



## Memorandum

**To:** City Council  
**From:** Ben Cowan  
**Date:** 7/15/2015  
**Re:** Brokerage Agreement Resolution

---

During the July 8, 2015 Investment Advisory Board Meeting, a decision was made to enter into a brokerage arrangement with Peaks Investment Management to purchase United States Government Agency bonds to help the City of Gunnison reach our investment goals. Although Peaks works with over 60 different dealers of financial instruments, the assets are held by National Financial Services LLC., which is a member of SIPC, or "Securities Investor Protection Corporation", which is kind of like FDIC for securities. We are covered for up to \$500,000 in the account of which \$250,000 can be cash. In addition to SIPC, there is additional aggregate insurance of \$1 Billion, there is no per-account dollar limit on coverage of securities, but there is a per-account limit of \$1.9 Million in cash. The cost of safekeeping is free to the City. When the City purchases a bond, the transaction costs are absorbed through the underwriters fee rather than paying a commission.

The attached resolution authorizes me as Finance Director and Gail Davidson as City Clerk to serve as authorized signors on behalf of the City of Gunnison. This is the typical setup we have on all safekeeping agreements that the City has in effect with various financial institutions. Our driver's license information and other particulars will be added upon approval.

**Action Requested:** A motion to adopt the attached Corporate and Unincorporated Organization Resolution to authorize an account to be opened in the name of the City of Gunnison with National Financial Services LLC ("NFS") and authorize Mayor Hagan's signature on the same.

Account Number

# Corporate and Unincorporated Organization Resolution

Use this form to authorize an account to be opened in the name of the Corporation or Unincorporated Organization ("Company") with National Financial Services LLC ("NFS"), and identify those officers or individuals authorized by Resolution to transact business on the account. Complete all sections. Type on screen or fill in using CAPITAL letters and black ink. If you need more room for information or signatures, use a copy of the relevant page.

## 1. Account Information

Entity Name		
Taxpayer ID Number	Country of Tax Residence	Country of Organization
Entity ID Document	State/Country of ID Issuance	Trust Date <i>required for Trusts</i> MM DD YYYY

### Legal Address

Provide the residential address. Cannot be a P.O. Box or Mail Drop.

Address			
City	State/Province	Zip/Postal Code	Country

### Mailing Address

Complete if different from Legal Address.

Address			
City	State/Province	Zip/Postal Code	Country

### Type of Organization

- Check one.  Corporation A corporate seal or articles of incorporation must be provided with this form.  
 Unincorporated Organization A Notary is required in Section 5.

## 2. Certification

Provide name of President, Secretary, or other Authorized Individual.

Complete this section to authorize that an account be opened in the name of the Company with National Financial Services, LLC.

Name	Title

I hereby certify the following:

A. that the Company identified above is duly organized and exists under the laws of the state of  and has the power to take the action called for by the resolutions on this form.

B. that the Company is one of the following entities:

- Check one.  Publicly traded company  
 Privately held company

C. that the resolutions on this form were duly adopted by the Board of Directors or Governing Body of said Company at a meeting held on:

Date MM DD YYYY

at which a quorum of said Board of Directors was present and acting throughout; that no action has been taken to rescind or amend said resolutions; and, that the same are now in full force and effect and do not conflict with the by-laws of said Company as stated in

Name of Document under which Organization is Operating

continued on next page



## 2. Certification *continued*

D. that each of the following, named individuals, has been duly elected (if applicable), is now legally holding the office set under his/her name, and that any one of them acting individually, is authorized to establish the following account(s):

Check all that apply.

- Cash  
 Margin  
 Option

in the name of the Company with National Financial Services ("NFS"). Each individual is also authorized to purchase, trade, sell (including short sales in margin accounts), assign, withdraw, transfer and/or deliver any and all stocks, bonds, options, or any other assets or securities, listed or unlisted and to establish check-writing and other account-related services in the designated accounts. Also, any officer of this Company (other than those listed here) is hereby authorized to certify this resolution to NFS. This authorization shall continue in force until revoked by the above-named Company by a written notice, addressed and delivered to NFS, at its main office.

E. that the resolutions are not contrary to any provision in the charter or by-laws of this Company, and that I have been authorized to make this certification to NFS on behalf of this Company.

F. that any information given on this account agreement is subject to verification and authorizes my Broker/Dealer and/or NFS to obtain a credit or other financial responsibility report with respect to the registered account owner as well as any individual authorized to transact business on behalf of the registered account owner. The undersigned is authorized to express the consent of such authorized individuals to obtain a report, and that such individuals have been notified of the possibility thereof. Upon written request, my Broker/Dealer will provide the name and address of the credit reporting agency used.

## 3. Authorized Individual Information

Complete this section for each person authorized to transact on the account.

