

ROCKY RIVER CITY SCHOOL DISTRICT
Office of the Superintendent of Schools

**SPECIAL MEETING OF THE
BOARD OF EDUCATION**

**Thursday, July 15, 2010
8:00 am**

**Curriculum Library
21600 Center Ridge Road
Rocky River, OH 44116**

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. ADOPTION OF AGENDA

BE IT RESOLVED by the Board of Education of the Rocky River City School District that it hereby adopts this Agenda, including any addendum attached hereto, for its Special Meeting of the Board of Education, July 15, 2010.

4. DISCUSSION OF PLAN OF FINANCE FOR BOND ISSUE WITH LEGAL COUNSEL AND FINANCIAL ADVISOR

5. A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF BONDS IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$42,902,050 FOR THE PURPOSE OF CONSTRUCTING, RENOVATING, REMODELING, ADDING TO, FURNISHING, EQUIPPING AND OTHERWISE IMPROVING SCHOOL DISTRICT BUILDINGS AND FACILITIES AND CLEARING AND IMPROVING THEIR SITES.

WHEREAS, at an election held on May 4, 2010, on the question of issuing bonds of the School District in the aggregate principal amount of \$42,902,050 for the purpose stated in Section 2 and of levying taxes outside the ten-mill limitation to pay the debt charges on those bonds and any anticipatory securities, the requisite majority of those voting on the question voted in favor of it; and

WHEREAS, this Board finds and determines that the School District should issue the Bonds described in Section 2 to provide funds for that purpose; and

WHEREAS, this Board has previously applied for and received from the Ohio School Facilities Commission (OSFC) an allocation of authority to issue "qualified school construction bonds" within the meaning of Section 54F of the Internal Revenue Code of 1986, as amended, in an amount not to exceed \$11,260,000, and wishes to authorize the issuance and sale of a portion of the Bonds as qualified school construction bonds; and

WHEREAS, the Treasurer has certified that the estimated life or period of usefulness of each class of the improvements described in Section 2 is at least five years and that the maximum maturity of the Bonds described in Section 2 is 34 years;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Rocky River City School District, County of Cuyahoga, State of Ohio, that:

Section 1. Definitions and Interpretation. In addition to the words and terms elsewhere defined in this Resolution, unless the context or use clearly indicates another or different meaning or intent:

“Authorized Denominations” means (a) with respect to Current Interest Bonds, a denomination of \$5,000 or any whole multiple thereof, and (b) with respect to any Capital Appreciation Bonds, a denomination equal to a principal amount that, when interest at the applicable compounding interest rate is accrued and compounded thereon on each Interest Accretion Date to the stated maturity of the Bonds, will result in a Maturity Amount equal to \$5,000 or any whole multiple thereof. Notwithstanding the above, if any Bonds are sold as Tax Credit QSCBs without the use of an official statement as described in Section 6(b) of this Resolution, and if required by the Rule, such Bonds shall have minimum denominations of \$100,000 or integral multiples of \$5,000 in excess of \$100,000 thereof.

“Bond proceedings” means, collectively, this Resolution, the Certificate of Award, the Tax Certificate, the Continuing Disclosure Certificate, the Bond Registrar Agreement and such other proceedings of the School District, including the Bonds, that provide collectively for, among other things, the rights of holders and beneficial owners of the Bonds.

“Bond Purchase Agreement” means the Bond Purchase Agreement between the School District and the Original Purchaser, as it may be modified from the form on file with the Treasurer and signed by the Treasurer in accordance with Section 6.

“Bond Register” means all books and records necessary for the registration, exchange and transfer of Bonds as provided in Section 5.

“Bond Registrar” means the bank or trust company appointed pursuant to Section 4, as the initial authenticating agent, bond registrar, transfer agent, paying agent and escrow agent (if any Bonds are issued as Sinking Fund Bonds) for the Bonds under the Bond Registrar Agreement and until a successor Bond Registrar shall have become such pursuant to the provisions of the Bond Registrar Agreement and, thereafter, “Bond Registrar” shall mean the successor Bond Registrar.

“Bond Registrar Agreement” means the Bond Registrar and Deposit Agreement between the School District and the Bond Registrar, as it may be modified from the form on file with the Treasurer and signed by the Treasurer in accordance with Section 4.

“Book Entry Form” or “Book Entry System” means a form or system under which (i) the ownership of book entry interests in Bonds (and, if separated, any related Principal Strips and Tax Credit Strips) and the principal of and interest on the Bonds may be transferred only through a book entry, and (ii) physical Bond certificates in fully registered form are issued by the School District only to a Depository or its nominee as registered owner, with the physical Bond certificates deposited with and maintained in the custody of the Depository or its agent. The book entry maintained by others than the School District or the Bond Registrar is the record that identifies the owners of book entry interests in those Bonds (and, if separated, any related Principal Strips and Tax Credit Strips) and that principal and interest.

“Capital Appreciation Bonds” means any Bonds designated as such in the Certificate of Award, maturing in the years, being in the principal amounts and having the Maturity Amounts set forth therein, and bearing interest accrued and compounded on each Interest Accretion Date and payable at maturity.

“Certificate of Award” means a certificate authorized by Section 6(a), to be signed by the Treasurer, setting forth and determining those terms or other matters pertaining to the Bonds and their issuance, sale and delivery as this Resolution requires or authorizes to be set forth or determined therein.

“Closing Date” means the date of physical delivery of, and payment of the purchase price for, the Bonds.

“Code” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section of the Code includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“Compound Accreted Amount” means, with respect to any Capital Appreciation Bond, the principal amount thereof plus interest accrued and compounded on each Interest Accretion Date to the date of maturity or other date of determination. The Compound Accreted Amount per \$5,000 Maturity Amount of the Capital Appreciation Bonds of each maturity and interest rate within a maturity as of each Interest Accretion Date shall be set forth in the Certificate of Award. The Compound Accreted Amount of a Capital Appreciation Bond as of any date other than an Interest Accretion Date is the sum of (a) the Compound Accreted Amount for such Bond on the immediately preceding Interest Accretion Date plus (b) the product obtained by multiplying (i) the difference obtained by subtracting (A) the Compound Accreted Amount of that Bond on the immediately preceding Interest Accretion Date from (B) the Compound Accreted Amount of that Bond on the immediately succeeding Interest Accretion Date, times (ii) the ratio of (C) the number of days from the immediately preceding Interest Accretion Date to the date of determination to (D) the total number of days from that immediately preceding Interest Accretion Date to the immediately succeeding Interest Accretion Date; provided, however, that in determining the Compound Accreted Amount of a Capital Appreciation Bond as of a date prior to the first Interest Accretion Date, the Closing Date shall be deemed to be the immediately preceding Interest Accretion Date and the principal amount of that Capital Appreciation Bond shall be deemed to be the Compound Accreted Amount on the Closing Date.

“Continuing Disclosure Certificate” means the certificate authorized by Section 6(c) to be signed by the President or Vice President and Treasurer of this Board and the Superintendent, or any two of them, to be substantially in the form on file with the Treasurer and which, together with the agreements of the School District set forth in that subsection and the Bonds, shall constitute the continuing disclosure agreement made by the School District for the benefit of holders and beneficial owners of the Bonds in accordance with the Rule.

“Current Interest Bonds” means, collectively, the Serial Bonds, the Sinking Fund Bonds and the Term Bonds, each as may be designated as such by the Treasurer in the Certificate of Award and being Bonds payable as to principal at maturity or pursuant to Mandatory Redemption Requirements or Mandatory Sinking Fund Requirements on the Principal Payment Dates and bearing interest payable on each Interest Payment Date as set forth in the Certificate of Award.

