

August 12, 2014

RESOLUTION 2014-  
RESOLUTION OF THE BOROUGH OF BRADLEY BEACH  
DIRECTING THE UNDERTAKING OF A CONTINUING  
DISCLOSURE REVIEW AND AUTHORIZING PARTICIPATION IN  
THE MUNICIPALITIES CONTINUING DISCLOSURE  
COOPERATION INITIATIVE OF THE DIVISION OF  
ENFORCEMENT OF THE U.S. SECURITIES AND EXCHANGE  
COMMISSION

Mayor Engelstad offered the following resolution and moved its adoption:

WHEREAS, the Borough Of Bradley Beach (the “Governmental Entity”) has entered into continuing disclosure agreement(s) in connection with certain of its prior bond and/or note issuance(s) (the “Prior Issuances”), agreeing to file certain financial information and operating data and/or certain enumerated event notices with the former nationally recognized municipal securities information repositories or the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the provisions of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the “Rule”); and

WHEREAS, the Governmental Entity has made certain representations regarding its continuing disclosures in bond and note offering documents in connection with its Prior Issuances; and

WHEREAS, in response to widespread concerns that many municipal issuers have not been complying with their obligations to file continuing disclosure documents under the Rule, and furthermore have made false representations concerning compliance in bond and note offering documents, the Division of Enforcement (the “Division”) of the U.S. Securities and Exchange Commission (the “Commission”) has set forth its Municipalities Continuing Disclosure Cooperation Initiative (the “MCDC Initiative”), attached hereto as Exhibit A, whereby the Commission will recommend favorable settlement terms to municipal issuers involved in the offer or sale of municipal securities, as well as underwriters of such offerings, if they self-report to the Division possible violations involving materially inaccurate statements in bond and note offering documents relating to prior compliance with continuing disclosure obligations pursuant to the Rule; and

WHEREAS, pursuant the Local Finance Notice 2014-9, attached hereto as Exhibit B, the Director of the Local Finance Board, in the Division of Local Government Services, New Jersey Department of Community Affairs, has recommended the undertaking of a Review (as hereinafter defined) by all municipal issuers and participation in the MCDC Initiative, where appropriate, as determined by the facts of each Review (the “LFB Recommendation”);

NOW, THEREFORE, IN CONNECTION WITH THE LFB RECOMMENDATION, BE IT RESOLVED BY THE GOVERNMENTAL ENTITY, as follows:

Section 1. The Governmental Entity, through its Administrator, Chief Financial Officer or Treasurer, as applicable (the “Governmental Entity Officer”), or through the engagement of a third-party disclosure-dissemination agent, is hereby directed to conduct a continuing disclosure review of its prior continuing disclosure undertakings (the “Review”), and the Governmental Entity hereby ratifies any such previously conducted Review. Such Review shall include, but is not limited to, a historical review of the Governmental Entity’s continuing disclosure obligations and filings in connection with its Prior Issuances that are presently outstanding and which are no longer outstanding but, as of the date five years prior to the date of submission of the Questionnaire (as hereinafter defined), were outstanding; and the undertaking, at any time, of any applicable remedial filings with the MSRB deemed necessary for

compliance with its continuing disclosure obligations. The Governmental Entity Officer is hereby authorized and directed, if necessary, to appoint and engage a third-party disclosure-dissemination agent and any fees and costs associated with such third-party disclosure-dissemination agent are hereby approved or ratified and confirmed.

Section 2. The Governmental Entity, through its Governmental Entity Officer, is hereby authorized to participate in the MCDC Initiative, if in the discretion of the Governmental Entity Officer after consultation with Governmental Entity officials, it is determined that the Governmental Entity may have made materially inaccurate statements in its bond and note offering documents relating to prior compliance with continuing disclosure obligations pursuant to the Rule in connection with its Prior Issuances issued during the period beginning five years prior to the date of submission of the Questionnaire.

Section 3. The Governmental Entity Officer of the Governmental Entity is hereby authorized to execute and deliver any and all documents and instruments, including the Municipalities Continuing Disclosure Cooperation Initiative Questionnaire for Self-Reporting Entities contained in the MCDC Initiative (the "Questionnaire"), and to do and cause to be done any and all acts and things necessary or proper for participating in the MCDC Initiative and all related transactions, including the Review, contemplated by this resolution.

Section 4. All resolutions or proceedings, or parts thereof, in conflict with the provisions of this resolution are to the extent of such conflict hereby repealed.

Section 5. This resolution shall take effect immediately or in accordance with applicable law.

Seconded by Councilman \_\_\_\_\_ and adopted on roll call by the following vote:

AYES                      NAYS                      ABSTAIN                      ABSENT

Mr. Cotler  
Mr. Volante  
Mr. Goldfarb  
Mr. Galassetti  
Mayor Engelstad

#### **CERTIFICATION**

I, Mary Ann Solinski, Municipal Clerk, Borough of Bradley Beach, Monmouth County, New Jersey, do hereby certify that the foregoing resolution was duly adopted by the Mayor and Council at the August 12, 2014 meeting.

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MARY ANN SOLINSKI, RMC, CMC  
Municipal Clerk