### First Authorized Individual

Check if applicable.  Sole Officer

First Name		M.I.	Last Name	
Social Security Number		Date of Birth MM DD YYYY		Phone
Email				
Country of Citizenship			Country of Tax Residence	
Type of Government-Issued ID	ID Number		State/Country of ID Issuance	
ID Issuance Date MM DD YYYY	ID Expiration Date MM DD YYYY			

### Legal Address

Provide the residential address.  
 Cannot be a P.O. Box or Mail Drop.

Address			
City	State/Province	Zip/Postal Code	Country

### Mailing Address

Complete if different from Legal Address.

Address			
City	State/Province	Zip/Postal Code	Country

*continued on next page*

### 3. Authorized Individual Information *continued*

#### Employment Information

Check one and provide information.

- Employed                       Retired                       Not Employed

Occupation		Income Source <i>if retired or not employed</i>	
Employer Name			
Address			
City	State/Province	Zip/Postal Code	Country

#### Affiliations and Corporate Control Status

Check all that apply and provide information.

- You are, or an immediate family/household member is, a senior foreign political figure.
- You are a control person or affiliate or an immediate family/household member of a control person or associate of a publicly traded company under SEC Rule 144. *This would include, but is not limited to, a director, 10% shareholder, policy-making officer, and members of the board of directors.*

Company Name	CUSIP or Symbol
--------------	-----------------

- You are affiliated with, or employed by, a stock exchange, or a member firm of an exchange or Financial Industry Regulatory Authority (FINRA), or a municipal securities dealer.
- Same as employer above. *If different, provide the information below.*

Entity Name			
Address			
City	State/Province	Zip/Postal Code	Country

#### Second Authorized Individual

First Name	M.I.	Last Name
Social Security Number	Date of Birth <i>MM DD YYYY</i>	Phone
Email		
Country of Citizenship		Country of Tax Residence
Type of Government-Issued ID	ID Number	State/Country of ID Issuance
ID Issuance Date <i>MM DD YYYY</i>	ID Expiration Date <i>MM DD YYYY</i>	

#### Legal Address

Provide the residential address.  
Cannot be a P.O. Box or Mail Drop.

Address			
City	State/Province	Zip/Postal Code	Country

#### Mailing Address

Complete if different from Legal Address.

Address			
City	State/Province	Zip/Postal Code	Country



### 3. Authorized Individual Information *continued*

#### Employment Information

Check one and provide information.

<input type="checkbox"/> Employed <input type="checkbox"/> Retired <input type="checkbox"/> Not Employed			
Occupation		Income Source <i>if retired or not employed</i>	
Employer Name			
Address			
City	State/Province	Zip/Postal Code	Country

#### Affiliations and Corporate Control Status

Check all that apply and provide information.

You are, or an immediate family/household member is, a senior foreign political figure.  
 You are a control person or affiliate or an immediate family/household member of a control person or associate of a publicly traded company under SEC Rule 144. *This would include, but is not limited to, a director, 10% shareholder, policy-making officer, and members of the board of directors.*

Company Name	CUSIP or Symbol
--------------	-----------------

You are affiliated with, or employed by, a stock exchange, or a member firm of an exchange or Financial Industry Regulatory Authority (FINRA), or a municipal securities dealer.  
 Same as employer above. *If different, provide the information below.*

Entity Name			
Address			
City	State/Province	Zip/Postal Code	Country

### 4. Authorized Entity *if any*

Provide information on any entity that is authorized on the account. If completing this section, you will be required to submit additional documentation. Ask your investment representative what documentation is needed.

#### Entity Information

Entity Name		
Taxpayer ID Number	Country of Tax Residence	Country of Organization
Entity ID Document	State/Country of ID Issuance	Trust Date <i>for Trusts only MM DD YYYY</i>

#### Legal Address

Provide the residential address.  
Cannot be a P.O. Box or Mail Drop.

Address			
City	State/Province	Zip/Postal Code	Country

#### Mailing Address

Complete if different from Legal Address.

Address			
City	State/Province	Zip/Postal Code	Country

# 5. Resolutions

**Certified copy of certain resolutions adopted by the board of directors or governing body or the members whereby the establishment and maintenance of trading accounts has been authorized. Resolved:**

**First:** That the individuals listed in Section 3 of this form are, and each of them hereby is, authorized on behalf of this Company to establish and maintain one or more accounts which may be margin accounts with the Broker/Dealer and National Financial Services "NFS." The account(s) will be used for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short sales in margin accounts), possessing, transferring, exchanging, or otherwise disposing of, or turning to account of, or realizing upon, and generally dealing in and with any and all forms of securities including, but not limited to, shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, certificates of deposit, mortgages, evidences of indebtedness, commercial paper, certificates of indebtedness and certificates of interest of any and every kind and nature whatsoever, secured or unsecured, whether represented by trust, participating and/or other certificates or otherwise.