“Debt Charges” means principal, including any Mandatory Redemption Requirements and Mandatory Sinking Fund Requirements, and interest and any redemption premium payable on the Bonds.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to

record ownership of book entry interests in Bonds (and, if separated, any related Principal Strips and Tax Credit Strips) or the principal of and interest on Bonds, and to effect transfers of Bonds (and, if separated, any related Principal Strips and Tax Credit Strips), in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Direct Payment” means a credit payment allowed with respect to Direct Payment BABs, or a credit payment allowed with respect to Direct Payment QSCBs, that is in each case payable directly to the School District by the U.S. Treasury as provided in Section 6431 of the Code, in lieu of the federal income tax credit that would otherwise be available to holders of such obligations.

“Direct Payment BABs” means Current Interest Bonds that are “Build America Bonds” within the meaning of Section 54AA(d) of the Code and that are qualified bonds within the meaning of Section 54AA(g) of the Code, the interest on which is includible in gross income for federal income tax purposes and with respect to which the School District shall have made an irrevocable election to receive one or more Direct Payments.

“Direct Payment QSCBs” means Current Interest Bonds that are “qualified school construction bonds” within the meaning of Section 54F of the Code and that are also “qualified tax credit bonds” within the meaning of Section 54A of the Code, the interest on which is includible in gross income for federal income tax purposes and with respect to which the School District shall have made an irrevocable election to receive one or more Direct Payments.

“Interest Accretion Dates” means, unless otherwise determined by the Treasurer in the Certificate of Award, as to any Capital Appreciation Bonds, each June 1 and December 1, commencing December 1, 2010, in the years any Capital Appreciation Bonds are outstanding.

“Interest Payment Dates” means, unless otherwise determined by the Treasurer in the Certificate of Award, (a) as to Current Interest Bonds, June 1 and December 1 of each year that the Current Interest Bonds are outstanding, commencing June 1, 2011, and (b) as to any Capital Appreciation Bonds, their respective maturity dates.

“Mandatory Redemption Date” means a Principal Payment Date designated as such by the Treasurer in the Certificate of Award on which principal of Term Bonds is payable by mandatory redemption prior to stated maturity pursuant to Section 3(e)(i).

“Mandatory Redemption Requirements” means amounts required by the Bond proceedings to be deposited in the Bond Retirement Fund in a year or fiscal year for the purpose of paying in that year or fiscal year by mandatory redemption prior to stated maturity the principal of Term Bonds that is due and payable, except for such mandatory redemption, in a subsequent year or fiscal year.

“Mandatory Sinking Fund Requirements” means amounts required by the Bond proceedings to be deposited in the Bond Retirement Fund in a year or fiscal year for the purpose of paying principal of Sinking Fund Bonds that is due and payable at their maturity in a subsequent year or fiscal year.

“Maturity Amount” means, with respect to a Capital Appreciation Bond, the principal and interest on that Bond due and payable on its stated maturity date.

“Original Purchaser” means, unless otherwise determined by the Treasurer in the Certificate of Award, RBC Capital Markets Corporation, Fifth Third Securities, Inc., and Stifel, Nicolaus & Co., Inc., collectively.

“Participant” means any participant contracting with a Depository under a book entry system and includes securities brokers and dealers, banks and trust companies, and clearing corporations.

“Principal Component” means the rights of the owner of a Tax Credit QSCB other than the right to claim a QSCB Tax Credit with respect to that Tax Credit QSCB, including but not limited to the right to payment of the principal of and any interest on that Tax Credit QSCB, any right of approval or consent under the Bond proceedings, and the right to exercise remedies under Section 133.25 of the Revised Code.

“Principal Payment Dates” means, unless otherwise determined by the Treasurer in the Certificate of Award, December 1 in each of the years specified in the Certificate of Award when principal of the Bonds is scheduled to be paid, either at maturity or pursuant to Mandatory Redemption Requirements or Mandatory Sinking Fund Requirements, provided that in no case shall the total number of Principal Payment Dates exceed the maximum maturity of the Bonds referred to in the preambles hereto.

“Principal Strip” means an instrument evidencing ownership of the Principal Component of a Tax Credit QSCB.

“QSCB Tax Credit” means a credit against federal income tax that is allowed under Section 54A of the Code to a taxpayer holding a Tax Credit QSCB (or a related Tax Credit Strip) on one or more credit allowance dates, as defined in Section 54A(e)(1) of the Code.

“Rule” means Rule 15c2-12 prescribed by the SEC pursuant to the Securities Exchange Act of 1934.

“SEC” means the U.S. Securities and Exchange Commission.

“Serial Bonds” means those Current Interest Bonds designated as such by the Treasurer in the Certificate of Award, and which are not subject to Mandatory Redemption Requirements or Mandatory Sinking Fund Requirements.

“Sinking Fund Account” means a separate escrow account created and maintained in the custody of the Bond Registrar pursuant to the Bond Registrar Agreement for any amounts received by the Bond Registrar pursuant to any Mandatory Sinking Fund Requirements, which Account shall be a part of the School District’s Bond Retirement Fund and the Bond Fund created therein pursuant to the Bond Registrar Agreement.

“Sinking Fund Bonds” means those Current Interest Bonds designated as such by the Treasurer in the Certificate of Award, and which are subject to Mandatory Sinking Fund Requirements but not subject to Mandatory Redemption Requirements.

“Stripped” means, as to a Tax Credit QSCB, that Principal Strips and Tax Credit Strips have been separated from that Tax Credit QSCB as provided in or pursuant to the Bond Registrar Agreement.

“Tax Certificate” means the certificate or certificates of the School District to be executed by the Treasurer, delivered on the issuance date of the Bonds, and included in the transcript(s) of proceedings for the Bonds and setting forth the School District’s certifications, representations and covenants relating to the use of proceeds of the Bonds and the Tax Status of the Bonds.

“Tax Credit Component” means the rights of the owner of a Tax Credit QSCB not included in the Principal Component of that Tax Credit QSCB, including the right to claim a Tax Credit with respect to that Tax Credit QSCB.

“Tax Credit Coupon” means a coupon attached to a Tax Credit QSCB evidencing the right to the Tax Credit Component of that Tax Credit QSCB.

“Tax Credit QSCBs” means Current Interest Bonds that are “qualified school construction bonds” within the meaning of Section 54F of the Code and that are also “qualified tax credit bonds” within the meaning of Section 54A of the Code, the interest, if any, on which and the QSCB Tax Credits with respect to which are includible in gross income for federal income tax purposes and with respect to which a QSCB Tax Credit is allowed under the Code.

“Tax Credit Strip” means an instrument evidencing ownership of the Tax Credit Component of a Tax Credit QSCB, independently of the ownership of the Principal Component of that Tax Credit QSCB.

“Tax-Exempt Bonds” means Bonds that are obligations to which Section 103 of the Code applies, the interest on which is excluded from gross income for federal income tax purposes.

“Tax Status” means the status of Bonds as Tax-Exempt Bonds, Direct Payment BABs or Direct Payment QSCBs or Tax Credit QSCBs.

“Term Bonds” means those Current Interest Bonds designated as such by the Treasurer in the Certificate of Award, and which are subject to Mandatory Redemption Requirements but not subject to Mandatory Sinking Fund Requirements.

The captions and headings in this Resolution are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Resolution unless otherwise indicated.

