

A RESOLUTION BY THE MAYOR AND COUNCIL OF THE CITY OF ATLANTA, GEORGIA AUTHORIZING THE EXECUTION OF AN ISDA CREDIT SUPPORT ANNEX, JPM AUGUST 2012 BILATERAL DF AGREEMENT, AND JPM MARCH 2013 BILATERAL DF AGREEMENT, AND TO AUTHORIZE CERTAIN POLICIES AND PROCEDURES FOR SWAP TRANSACTIONS IN COMPLIANCE WITH THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT; AND FOR OTHER PURPOSES.

Workflow List:

Charlene Parker	Completed	07/17/2014 9:52 AM
Jim Beard	Completed	07/17/2014 2:15 PM
Finance	Completed	07/17/2014 3:20 PM
Mayor's Office	Completed	07/17/2014 4:51 PM
Office of Research and Policy Analysis	Completed	07/22/2014 5:20 PM
Finance/Executive Committee	Pending	
Atlanta City Council	Pending	
Mayor's Office	Pending	

Certified by Presiding Officer	Certified by Clerk
Mayor's Action <i>See Authentication Page Attachment</i>	

LEGISLATION HISTORY - BLUE BACK

A RESOLUTION BY THE MAYOR AND COUNCIL OF THE CITY OF ATLANTA, GEORGIA AUTHORIZING THE EXECUTION OF AN ISDA CREDIT SUPPORT ANNEX, JPM AUGUST 2012 BILATERAL DF AGREEMENT, AND JPM MARCH 2013 BILATERAL DF AGREEMENT, AND TO AUTHORIZE CERTAIN POLICIES AND PROCEDURES FOR SWAP TRANSACTIONS IN COMPLIANCE WITH THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT; AND FOR OTHER PURPOSES.

WHEREAS, The City of Atlanta, Georgia (the “City”), is a legally created, valid and existing municipal corporation of the State of Georgia, created and existing under the Constitution and laws of the State of Georgia; and

WHEREAS, the City is a participant in the (GMA) Georgia Local Government 1998A Grantor Trust Certificates of Participation equipment loan program (the “Loan Program”); and

WHEREAS, in connection with the Loan Program, the City entered into a 1998A Master Lease and Option Agreement Georgia, dated as of June 1, 1998 (the “Lease”), between the City and Georgia Municipal Association (“GMA”), under the terms of which GMA leases various items of equipment to the City (as described therein) and the City agrees to make certain rental payments to GMA; and

WHEREAS, in connection with the Loan Program, the City entered into an ISDA Master Agreement, dated as of June 1, 1998 (the “Master Agreement”) and a schedule to the Master Agreement (collectively, the “Swap Agreement”) with JPMorgan Chase Bank (formerly, Morgan Guaranty Trust Company of New York) (the “Swap Counterparty”), under the terms of which, on a same-day net-payment basis determined by reference to notional amounts equal to the principal components of the rental payments under the Lease, (1) the Swap Counterparty agrees to pay the City an amount based on interest rates that are identical to the interest rates used to determine the interest components of the rental payments under the Lease (the “Swap Counterparty Payments”), and (2) the City agrees to pay the Swap Counterparty a floating amount (as described therein); and

WHEREAS, it is proposed that the City amend the Swap Agreement and enter into an ISDA Credit Support Annex (the “Credit Support Annex”), between the City and the Swap Counterparty, the form of which is attached hereto as Exhibit A, under the terms of which the Swap Counterparty will provide additional collateral to secure the payment of the Swap Counterparty Payments; and

WHEREAS, it is proposed that the City appoint GMA, as its agent, in connection with a Custody Agreement, between U.S. Bank National Association, as custodian, and GMA, as agent for the participant governments in the Loan Program (the “Custody Agreement”), the form of which is attached hereto as Exhibit B, under the terms of which U.S. Bank National Association will serve as the custodian for the collateral provided by the Swap Counterparty to secure the payment of the Swap Counterparty Payments (the “Posted Collateral”); and

WHEREAS, pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Wall Street Transparency and Accountability Act”), enacted in response to the financial markets crisis of 2008, participants in over-the-counter derivatives transactions (including the Swap Agreement) shall adopt certain policies and procedures and enter into certain agreements to ensure compliance with the regulatory requirements of the Wall Street Transparency and Accountability Act; and

