

## POLICY AND PROCEDURE

<b>POLICY TITLE:</b> <b>Debt Policy</b>	<b>NUMBER:</b> <b>Z7AF-142-17</b>	<b>PAGE:</b> <b>1 of 14</b>
<b>APPROVED BY:</b> <b>Zone 7 Board</b>	<b>REVISION:</b>	<b>EFFECTIVE DATE:</b> <b>June 21, 2017</b>

### 1. STATEMENT OF CAPITAL FINANCING AND DEBT POLICY

On a biennial basis, Zone 7 Water Agency prepares a Capital Improvement Program Plan. The Plan is a 10-year Capital Plan for the Water System and historically a 5-year Capital Plan for Flood Protection, although the intent is to expand the planning horizon to ten years in the near future, as well. This Debt Policy provides the guidelines under which specific projects outlined in this biennial planning process and documented in the Capital Improvement Program Plan may be best financed. Debt issuance should be evaluated on a case-by-case basis as well as within the Agency's general debt management program. The Agency recognizes that changes in the capital markets and other unforeseen circumstances may require action deviating from this Debt Management Policy. In cases requiring any exception to this policy, approval from the Board will be required. The Debt Management Policy is not applicable to intra-agency borrowing.

### 2. GOALS AND OBJECTIVES

This Debt Policy formally establishes parameters for issuing debt and managing a debt portfolio, which encompasses the Agency's specific capital improvement needs, its ability to repay financial obligations, and the existing legal, economic, financial and debt market conditions. The policies outlined in the Debt Policy are not goals nor a list of rules to be applied toward the Agency's debt issuance; rather, these policies should be utilized as tools to ensure that adequate financial resources are available to support the Agency's long-term capital needs including:

- Evaluating critical debt issuance options
- Promoting sound financial management
- Providing accurate and timely financial disclosure
- Maintaining appropriate capital assets for present and future needs
- Ensuring best possible credit ratings for the debt issuance program

### 3. SCOPE

The guidelines established by this policy will govern the issuance and management of all debt incurred for short-term and long-term capital financing needs and cash flow needs. Staff recognizes that changes in the capital markets and other unforeseen circumstances may

require exception(s) to this Policy, for which approval from the Board will be required. The Policy may be amended by the Board as it deems appropriate from time to time in the prudent management of the debt of the Agency. Any approval of debt by the Board that is not consistent with this Policy shall constitute a waiver of this Policy.

#### **4. PAY AS YOU GO – VS – DEBT FINANCING**

The Agency has historically relied on Water System and Flood Protection Reserves to fund capital projects on a pay-as-you-go basis. This approach can work well during periods in which net revenues are strong and capital funding needs are modest. The recent drought related drop in reserve levels, combined with an increased need for capital projects has created the need for external funding. The Agency, under the direction of the Board of Directors will retain full flexibility in determining the best funding approach on a case-by-case basis.

#### **5. GOVERNING LAW**

The Agency shall comply with all legal constraints and conditions imposed by federal, state and local law. The following section highlights the governing laws for the Agency debt administration:

##### **A. District Act:**

The Agency is authorized by the laws of the State of California to incur indebtedness, including Section 55-5 of the Alameda County Flood Control and Water Conservation District ("District Act"), created in 1957 pursuant to Section 36 of Act 205 of the California Uncodified Water Code. Act 205, the Alameda County Flood Control and Water Conservation District Act ("the District Act") was originally, adopted in 1949, which authorizes the Agency to acquire certain improvements ("the project") to the Agency's water system (the "Enterprise") and to finance the construction of such facilities through entering into installment sale agreements.

##### **B. State of California Law:**

State law dictates certain requirements when issuing debt and certain statutes must be followed for any issuance or refunding.

##### **C. Federal Tax Law:**

The Agency shall issue and manage debt in accordance with the limitations and constraints imposed by federal tax law to maximize its ability to sell tax-exempt debt. Such constraints

include, but are not limited to, private activity tests, power to acquire projects as in Section 55-5 of the District Act, spend-down tests and arbitrage rebate limitations.

#### **D. Securities Law:**

The Agency shall comply with the requirements of federal and state securities laws in offering Agency debt and the Agency shall comply with securities law requirements in providing ongoing disclosure to the securities markets.

### **6. PERMITTED DEBT BY TYPE**

The Agency may legally issue both short-term and long-term debt, using the debt instruments described below. The Agency in consultation with the Agency Counsel, Bond Counsel and Financial Advisors, shall determine the most appropriate instrument for a proposed bond sale.