The fullest authority at all times with respect to any such commitment or transaction, deemed by any of the officers and/or agents to be proper in connection with, is hereby conferred, including authority (without limiting the generality of the foregoing) to give written or oral instructions to NFS with respect to transactions.

The "authorized individuals" named in Section 3 are authorized to borrow money and securities and to borrow such money and securities from or through NFS and to secure repayment thereof with the property of the Company.

The authorized individuals may bind and obligate the Company to and for the carrying out of any contract, arrangement, or transaction, which is entered into by any officer and/or agent for and on behalf of the Company with or through NFS. The authorized individuals may pay by checks, and/or drafts drawn on the funds of the Company such sums as may be necessary in connection with any of the said accounts.

The authorized individuals may deliver securities and contracts to NFS and deliver securities to and deposit funds with NFS.

The authorized individuals may order the transfer or delivery of securities to any other person whatsoever, and/or to order the transfer of record of any securities, to any name selected by any of the said officers or agents, affix the corporate seal to any documents or securities to any name selected by any of the said officers or agents and affix the corporate seal to any documents or agreements, or otherwise to endorse any securities and/or contracts in order to pass title.

The authorized individuals may direct the sale or exercise any rights with respect to any securities and sign for the Company all releases, powers of attorney, trading authorizations, Margin Agreements, Options Contracts and/or other documents in connection with any such account, and to agree to any terms or conditions to control any account.

The authorized individuals may direct NFS to surrender any securities to the proper agent or party for the purpose of effecting any exchange or conversion, or for the purpose of deposit with any protective or similar committee.

The authorized individuals may accept delivery of any securities and appoint any other person or persons to do any and all things which any of the said officers and/or agents is hereby empowered to do.

**Second:** That NFS may deal with all of the persons directly or indirectly by the foregoing resolution empowered, as though they were dealing with the Company directly.

**Third:** That the Secretary of the Company is hereby authorized, empowered and directed to certify, under the seal of the Company, or otherwise, to NFS:

- A. A true copy of these resolutions
- B. Specimen signatures of each and every person by these resolutions empowered
- C. A certificate (which, if required by NFS, shall be supported by an opinion of the general counsel of the Company, or other counsel satisfactory to NFS) that the Company exists, that its charter empowers it to transact the business by these resolutions, and that no limitation has been imposed upon such powers by the by-laws or otherwise.

**Fourth:** That NFS may rely upon any certification within these resolutions, NFS receives written notice of a change in or rescission of authority, no other form of notice is acceptable, nor shall the fact that any individual previously authorized ceases to be an officer of the Company or becomes an officer under some other title, in any way affect the powers hereby conferred. The failure to supply NFS with written notification of changes does not invalidate any transaction if the transaction is in accordance with authority actually granted.

**Fifth:** That in the event of any change in the office or powers of persons empowered, the Secretary shall notify changes to NFS in writing. When received, NFS will terminate the powers of the persons previously authorized, and to empower the persons taking the place of the previous persons.

**Sixth:** That the foregoing resolutions and the certificates furnished to NFS by the Secretary of the Company are made irrevocable until written notice of the revocation has been received by NFS.

**Seventh:** That the Company and its officers indemnify and hold NFS harmless from any claim, loss, expense or other liability for effecting any transactions and acting upon any instructions given by the officers or Secretary of the Company.

## Signature for Corporation

**This certification must be signed by the President, Secretary or other authorized individual. A Corporation must include a Corporate Seal or Articles of Incorporation.**

Print Authorized Individual Name <i>First, M.I., Last</i>	
Authorized Individual Signature	Date <i>MM - DD - YYYY</i>
	



*continued on next page*



## 5. Resolutions *continued*

### Signature for Unincorporated Organization

This certification must be signed by the President, Secretary or other authorized individual. An Unincorporated Organization must also have the authorized individual's signature notarized.

Print Authorized Individual Name <i>First, M.I., Last</i>	
Authorized Individual Signature	Date <i>MM - DD - YYYY</i>
<b>SIGN</b> ▶	▶

### Statement of Notary Public *In this section, "You" and "you" refer to the Notary Public.*

You certify that the individual signing above appeared before you on the date indicated below, that they are known to you to be the individuals they claim to be, and that they represented to you that they made the certifications above their signature of their own free will.

State	County	Identification
Print Notary Name <i>First, M.I., Last</i>		Commission Expires <i>MM DD YYYY</i>
Notary Signature		Date <i>MM - DD - YYYY</i>
<b>SIGN</b> ▶		▶

▼ NOTARY SEAL / STAMP ▼