WHEREAS, it is proposed that the City enter into a JPM August 2012 Bilateral DF Agreement and JPM March 2013 Bilateral DF Agreement, between the City and the Swap Counterparty (the “Bilateral DF Agreements”), the forms of which are attached hereto as Exhibit C, to ensure compliance with the regulatory requirements of the Wall Street Transparency and Accountability Act.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Atlanta, Georgia, as follows:

Section 1. The execution, delivery and performance of the Credit Support Annex are hereby authorized. The Mayor of the City (the “Mayor”) is hereby authorized to execute and deliver the Credit Support Annex on behalf of the City, which Credit Support Annex shall be in substantially the form attached hereto as Exhibit A with such minor changes, insertions or omissions as may be approved by the Mayor, and the execution of the Credit Support Annex by the Mayor as hereby authorized shall be conclusive evidence of any such approval.

Section 2. The City hereby appoints GMA as its agent in connection with the Custody Agreement. GMA is hereby authorized to execute, deliver and perform the Custody Agreement as agent for the City.

Section 3. The City hereby appoints U.S. Bank National Association as the custodian for the Posted Collateral.

Section 4. The execution, delivery and performance of both Bilateral DF Agreements are hereby authorized. The Mayor is hereby authorized to execute and deliver the Bilateral DF Agreements on behalf of the City, which Bilateral DF Agreements shall be in substantially the form attached hereto as Exhibit C with such minor changes, insertions or omissions as may be approved by the Mayor, and the execution of the Bilateral DF Agreements by the Mayor as hereby authorized shall be conclusive evidence of any such approval.

Section 5. Pursuant to the Wall Street Transparency and Accountability Act, the City hereby designates The PFM Group as its Qualified Independent Representative (“QIR”) in connection with the Bilateral DF Agreement.

Section 6. It is the intent of the City to adopt policies and take such actions to ensure compliance with the requirements relating to the Wall Street Transparency and Accountability Act. Pursuant to such intent, it is the policy of the City that: the designated QIR agrees to meet and meets the requirements specified in Commodity Futures Trading Commission Regulation 23.450(b)(1) or any successor regulation thereto (herein referred to as the “Representative Regulation”); the designated QIR provide a written certification to the City to the effect that such designated QIR agrees to meet and meets the requirements specified in the Representative Regulation; (iii) City staff monitor the performance of each designated QIR consistent with the requirements specified in the Representative Regulation; (iv) City staff exercise independent judgment in consultation with the City’s designated QIR in evaluating all recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this policy; and (v) City staff rely on the advice of the City’s designated QIR with respect to transactions authorized pursuant to this policy and do not rely on recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this policy.

Section 7. From and after the execution and delivery of the documents herein authorized, the Mayor and such other proper officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to carry out and comply with the provisions of the documents herein authorized and are

further authorized to take any and all further actions and to execute and deliver any and all further documents and certificates as may be necessary or desirable in connection with the execution, delivery and performance of the documents and the compliance with the Wall Street Transparency and Accountability Act herein authorized. Without limiting the foregoing, if the Mayor is not available to execute the documents herein authorized, the Mayor Pro Tem shall execute such documents on the Mayor's behalf.

Section 8. All acts and doings of the officers, agents and employees of the City which are in conformity with the purposes and intents of this resolution and in furtherance of the execution, delivery and performance of the Credit Support Annex and the Bilateral DF Agreements and the compliance with the Wall Street Transparency and Accountability Act shall be, and the same hereby are, in all respects, approved and confirmed.

Section 9. No stipulation, obligation or agreement herein contained or contained in the Credit Support Annex and the Bilateral DF Agreements shall be deemed to be a stipulation, obligation or agreement of the Mayor or the Clerk of the City in their individual capacity, and neither the Mayor nor the Clerk of the City shall be personally liable under the Credit Support Annex and the Bilateral DF Agreements or be subject to personal liability or accountability by reason of the issuance thereof.

Section 10. This resolution shall take effect immediately upon its adoption. All resolutions or parts thereof in conflict with this resolution are hereby repealed.

ADOPTED this ____ day of _____, 2014.