#### **A. General Obligation Bonds:**

The Agency is empowered, under its District Act; to levy taxes on all taxable property within its boundaries for the purpose of paying its voter approved general obligation bonds, subject to certain limitations in the District Act, the California Revenue and Taxation Code and the California Constitution. The Agency is authorized to sell general obligation bonds under Section 55-13 of the District Act, subject to the approval of a two-thirds majority of those voters in a local election.

#### **B. Installment Sale Agreement ("ISA"):**

The Agency is authorized by the laws of the State of California, including Section 55-13 of the Alameda County Flood Control and Water Conservation District ("District Act"), to acquire certain improvements ("the project") to the Agency's water system (the "Enterprise") and to finance the construction of such facilities through the entering into installment sale agreements. An installment sale agreement can be a vehicle for public borrowing in one of two ways:

##### **I. Joint Exercise of Powers Authority Revenue Bonds**

In an installment sale revenue bond financing, a public entity (the "agency") enters into an installment sale agreement with a Joint Exercise of Agency Powers (a "JPA"), which in turn issues bonds payable solely from the installment sale payments the agency makes to the financing entity pursuant to the installment sale agreement. JPAs are authorized by California's Marks-Roos Local Bond Pooling Act of 1985 to

issue revenue bonds and to lease and sell property, all in furtherance of the financing of public capital improvements.

## **II. Certificate of Participations ("COPs")**

Certificates of Participation provide debt financing through a lease or installment sale agreement. In a certificate of participation financing, a financing entity (a JPA, a nonprofit corporation or a for-profit corporation) enters into an installment sale agreement with the agency. Board action is sufficient to legally authorize a COP issue.

## **C. Loans, Letters of Credit, Lines of Credit - State Loans**

The Agency may from time to time borrow through a loan with a commercial bank, Letter of Credit, Lines of Credit with a commercial bank, state revolving loan program ("SRF") or other governmental agency. Each loan will have a specific purpose. Voter approval is not required for obtaining a loan if such loan is structured as an Installment Sale Agreement through a COP or JPA.

## **D. Refunding Bonds**

Refunding outstanding bonds that will provide a net economic benefit to the Agency is allowable within the federal tax law constraints.

## **7. METHODS OF SALE**

The Agency will strive to maximize credit ratings, minimize financing costs, utilize best practices, while maintaining required flexibility in funding capital needs. The Agency will evaluate the use of all financial methods available including but not limited to structures listed above utilizing the most cost advantageous structures available while minimizing risk exposure and the Agency's best interest at the time of the issuance of the debt:

**A. Competitive Sale** – The Agency may elect to sell bonds in the public market on a competitive basis depending on market conditions, required size of issuance and relative complexity of structure. The Bonds are marketed to a wide audience of investment banking (underwriting) firms. The underwriter is selected based on its bid for the securities. The Agency will award the sale of the competitively sold bonds on the basis of the lowest true interest cost basis. Pursuant to this policy, Agency staff are authorized to sign the bid form on behalf of the Agency fixing the interest rates on bonds sold on a competitive basis.

**B. Negotiated Sale** – The Agency may elect to sell bonds in the public market on a negotiated basis depending on market conditions, required size of issuance and relative

complexity of structure. The Agency staff selects the underwriter, or team of underwriters, of its securities in advance of the bond sale on the basis of responses to a competitive proposal process. Agency staff works with the underwriter to bring the issue to market and negotiates all rates and terms of the sale. In advance of the sale, Agency staff will determine compensation for and liability of each underwriter employed and the designation rules and priority of orders under which the sale itself will be conducted. Pursuant to this policy, the General Manager or designee (Treasurer/Assistant General Manager – Finance) will be authorized to sign the bond purchase agreement on behalf of the Agency, fixing the interest rates on bonds sold on a negotiated basis.

**C. Private placement** - The Agency may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.

## 8. TERMS AND CONDITIONS OF BONDS

The Agency will establish terms and conditions relating to the issuance of bonds and will direct the trustee in the management and investment of bond proceeds. General terms will be as follows:

**A. Term** – All capital improvements as outlined in the Capital Improvement Program Plan will be financed for a period consistent with the useful life of the project, but in no event greater than forty years.

**B. Capitalized Interest** – Certain types of financings will require interest be capitalized or funded from bond proceeds from the issuance date to the date at which the Agency has beneficial use and occupancy of the financed project. The Agency will comply with the requisite federal tax laws in the use of capitalized interest.

**C. Debt Service Reserve** – The Agency may use, as needed, a debt service reserve fund to enhance the credit structure of the bonds and provide added security for bondholders. Debt service reserve funds are generally funded from bond proceeds and are limited in size by federal tax regulations.