Section 2. Authorized Principal Amount and Purpose; Application of Proceeds. This Board determines that it is necessary and in the best interest of the School District to issue bonds of the School District in the maximum aggregate principal amount of \$42,902,050 (the Bonds) for the purpose of constructing, renovating, remodeling, adding to, furnishing, equipping and otherwise improving school district buildings and facilities and clearing and improving their sites.

Subject to the limitations set forth in this Resolution, the aggregate principal amount of the Bonds to be issued, the principal maturities of and the principal payment schedule for the Bonds, the interest rate or rates that the Bonds shall bear and certain other terms and provisions of the Bonds identified in this Resolution are subject to further specification or determination in the Certificate of Award upon the finalization of the terms and provisions of the Bonds. The aggregate principal amount of Bonds to be issued, as so specified in the Certificate of Award, shall be the amount determined by the Treasurer to be necessary to carry out the purpose for which the Bonds are to be issued.

The proceeds from the sale of the Bonds, except any premium and accrued interest, shall be paid into the proper fund or funds, and those proceeds are appropriated and shall be used for the purpose for which the Bonds are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Investment earnings on the proceeds of any Tax-Exempt Bonds shall be credited to the General Fund.

Section 3. Denominations; Dating; Principal and Interest Payment and Redemption Provisions. The Bonds shall be issued as fully registered bonds, in Authorized Denominations, but in no case as to a particular maturity date exceeding the principal amount maturing on that date. The respective principal amounts of the Bonds to be issued as (i) Current Interest Bonds and Capital Appreciation Bonds (if any Bonds are to be issued as Capital Appreciation Bonds), and (ii) Tax-Exempt Bonds (if any Bonds are to be issued as Tax-Exempt Bonds), Direct Payment BABs (if any Bonds are to be issued as Direct Payment BABs), Direct Payment QSCBs (if any Bonds are to be issued as Direct Payment QSCBs), and Tax Credit QSCBs (if any Bonds are to be issued as Tax Credit QSCBs), shall be determined by the Treasurer in the Certificate of Award, having due regard to the best interest of and financial advantages to the School District. The Current Interest Bonds shall be dated as provided in the Certificate of Award, provided that their dated date shall not be more than 60 days prior to the Closing Date, and any Capital Appreciation Bonds shall be dated as of the Closing Date.

(a) Interest Rates and Interest Payment Dates. The Current Interest Bonds shall bear interest at the rate or rates of interest per year (computed on the basis of a 360-day year consisting of twelve 30-day months), as shall be specified by the Treasurer (subject to subsection (c) of this Section) in the Certificate of Award. Interest on the Current Interest Bonds shall be payable on each Interest Payment Date until the principal amount has been paid or provided for. The Current Interest Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date. Notwithstanding any provision of this Resolution to the contrary, if and as so specified by the Treasurer in the Certificate of Award, (i) any or all Bonds that are originally issued and sold as Tax Credit QSCBs may bear interest at the rate of 0% per year and (ii) any or all Bonds that are originally issued and sold as Tax Credit QSCBs bearing interest at one rate (including, without limitation, the rate of 0% per year) may bear interest at a different rate (not to exceed 15% per year) (such rate being a Make-Whole Rate) upon a final determination by the Internal Revenue Service or a court of competent jurisdiction in the United States that any of the Bonds originally issued and sold as Tax Credit QSCBs have lost their Tax Status as Tax Credit QSCBs; provided that such Make-Whole Rate may be effective retrospectively and prospectively on any date beginning on and after the Closing Date and payable in accordance with such procedures and at such times and under such circumstances as may be determined by the Treasurer in the Certificate of Award.

Any Capital Appreciation Bonds shall bear interest from the Closing Date at the compounding rate or rates of interest per year (computed on the basis of a 360-day year consisting of twelve 30-day months), accrued and compounded on each Interest Accretion Date and payable at maturity, that will result in the aggregate Maturity Amounts payable at maturity, as shall be specified by the Treasurer in the Certificate of Award. The total interest accrued on any Capital Appreciation Bond as of any particular date shall be an amount equal to the amount by which the Compound Accreted Amount of that Capital Appreciation Bond as of that date exceeds the principal amount of that Capital Appreciation Bond.

Notwithstanding any provision of this Resolution to the contrary, Bonds maturing on any one Principal Payment Date may have different Tax Statuses, may bear interest at different rates and may be issued separately as Current Interest Bonds and Capital Appreciation Bonds.

(b) Principal Payment Schedule. The Bonds shall mature or be payable pursuant to Mandatory Redemption Requirements, in the case of Term Bonds, or Mandatory Sinking Fund Requirements, in the case of Sinking Fund Bonds, on the Principal Payment Dates and in principal amounts as shall be determined by the Treasurer in the Certificate of Award

(subject to subsection (c) of this Section), consistently with the Treasurer's determination of the best interest of and financial advantages to the School District.

Consistently with the foregoing and in accordance with the Treasurer's determination of the best interest of and financial advantages to the School District, the Treasurer shall specify in the Certificate of Award (i) the aggregate principal amount of Current Interest Bonds to be issued as Serial Bonds, the Principal Payment Date or Dates on which those Bonds shall be stated to mature and the principal amount thereof that shall be stated to mature on each such Principal Payment Date, (ii) the aggregate principal amount of Current Interest Bonds to be issued as Term Bonds, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, the principal amount thereof that shall be stated to mature on each such Principal Payment Date, the Principal Payment Date or Dates on which Term Bonds shall be payable pursuant to Mandatory Redemption Requirements and the principal amount thereof that shall be so payable on each such Principal Payment Date, (iii) the aggregate principal amount of Current Interest Bonds to be issued as Sinking Fund Bonds, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, the principal amount thereof that shall be stated to mature on each such Principal Payment Date, the Principal Payment Date or Dates on which Mandatory Sinking Fund Requirements shall be met by a payment to the Bond Registrar for deposit to a Sinking Fund Account and the Mandatory Sinking Fund Requirement to be so met on each such Principal Payment Date, and (iv) the aggregate principal amount of any Bonds to be issued as Capital Appreciation Bonds and the corresponding aggregate Maturity Amount thereof, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, and the principal amount and corresponding Maturity Amount thereof that shall be payable on each such Principal Payment Date.

(c) Conditions for Establishment of Interest Rates and Principal Payment Dates and Amounts. The rate or rates of interest per year to be borne by the Current Interest Bonds and the compounding rate or rates of interest per year to be borne by any Capital Appreciation Bonds, and the principal amount of Current Interest Bonds maturing or payable pursuant to Mandatory Sinking Fund Requirements or Mandatory Redemption Requirements on each Principal Payment Date and the Maturity Amount of any Capital Appreciation Bonds payable on each Principal Payment Date, shall be such that (i) the total principal and interest payments on the Bonds, together with any Bonds previously issued as described in Section 6(e) of this Resolution, in any fiscal year in which principal is maturing or payable is not more than three times the amount of those payments in any other such fiscal year, and (ii) the true interest cost of the Bonds shall not exceed 6% (taking into account any Direct Payments that the School District has elected to receive).

