Gilmore & Bell, P.C.
04/05/2012

RESOLUTION NO. R-12-40

A RESOLUTION PROVIDING FOR THE ADOPTION OF A TAX-EXEMPT FINANCING COMPLIANCE PROCEDURE RELATING TO OBLIGATIONS ISSUED AND TO BE ISSUED BY THE CITY OF COFFEYVILLE, KANSAS.

WHEREAS, the City of Coffeyville, Kansas (the "Issuer") is a city of the first class, duly created, organized and existing under the Constitution and laws of the State of Kansas (the "State"); and

WHEREAS, the Issuer is authorized, pursuant to the Constitution and statutes of the State to issue bonds, notes, leases, certificates and other instruments that evidence indebtedness (collectively, the "Obligations") to finance certain improvements, projects and programs of the Issuer (collectively, the "Project Facilities"); and

WHEREAS, the Issuer has heretofore issued certain Obligations and anticipates future issuances of additional Obligations, the interest on which is intended to be excluded from gross income for federal income tax purposes or which is subsidized by the federal government (*e.g.* build America bonds) (the "Tax-Exempt Obligations"); and

WHEREAS, the Internal Revenue Code of 1986, as amended and regulations promulgated thereunder (collectively, the "Code"), impose ongoing requirements related to the investment, use and expenditure of proceeds of Tax-Exempt Obligations and related funds and restrictions on use of the Project Facilities financed by such Tax-Exempt Obligations; and

WHEREAS, pursuant to rules promulgated by the Securities and Exchange Commission (the "SEC"), the Issuer has entered into or anticipates entering into continuing disclosure undertakings to provide for the submission of annual reports and notices of certain material events relating to the Tax-Exempt Obligations for Project Facilities; and

WHEREAS, the Issuer is committed to full compliance with all such requirements with respect to the Issuer's Tax-Exempt Obligations.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COFFEYVILLE, KANSAS:

Section 1. **Compliance Procedure**. In order to comply with the requirements of the Code and directives of the Internal Revenue Service and SEC and to improve tax compliance and documentation, the governing body of the Issuer hereby adopts the Tax-Exempt Financing Compliance Procedure, dated as April 17, 2012 (the "Compliance Procedure").

Section 2. **Permanent Record**. A copy of the Compliance Procedure shall be placed in the permanent records of the Issuer and shall be available for public inspection during regular business hours of the Issuer.

Section 3. **Effective Date.** This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED AND APPROVED by the governing body of the City of Coffeyville, Kansas, on April 17, 2012.

(Seal)

_____
David George, Mayor

ATTEST:

_____
Cindy Price, City Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of Resolution No. R-12-40 of the City of Coffeyville, Kansas adopted by the governing body on April 17, 2012 as the same appears of record in my office.

DATED: April 17, 2012.

_____
Cindy Price, City Clerk

(Signature page to Resolution)