

RESOLUTION NO. 120814-1

A RESOLUTION ESTABLISHING A CONTINUING DISCLOSURE POLICY FOR THE CITY OF ABILENE, KANSAS

WHEREAS, the City Commission desires to establish a Continuing Disclosure Policy to ensure the continued disclosure related to the issuance of the City's bonds and other securities pursuant to Rule 15c2-12, as amended, promulgated under the Securities and Exchange Act of 1934, as amended.

NOW, THEREFORE BE IT RESOLVED, by the City Commission of the City of Abilene, as follows:

Section 1. Established: Continuing Disclosure Policy. That a Continuing Disclosure Policy for the City of Abilene, Kansas, is hereby adopted as attached hereto as **Exhibit A**.


Section 2. Implementation. The City Manager shall be authorized to enforce the provisions as provided therein and in applicable resolutions, ordinances, and laws.

Section 3. Effective Date. That the effects of this Resolution shall be in full force after its approval by the City Commission.

PASSED AND APPROVED by the Governing Body of the City of Abilene, Kansas this 8th day of December, 2014.



ATTEST:


Penny Soukup, CMC
City Clerk

CITY OF ABILENE, KANSAS

By:



Brenda Finn Bowers, Mayor

EXHIBIT A

Continuing Disclosure Policy

for the

City of Abilene, Kansas

December 8, 2014

CONTINUING DISCLOSURE POLICY ABILENE, KANSAS

This Continuing Disclosure Policy (the "Disclosure Policy") establishes specific policies of Abilene, Kansas (the "Issuer") designed to supplement existing policies and undertakings and ensure satisfaction of the Issuer's continuing disclosure obligations undertaken in connection with the Issuer's bonds and other securities pursuant to Rule 15c2-12, as amended, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule").

I. Definitions

The definitions below apply to any capitalized term used in this Disclosure Policy unless the term is otherwise defined herein. In addition to such terms and the terms defined above, as used in this Disclosure Policy, the following capitalized terms have the following meanings:

"Annual Financial Information" means the financial information or operating data with respect to the Issuer, provided at least annually according to the applicable Undertaking, of the type included in portions of the Final Official Statement and described on Exhibit A to the applicable Undertaking and shall include the Audited Financial Statements.

"Audited Financial Statements" means the Issuer's annual financial statements or Comprehensive Annual Financial Report, prepared using generally accepted accounting principles and audited as required or permitted by the laws of the State of Kansas according to auditing standards generally accepted in the United States, and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States.

"Disclosure Administrator" means the City Manager of the Issuer.

"Governing Body" means the City Commission.

"Employee" means any person who, as part of his or her employment with the Issuer, has regular responsibility for the administration of matters related to Obligations.

"EMMA" means the Electronic Municipal Market Access system of the MSRB. Information regarding submissions to EMMA is available at <http://emma.msrb.org/>.

"Event" means any of the events listed in Schedule I of this Disclosure Policy.

"Fiscal Year" means the fiscal year of the Issuer, being the period commencing on January 1 and ending on the following December 31.

"MSRB" means the Municipal Securities Rulemaking Board or any other board or entity which performs the functions currently delegated to the Municipal Securities Rulemaking Board by the Rule.

"Obligations" means any bonds, notes or other securities issued by, or whose payment is guaranteed by, the Issuer and for which the Issuer is an "Obligated Person" as defined by the Rule.

"Operating Data" means the Issuer's financial information and operating data disclosed pursuant to this Disclosure Policy and described on Exhibit A to any applicable Undertaking.

"SEC" means the U.S. Securities and Exchange Commission.

"Undertaking" means any agreement, ordinance or other undertaking by the Issuer to make continuing disclosure with respect to Obligations pursuant to the Rule.

II. Submission of Annual Financial Information

1. Not later than December 31st following the end of each fiscal year of the Issuer, or an earlier date set forth in an Undertaking (September 15th), and annually thereafter while any Obligations described in an Undertaking remain outstanding, the Disclosure Administrator shall submit or cause the Issuer's Annual Financial Information to be submitted to the MSRB through EMMA.

2. Not more than five days after the submission of the Annual Financial Information to the MSRB, the Disclosure Administrator shall provide to the Governing Body written confirmation from EMMA that the Annual Financial Information has been submitted and filed properly with the MSRB through EMMA, which confirmation shall be acknowledged at the next regular meeting of the Governing Body.

3. In the event that the Annual Financial Information is not completed in time to submit the Annual Financial Information to EMMA at the time specified in paragraph 1 above, the Disclosure Administrator will file a notice of occurrence of that Event according to the policy and procedures set forth below under "Reporting of Events," and as described in the Rule, and the Issuer's Annual Financial Information shall be submitted as soon as it is available.