(d) Payment of Debt Charges. The Debt Charges on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar as paying agent. Principal (excluding any Mandatory Sinking Fund Requirements) of and any premium on the Current Interest Bonds, and principal of and interest on any Capital Appreciation Bonds, shall be payable when due upon presentation and surrender of the Bonds at the designated corporate trust office of the Bond Registrar. Interest on a Current Interest Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond was registered, and to that person's address appearing on the Bond Register at the close of business on the 15th day preceding that Interest Payment Date. Notwithstanding the foregoing, if and so long as the Bonds are issued in a book entry system, principal (excluding any Mandatory Sinking Fund Requirements) of an interest and any premium on the Bonds shall be payable in the manner provided in any agreement entered into by the Treasurer, in the name and on behalf of the School District, in connection with the book entry system. Mandatory Sinking Fund Requirements shall be payable when due to the Bond Registrar and applied as provided in the Bond Registrar Agreement.

(e) Redemption Provisions. The Capital Appreciation Bonds, if any, shall not be subject to redemption prior to maturity. Unless otherwise specified by the Treasurer in the

Certificate of Award, consistently with the Treasurer's determination of the best interest of and financial advantages to the School District, the Current Interest Bonds shall be subject to redemption prior to stated maturity as follows:

(i) Mandatory Redemption of Term Bonds Pursuant to Mandatory Redemption Requirements. If any of the Bonds are issued as Term Bonds, the Term Bonds shall be subject to mandatory redemption in part by lot and (unless retired by optional redemption as described below) be redeemed pursuant to Mandatory Redemption Requirements, at a redemption price of 100% of the principal amount redeemed, plus interest accrued to the redemption date, on the applicable Mandatory Redemption Dates and in the principal amounts payable on those Dates, if any, for which provision is made in the Certificate of Award (such Dates and principal amounts being the Mandatory Redemption Requirements).

The aggregate of the moneys to be deposited with the Bond Registrar for payment of principal of and interest on the Bonds on each Mandatory Redemption Date shall include an amount sufficient to redeem on that Mandatory Redemption Date the principal amount of Term Bonds subject to mandatory redemption on that Mandatory Redemption Date pursuant to Mandatory Redemption Requirements (less the amount of any credit as hereinafter provided).

The School District shall have the option to deliver to the Bond Registrar for cancellation Term Bonds in any aggregate principal amount and to receive a credit against the then current or any subsequent Mandatory Redemption Requirement (and corresponding mandatory redemption obligation) of the School District, as specified by the Treasurer, for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate and having the same Tax Status as the Term Bonds so delivered. That option shall be exercised by the School District on or before the 15th day preceding any Mandatory Redemption Date with respect to which the School District wishes to obtain a credit, by furnishing the Bond Registrar a certificate, signed by the Treasurer, setting forth the extent of the credit to be applied with respect to the then current or any subsequent Mandatory Redemption Requirement for Term Bonds stated to mature on the same Principal Payment Date and bear interest at the same rate. If the certificate is not timely furnished to the Bond Registrar, the current Mandatory Redemption Requirement (and corresponding mandatory redemption obligation) shall not be reduced. A credit against the then current or any subsequent Mandatory Redemption Requirement (and corresponding mandatory redemption obligation), as specified by the Treasurer, shall also be received by the School District for any Term Bonds which prior thereto have been redeemed (other than through the operation of the applicable Mandatory Redemption Requirements) or purchased for cancellation and canceled by the Bond Registrar, to the extent not applied theretofore as a credit against any Mandatory Redemption Requirement, for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate and having the same Tax Status as the Term Bonds so redeemed or purchased and canceled.

Each Term Bond so delivered, or previously redeemed, or purchased and canceled, shall be credited by the Bond Registrar at 100% of the principal amount thereof against the then current or subsequent Mandatory Redemption Requirements (and corresponding mandatory redemption obligations), as specified by the Treasurer, for Term Bonds stated to mature on the same Principal Payment Date and bearing interest at the same rate and having the same Tax Status as the Term Bonds so delivered, redeemed or purchased and canceled.

(ii) Extraordinary Mandatory Redemption. To the extent that the School District fails to expend for federal tax law purposes all of the available project proceeds (as defined in the Code) of any Direct Payment QSCBs or Tax Credit QSCBs within the three-year period beginning on the Closing Date (or if an extension of that expenditure period has been received by the School District from the Secretary of the Treasury of the United States, by the close of the extended period), the Direct Payment QSCBs or Tax Credit QSCBs shall be subject to extraordinary mandatory redemption, in whole or in part, on any date on or prior to the 90th

day following the close of the three-year period (or extended period), at a redemption price equal to 100% of the principal amount redeemed, plus any interest accrued to the redemption date, payable from such unexpended proceeds held by the School District in the fund or funds established for the proceeds of those Direct Payment QSCBs or Tax Credit QSCBs, to the extent necessary to preserve the Tax Status of the Direct Payment QSCBs or Tax Credit QSCBs.

If Direct Payment QSCBs or Tax Credit QSCBs are to be redeemed pursuant to extraordinary mandatory redemption, the Treasurer is authorized and directed to select the date for such redemption and to give written notice of the redemption date and the principal amount of Direct Payment QSCBs or Tax Credit QSCBs of each maturity to be so redeemed to the Bond Registrar at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Bond Registrar.

(iii) Optional Redemption. The Current Interest Bonds of the Tax Status, interest rates and maturities, if any, specified in the Certificate of Award shall be subject to redemption by and at the sole option of the School District, in whole or in part (as selected by this Board) in Authorized Denominations, on the dates, in the years and at the redemption prices determined by the Treasurer in the Certificate of Award, plus, in each case, accrued interest to the redemption date; provided that the earliest optional redemption date for Tax-Exempt Bonds shall not be more than ten and one-half years after the applicable Closing Date.

Bonds to be redeemed pursuant to this paragraph shall be redeemed only upon written notice from the Treasurer to the Bond Registrar, given upon the direction of this Board by adoption of a resolution. That notice shall specify the redemption date and the principal amount of each maturity (and of each interest rate and Tax Status within a maturity) of Bonds to be redeemed and shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Bond Registrar.

(iv) Extraordinary Optional Redemption. If and as determined by the Treasurer in the Certificate of Award, Current Interest Bonds that are issued and sold as Direct Payment BABs, Direct Payment QSCBs, or Tax Credit QSCBs, any or all, may be subject to extraordinary optional redemption by and at the sole option of the School District, in whole or, if so specified in the Certificate of Award, in part, upon the occurrence of events resulting in a reduction or cessation of the applicable Direct Payments or QSCB Tax Credits, on the dates, and at the redemption prices specified in the Certificate of Award, plus accrued interest to the redemption date.

Bonds to be redeemed pursuant to this paragraph shall be redeemed only upon written notice from the Treasurer to the Bond Registrar, given upon the direction of this Board by the adoption of a resolution. That notice shall specify the redemption date and the principal amount of each maturity of Bonds to be redeemed, and shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Bond Registrar.

(v) Partial Redemption. If fewer than all of the outstanding Bonds are called for extraordinary mandatory redemption, optional redemption or extraordinary optional redemption at one time and Bonds of more than one maturity (or Tax Status or interest rate within a maturity) are then outstanding, the Bonds that are called shall be Bonds of the maturity or maturities and interest rate or rates and Tax Status or Tax Statuses selected by the School District. If fewer than all of the Bonds of a single maturity and Tax Status and interest rate within that maturity are to be redeemed, the selection of Bonds of that maturity, interest rate and Tax Status to be redeemed, or portions thereof in amounts of \$5,000 or any whole multiple thereof, shall be made by the Bond Registrar by lot in a manner determined by the Bond Registrar. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then outstanding, each \$5,000 unit of principal thereof shall be treated as if it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of principal amount represented by a Bond are

to be called for redemption, then, upon notice of redemption of a \$5,000 unit or units, the registered owner of that Bond shall surrender the Bond to the Bond Registrar (A) for payment of the redemption price of the \$5,000 unit or units of principal amount called for redemption (including, without limitation, the interest accrued to the date fixed for redemption and any premium), and (B) for issuance, without charge to the registered owner, of a new Bond or Bonds of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate, maturing on the same date and having the same Tax Status as, the Bond surrendered.

