

SUWANNEE COUNTY SCHOOL BOARD
SPECIAL MEETING
March 1, 2018

AGENDA

Call to Order – 5:00 p.m.

The Superintendent recommends approval to adopt the agenda.

Chief Financial Officer – Vickie DePratter:

1. The Superintendent recommends approval of the following resolution for the 2017-2018 school year: (Note: This resolution has been reviewed and approved by Board Attorney Leonard Dietzen.)

#2018-08R Resolution of the School Board of Suwannee County, Florida, authorizing the issuance of its not to exceed \$1,000,000 Capital Improvement Revenue Bonds, Series 2018, to pay the costs of certain capital improvements; providing for the payment of such bonds from the pledged revenues, including certain amounts received pursuant to Chapter 30250, Laws of Florida (1955), as amended by Chapter 59-727, Laws of Florida (1959), Chapter 65-1215, Laws of Florida (1965), and Chapter 67-907, Laws of Florida (1967); providing for the rights of the owners of such bonds, authorizing the commencement of proceedings in the Circuit Court of Suwannee County, Florida, to validate the authority of the School Board to issue such bonds; making certain other covenants and agreements in connection with the issuance of such bonds; and providing an effective date. (*New*) (pgs. 2-33)

Adjourn

RESOLUTION NO. SCSB 2018-08R

A RESOLUTION OF THE SCHOOL BOARD OF SUWANNEE COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$1,000,000 CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2018 TO PAY THE COSTS OF CERTAIN CAPITAL IMPROVEMENTS; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM THE PLEDGED REVENUES, INCLUDING CERTAIN AMOUNTS RECEIVED PURSUANT TO CHAPTER 30250, LAWS OF FLORIDA (1955), AS AMENDED BY CHAPTER 59-727, LAWS OF FLORIDA (1959), CHAPTER 65-1215, LAWS OF FLORIDA (1965), AND CHAPTER 67-907, LAWS OF FLORIDA (1967); PROVIDING FOR THE RIGHTS OF THE OWNERS OF SUCH BONDS; AUTHORIZING THE COMMENCEMENT OF PROCEEDINGS IN THE CIRCUIT COURT OF SUWANNEE COUNTY, FLORIDA TO VALIDATE THE AUTHORITY OF THE SCHOOL BOARD TO ISSUE SUCH BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE SCHOOL BOARD OF SUWANNEE COUNTY, FLORIDA, ACTING AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF SUWANNEE COUNTY, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. The Resolution is adopted pursuant to the provisions of the Act.

SECTION 2. DEFINITIONS. The following terms in the Resolution shall have the following meanings unless the text otherwise expressly requires. Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"2018 Bonds" shall mean the Issuer's Capital Improvement Revenue Bonds, Series 2018 authorized to be issued pursuant to section 5 hereof.

"2018 Project" shall mean the acquisition, construction, enlarging, improving, repairing, remodeling, and/or equipping and furnishing of a new administrative complex, all or more particularly described in the plans and specifications on file or to be filed with the School Board, as the same may be modified or amended from time to time.

"Act" shall mean section 1001.32(2), Florida Statutes, section 212.20(6)(d)6.a., Florida Statutes, as a replacement for moneys previously distributed pursuant to section 550.135, Florida Statutes (formerly section 550.13, Florida Statutes); chapter 30250, Laws of Florida (1955), as amended by chapter 59-727, Laws of Florida (1959), chapter 65-1215, Laws of Florida (1965), and chapter 67-907, Laws of Florida (1967); and chapter 71-933, Laws of Florida (1971), each as amended, and other applicable provisions of law.

"Additional Parity Obligations" or "Additional Parity Bonds" shall mean additional obligations issued in compliance with the terms, conditions, and limitations contained herein and which shall be on a parity with the 2018 Bonds.

"Amortization Installments" with respect to any Term Bonds of a series, shall mean an amount so designated which is established for the Term Bonds of such series, provided that (A) each such installment shall be deemed to be due on such interest or principal maturity date of each applicable year as is fixed by resolution of the Issuer and shall be a multiple of \$5,000 (except as may be otherwise set forth with respect to a series of Bonds in a supplemental resolution authorizing such series), and (B) the aggregate of such installments for such series shall equal the aggregate principal amount of Term Bonds of such series authenticated and delivered on original issuance.

"Business Day" shall mean any day of the year other than a day on which the Paying Agent or the Issuer are lawfully closed for business.

