

THE COUNTY AUDITOR'S SIGNATURE  
CERTIFIES THAT THIS RESOLUTION HAS  
BEEN FORMALLY APPROVED BY THE  
BOARD OF SUPERVISORS ON

\_\_\_\_\_.

DATE

SCOTT COUNTY AUDITOR

MINUTES AUTHORIZING PARTICIPATION IN  
THE MUNICIPALITIES CONTINUING  
DISCLOSURE COOPERATION INITIATIVE

443536-17

Davenport, Iowa

November 20, 2014

The Board of Supervisors of Scott County, Iowa, met on the above date, at \_\_\_\_ o'clock \_\_.m. at the \_\_\_\_\_, Davenport, Iowa. The Chairperson presided and the roll was called showing the following members of the Board of Supervisors present and absent:

Present: \_\_\_\_\_

Absent: \_\_\_\_\_.

Supervisor \_\_\_\_\_ introduced the resolution hereinafter next set out and moved its adoption, seconded by Supervisor \_\_\_\_\_; and after due consideration thereof by the Board of Supervisors, the Chairperson put the question upon the adoption of the said resolution and the roll being called, the following named Supervisors voted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_.

Whereupon, the Chairperson declared the resolution duly adopted as hereinafter set out.

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At the conclusion of the meeting, and upon motion and vote, the Board of Supervisors adjourned.

\_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
County Auditor

RESOLUTION NO. \_\_\_\_\_

Resolution authorizing participation in the Municipalities Continuing Disclosure Cooperation Initiative

WHEREAS, pursuant to the laws of the State of Iowa, Scott County, Iowa (the “County”) has publicly offered certain of its municipal securities (the “Bonds”), and in connection therewith has undertaken to comply with the continuing disclosure obligations specified in Rule 15c2-12 (the “Rule”) under the Securities Exchange Act of 1934 (the “Exchange Act”); and

WHEREAS, the U.S. Securities and Exchange Commission (the “Commission”) has announced the Municipalities Continuing Disclosure Cooperation Initiative (the “MCDC Initiative”), a program intended to address potentially widespread violations of the federal securities laws by municipal issuers and underwriters of municipal securities in connection with certain representations about continuing disclosures in bond offering documents; and

WHEREAS, under the MCDC Initiative, in the event the Commission proceeds with an enforcement action, the Commission will recommend favorable settlement terms (such settlement terms are attached hereto as Exhibit A) to issuers who self-report to the Commission potentially material misstatements made in bond offering documents relating to prior compliance with the Rule; and

WHEREAS, the County has been informed that certain underwriters have self-reported certain of the County’s Bonds to the Commission as part of the MCDC Initiative; and

WHEREAS, upon review of the County’s bond offering documents and past continuing disclosure filings during the MCDC Initiative review period, the County has discovered potentially inaccurate statements in its bond offering documents regarding its continuing disclosure compliance; and

WHEREAS, in response to the County’s review, the County now deems it necessary and desirable to participate in the MCDC Initiative;

NOW, THEREFORE, Be It Resolved by the Board of Supervisors of Scott County, Iowa, as follows:

Section 1. The County shall participate in the MCDC Initiative and shall submit the MCDC Initiative Questionnaire for Self-Reporting Entities (the “Questionnaire”), in substantially the form as has been presented to and considered by this Board of Supervisors, with such final changes as are approved by the County’s Administrator, reflecting the County’s intent to consent to the applicable settlement terms under the MCDC Initiative, if the Commission determines to proceed with an enforcement action against the County.

Section 2. The County Administrator is hereby authorized and directed to complete and submit the Questionnaire to the Commission.

Passed and approved November 20, 2014.

\_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
County Auditor

STATE OF IOWA  
COUNTY OF SCOTT

SS:

I, the undersigned, County Auditor of Scott County, Iowa, do hereby certify that attached hereto is a true and correct copy of the proceedings of the Board of Supervisors relating to the County's participation in the Municipalities Continuing Disclosure Cooperation Initiative.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
County Auditor

## Exhibit A

### **Summary of Standard Settlement Terms for Issuers Under MCDC Initiative (from the Securities and Exchange Commission's Website)**

<http://www.sec.gov/divisions/enforce/municipalities-continuing-disclosure-cooperation-initiative.shtml>

To the extent an issuer meets the requirements of the MCDC Initiative and the Securities and Exchange Commission (the "Commission") decides to recommend enforcement action, the settlement will include the following terms.

#### *1. Types of Proceedings and Nature of Charges*

Under the settlement, the issuer consents to the institution of a cease and desist proceeding under Section 8A of the Securities Act for violation(s) of Section 17(a)(2) of the Securities Act. The settlement is expected to be one in which the issuer neither admits nor denies the findings of the Commission.

#### *2. Undertakings*

As part of the settlement, the issuer must undertake to:

- establish appropriate policies and procedures and training regarding continuing disclosure obligations within 180 days of the institution of the proceedings;
- comply with existing continuing disclosure undertakings, including updating past delinquent filings within 180 days of the institution of the proceedings;
- cooperate with any subsequent investigation by the Commission regarding the false statement(s), including the roles of individuals and/or other parties involved;
- disclose in a clear and conspicuous fashion the settlement terms in any final official statement for an offering by the issuer within five years of the date of institution of the proceedings; and
- provide the Commission staff with a compliance certification regarding the applicable undertakings by the issuer on the one year anniversary of the date of institution of the proceedings.

#### *3. Civil Penalties*

The settlement will not require payment of any civil penalty by the issuer.