(vi) Notice of Redemption; Rescission of Certain Notices. The notice of the call for redemption of Bonds shall identify (A) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (B) the redemption price to be paid, (C) the date fixed for redemption, and (D) the place or places where the amounts due upon redemption are payable. The notice shall be given by the Bond Registrar on behalf of the School District by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption, to the registered owner of each Bond subject to redemption in whole or in part at the registered owner's address shown on the Bond Register maintained by the Bond Registrar at the close of business on the 15th day preceding that mailing. Failure to receive notice by mail or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any Bond. Notice of extraordinary mandatory redemption or extraordinary optional redemption may be rescinded upon written notice to the registered owner of each Bond subject to such redemption that the conditions requiring or permitting such redemption no longer exist. Such notice of rescission shall be given in the same manner as the notice of redemption at least one business day prior to the date fixed for such redemption.

(vii) Payment of Redeemed Bonds. In the event that notice of redemption shall have been given by the Bond Registrar to the registered owners as provided above, there shall be deposited with the Bond Registrar on or prior to the redemption date, moneys that, in addition to any other moneys available therefor and held by the Bond Registrar, will be sufficient to redeem at the redemption price thereof, plus accrued interest to the redemption date, all of the redeemable Bonds for which notice of redemption has been given. Notice having been mailed in the manner provided in the preceding paragraph hereof, the Bonds and portions thereof called for redemption shall become due and payable on the redemption date, and, subject to Section 7, upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, plus accrued interest to the redemption date. If moneys for the redemption of all of the Bonds and portions thereof to be redeemed, together with accrued interest thereon to the redemption date, are held by the Bond Registrar on the redemption date, so as to be available therefor on that date and, if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding. If those moneys shall not be so available on the redemption date, or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption. All moneys held by the Bond Registrar for the redemption of particular Bonds shall be held in trust for the account of the registered owners thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds, provided that any interest earned on the moneys so held by the Bond Registrar shall be for the account of and paid to the School District to the extent not required for the payment of the Bonds called for redemption.

(f) Mandatory Sinking Fund Requirements. The aggregate of the moneys to be deposited with the Bond Registrar for payment of Debt Charges on each Principal Payment Date shall include with respect to any Sinking Fund Bonds an amount sufficient to meet the Mandatory Sinking Fund Requirement for deposit to the Sinking Fund Account on that Principal Payment Date (less a credit for any amount by which the balance in the Sinking Fund Account on that Principal Payment Date, determined as provided in the Bond Registrar

Agreement, exceeds the sum of all Mandatory Sinking Fund Requirements for prior Principal Payment Dates).

(g) Principal Strips and Tax Credit Strips. The Tax Credit QSCBs may be issued with Tax Credit Coupons in a form that allows the Tax Credit Component to be separated from the Principal Component, upon receipt by the Bond Registrar of a request for such separation by the owner of a Tax Credit QSCB, and for the Tax Credit Component to be evidenced by a Tax Credit Strip and the Principal Component to be evidenced by a Principal Strip.

Except as otherwise specifically provided in the Bond Registrar Agreement: (i) the Authorized Denomination of a Principal Strip shall be an Authorized Denomination for the Tax Credit QSCB from which it was Stripped; (ii) a Tax Credit Strip shall not have a principal amount but instead shall have a notional amount equal to the principal amount of the Tax Credit QSCB from which it was created and such notional amount shall be used in lieu of principal amount in determining the Authorized Denomination of such Tax Credit Strip; (iii) Principal Strips and Tax Credit Strips shall be signed and authenticated, shall be replaced if mutilated, lost, stolen or destroyed, shall be registered, transferred, exchanged and canceled and shall be negotiable in the same manner as Bonds, (iv) the provisions with respect to the redemption of a Tax Credit QSCB shall apply to Principal Strips and Tax Credit Strips created from the Stripping of the Tax Credit QSCB in the same manner as they apply to that Tax Credit QSCB; (v) the redemption price of Tax Credit QSCBs redeemed, and moneys received from the exercise of remedies that are to be paid to the registered owners of Tax Credit QSCBs, shall be paid to the registered owners of Principal Strips and the registered owners of Tax Credit Strips in the proportions and values set forth in the Bond Registrar Agreement; and (vi) any Tax Credit Strip created from the Stripping of a Tax Credit QSCB shall cease to be outstanding when the related Principal Strip is not outstanding.

The rights of the registered owner of any Tax Credit QSCB that has been Stripped to direct or request the Bond Registrar to act or refrain from acting, to direct the manner and timing of any action by the Bond Registrar or to control proceedings, to take any other action that may be taken by the registered owners of a percentage or a majority of the principal amount of Bonds and to receive notices and other information shall be rights of the registered owners of Principal Strips, and the registered owners of Tax Credit Strips shall not participate therein.

Section 4. Execution and Authentication of Bonds; Appointment of Bond Registrar. The Bonds shall be signed by the President or Vice President and Treasurer of this Board, in the name of the School District and in their official capacities, provided that either or both of those signatures may be a facsimile. The Bonds shall be issued in the Authorized Denominations and numbers as requested by the Original Purchaser and approved by the Treasurer, shall be numbered as determined by the Treasurer in order to distinguish each Bond from any other Bond and to distinguish the Current Interest Bonds from any Capital Appreciation Bonds and any Bonds of differing Tax Status, and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to the provisions of Chapter 133 of the Revised Code, the approval of the electors at the election identified in the first preamble hereto, this Resolution and the Certificate of Award.

The Treasurer is authorized to appoint and designate in the Certificate of Award the initial Bond Registrar after determining that such bank or trust company will not endanger the funds or securities of the School District and that proper procedures and safeguards are available for that purpose. The Treasurer shall sign and deliver, in the name and on behalf of the School District, the Bond Registrar Agreement between the School District and the Bond Registrar, in substantially the form as is now on file with the Treasurer. The Bond Registrar

Agreement is approved, together with any changes or amendments that are not inconsistent with this Resolution and not substantially adverse to the School District and that are approved by the Treasurer on behalf of the School District, all of which shall be conclusively evidenced by the signing of the Bond Registrar Agreement or amendments thereto. The Treasurer shall provide for payment of services rendered and for reimbursement of expenses incurred pursuant to the Bond Registrar Agreement, except to the extent paid or reimbursed by the Original Purchaser in accordance with the Bond Purchase Agreement, from the proceeds of the Bonds to the extent available and then from other money lawfully available and appropriated or to be appropriated for that purpose.

If the Treasurer determines it to be in the best interests of the School District, the Treasurer may enter into an agreement with a bank or trust company to facilitate the payment of any Direct Payments. The Treasurer shall provide for payment of services rendered thereunder and for reimbursement of expenses incurred pursuant thereto, except to the extent paid or reimbursed by the Original Purchaser in accordance with the Bond Purchase Agreement, from the proceeds of the Bonds to the extent available and then from other money lawfully available.

No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under the Bond proceedings unless and until the certificate of authentication printed on the Bond is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under, and is entitled to the security and benefit of, the Bond proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Bond Registrar or by any other person acting as an agent of the Bond Registrar and approved by the Treasurer on behalf of the School District. The same person need not sign the certificate of authentication on all of the Bonds.

