From: Jon Lawniczak
To: Starr, Amy
Cc: Poynter, Kinney ; Jim Currie
Sent: Mon Aug 30 09:26:52 2010
Subject: FW:NAST Request for Information -- Swap Advisors
Amy,
Here's some swap info from North Carolina. In addition to the attachments, please scroll down to review their first email.
Jon

From: Janet Cowell [mailto:janet.cowell@nctreasurer.com]
Sent: Monday, August 23, 2010 9:31 PM
To: Jon Lawniczak
Subject: Fwd: [Treasurers Listserve] NAST Request for Information -- Swap Advisors

More swap info...

Begin forwarded message:

From: "Vance Holloman" <<u>Vance.Holloman@nctreasurer.com</u>> Date: August 23, 2010 5:26:19 PM EDT To: "Janet Cowell" <<u>janet.cowell@nctreasurer.com</u>> Subject: RE: [Treasurers Listserve] NAST Request for Information -- Swap Advisors

In addition to the earlier comments, I have attached the following file related to SWAPS:

The State's swap policy

NC General Statutes covering swaps

A sample letter to units interested in a swap

Please let me know if you need anything else.

Vance

From: Janet Cowell
Sent: Wednesday, August 18, 2010 6:37 PM
To: Vance Holloman
Subject: Fwd: [Treasurers Listserve] NAST Request for Information -- Swap Advisors

If you or your folks have comments or suggestions...

Begin forwarded message:

From: "Jon Lawniczak" <<u>jlawniczak@csg.org</u>> Date: August 18, 2010 2:59:37 PM MDT To: <<u>Treasurers@nast.org</u>> Cc: "Jim Currie" <<u>jcurrie@csg.org</u>>, "Kevin Johnson" <<u>kjohnson@csg.org</u>> Subject: [Treasurers Listserve] NAST Request for Information -- Swap Advisors Reply-To: Treasurers@nast.org

Everyone:

NAST and NASACT representatives recently held a conference call with staff from the Securities and Exchange Commission and the Commodity Futures Trading Commission. The purpose of the call was to provide our experiences on guidance received from swap advisors and provide suggestions on information that we believe should be provided by swap advisors. Participating in the conference call were NAST Legislative Committee Chair Nancy Kopp; Treasurer David Lillard; Justin Wilson, comptroller of the Treasury (TN); Mary Margaret Collier, director of bond finance (TN); and Melissa Moye, deputy treasurer for financial policy (MD). Various GFOA members also provided perspectives and experiences from local government.

The SEC and the CFTC are interested in this area because under the Dodd-Frank Wall Street Reform and Consumer Protection Act, they are required to develop business conduct rules for swap advisors. Maryland and Tennessee provided very helpful information to the SEC and the CFTC. However, we want to see if other states have information that might be helpful in developing business conduct rules. NASACT is sending a similar request to the state comptrollers and auditors

Specifically, we are seeking information in the following areas:

- 1. Disclosures you would want from swap dealers, including in the areas of:
- swap transaction material risks;
- material conflicts; and
- expenses or costs of swap dealers covered in the transaction.
 - 1. Expertise/capability you require in an independent representative, including:
- pricing evaluation; and
- evaluation of risks.
 - 1. Guidelines for state or local government entities that enter into swaps.

If you have any guidelines or policies in any of these areas, please email them to me, or provide a link to your website where they can be located. I'll pass them along to the SEC and CFTC.

I appreciate your assistance, and should you have any questions, please contact me.

Thank you,

Jonathan Lawniczak Executive Director/CEO National Association of State Treasurers jlawniczak@csg.org 859-244-8175 (voice) 859-533-2759 (mobile)

----- End of Forwarded Message