**D. Debt Service Structure** – Debt service structures should be consistent with the useful life of the project financed generally, provide for overall level debt structure for the Agency on an aggregate basis, and consider the budgetary impact of incremental debt service.

**E. Call Provisions** – In general, the Agency's securities will include a call feature, which is no later than ten (10) years from the date of delivery of the bonds. The Agency will avoid the sale of non-callable bonds absent careful evaluation by the Agency of the value of the call option.

## 9. CREDIT CONSIDERATIONS

In order to ensure the highest possible credit rating the Agency may implement the following:

**A. Rate Covenant** – The Agency will covenant to maintain rates at a minimum coverage level on outstanding debt required to ensure strong ratings. To the extent coverage ratios on outstanding debt fall below this minimum level, the Agency will use rate stabilization or other reserves to bring coverage to the minimum covenant level or implement necessary rate increases to bring coverage levels back to this minimum level. This minimum level can be determined based on rating considerations and market standards which may prevail at the time of issuance of the bonds.

**B. Additional Bonds Test** – The Agency will require a net revenue to annual debt service coverage level, among other tests, for the sale of additional bonds to ensure strong ratings.

**C. Rate Stabilization Fund** – The Agency will create and/or augment a rate stabilization fund in order to meet coverage ratios, address revenue volatility, avoid rate volatility to rate payers and ensure best credit outcome.

**D. Financing Structures** – The Agency will maintain a relatively straightforward debt structure which would result in best possible credit ratings, taking into consideration revenue volatility, capital needs and development cycles.

**E. Debt Service Reserve.** When required a reserve fund equal to the least of ten percent (10%) of the original principal amount of the bonds, one hundred percent (100%) of the maximum annual debt service, and one hundred and twenty five percent (125%) of average annual debt service, or, if permitted, 10 % of the par value of bonds outstanding (the "Reserve Requirement") shall be funded from the proceeds of each series of bonds, subject to federal tax regulations and in accordance with the requirements of credit enhancement providers and/or rating agencies. The Agency may purchase reserve equivalents (i.e., the use of a reserve fund surety) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis.

## 10. CREDIT ENHANCEMENTS

The Agency will consider the use of credit enhancement on a case-by-case basis, evaluating the economic benefit. Credit enhancement will only be used to the extent that the cost savings from the enhanced credit and improved pricing levels exceeds the cost of this enhancement on a net present value basis. Credit enhancements which may be used include but are not limited to the following: bond insurance and bank letters of credit.

**A. Bond Insurance.** The Agency shall have the authority to purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds. The General Manager or designee will solicit quotes for bond insurance from interested providers, or in the case of a competitive sale submit an application for pre-qualification on insurance. In a negotiated sale, the General Manager, and/or Assistant General Manager – Finance or designee shall have the authority to select a provider whose bid is most cost effective and whose terms and conditions governing the guarantee are satisfactory for the Agency. The winning bidder in a competitive sale will determine whether it chooses to purchase bond insurance for the issue.

**B. Letter of Credit.** The Agency may enter into a letter of credit ("LOC") or liquidity agreement when such an agreement is deemed prudent and advantageous.

## **11. REFINANCING OUTSTANDING DEBT**

The Agency will analyze outstanding bond issues for refunding opportunities as well as consider refunding opportunities presented by underwriters or financial advisors with the goal of reducing debt service payments and obtaining net present value savings on outstanding debt. The General Manager and/or designee will consider the following when analyzing refunding opportunities:

**A. Debt Service Savings** – A minimum savings threshold goal of three percent (3%) of net present value savings as a percent of refunded bond principal amount must be obtained, unless specifically directed otherwise by the Board of Directors of the Agency or unless there are legal or restructuring reasons for defeasance. Refunding which produce a net savings of less than three percent (3%) will be considered on a case-by-case basis. The present value savings will be the net of all costs related to the refinancing.

**B. Restructuring** – The Agency may restructure debt without meeting the 3% savings threshold in order to:

- Address unanticipated revenue changes

- Mitigate irregular debt service payments
- Release reserve funds
- Remove unwanted bond covenants
- Achieve cost savings

**C. Term of Refunding Issues** – The Agency may refund bonds within the term of the originally issued debt. However, the Agency may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The Agency may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.

**D. Escrow Structuring** – The Agency shall utilize the least costly securities available in structuring refunding escrows. The Agency will examine the viability of an economic versus legal defeasance on a net present value basis. A certificate will be required from a third party agent who is not a broker-dealer, stating that the securities were procured through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities was reasonable within Federal guidelines. Under no circumstances shall an underwriter, agent or financial advisor sell escrow securities to the Agency from its own account.