Section 5. Registration; Transfer and Exchange; Book Entry System.

(a) Bond Registrar. So long as any of the Bonds remain outstanding, the School District will cause the Bond Registrar to maintain and keep the Bond Register at its designated corporate trust office. Subject to the other provisions of this Section and Sections 3(d), 3(g) and 6(c) of this Resolution, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of the Bond proceedings. Payment of or on account of the Debt Charges on any Bond shall be made only to or upon the order of that person; neither the School District nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the School District's liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

(b) Transfer and Exchange. Any Bond may be exchanged for Bonds of any Authorized Denomination upon presentation and surrender at the designated corporate trust office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. A Bond may be transferred only on the Bond Register upon presentation and surrender of the Bond at the designated corporate trust office of the Bond Registrar together with an assignment signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any Authorized Denomination or Denominations requested by the registered owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate, maturing on the same date and having the same Tax Status.

If manual signatures on behalf of the School District are required, the Bond Registrar shall undertake the exchange or transfer of Bonds only after the new Bonds are

signed by the authorized officers of the School District. In all cases of Bonds exchanged or transferred, the School District shall sign and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Bond proceedings. The exchange or transfer shall be without charge to the owner, except that the School District and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The School District or the Bond Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer. All Bonds issued and authenticated upon any exchange or transfer shall be valid obligations of the School District, evidencing the same debt, and entitled to the same security and benefit under the Bond proceedings as the Bonds surrendered upon that exchange or transfer. Neither the School District nor the Bond Registrar shall be required to make any exchange or transfer of (i) Bonds then subject to call for redemption between the 15th day preceding the mailing of notice of Bonds to be redeemed and the date of that mailing, or (ii) any Bond selected for redemption, in whole or in part.

(c) Book Entry System. Notwithstanding any other provisions of this Resolution, if the Treasurer determines in the Certificate of Award that it is in the best interest of and financially advantageous to the School District, the Bonds may be issued in book entry form in accordance with the following provisions of this Section.

The Bonds may be issued to a Depository for use in a book entry system and, if and so long as a book entry system is utilized, (i) the Bonds may be issued in the form of a single, fully registered Bond representing each maturity and each interest rate and Tax Status within a maturity and registered in the name of the Depository or its nominee, as registered owner, and deposited with and maintained in the custody of the Depository or its designated agent which may be the Bond Registrar; (ii) the book entry interest owners of Bonds in book entry form shall not have any right to receive Bonds in the form of physical securities or certificates; (iii) ownership of book entry interests in Bonds in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the School District.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book entry system, the Treasurer may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Treasurer does not or is unable to do so, the Treasurer, after making provision for notification of the book entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Bonds from the Depository, and shall cause Bond certificates in registered form to be authenticated by the Bond Registrar and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of School District action or inaction, of those persons requesting such issuance.

The Treasurer is hereby authorized and directed, to the extent necessary or required, to enter into any agreements, in the name and on behalf of the School District, that the Treasurer determines to be necessary in connection with a book entry system for the Bonds.

Section 6. Sale of the Bonds.

(a) To the Original Purchaser. The Bonds shall be sold by the Treasurer to the Original Purchaser at a purchase price not less than 97% of the aggregate principal amount thereof (provided that in addition to the foregoing 97% requirement, the purchase price of each of the Direct Payment BABs, the Direct Payment QSCBs (if any) and Tax Credit QSCBs (if any) shall not be less than 98% of the respective aggregate principal amounts thereof plus any original issue premium and minus any original issue discount), plus accrued interest on the

Bonds from their date to the Closing Date, as shall be specified in the Certificate of Award, and with and upon such other terms as are required or authorized by this Resolution to be specified in the Certificate of Award, in accordance with law, the provisions of this Resolution and the Bond Purchase Agreement.

In accordance with the Treasurer's determination of the best interest of the School District and based on conditions then existing in the financial markets, the Treasurer shall sign and deliver the Certificate of Award to determine and specify the Tax Status or Tax Statuses of the Bonds, the interest rate or rates the Bonds are to bear, the final purchase price of the Bonds and other final terms of the Bonds in accordance with the provisions of this Resolution and to evidence the sale of the Bonds to the Original Purchaser and shall cause the Bonds to be prepared and signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Original Purchaser upon payment of the purchase price. The President, Vice President and Treasurer of this Board, the Superintendent and other School District officials, as appropriate, each are authorized and directed to sign any transcript certificates, financial statements and other documents and instruments (including but not limited to agreements as necessary or appropriate for the holding, investment and application of any money deposited in the Bond Retirement Fund pursuant to Mandatory Sinking Fund Requirements) and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Resolution.

The Treasurer shall sign and deliver, in the name and on behalf of the School District, the Bond Purchase Agreement between the School District and the Original Purchaser, in substantially the form as is now on file with the Treasurer, setting forth the terms and conditions for the sale of the Bonds to, and the purchase of the Bonds by, the Original Purchaser. The Bond Purchase Agreement is approved, together with any changes or amendments that are not inconsistent with this Resolution and not substantially adverse to the School District and that are approved by the Treasurer on behalf of the School District, all of which shall be conclusively evidenced by the signing of the Bond Purchase Agreement or amendments to that Agreement.

(b) Primary Offering Disclosure – Official Statement. The preliminary official statement of the School District in the form now on file with the Treasurer (the Preliminary Official Statement) is hereby approved and the distribution and use of the Preliminary Official Statement is hereby approved. The President or Vice-President and Treasurer of this Board and the Superintendent are authorized and directed, on behalf of the School District and in their official capacities, to (i) make or authorize modifications, completions or changes of or supplements to, the Preliminary Official Statement in connection with the original issuance of the Bonds, (ii) determine, and to certify or otherwise represent, when the revised official statement is to be "deemed final" (except for permitted omissions) by the School District as of its date or is a final official statement for purposes of the Rule, (iii) use and distribute, or authorize the use and distribution of that official statement and any supplements thereto in connection with the original issuance of the Bonds, and (iv) complete and sign the final official statement as so approved, together with such certificates, statements or other documents in connection with the finality, accuracy and completeness of that official statement as they deem necessary or appropriate.

(c) Agreement to Provide Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the Bonds, the School District agrees, as the only obligated person with respect to the Bonds under the Rule, to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of paragraph (b)(5)(i) of the Rule. In order to describe and specify certain terms of the School District's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the President or Vice President and Treasurer of this Board and the Superintendent are authorized and directed to sign and deliver, in the name and on behalf of the School District, the Continuing Disclosure Certificate, in substantially the form as is now on file with the Treasurer, with any changes or amendments that are not inconsistent with this Resolution and not substantially adverse to the School District and that are approved by the President or Vice

President and Treasurer of this Board and the Superintendent on behalf of the School District, all of which shall be conclusively evidenced by the signing of that Certificate or amendments to it. The agreement formed, collectively, by the Bonds, this paragraph and that Certificate, shall be the School District's continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the School District would be required to incur to perform it.

(d) Applications for Ratings, Bond Insurance and Participation in the Ohio School District Credit Enhancement Program; Financing Costs. If, in the judgment of the Treasurer, the filing of an application for (i) a rating on the Bonds by one or more nationally recognized rating agencies and/or (ii) a policy of insurance from a company or companies to better assure the payment of principal of and interest on the Bonds is in the best interest of and financially advantageous to the School District, the Treasurer is authorized to prepare and submit those applications. The Treasurer is also authorized to provide to each such agency or company such information as may be required for the purpose and, if it is, in the Treasurer's judgment, in the best interest of and financially advantageous to the School District, to accept a commitment for insurance issued by a nationally recognized municipal bond insurance company insuring the payment when due of the principal of and interest on all or any portion of the Bonds. The Treasurer is authorized to enter into any agreements, on behalf of and in the name of the School District, that the Treasurer determines to be necessary or required to obtain such ratings or insurance.

