Section 1. The Town Council hereby approves and adopts the Disclosure Policies and Procedures, including Exhibit A thereto, both of which are attached hereto and incorporated herein by reference as though fully set forth.

Section 2. This resolution shall take effect from and after the date of its passage and adoption.

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 39/2014 duly passed and adopted by the Town Council of the Town of Corte Madera, at a meeting thereof duly held on the 2nd day of December, 2014, by the following vote:

AYES, and in favor thereof, Councilmembers: Bailey, Condon, Furst, Lappert, and Ravasio

NOES, Councilmembers: None

ABSENT, Councilmembers: None


Carla Condon, Mayor

ATTEST:


Rebecca Vaughn, Town Clerk

TOWN OF CORTE MADERA

Disclosure Policies and Procedures

Article I *General*

These Disclosure Policies and Procedures (the "**Disclosure Procedures**") of the Town of Corte Madera (the "**Town**") are intended to ensure that the Town is in compliance with all applicable federal and state securities laws.

Article II *Disclosure Coordinator*

The chief financial officer of the Town shall be the disclosure coordinator of the Town (the "**Disclosure Coordinator**").

Article III *Review and Approval of Official Statements*

The Disclosure Coordinator of the Town shall review any Official Statement prepared in connection with any debt issuance by the Town in order to ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the Town.

In connection with its review of the Official Statement, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the Town, and all members of Town staff, to the extent that the Disclosure Coordinator concludes they should be consulted so that the Official Statement will include all "material" information (as defined for purposes of federal securities law).

As part of the review process, the Disclosure Coordinator shall submit all Official Statements to the Town Council for approval. The cover letter used by the Disclosure Coordinator to submit the Official Statements shall be in substantially the form of Exhibit A.

The approval of an Official Statement by the Town Council shall be docketed as a new business matter and shall not be approved as a consent item. The Town Council shall undertake such review as deemed necessary by the Town Council, following consultation with the Disclosure Coordinator, to fulfill the Town Council's responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the Town's disclosure counsel to the extent the Disclosure Coordinator considers appropriate.

Article IV

Continuing Disclosure Filings

Under the continuing disclosure undertakings that the Town has entered into in connection with its debt offerings, the Town is required each year to file annual reports with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("**EMMA**") system in accordance with such undertakings. Such annual reports are required to include certain updated financial and operating information, and the Town's audited financial statements.

The Town is also required under its continuing disclosure undertakings to file notices of certain events with EMMA.

The Disclosure Coordinator is responsible for establishing a system (which may involve the retention of one or more consultants) by which:

- (i) the Town will make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and
- (ii) the Town will file notices of enumerated events on a timely basis.

Article V

Public Statements Regarding Financial Information

Whenever the Town makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets, the Town is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

Article VI

Training

The Disclosure Coordinator shall ensure that the members of the Town staff involved in the initial or continuing disclosure process and the Town Council are properly trained to understand and perform their responsibilities.

The Disclosure Coordinator shall arrange for disclosure training sessions conducted by the Town's disclosure counsel. Such training sessions shall include education on these Disclosure Procedures, the Town's disclosure obligations under applicable federal and state securities laws and the disclosure responsibilities and potential liabilities of members of the Town's staff and members of the Town Council. Such training sessions may be conducted using a recorded presentation.

EXHIBIT A

Form of Staff Report

To: Members of the Town Council

From:

Date: _____

This Staff Report relates to the proposed issuance of _____ (the "Obligations") by the Town. The Town Council is asked to approve issuance of the Obligations and all related documents. The near-final versions of these documents are attached.

The attached Preliminary Official Statement has been reviewed and approved for transmittal to the Town Council by the Town's financing team. The distribution of the Preliminary Official Statement by the Town is subject to federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. These laws require the Preliminary Official Statement to include all facts that would be material to an investor in the Obligations. Material information is information that there is a substantial likelihood would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell the Obligations. If the Town Council concludes that the Preliminary Official Statement includes all facts that would be material to an investor in the Obligations, it must adopt a resolution that authorizes staff to execute a certificate to the effect that the Preliminary Official Statement has been "deemed final."

The Securities and Exchange Commission (the "SEC"), the agency with regulatory authority over the Town's compliance with the federal securities laws, has issued guidance as to the duties of the Town Council with respect to its approval of the Preliminary Official Statement. In its "Report of Investigation in the Matter of County of Orange, California as it Relates to the Conduct of the Members of the Board of Supervisors" (Release No. 36761 / January 24, 1996) (the "Release"), the SEC indicated that, if a member of the Town Council has knowledge of any facts or circumstances that an investor would want to know about prior to investing in the Obligations, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are adequately disclosed in the Preliminary Official Statement. In the Release, the SEC indicated that the steps that a member of the Town Council could take include becoming familiar with the Preliminary Official Statement and questioning staff and consultants about the disclosure of such facts.

Section 1. *Purpose of Financing.*

Section 2. *Documents for Approval; Security for the Obligations.*

Section 3. *Risks Relating to Repayment and Tax-Exempt Status of the Obligations.*

Section 4. *Requested Approvals.*