"Bond Amortization Account" shall mean the account so designated in the Sinking Fund, herein created for the payment of Term Bonds.

"Bond Insurance Policy" shall mean a municipal bond new issue insurance policy issued by an Insurer that guarantees payment of principal of and interest on a series of Bonds.

"Bond Service Requirement" for any Bond Year, as applied to the Bonds of any series, shall mean the sum of:

A. The amount required to pay the interest becoming due on the Bonds of such series during such Bond Year, except to the extent that such interest shall have been provided by payments into the Sinking Fund out of Bond proceeds for a specified period of time. In the event any series of Bonds bears interest at a variable rate, the amount of interest required to be included in the projected Bond Service Requirement for such series of Bonds for any year shall be the amount of interest which would be payable in such Bond Year assuming that the rate of interest on such Series in such Bond Year was a fixed rate equal to the higher of (1) seven and one-half percent (7.5%) or (2) the highest variable rate borne over the preceding 24 months by outstanding variable rate debt issued under the Resolution or, if no such variable rate debt is at the time outstanding under the Resolution, by variable rate debt for which the interest rate is

computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued.

B. The amount required to pay the principal of Serial Bonds of such series maturing in such Bond Year.

C. The Amortization Installment for the Term Bonds of such series for such Bond Year. In computing the Bond Service Requirement for any Bond Year for Bonds of any series, the Issuer shall assume that an amount of the Term Bonds of such series equal to the Amortization Installment for the Term Bonds of such series for such Bond Year will be retired by purchase or redemption in such Bond Year or that payment of such amount of Term Bonds at maturity will be fully provided for in such Bond Year. When determining the amount of principal of and interest on the Bonds which mature in any year, for purposes of the Resolution or the issuance of any Additional Parity Bonds, the stated maturity date of Term Bonds shall be disregarded, and the Amortization Installment, if any, applicable to Term Bonds in such year shall be deemed to mature in such year. In the event the Issuer has purchased or entered into an agreement to purchase direct obligations of the United States of America or obligations the principal of and interest on which are fully guaranteed by the United States of America ("Government Obligations"), from moneys in the Bond Amortization Account, then the income received or to be received on such Government Obligations from the date of acquisition thereof to the date of maturity thereof, shall be taken into consideration in calculating the payments which will be required to be made into the Sinking Fund.

D. The Bond Service Requirement for any Bond Year shall be adjusted to reflect any amounts on deposit in the Sinking Fund in excess of current requirements (including deficiencies in prior requirements) and available for the payment of the Bond Service Requirement in such Bond Year.

"Bond Year" shall mean the 12-month period ending on and including a principal payment date of the Bonds.

"Bondholder" shall mean any Registered Owner of any Bond.

"Bonds" shall mean, collectively, the 2018 Bonds and all Additional Parity Bonds.

"Chairperson" shall mean the Chairperson of the School Board and in his or her absence, the Vice Chairperson or such other person authorized to act in his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations applicable thereto.

"Costs" shall mean, when used in connection with a Project: (A) the School Board's cost of physical construction, enlarging, improving, repairing, and remodeling of the Project; (B)

costs of acquisition by or for the School Board of the Project; (C) costs of land, any improvements and design, and interests therein and the cost of the School Board incidental to such acquisition including environmental site improvement and development and onsite and offsite infrastructure improvements; (D) the cost of any indemnity and surety bonds and premiums for insurance during construction; (E) all interest due to be paid on the Bonds and other obligations relating to the Project during, and if deemed advisable by the School Board for up to one year after the end of, the construction period of the Project; (F) engineering, architectural, legal, and other consultant fees and expenses; (G) costs and expenses of the financing incurred during, and if deemed advisable by the School Board for up to one year after the end of, the construction period for the Project, including audits, fees, and expenses of any Paying Agent, Registrar, Insurer, or depository; (H) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the School Board (other than the Bonds) incurred for the Project; (I) costs of machinery, furniture, fixtures, and equipment required by the School Board for the commencement of operation of the Project; and (J) any other costs properly attributable to such construction or acquisition or to the issuance of the Bonds which finance the Project, as determined by generally accepted accounting principles and shall include reimbursement to the School Board for any such items of Cost heretofore paid by the School Board and any administrative costs allocated to the Project. Any supplemental resolution hereto may provide for additional items to be included in the aforesaid Costs.