The expenditure of the amounts necessary to secure those ratings and to pay the other financing costs (as defined in Section 133.01 of the Revised Code) in connection with the Bonds, to the extent not paid by the Original Purchaser in accordance with the Bond Purchase Agreement, is authorized and approved, and the Treasurer is authorized to provide for the payment of any such amounts and costs from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available that are appropriated or shall be appropriated for that purpose.

If the Treasurer determines it to be in the best interests of and financially advantageous to the School District, the Treasurer is authorized and directed to apply, on behalf of the School District, to the Ohio Department of Education (the Department) and the Office of Budget and Management (OBM) for permission for the School District to participate in the Ohio School District Credit Enhancement Program (the Program) and thereby to request that the Department approve an agreement with the School District and the Bond Registrar, which agreement may be incorporated as a part of the Bond Registrar Agreement, providing for the withholding and deposit of funds otherwise due the School District under Chapters 3306 and 3317 of the Revised Code (State Education Aid) for the payment of debt charges on the Bonds under certain circumstances. If the School District receives that permission and the Treasurer determines that it is in the best interest of and financially advantageous to the School District, the Treasurer may sign and deliver, in the name and on behalf of the School District, such an agreement pursuant to and containing the terms and conditions required by Section 3317.18 of the Revised Code. Unless otherwise stipulated by Section 3317.18 of the Revised Code or its implementing rule, Ohio Administrative Code Section 3301-8-01, this Board covenants that, if the School District enters into such an agreement with the Department, it will not pledge State Education Aid as primary security for other obligations on a parity with those bonds unless the projected amount of State Education Aid to be distributed to the School District in the then current fiscal year exceeds the maximum annual debt charges due in that fiscal year or any future fiscal year on all outstanding and proposed obligations to which State Education Aid is pledged as the primary security by a ratio of at least 2.5 to 1; provided that this covenant shall not prevent the School District from issuing obligations having a claim on State Education Aid subordinate to that of those bonds. The Treasurer is authorized to sign and deliver, in the name and on behalf of the School District, to the extent necessary or required, any other instruments or agreements necessary to enable the School District to participate in the Program.

(e) Separate Sale for Bonds of Different Tax Status. If, in the judgment of the Treasurer, it is in the best interest of and financially advantageous to the School District to sell a portion of the Bonds separately from another portion of the Bonds, the Treasurer may provide for such separate sales and the provisions of this Resolution shall apply to each such sale and designation, and references to "Bond Purchase Agreement", "Bond Register", "Bond Registrar", "Bond Registrar Agreement", "Certificate of Award", "Closing Date", "Continuing Disclosure Certificate", and "Original Purchaser" shall include the Bond Purchase Agreement, Bond Register, Bond Registrar, Bond Registrar Agreement, Certificate of Award, Closing Date, Continuing Disclosure Certificate and Original Purchaser for the Bonds sold separately pursuant to this subsection (e).

Section 7. Provisions for Tax Levy. There shall be levied on all the taxable property in the School District, in addition to all other taxes, a direct tax annually during the period the Bonds are outstanding in an amount sufficient to pay the Debt Charges on the Bonds when due, which tax shall not be less than the interest and sinking fund tax required by Section 11 of Article XII of the Ohio Constitution. The tax shall be unlimited as to amount or rate, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the satisfaction of Mandatory Sinking Fund Requirements and the payment of the principal (at stated maturity or upon redemption) of and interest and any redemption premium on the Bonds when and as the same fall due.

Section 8. Federal Tax Considerations.

(a) Tax-Exempt Bonds. The representations and covenants in this subsection (a) apply only to Bonds issued as Tax-Exempt Bonds.

The School District covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that (a) the Bonds will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Code or (ii) be treated other than as obligations the interest on which is excluded from gross income under Section 103 of the Code, and (b) the interest thereon will not be an item of tax preference under Section 57 of the Code.

The School District further covenants that (a) it will take or cause to be taken such actions that may be required of it for the Bonds to be and to remain Tax-Exempt Bonds, (b) it will not take or authorize to be taken any actions that would adversely affect that Tax Status and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purposes of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such Tax Status.

(b) Direct Payment BABs. The representations and covenants in this subsection (b) apply only to Bonds issued as Direct Payment BABs.

The School District covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that the Bonds will qualify as Direct Payment BABs under the applicable provisions of the Code.

The School District further covenants that (i) it will take or cause to be taken such actions that may be required of it for the Bonds to be and to remain Direct Payment BABs, including, but not limited to, making an irrevocable election for the Bonds to be Direct Payment BABs, (ii) it will not take or authorize to be taken any actions that would adversely affect that Tax Status, including, but not limited to, allowing the sale of a Bond with more than a de minimus amount (determined under rules similar to those of Section 1273(a)(3) of the Code) of premium over the stated principal amount of the Bonds, and (iii) it, or persons acting for it, will, among other acts of compliance, (A) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (B) restrict the yield on investment property, (C) make timely and adequate payments to the federal government, (D) maintain books and records and make calculations and reports, and (E) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such Tax Status.

(c) Direct Payment QSCBs. The representations and covenants in this subsection (c) apply only to Bonds issued as Direct Payment QSCBs.

The School District covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that the Bonds will qualify as Direct Payment QSCBs under the applicable provisions of the Code.

The School District further covenants that (i) it will take or cause to be taken such actions that may be required of it for the Bonds to be and to remain Direct Payment QSCBs, including, but not limited to, making an irrevocable election for the Bonds to be Direct Payment QSCBs, (ii) it will not take or authorize to be taken any actions that would adversely affect that Tax Status, and (iii) it, or persons acting for it, will, among other acts of compliance, (A) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (B) restrict the yield on investment property, (C) make timely and adequate payments to the federal government, (D) maintain books and records and make calculations and reports, and (E) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such Tax Status.

(d) Tax Credit QSCBs. The representations and covenants in this subsection (d) apply only to Bonds that are issued and sold as Tax Credit QSCBs.

The School District covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that the Bonds qualify as Tax Credit QSCBs under the applicable provisions of the Code.

The School District further covenants that (i) it will take or cause to be taken such actions that may be required of it for the Bonds to qualify and remain qualified as Tax Credit QSCBs, (ii) it will not take or authorize to be taken any actions that would adversely affect that Tax Status, and (iii) it, or persons acting for it, will, among other acts of compliance, (A) apply or cause the application of the proceeds of the Bonds to the governmental purpose of the borrowing, (B) restrict yield on investment property, (C) make timely and adequate payments to the federal government, (D) maintain books and records and make calculations and reports and (E) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such Tax Status.

