

1 RESOLUTION NO. 14-07

2 RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY  
3 AUTHORIZING LOAN COMMITMENT HEDGES AND  
4 ADOPTING THE CALIFORNIA HOUSING FINANCE AGENCY  
5 MASTER HEDGE POLICY

6 WHEREAS, the California Housing Finance Agency (the “Agency”) from time  
7 to time enters into agreements for the purpose of mitigating interest rate risk in connection  
8 with its single family and multifamily housing programs;

9 WHEREAS, the Agency has previously authorized entering into such  
10 agreements in connection with bonds authorized to be issued by the Agency;

11 WHEREAS, the Agency wishes to authorize entering into such agreements with  
12 respect to its single family and multifamily loan commitments;

13 WHEREAS, the Agency has determined that there exists a need to formalize its  
14 practices by adopting a master hedging policy regarding such agreements;

15 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the  
16 “Board”) of the California Housing Finance Agency as follows:

17 Section 1. Authorization of Loan Commitment Hedges. To the extent  
18 authorized by law, including Government Code Section 5922, the Executive Director, Director  
19 of Financing and Financing Risk Manager, and other employees of the Agency authorized in  
20 writing by the Executive Director, are hereby authorized to enter into, for and on behalf of the  
21 Agency, agreements and documents designed to reduce or hedge the amount of interest rate  
22 risk related to the Agency’s single family and multifamily loan commitments (“Commitment  
23 Hedges”), and any related agreements needed to permit the lease or purchase of software  
24 designed to assist with data management, secondary marketing and management of the hedging  
25 program for the Agency’s single family and multifamily loan commitments. The aggregate  
26 notional amount of Commitment Hedges entered into with respect to the Agency’s single  
27 family loan commitments under authorization of this Section shall not exceed \$200,000,000.  
28 The aggregate notional amount of Commitment Hedges entered into with respect to the  
29 Agency’s multifamily loan commitments under authorization of this Section shall not exceed  
30 \$40,000,000. The authorization to enter into Commitment Hedges under this Section shall be  
31 in effect until the date on which is held the first meeting of the Board on or after March 1,  
32 2015 at which a quorum is present. The authorization to enter into Commitment Hedges  
33 under this Section shall be in addition to any authorization contained in Resolution 14-01 or  
34 Resolution 14-02, as amended from time to time, to enter into a Hedging Instrument (as  
35 therein defined).

36 Section 2. Adoption of Master Hedge Policy. The Master Hedge Policy  
37 presented at this meeting is hereby adopted. ~~The-Unless and until amended or supplemented~~  
38 ~~by a future Board resolution prior thereto, such~~ Master Hedge Policy shall remain in effect  
39 until the ~~adoption by~~date on which is held the first meeting of the Board ~~of a hedge policy~~

40 ~~amendatory or supplemental thereto. Until the adoption by the Board of such amendatory or~~  
41 ~~supplemental hedge policy,~~on or after March 1, 2015 at which a quorum is present. The  
42 Master Hedge Policy, as the same may be amended or supplemented, shall apply to ~~(a)~~  
43 Commitment Hedges authorized under Section 1 hereof or under any similar provision of a  
44 future Board resolution, ~~and (b) any Hedging Instrument entered into on and after the date~~  
45 ~~hereof pursuant to the authorization thereof contained in Resolution 14-01 or Resolution 14-02~~  
46 ~~or under any similar provision of a future Board resolution.~~  
47

1 SECRETARY'S CERTIFICATE

2 I, Victor James, Secretary of the Board of Directors of the California Housing  
3 Finance Agency, do hereby certify that the foregoing is a full, true, and correct copy of  
4 Resolution No. 14-07 duly adopted at a regular meeting of the Board of Directors of the  
5 California Housing Finance Agency duly called and held on the 13th day of May, 2014, of  
6 which meeting all said directors had due notice; and that at said meeting said Resolution was  
7 adopted by the following vote:

8 AYES:

9 NOES:

10 ABSTENTIONS:

11 ABSENT:

12 IN WITNESS WHEREOF, I have executed this certificate and affixed the seal  
13 of the Board of Directors of the California Housing Finance Agency hereto this 13th day of  
14 May, 2014.

15 [SEAL]

16 \_\_\_\_\_  
17 Victor James  
18 Secretary of the Board of Directors of the  
19 California Housing Finance Agency

SECRETARY'S CERTIFICATE

I, Victor James, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 14-07 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 13th day of May, 2014, of which meeting all said directors had due notice; and that at said meeting said Resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true, and correct copy of the original Resolution adopted at said meeting and entered in said minutes; and that said Resolution has not been amended, modified or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Directors of the California Housing Finance Agency hereto this \_\_\_\_ day of \_\_\_\_\_, 2014.

[SEAL]

\_\_\_\_\_  
Secretary of the Board of Directors of the  
California Housing Finance Agency

<b>Summary report:</b>	
<b>Litéra® Change-Pro TDC 7.5.0.72 Document comparison done on 5/2/2014 12:57:38 PM</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://EASTDMS/EAST1/2327528/1	
<b>Modified DMS:</b> iw://EASTDMS/EAST1/2327528/2	
<b>Changes:</b>	
Add	8
Delete	8
Move From	1
Move To	1
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format Changes	0
<b>Total Changes:</b>	<b>18</b>