**E. Arbitrage** – Arbitrage regulations apply to all of the Agency's tax exempt financings. The Agency shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding. Any resulting positive arbitrage will be rebated as necessary according to Federal guidelines.

## **12. CONTINUING DISCLOSURE COMPLIANCE**

The Agency shall remain in compliance with SEC Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefits of its bondholders within nine (9) months of the close of the fiscal year. The General Manager, or his designee (Treasurer/Assistant General Manager – Finance), shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access system ("EMMA"), the central depository designated by the SEC for ongoing disclosures by municipal issuers. The Agency will keep current with any changes to the administrative aspects of its filing requirements and the national repositories responsible for ensuring issuer compliance with the continuing disclosure regulations. In the event of a 'material event' requiring immediate disclosure, the Agency will work with its Dissemination Agent to ensure dissemination of the information to the appropriate disclosure notification parties.

This policy is intended to comply with Senate Bill 1029 codified as Government Code Section 8855 ("SB 1029"). SB 1029, signed by Governor Brown on September 12, 2016, requires California public agencies that issue debt to provide certain initial and ongoing disclosures to the California Debt and Investment Advisory Commission ("CDIAC") including:

- A. The purposes for which the debt proceeds may be used.
- B. The types of debt that may be issued.
- C. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- D. Policy goals related to the issuer's planning goals and objections.
- E. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

### **13. COMPLIANCE WITH BOND COVENANTS**

Once the bonds are issued, the Agency, in addition to financial disclosure and arbitrage compliance, is responsible for verifying compliance with, all undertakings, covenants, and agreements of each bond issuance on an ongoing basis. This typically includes ensuring:

- Annual appropriation of revenues to meet debt service payments
- Timely transfer of debt service payments to the trustee or paying agent
- Compliance with insurance requirements
- Compliance with rate covenants, where applicable
- Compliance with all other bond covenants

On an annual basis, all required debt-related schedules and footnotes shall be included in the Agency's Comprehensive Annual Financial Report (CAFR).

### **14. PROFESSIONAL SERVICES**

The Agency will use a competitive process through a Request for Proposal (RFP) in the retention of professional services, however, if there are unforeseen events that necessitate immediate action including but not limited to redemption, defeasance, or restructuring to prevent the Agency from experiencing further losses, the General Manager or designee can select a consultant without using the competitive process or RFP process. The Agency will seek to retain the best possible financing professionals to ensure a high quality financing experience and result. The professional service selected by the Agency will help to develop a credit strategy, issue debt and ensure compliance with federal and state statutes, and Internal Revenue Code at the time of issuance as well as on a continuing basis:

**A. Rating Agencies** – The Agency will maintain an effective relationship with the one or more of the national statistical rating agencies, Moody's Investors Service, Standard & Poor's, Fitch Ratings, or Kroll Bond Rating Agency, in the issuance of debt as well as in the on-going monitoring of outstanding debt.

**B. Financial or Municipal Advisors** – The Agency will comply with the Municipal Advisor Rule, ensuring the use of external Advisors in the sale of debt as well in managing relationships with the underwriting community. The Financial advisory services provided to the Agency shall include, but not limited to the following:

- Evaluation of risks and opportunities associated with debt issuance;
- Monitoring marketing opportunities;
- Evaluation of proposals submitted to the Agency by investment banking firms;
- Structuring and pricing;
- Preparation of request for proposals for other financial services (trustee and paying agent services, printing, credit facilities, remarketing agent services, etc.);
- Advice, assistance and preparation for presentations with rating agencies and investors;
- Assist in the preparation and review of legal and financing documents in coordination with the financing team in connection with the financing.

**C. Underwriters** – The Agency will utilize an underwriter in the sale of bonds on a competitive, negotiated or private placement basis. For a negotiated sale, the Agency will select an underwriter through a request for proposal process; basing the selection on best value for the Agency including capital structure, underwriting capabilities, demonstrated expertise and experience as well as proposed fees.

**D. Disclosure Counsel** – the Agency will ensure complete and accurate disclosure of financial and legal condition in the issuance of debt. The Agency will also ensure full compliance with continuing disclosure requirements. The Agency will select, through a request for proposal process, and retain qualified and experienced counsel in achieving this objective of accurate, comprehensive and complete disclosure.

**E. Bond Counsel** – The Agency will select through a request for proposal process and retain qualified and experienced legal counsel as representation for Bondholders as well as the Agency in structuring debt and ensuring legal accuracy and enforceability of bond documents, as well as compliance with all federal and state laws and the Internal Revenue Code.