CITY OF ATLANTA, GEORGIA

(SEAL)

BY: _____

Mayor

ATTEST:

BY: _____

City Clerk

EXHIBIT A

CREDIT SUPPORT ANNEXEXHIBIT B

CUSTODY AGREEMENT

EXHIBIT C

BILATERAL DF AGREEMENT

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE L. BYRD

Dept.'s Legislative Liaison: Charlene Parker

Contact Number: 404-330-6616

Originating Department: Finance

Committee(s) of Purview: Finance/Executive Committee

Chief of Staff Deadline: July 11, 2014

Anticipated Committee Meeting Date(s): July 30, 2014

Anticipated Full Council Date: August 18, 2014

Legislative Counsel's Signature: [Signature]

Commissioner's Signature: [Signature]

Chief Financial Officer: [Signature]

Chief Information Officer Signature (for IT Procurements) N/A

Chief Procurement Officer Signature: N/A

CAPTION

A RESOLUTION BY FINANCE/EXECUTIVE COMMITTEE

A RESOLUTION BY THE MAYOR AND COUNCIL OF THE CITY OF ATLANTA, GEORGIA AUTHORIZING THE EXECUTION OF AN ISDA CREDIT SUPPORT ANNEX, JPM AUGUST 2012 BILATERAL DF AGREEMENT, AND JPM MARCH 2013 BILATERAL DF AGREEMENT, AND TO AUTHORIZE CERTAIN POLICIES AND PROCEDURES FOR SWAP TRANSACTIONS IN COMPLIANCE WITH THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT.

FINANCIAL IMPACT: (if any)

Mayor's Staff Only

Received by CPO: (date)

Received by LC from CPO: (date)

Received by Mayor's Office: [Signature] 7-11-14 (date)

Reviewed by: [Signature] (date)

Submitted to Council: (date)

**A RESOLUTION BY
FINANCE/EXECUTIVE COMMITTEE**

A RESOLUTION BY THE MAYOR AND COUNCIL OF THE CITY OF ATLANTA, GEORGIA AUTHORIZING THE EXECUTION OF AN ISDA CREDIT SUPPORT ANNEX, JPM AUGUST 2012 BILATERAL DF AGREEMENT, AND JPM MARCH 2013 BILATERAL DF AGREEMENT, AND TO AUTHORIZE CERTAIN POLICIES AND PROCEDURES FOR SWAP TRANSACTIONS IN COMPLIANCE WITH THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT.

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WHEREAS, it is proposed that the City amend the Swap Agreement and enter into an ISDA Credit Support Annex (the "Credit Support Annex"), between the City and the Swap Counterparty, the form of which is attached hereto as Exhibit A, under the terms of which the Swap Counterparty will provide additional collateral to secure the payment of the Swap Counterparty Payments; and

WHEREAS, it is proposed that the City appoint GMA, as its agent, in connection with a Custody Agreement, between U.S. Bank National Association, as custodian, and GMA, as agent for the participant governments in the Loan Program (the "Custody Agreement"), the form of which is attached hereto as Exhibit B, under the terms of which U.S. Bank National Association will serve as the custodian for the collateral provided by the Swap Counterparty to secure the payment of the Swap Counterparty Payments (the "Posted Collateral"); and

WHEREAS, pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Wall Street Transparency and Accountability Act”), enacted in response to the financial markets crisis of 2008, participants in over-the-counter derivatives transactions (including the Swap Agreement) shall adopt certain policies and procedures and enter into certain agreements to ensure compliance with the regulatory requirements of the Wall Street Transparency and Accountability Act; and

WHEREAS, it is proposed that the City enter into a JPM August 2012 Bilateral DF Agreement and JPM March 2013 Bilateral DF Agreement, between the City and the Swap Counterparty (the “Bilateral DF Agreements”), the forms of which are attached hereto as Exhibit C, to ensure compliance with the regulatory requirements of the Wall Street Transparency and Accountability Act.

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Section 1. The execution, delivery and performance of the Credit Support Annex are hereby authorized. The Mayor of the City (the “Mayor”) is hereby authorized to execute and deliver the Credit Support Annex on behalf of the City, which Credit Support Annex shall be in substantially the form attached hereto as Exhibit A with such minor changes, insertions or omissions as may be approved by the Mayor, and the execution of the Credit Support Annex by the Mayor as hereby authorized shall be conclusive evidence of any such approval.