"District" shall mean the School District of Suwannee County, Florida.

"Insurer" shall mean a nationally recognized financial institution chosen by the Issuer which issues a letter of credit, municipal bond insurance policy or other guaranty of the payment of principal and interest on the Bonds. The Insurer, if any, shall be established by supplemental resolution hereto.

"Issuer" or "School Board" shall mean The School Board of Suwannee County, Florida, the governing body of the District, a governmental authority created by article IX, section 4 of the Florida Constitution.

"Maximum Bond Service Requirement" shall mean, as of any particular date of calculation, the greatest amount of aggregate Bond Service Requirement for the then current or any future Bond Year.

"Paying Agent" shall mean initially, the Registrar, and thereafter any person, firm, or corporation so designated by the Issuer as paying agent for the Bonds.

"Pledged Revenues" shall mean the moneys distributed to the School Board pursuant to the Act and until applied as provided in the Resolution, the moneys including investments thereof in the funds and accounts under the Resolution.

"Project" shall mean the acquisition, construction, enlarging, improving, repairing, remodeling, and equipping and furnishing of schools, school facilities, and all necessary appurtenances within the District, including, but not limited to, ancillary plants, auxiliary facilities, core facilities, educational facilities, and sites. The description of each Project may be set forth in a supplemental resolution authorizing the issuance of the Bonds, which shall finance such Project, or, with respect to the 2018 Project, as set forth in the Resolution. The term Project is to be broadly construed as including any lawful undertaking which will accrue to the benefit of the School Board, including, without limitation financing improvements to the School Board's facilities, joint ventures, and acquisition of partial interests or contractual rights, and including modification, disposal, replacement, or cancellation of a Project previously authorized, should such modification, disposal, replacement, or cancellation be permitted under the Resolution.

"Registrar" shall mean such person, firm, or corporation as may, from time to time be designated by the Issuer as the Registrar for the Bonds.

"Registered Owner" or "Owner" shall mean the holder or owner of any Bonds as shown on the registration books kept for such purpose by the Registrar.

"Resolution" shall mean this resolution of the Issuer as hereafter amended and supplemented from time to time in accordance with the provisions hereof.

"Revenue Fund" shall mean the fund as designated and created pursuant to section 14.B. hereof.

"Secretary" shall mean the Superintendent of the District as ex-officio Secretary of the School Board.

"Serial Bonds" shall mean the Bonds of a series which shall be stated to mature in annual installments.

"Sinking Fund" shall mean the fund so designated, created pursuant to section 14.C.(1) hereof.

"State" shall mean the State of Florida.

"Taxable Bonds" shall mean Bonds issued hereunder the interest on which is not exempt from federal taxation.

"Tax Exempt Bonds" shall mean Bonds issued hereunder the interest on which is exempt from federal taxation.

"Term Bonds" shall mean the Bonds of a series all of which shall be stated to mature on one date and which shall be subject to retirement by operation of the Bond Amortization Account.

SECTION 3. FINDINGS. It is hereby found, determined, and declared that:

A. the School Board received an indoor environmental quality report (the "IEQ Report") finding that the indoor environmental conditions in the District's current administrative complex are marginal, at best, and immediate action to improve the quality of the environment for the occupants is necessary, especially for persons experiencing building-related symptoms and anyone with a weak or compromised immune system; and

B. the IEQ Report concluded that the District's current administrative complex has outlived its service life and replacing the complex with a purpose-built facility would be the most prudent and cost effective course of action, and the scope of work and associated cost to renovate the District's current administrative complex for long-term usage is not a reasonable option; and

C. the District's school plant survey, as approved by the Department of Education (the "Approved Plant Survey"), recommended the District discontinue use of its current administrative complex, and acquire, construct, enlarge, improve, repair, remodel, and/or equip and furnish a new administrative complex; and

D. based on the IEQ Report and the Approved Plant Survey, the District's operations and employees were temporarily relocated from its current administrative complex to off-site facilities until acquisition, construction, enlarging, improving, repairing, remodeling, and/or equipping and furnishing of a new administrative complex can be completed; and

E. the District declared its current administrative complex to be unnecessary for educational purposes pursuant to section 1013.28, Florida Statutes, and upon the sale of the current administrative complex, the facility will be removed from the Florida Inventory of School Houses ("FISH"); and