III. Reporting of Events

1. The Disclosure Administrator shall file a notice of the occurrence of any Event or Events with the MSRB via EMMA with respect to any Obligations to which the Event or Events apply, in a timely manner, but not in excess of ten business days after the occurrence of the Event. The Disclosure Administrator shall provide notice of an Event to the MSRB through EMMA, as required by the Rule. The Events to be disclosed are listed on Schedule I of this policy. The Disclosure Administrator shall consult with legal counsel and update Schedule I if there are changes to the Rule with respect to Events to be reported.

2. Not less than three business days after providing notice of an Event to the MSRB, the Disclosure Administrator shall provide a copy of the notice submission filed with the MSRB to the Governing Body, along with written confirmation from EMMA that such notice submission was properly filed with the MSRB through EMMA, as required by the Rule, which confirmation shall be acknowledged at the next regular meeting of the Governing Body.

3. If an Employee obtains actual knowledge of an Event, the employee must inform the Disclosure Administrator in writing as soon as possible. If the Disclosure Administrator is made aware of any occurrence and he or she is uncertain whether it constitutes an Event, the Disclosure Administrator shall confer with legal counsel regarding the occurrence. If such consultation cannot occur by the deadline established in Section III, Subsection 1, the Disclosure Administrator shall nonetheless file notice of the occurrence as required for any Event.

IV. Manner of Submission

The documents, reports and notices required to be submitted to the MSRB pursuant to the Disclosure Policy shall be submitted through EMMA in an electronic format, shall be accompanied by identifying information, in the manner prescribed by the MSRB, or in such other manner as is consistent with the Rule, and shall be linked directly to each applicable Obligation on EMMA according to any SEC, MSRB, or EMMA rules and regulations in effect from time to time. A description of such format and information as presently prescribed by the MSRB is included in **Exhibit A**.

The Annual Financial Information may be provided to the MSRB through EMMA in one document or a set of documents, or may be included by specific reference to documents available to the public on EMMA, including official statements of Obligations. The Disclosure Administrator shall clearly identify each document provided by cross reference.

V. Disclosure Training for Issuer Employees

1. The Disclosure Administrator shall conduct annual training of Issuer Employees regarding this Disclosure Policy, or arrange for the Issuer's financial advisor, bond counsel, or other outside resources to conduct training. The training shall include a complete review of this Disclosure Policy, the Rule, and the Events listed on Schedule 1, and shall include a complete overview of the Issuer's obligations under the federal securities laws.

2. Not later than fourteen business days after the end of each fiscal year of the Issuer, the Disclosure Administrator shall provide annual written certification to the Governing Body that the annual disclosure training has been completed.

VI. Public Statements Regarding Financial Information

Whenever the Issuer makes statements or releases information relating to its finances to the public that is reasonably expected to reach investors and the trading markets (including, without limitation, all Event notices, statements in the Annual Financial Information, and other financial reports and statements of the Issuer), the Issuer is obligated to ensure that such statements and information are complete, true, and accurate in all material aspects. The Disclosure Administrator shall have primary responsibility for ensuring that such statements and information are accurate and not misleading in any material aspect. The Mayor, the Disclosure Administrator, and Issuer Employees shall work together to ensure that all public statements and information released by the Issuer are accurate and non-misleading in all material aspects.

VII. Future Issuance

Whenever the Issuer issues Obligations subject to the Rule, a preliminary official statement and a final official statement shall be prepared in consultation with the Issuer's financial advisor. Each of these official statements contains information relating to the Issuer's finances and operations. The Mayor, the Disclosure Administrator, and Issuer Employees shall have primary responsibility for ensuring that all such information is accurate and not misleading in any material aspect. The official statement shall also include a certification by the Mayor that the information contained in the official statement regarding the Issuer, as of the date of each official statement, does not contain any untrue statement of material fact or omit to state any material fact necessary to make the information contained in the offering statement, in light of the circumstances under which it was provided, not misleading. The Mayor and Disclosure Administrator shall also ensure that each official statement shall contain a description of any instances in the previous five years in which the Issuer failed to comply, in all material respects, with any Undertakings.

VIII. Records

The Disclosure Administrator shall be responsible for retaining records demonstrating compliance with this Disclosure Policy. At a minimum, the Disclosure Administrator shall retain the following:

A. Master Obligation List. A master list of all Obligations (including those not subject to the Rule) in the form and including the information shown on the table set forth on Schedule II to this policy. The Disclosure Administrator may add any relevant information or categories to the Master Obligation List from time to time as it determines appropriate.

B. Disclosure Files. An electronic or paper file for each Obligation subject to the Rule. Each Disclosure File shall include the final version of the applicable Undertaking; written confirmations of all disclosures made to EMMA related to the applicable Obligation; and a copy of this Disclosure Policy. Notwithstanding any other existing or future records retention policy, each Disclosure File shall be maintained in a central depository for a period of five years after the date the applicable Obligation is no longer outstanding.

IX. Additional Information

Nothing in this Disclosure Policy shall be deemed to prevent the Issuer from disseminating any other accurate information using the means of dissemination set forth in this Disclosure Policy or any other means of communication.