**F. Trustee** – The Agency will select through a request for proposal process the services of an external trustee to hold and invest and disburse financing proceeds. The trustee or fiscal agent will provide for debt service payments of all debt issued by the Agency. The Agency Treasurer or designee shall monitor the services rendered by the fiscal agent to ensure prompt and efficient service to bondholders.

## **15. INTERNAL CONTROL PROCEDURES**

All debt transactions must be approved by the Board of Directors. The proceeds of bond sales will be invested until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of 1) safety of principal, 2) liquidity, 3) diversity and 4) return on investment or yield and may be held as cash. The Agency's investment guidelines and bond indentures will govern objectives and criteria for investment of bond proceeds. The Treasurer will oversee the investment of bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.

Bond proceeds will be deposited and recorded in separate accounts to ensure funds are not comingled with other forms of Agency funds. The Agency's Trustee or Fiscal Agent will administer the disbursement of bond proceeds pursuant to each certain Indenture of Trust or Fiscal Agent Agreement, respectively. To ensure proceeds from bond sales are used in accordance with legal requirements invoices are submitted by the Facilities & Engineering Section and approved by the Accounting Section and Agency Treasurer/Assistant General Manager – Finance for payment. Requisition for the disbursement of bonds funds will be approved by the Agency's Treasurer / Assistant General Manager – Finance or designated alternate. Responsibility for general ledger reconciliations and records is segregated from the invoice processing, cash receipting, and cash disbursement functions.

The Finance and/or Accounting Section will be tasked with monitoring the expenditure of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued and exercising best efforts to spend bond proceeds in such a manner that the Agency will meet one of the spend-down exemptions from arbitrage rebate. Tax-exempt bonds will not be issued unless it can be demonstrated that 85% of the proceeds can reasonably be expected to be expended within the three-year temporary period.

## **16. RECORD KEEPING**

A copy of all debt-related records shall be retained at the Agency's offices. At minimum, these records shall include all official statements, bid documents, bond documents/transcripts, indentures, resolutions, trustee statements, leases, and title reports for each financing (to the

extent available). To the extent possible, the Agency shall retain an electronic copy of each document, preferably in PDF or CD-ROM format.

## **17. REBATE POLICY AND SYSTEM**

The Agency will accurately account for all interest earnings in debt related funds. These records will be designed to ensure compliance with all debt covenants and with State and Federal laws. The Agency will calculate and report interest earnings that relate to Internal Revenue Code rebate yield limits and arbitrage requirements.

## **18. PUBLIC STATEMENTS REGARDING FINANCIAL INFORMATION**

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

## **19. TRAINING**

The General Manager shall ensure that the members of the Agency staff involved in the initial or continuing disclosure process and the Board of Directors and staff are properly trained to understand and perform their responsibilities.

The General Manager shall arrange for disclosure training sessions conducted by the Agency's disclosure counsel which shall include education of these Disclosure Policies, the Agency's disclosure obligations under applicable federal and state securities laws, and the disclosure responsibilities and potential liabilities of members of the Agency's staff and members of the Board of Directors.

## **20. POLICY REVIEW**

The General Manager, or designee (Treasurer/Assistant General Manager – Finance), will be responsible for regularly reviewing and updating this policy, and present any recommended revisions to the Board for adoption.

## GLOSSARY

**Arbitrage** – The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

**Call Provisions** – The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

**Capitalized Interest** – A portion of the proceeds of an issue which is set aside to pay interest on the securities for a specified period of time. Interest is commonly capitalized for the construction period of the project.

**Competitive Sale** – A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

**Continuing Disclosure** – The principle that accurate and complete information material to the transaction which potential investors would be likely to consider material in making investment decisions with respect to the securities be made available on an ongoing basis.

**Credit Enhancement** – Credit support purchased by the issuer to raise the credit rating of the issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

**Debt Service Reserve Fund** – The fund in which moneys are placed which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

**Derivatives** – A financial product whose value is derived from some underlying asset value.

**Escrow** – A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

**Letters of Credit** – A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

**Negotiated Sale** – A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

**Pay-As-You-Go** – An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

**Present Value** – The current value of a future cash flow.

**Rebate** – A requirement imposed by Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to its profit earned from investment of bond proceeds at a yield above the bond yield calculated pursuant to the IRS code together with all income earned on the accumulated profit pending payment.

**Syndicate Policies** – The contractual obligations placed on the underwriting group relating to distribution, price limitations and market transactions.

**Underwriter** – A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

## HISTORY

Date	Action	Resolution
June 21, 2017	Originally adopted	17-52