

AN ORDINANCE **2017-03-30-0188**

CONSENTING TO THE ASSIGNMENT BY COASTAL SECURITIES, INC. OF ALL ITS INTEREST IN THE FINANCIAL ADVISOR SERVICES CONTRACT TO FTN FINANCIAL, A DIVISION OF FIRST TENNESSEE BANK NATIONAL ASSOCIATION, IN CONNECTION WITH A MERGER AND ACQUISITION TRANSACTION BETWEEN THOSE PARTIES.

* * * * *

WHEREAS, Ordinance No. 2016-04-14-0289, passed and approved April 14, 2016, approved a Financial Advisory Services Contract (“Contract”) with Coastal Securities, Inc. (“Coastal”) for a term beginning April 25, 2016 and ending March 31, 2019, with an option to extend for one (1) additional two (2) year term; and

WHEREAS, ARTICLE XIV, Section 14.1 of the Contract provides that Coastal shall not assign any interest in the Contract to any other party without the consent of the City; and

WHEREAS, on March 14, 2017, Coastal informed the City that it had entered into an Asset Purchasing Agreement with FTN Financial, a division of First Tennessee Bank National Association, whereby substantially all the assets of would be purchased by FTN Financial, a division of First Tennessee Bank National Association (“FTN”); and

WHEREAS, the transaction between Coastal and FTN will become effective on April 1, 2017; and

WHEREAS, Coastal has submitted a written request to the City, a copy of which is attached to hereto as **Attachment 1** and is incorporated herein by reference for all purposes (“Request”), thereby seeking the City’s consent to its assignment of all its interest in the Contract to FTN; and

WHEREAS, upon assignment of the Contract to FTN, (1) all of the terms and conditions of the Contract, specifically including but not limited to fees, will remain unchanged and in full force and effect; and (2) Coastal’s primary representative to the City under the Contract, Jorge Rodriguez, will remain in place and will continue to provide services to the City; and

WHEREAS, City Staff has recommended that the assignment by Coastal of all its interest in the Contract to FTN be approved by the City; and

WHEREAS, following discussion and deliberations by the City Council on the matter, the City Council is of the opinion that the recommendation of City Staff should be accepted and followed; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. In accordance with the provisions of ARTICLE XIV, Section 14.1 of the Contract, the City hereby gives its consent to the assignment by Coastal all of its interest in the Contract to FTN. The City's consent to this assignment is contingent upon the completion of the pending transaction between Coastal and FTN.

SECTION 2. Upon receipt of written notification from FTN that the transaction with Coastal has been completed, the Chief Financial Officer or his designee, or the Deputy Chief Financial Officer or his designee, is authorized to execute and deliver any and all documents necessary to effectuate the intent and purpose of this ordinance that have been approved by the City Attorney or his designee, specifically including but not limited to a document that evidences the consent of the City to the assignment of the Contract to FTN.

SECTION 3. The City's Financial Advisors are paid from the proceeds derived from the issuance of obligations and other financings; therefore, there is no impact on the City's operating budget and no financial language is required for this ordinance.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 30th day of March, 2017



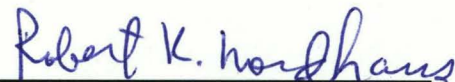
M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



for Andrew Segovia, City Attorney

Agenda Item:	23 (in consent vote: 5, 6, 7, 9, 13, 15, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30)						
Date:	03/30/2017						
Time:	09:51:12 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance consenting to the assignment by Coastal Securities, Inc. of all of its interest in the City of San Antonio Financial Advisor Services Contract to FTN Financial, a division of First Tennessee Bank National Association, in connection with a merger and acquisition transaction between those parties. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x			x	
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

RKN
03/30 /17
Item 23

A T T A C H M E N T I

COASTAL SECURITIES, INC.

www.coastalsecurities.com

March 23, 2017

Mr. Ben Gorzell, Chief Financial Officer
City of San Antonio
111 Soledad, 4th Floor
San Antonio, Texas 78205

Re: Financial Advisory Agreement dated April 25, 2016 (the "Contract")

Dear Mr. Gorzell:

Pursuant to our previous conversations regarding the acquisition of certain assets of Coastal Securities, Inc. by FTN Financial, a division of First Tennessee Bank National Association (the "Buyer"), the following is provided:

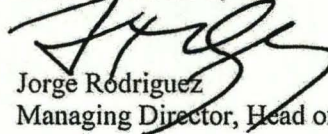
In an Agreement, (relevant portions attached) dated October 26, 2016, Coastal Securities, Inc. agreed to sell substantially all of its assets to FTN Financial, a division of First Tennessee Bank National Association. As a part of the transaction, we are requesting that the City approve assignment of the Contract to the Buyer, and an affiliate of the Buyer intends to assume our post-closing obligations under the Contract. Subject to the satisfaction of typical closing conditions, the transaction is scheduled to close on April 3, 2017, with an effective date as of April 1, 2017.

To facilitate the transaction, we would like to receive your formal consent to our assignment of the Contract and the Buyer's assumption of our post-closing rights and obligations thereunder. Please provide us with your consent by reviewing and signing the accompanying Consent form, and returning it to me at the address below or via e-mail at jnr@coastalsecurities.com.

Thank you for your prompt response to this request. If you have any questions about the transaction or the accompanying documents, please contact me at 210-487-7000.

Very truly yours,

Coastal Securities, Inc.



Jorge Rodriguez
Managing Director, Head of Public Finance