X. Bond Counsel

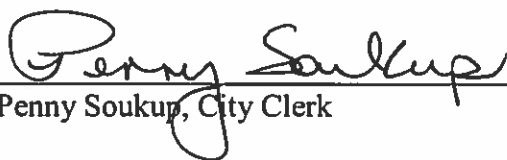
The Issuer has previously engaged Triplett, Woolf & Garretson, LLC, and may from time to time engage Triplett, Woolf & Garretson, LLC and others as the Issuer's Bond Counsel with respect to the issuing Obligations. The Issuer understands that such engagement does not constitute a lawful substitute for the exercise of the continuing diligence of its Disclosure Administrator, Governing Body or its employees, as outlined in this Policy. To the extent Bond

Counsel has assisted the Issuer with development of this Policy, is requested in the future to assist or opine on matters of training or continuing disclosure pursuant to this Policy, or may assist the Issuer with reporting under any SEC actions or programs, the City acknowledges that a potential conflict of interest may exist, as it relates to Obligations where Triplett, Woolf & Garretson, LLC served as Bond Counsel. The Issuer has had an opportunity to consider the consequences with other counsel (including the potential need for Bond Counsel to withdraw from representation of the Issuer in the event a non-waivable conflict should arise) and has been provided sufficient information to allow it to evaluate the representation. The Issuer waives such conflict of interest and consents to such representation, training and reporting assistance by its adoption of this Policy.

This Continuing Disclosure Policy was adopted and approved by a majority of the members of the Governing Body of the Issuer at its regular meeting on December 8, 2014.



CITY OF ABILENE, KANSAS


Penny Soukup, City Clerk

SCHEDULE I

The Rule requires reporting to EMMA of the occurrence of any of the Events listed as (1) through (14) below with respect to any applicable Obligation. Reporting of Events occur in a timely manner, but not more than ten business days an Event has occurred. Reporting Events are as follows:

1. Principal and interest payment delinquencies;
2. Nonpayment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or a Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to tax status of the Obligations, or other events affecting the tax status of the Obligations;
7. Modifications to rights of registered owners of the Obligation, if material;
8. Bond calls (excluding mandatory sinking fund redemptions of term bonds), if material, and tender offers;
9. Defeasances (usually occurs in connection with advance refunding);
10. Release, substitution or sale of property securing repayment of the Obligations;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person;
13. Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or determination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.

EXHIBIT A

MSRB PROCEDURES FOR SUBMISSION OF CONTINUING DISCLOSURE DOCUMENTS AND RELATED INFORMATION

Securities and Exchange Commission Release No. 34-59061 (the "Release") approves an MSRB rule change establishing a continuing disclosure service of the MSRB's Electronic Municipal Market Access system ("EMMA"). The rule change establishes, as a component of EMMA, the continuing disclosure service for the receipt of, and for making available to the public, continuing disclosure documents and related information to be submitted by issuers, obligated persons and their agents pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12 ("Rule 15c2-12") under the Securities Exchange Act of 1934. The following discussion summarizes procedures for filing continuing disclosure documents and related information with the MSRB as described in the Release.

All continuing disclosure documents and related information is to be submitted to the MSRB, free of charge, through an Internet-based electronic submitter interface or electronic computer-to-computer data connection, at the election of the submitter. The submitter is to provide, at the time of submission, information necessary to accurately identify: (i) the category of information being provided; (ii) the period covered by any annual financial information, financial statements or other financial information or operating data; (iii) the issues or specific securities to which such document is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, date, maturity date and/or coupon rate); (iv) the name of any obligated person other than the issuer; (v) the name and date of the document; and (vi) contact information for the submitter. Submissions to the MSRB are to be made as portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. If the submitted file is a reproduction of the original document, the submitted file must maintain the graphical and textual integrity of the original document. In addition, as of January 1, 2010, such PDF files must be word-searchable (that is, allowing the user to search for specific terms used within the document through a search or find function), provided that diagrams, images and other non-textual elements will not be required to be word-searchable.

All submissions to the MSRB's continuing disclosure service are to be made through password protected accounts on EMMA by: (i) issuers, which may submit any documents with respect to their municipal securities; (ii) obligated persons, which may submit any documents with respect to any municipal securities for which they are obligated; and (iii) agents, designated by issuers and obligated persons to submit documents and information on their behalf. Such designated agents are required to register to obtain password-protected accounts on EMMA in order to make submissions on behalf of the designating issuers or obligated persons. Any party identified in a continuing disclosure undertaking as a dissemination agent or other party responsible for disseminating continuing disclosure documents on behalf of an issuer or obligated person will be permitted to act as a designated agent for such issuer or obligated person, without a designation being made by the issuer or obligated person as described above, if such party certifies through the EMMA on-line account management utility that it is authorized to disseminate continuing disclosure documents on behalf of the issuer or obligated person under the continuing disclosure undertaking. The issuer or obligated person, through the EMMA on-line account management utility, is able to revoke the authority of such party to act as a designated agent.

The MSRB's Internet-based electronic submitter interface (EMMA Dataport) is at www.emma.msrb.org.

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