(e) Further Actions. The Treasurer or any other officer of the School District having responsibility for issuance of the Bonds is hereby authorized (i) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the School District with

respect to the Bonds as the School District is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, the election to issue Bonds as Direct Payment BABs, Tax Credit QSCBs or Direct Payment QSCBs, any of the elections provided for in Section 54A, Section 54AA, Section 54F, Section 6431 or Section 148(f)(4)(C) or other applicable sections of the Code or available under Section 54A, Section 54AA, Section 54F or Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or the Tax Status of the Bonds or interest thereon or an entitlement to Direct Payments or QSCB Tax Credits relating thereto, or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties with respect to the Bonds, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments with respect to the Bonds, or permitting the sale of QSCB Tax Credits separately from the principal of Tax Credit QSCBs, which action shall be in writing and signed by the officer, (ii) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the School District, as may be appropriate to assure the intended Tax Status of the Bonds or the School District's entitlement to receive one or more Direct Payments, or the sale of QSCB Tax Credits separately from the principal of Tax Credit QSCBs, (iii) to designate Tax-Exempt Bonds as "qualified tax-exempt obligations" if such designation is applicable and desirable, and to make any related necessary representations and covenants, and (iv) to give one or more appropriate certificates of the School District, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the School District regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and Direct Payments or QSCB Tax Credits relating to the Bonds and the Tax Status of the Bonds.

Section 9. Certification and Delivery of Resolution and Certificate of Award. The Treasurer is directed to deliver or cause to be delivered a certified copy of this Resolution and a signed copy of the Certificate of Award to the Cuyahoga County Auditor.

Section 10. Satisfaction of Conditions for Bond Issuance. This Board determines that all acts and conditions necessary to be performed by the Board or the School District or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the Rocky River City School District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 7) of the School District are pledged for the timely payment of the Debt Charges on the Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 11. Retention of Bond Counsel. The legal services of Squire, Sanders & Dempsey L.L.P., as bond counsel, are hereby retained. The legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Bonds and the rendering of the necessary legal opinion upon the delivery of the Bonds. In rendering those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of the School District in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, the School District or any other political subdivision, or the execution of public trusts. That firm shall be paid just and reasonable compensation for those legal services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those legal services whether or not the Bonds are ever issued. The Treasurer is authorized and directed, to the extent they are not paid by the Original Purchaser in accordance with the Bond Purchase Agreement, to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 12. Retention of Financial Advisor. The services of Sudsina & Associates, LLC, as financial advisor, are hereby retained. The financial advisory services shall be in the nature of financial advice and recommendations in connection with the issuance and sale of the Bonds. In rendering those financial advisory services, as an independent contractor, that firm shall not exercise any administrative discretion on behalf of the School District in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, the School District or any other political subdivision, or the execution of public trusts. That firm shall be paid just and reasonable compensation for those financial advisory services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those financial advisory services. The Treasurer is authorized and directed, to the extent they are not paid by the Original Purchaser in accordance with the Bond Purchase Agreement, to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 13. Compliance with Open Meeting Requirements. This Board finds and determines that all formal actions of this Board and of any of its committees concerning and relating to the adoption of this Resolution were taken in open meetings of this Board or of its committees, and that all deliberations of this Board and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 14. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption.

6. A RESOLUTION AUTHORIZING DECLARATIONS OF OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS WITH RESPECT TO REIMBURSEMENTS FROM BOND PROCEEDS OF TEMPORARY ADVANCES MADE FOR PAYMENTS PRIOR TO ISSUANCE RELATING TO CONSTRUCTING, RENOVATING, REMODELING, ADDING TO, FURNISHING, EQUIPPING AND OTHERWISE IMPROVING SCHOOL DISTRICT BUILDINGS AND FACILITIES AND CLEARING AND IMPROVING THEIR SITES, AND RELATED MATTERS.

WHEREAS, United States Treasury Regulations prescribe conditions under which proceeds of bonds, notes or other obligations used to reimburse advances made for certain expenditures paid before the issuance of such obligations, will be deemed to be expended (or properly allocated to expenditures) for purposes of Sections 54A, 54AA, 54F, 103 and 141 150 of the Internal Revenue Code of 1986, as amended, so that upon such reimbursement the proceeds so used will not further be subject to requirements or restrictions under those Sections of the Internal Revenue Code; and

WHEREAS, certain provisions of those Regulations require that there be a Declaration of Official Intent not later than 60 days following payment of the expenditure expected to be reimbursed from proceeds of such obligations, and that the reimbursement occur within prescribed time periods after the expenditure is paid or after the property is placed in service; and

WHEREAS, this Board wishes to take steps for compliance with those Regulations;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Rocky River City School District, County of Cuyahoga, State of Ohio, that:

Section 1. Definitions. The following definitions apply to the terms used herein:

“Bonds” means and includes bonds, notes, certificates of participation and other obligations included in the meaning of “bonds” under Section 150 of the Internal Revenue Code of 1986, as amended.

“Declaration of Official Intent” means a declaration of intent, in the form and manner and time contemplated in the Reimbursement Regulations, that the advances for expenditures referred to therein are reasonably expected to be reimbursed from the proceeds of Reimbursement Bonds to be issued after those expenditures are paid.

“Reimbursement” or “reimburse” means the restoration to the School District of money temporarily advanced from its other funds and spent for capital expenditures (and certain other types of expenditures qualifying under the Reimbursement Regulations, including any issuance costs for Reimbursement Bonds) before the issuance of the Reimbursement Bonds, evidenced in writing by an allocation on the books and records of the Board that shows the use of the proceeds of the Reimbursement Bonds to restore the money advanced for the original expenditure. “Reimbursement” or “reimburse” generally does not include the refunding or retiring of Bonds previously issued and sold to, or borrowings from, unrelated entities.

“Reimbursement Bonds” means Bonds the proceeds of which are to be used for reimbursement of such capital or other qualifying expenditures paid before issuance of the Bonds.

“Reimbursement Regulations” means United States Treasury Regulations Section 1.150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as at the time applicable, prescribing conditions under which the proceeds of Reimbursement Bonds when allocated or applied to a reimbursement will be treated as expended for all or any purposes of Sections 54A, 54AA, 54F, 103 and 141 to 150 of the Internal Revenue Code of 1986, as amended.

Section 2. Authorization to Make Declarations of Official Intent. The Treasurer of this Board is authorized to prepare and sign Declarations of Official Intent with respect to capital and other expenditures to which the Reimbursement Regulations apply (and including any costs of issuance of the Reimbursement Bonds), relating to constructing, renovating, remodeling, adding to, furnishing, equipping and otherwise improving school district buildings and facilities and clearing and improving their sites, to be made from money temporarily available and which are reasonably expected to be reimbursed (in accordance with applicable authorizations, policies and practices) from the proceeds of Reimbursement Bonds, to make appropriate reimbursement and timely allocations from the proceeds of the Reimbursement Bonds to reimburse such prior expenditures, and to take any other actions as may be appropriate, all at the times and in the manner required under the Reimbursement Regulations to satisfy the requirements for the reimbursement to be treated as an expenditure of such proceeds for purposes of Sections 54A, 54AA, 54F, 103 and 141 to 150 of the Internal Revenue Code of 1986, as amended. No advance from any fund or account or order for payment may be made for expenditures (other than expenditures excepted from such requirement under the Reimbursement Regulations) that are to be reimbursed subsequently from proceeds of Reimbursement Bonds unless a Declaration of Official Intent with respect thereto is made within the time required by the Reimbursement Regulations.

Section 3. Compliance with Open Meeting Requirements. This Board finds and determines that all formal actions of this Board and any of its committees concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board or committees, and that all deliberations of this Board and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with the law.

Section 4. Captions and Headings. The captions and headings in this Resolution are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Resolution unless otherwise indicated.

Section 5. Effective Date. This Resolution shall be in full force and effect from and immediately upon its adoption.

7. RESOLUTION TO ADJOURN

BE IT RESOLVED by the Board of Education of the Rocky River City School District that it hereby adjourn.