

**RESOLUTION NO. 2015-01**

**A RESOLUTION OF THE CITY OF SOUTH BEND BUILDING CORPORATION,  
APPROVING THE CITY OF SOUTH BEND'S PARTICIPATION IN THE  
MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE  
AND RATIFYING THE  
CITY CONTROLLER'S FORMAL SUBMISSION**

**WHEREAS**, the City of South Bend Building Corporation, a separate body corporate and an instrumentality of the City of South Bend, has previously issued certain bonds which are marketed and sold by underwriters, the sale of which bonds is governed by state and federal laws and regulations including federal securities laws; and

**WHEREAS**, federal securities laws generally prohibit an underwriter from purchasing or selling municipal bonds unless the issuer (the City or related body) has agreed to provide "continuing disclosure" information to the marketplace about the bonds and the issuer after the bonds are issued, including annual information about the issuer's financial condition and operating data; and

**WHEREAS**, it is further generally required by federal securities law that any final offering document (official statement) prepared in connection with a primary offering of these bonds must contain a description of instances in the previous five years in which the issuer did not comply, in all material respects, with previous commitments to provide such continuing information to the marketplace; and

**WHEREAS**, out of apparent concern for whether issuers are complying with the continuing disclosure requirement, and whether issuers are disclosing noncompliance with prior continuing disclosure obligations in their official statements for the sale of subsequent bonds, the federal Securities Exchange Commission (SEC), through its Division of Enforcement (the "Division") announced in 2014 a new Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC Initiative"); and

**WHEREAS**, the MCDC Initiative allows issuers to self-report without penalty instances where material misstatements may have been made in the offering documents relating to prior compliance with an issuer's continuing disclosure obligations; and

**WHEREAS**, due to the complexity of the law in the determination of a material misrepresentation, and the lack of SEC guidance on this point, the Controller of the City of South Bend, Indiana, in an abundance of caution, determined that participation in the MCDC Initiative was appropriate, and on November 24, 2014, he submitted the requisite reporting information to the SEC on behalf of the City of South Bend, and its Redevelopment Commission, among others;

**WHEREAS**, on January 1, 2015, the City of South Bend adopted an "Indiana Bond Continuing Disclosure Procedure," revised March 9, 2015, undertaking to ensure that required financial/operating information and event filings are published on the Electronic Municipal Market Access (EMMA) in a timely manner, and that the City of South Bend Controller and Assistant Controller will be responsible for implementing this procedure; and

**WHEREAS**, the City of South Bend Building Corporation now wishes to approve and endorse the City of South Bend's participation in the MCDC Initiative and to ratify the action of the Controller of City of South Bend in formally submitting the requisite reporting to the SEC on November 24, 2014.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SOUTH BEND BUILDING CORPORATION AS FOLLOWS:**

**SECTION I:** The City of South Bend Building Corporation approves and endorses the City of South Bend's participation in the MCDC Initiative.

**SECTION II:** The City of South Bend Building Corporation further ratifies the action of the Controller of the City of South Bend in formally submitting on November 24, 2014 the requisite reporting to the SEC on behalf of the City of South Bend Building Corporation.

**THE CITY OF SOUTH BEND BUILDING CORPORATION**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name and Title*

**ATTEST:**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name and Title*