Section 2. The City hereby appoints GMA as its agent in connection with the Custody Agreement. GMA is hereby authorized to execute, deliver and perform the Custody Agreement as agent for the City.

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designated QIR agrees to meet and meets the requirements specified in the Representative Regulation; (iii) City staff monitor the performance of each designated QIR consistent with the requirements specified in the Representative Regulation; (iv) City staff exercise independent judgment in consultation with the City's designated QIR in evaluating all recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this policy; and (v) City staff rely on the advice of the City's designated QIR with respect to transactions authorized pursuant to this policy and do not rely on recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this policy.

Section 7. From and after the execution and delivery of the documents herein authorized, the Mayor and such other proper officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to carry out and comply with the provisions of the documents herein authorized and are further authorized to take any and all further actions and to execute and deliver any and all further documents and certificates as may be necessary or desirable in connection with the execution, delivery and performance of the documents and the compliance with the Wall Street Transparency and Accountability Act herein authorized. Without limiting the foregoing, if the Mayor is not available to execute the documents herein authorized, the Mayor Pro Tem shall execute such documents on the Mayor's behalf.

Section 8. All acts and doings of the officers, agents and employees of the City which are in conformity with the purposes and intents of this resolution and in furtherance of the execution, delivery and performance of the Credit Support Annex and the Bilateral DF Agreements and the compliance with the Wall Street Transparency and Accountability Act shall be, and the same hereby are, in all respects, approved and confirmed.

Section 9. No stipulation, obligation or agreement herein contained or contained in the Credit Support Annex and the Bilateral DF Agreements shall be deemed to be a stipulation, obligation or agreement of the Mayor or the Clerk of the City in their individual capacity, and neither the Mayor nor the Clerk of the City shall be personally liable under the Credit Support Annex and the Bilateral DF Agreements or be subject to personal liability or accountability by reason of the issuance thereof.

Section 10. This resolution shall take effect immediately upon its adoption. All resolutions or parts thereof in conflict with this resolution are hereby repealed.

ADOPTED this ____ day of _____, 2014.

CITY OF ATLANTA, GEORGIA

(SEAL)

BY: _____
Mayor

ATTEST:

BY: _____
City Clerk

EXHIBIT A

CREDIT SUPPORT ANNEX

EXHIBIT B

CUSTODY AGREEMENT

EXHIBIT C

BILATERAL DF AGREEMENT

<p>A RESOLUTION BY THE MAYOR AND COUNCIL OF THE CITY OF ATLANTA, GEORGIA AUTHORIZING THE EXECUTION OF AN ISDA CREDIT SUPPORT ANNEX, JPM AUGUST 2012 BILATERAL DF AGREEMENT, AND JPM MARCH 2013 BILATERAL DF AGREEMENT, AND TO AUTHORIZE CERTAIN POLICIES AND PROCEDURES FOR SWAP TRANSACTIONS IN COMPLIANCE WITH THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT.</p>			
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<p><input type="checkbox"/> CONSENT REFER</p> <p><input type="checkbox"/> REGULAR REPORT REFER</p> <p><input type="checkbox"/> ADVERTISE & REFER</p> <p><input type="checkbox"/> 1ST ADOPT 2ND READ & REFER</p> <p><input type="checkbox"/> PERSONAL PAPER REFER</p> <p>Date Referred: _____</p> <p>Referred To: _____</p> <p>Date Referred: _____</p> <p>Referred To: _____</p> <p>Date Referred: _____</p> <p>Referred To: _____</p>	<p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Referred To _____</p>	<p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Action Fav, Adv, Hold (see rev. side) Other _____</p> <p>Members _____</p> <p>Refer To _____</p>	<p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Action Fav, Adv, Hold (see rev. side) Other _____</p> <p>Members _____</p> <p>Refer To _____</p>
<p>MAYOR'S ACTION</p>	<p>FINAL COUNCIL ACTION <input type="checkbox"/> 2nd <input type="checkbox"/> 1st & 2nd <input type="checkbox"/> 3rd Readings <input type="checkbox"/> Consent <input type="checkbox"/> V Vote <input type="checkbox"/> RC Vote</p>		