F. it is therefore necessary and desirable to acquire, construct, enlarge, improve, repair, remodel, and/or equip and furnish the 2018 Project, in order to preserve and protect the public health, safety, and welfare of the inhabitants of the District; and

G. the District is without adequate, currently available funds to pay the Costs of the 2018 Project, and it is necessary and desirable and in the best interests of the District and its inhabitants to issue the 2018 Bonds to accomplish financing the 2018 Project; and

H. the 2018 Project is a necessary appurtenance within the District because it (1) is incident to or necessary to accommodate students and teachers and the activities of the

educational program of the District, (2) is highly essential to the conduct of the District school system, (3) serves a school purpose in the operation, control, and supervision of the free public schools of the District, and (4) is necessary for the efficient operation and general improvement of the District school system; and

I. the issuance of the 2018 Bonds to finance the 2018 Project, serves a school purpose in the operation, control, and supervision of the free public schools of the District, is necessary for the efficient operation and general improvement of the District school system, and satisfies a paramount public purpose; and

J. the Resolution constitutes a rule implementing the Board's general powers under section 1001.41, Florida Statutes; and

K. the principal of and interest on the Bonds and all required Sinking Fund and other payments shall be limited and special obligations of the Issuer, payable solely from and secured by an irrevocable pledge of the Pledged Revenues, as provided herein; and

L. the Bonds shall not constitute a lien upon any property of the Issuer, other than the Pledged Revenues, and shall be payable only from the Pledged Revenues in the manner provided herein; and

M. the Bonds shall not constitute an indebtedness, liability, general, or moral obligation, or a pledge of the faith, credit, or taxing power of the Issuer, the District, the State, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions and limitations, and neither the State, any political subdivision thereof, the District, nor the Issuer shall be obligated (i) to exercise its ad valorem taxing power or any other taxing power in any form on any real or personal property to pay the principal of, premium, if any, and interest on the Bonds, or to make any of the required Sinking Fund, or other payments thereon, or other costs incidental thereto, or (ii) to pay the same from any other funds of the Issuer except from the Pledged Revenues, in the manner provided herein; and

N. the estimated Pledged Revenues will be sufficient to pay all principal of and interest on the Bonds to be issued hereunder, as the same becomes due, and to make all required Sinking Fund, and other payments required by the Resolution; and

O. the Pledged Revenues are not now pledged or encumbered in any manner.

SECTION 4. THE RESOLUTION TO CONSTITUTE A CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Bondholders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection, and security of the legal holders of any and all of the Bonds, all of which shall be of equal rank and without

preference, priority, or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

SECTION 5. AUTHORIZATION OF 2018 BONDS AND 2018 PROJECT. The acquisition, construction, enlarging, improving, repairing, remodeling, and/or equipping and furnishing of the 2018 Project is hereby authorized. Subject and pursuant to the provisions hereof, an obligation of the Issuer to be known as "Capital Improvement Revenue Bonds, Series 2018" is authorized to be issued in the principal amount not exceeding \$1,000,000. Notwithstanding anything herein to the contrary, the series designation applicable to the 2018 Bonds may be changed to conform to the calendar year of issue.

SECTION 6. DESCRIPTION OF BONDS. The Bonds shall be dated as of the date of issuance or such other date; may be Serial Bonds, Term Bonds, or a combination thereof; shall be designated "R-1" and numbered consecutively from one upward in order of authentication; shall be in such denominations of not less than \$5,000 and integral multiples of \$5,000, or in such other denominations; shall bear interest at such rate or rates not exceeding seven and one half percent (7.5%) to be payable at such times, shall be redeemable at such times and in such amounts, and shall mature either annually or semi-annually in amounts and on such date or dates and in such years not exceeding thirty (30) years from their date or dates, and shall have such other terms, all as set forth by a resolution supplemental hereto. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid, until payment of the principal sum.

The Bonds shall be issued in fully registered form; shall be payable with respect to both principal and premium, if any, upon presentation and surrender on the date fixed for maturity or redemption thereof at the office of the Paying Agent, except as otherwise provided in a resolution supplemental hereto; and shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public or private debts, all in accordance with and pursuant to the terms of the Resolution, as amended and supplemented, and the Bonds. Interest on the Bonds in registered form, when due and payable, except as otherwise provided in a resolution supplemental hereto, shall be paid by check or draft mailed to the person in whose name the Bond is registered, at the address shown in the Bond Register, as of the close of business on the 15th day of the month (whether or not a Business Day) next preceding the interest payment date for the Bonds (the "Record Date") irrespective of any transfer of the Bonds subsequent to such Record Date and prior to such interest payment date; except that, the Paying Agent will, at the request of any Registered Owner of one million dollars (\$1,000,000) or more in aggregate principal amount of Bonds, make payments of interest on such Bonds by wire transfer to the account designated by such Registered Owner to the Registrar in writing at least five (5) days before the Record Date of such payments, unless provided otherwise herein or in a resolution supplemental hereto. In the event the Issuer shall be in default in the payment of interest due on any interest payment date, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of defaulted interest as

established by notice mailed by the Bond Registrar to the Registered Owners of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names such Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of, premium, if any, or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or a day on which the banking institutions in the city where the office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday or day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

SECTION 7. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Issuer by the Chairperson and attested by the Secretary, either manually or with their facsimile signatures, and the official seal of the Issuer or a facsimile thereof shall be affixed thereto or reproduced thereon. For such purposes, the facsimile signature of such officers may be imprinted or reproduced on the Bonds. The Certificate of Authentication of the Registrar, shall appear on the Bonds, and no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under the Resolution unless such certificate shall have been duly executed by the Registrar. The authorized signature for the Registrar shall at all times be a manual signature. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed shall have been actually sold and delivered, such Bonds shall nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. The Bonds shall be signed and sealed on behalf of the Issuer by such person who at the actual time of execution of such Bonds shall hold the proper office with the Issuer, although on the date of such Bonds such person may not have held such office or may not have been so authorized.

SECTION 8. NEGOTIABILITY AND REGISTRATION.

A. Subject to the provisions hereof respecting registration and transfer, the Bonds shall be and shall have all the qualities and incidents of negotiable instruments under the laws of the State, and each successive holder, in accepting any of the Bonds, shall be conclusively deemed to have agreed that the Bonds shall be and have all of such qualities and incidents of negotiable instruments under the Uniform Commercial Code - Investment Securities of the State of Florida.

B. There shall be a Registrar for the Bonds, which shall be the Secretary or a bank or trust company located within or without the State, as set forth in a resolution supplemental hereto. The Registrar shall maintain the registration books of the Issuer and be responsible for

the transfer and exchange of the Bonds. The Issuer hereby designates the Paying Agent to serve as the Registrar.

The Bonds may be transferred upon the registration books, upon delivery to the Registrar, together with written instructions as to the details of the transfer of such Bonds, along with the address and social security number or federal taxpayer identification number of such transferee and, if such transferee is a trust, the name and social security number or federal taxpayer identification number of the settlor and all beneficiaries of the trust, the date of the trust and the name of the trustee. No transfer of any Bond shall be effective until entered on the registration books maintained by the Bond Registrar.

Upon surrender for transfer or exchange of any Bond, the Issuer shall execute and the Registrar shall authenticate and deliver in the name of the Registered Owner or the transferee or transferees, as the case may be, a new fully registered Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the Registered Owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The Issuer or the Registrar may charge the Bondholder of such Bond for every such transfer or exchange an amount sufficient to reimburse them for any tax, fee, or other governmental charge required to be paid with respect to such transfer, and may require that such charge be paid before any such new Bond shall be delivered.

All Bonds presented for transfer, exchange, redemption, or payment (if so required by the Registrar), shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or by its duly authorized attorney in fact or legal representative.

All Bonds delivered upon transfer or exchange shall be dated and shall bear interest from such date that neither gain nor loss in interest shall result from the transfer or exchange. New Bonds delivered upon any transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Bond surrendered, shall be secured by the Resolution and shall be entitled to all of the security and the benefits hereof to the same extent as the Bonds surrendered.

The Issuer and the Registrar may treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary. The person in whose name any Bond is registered may be deemed the Registered Owner thereof by the Issuer and the Registrar, and any notice to the contrary shall not be binding upon the Issuer and the Registrar.

C. Whenever any Bonds shall be delivered to the Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer, or exchange, such Bonds

shall be cancelled and, upon request of the Issuer, destroyed by the Registrar. Counterparts of the certificate of destruction evidencing any such destruction shall be furnished to the Issuer.

D. Prior to the delivery of the Bonds, the Chairperson or Secretary, on behalf of the Issuer, may enter into an agreement in usual and customary form (the "Book Entry Agreement") with the Registrar and Paying Agent and with the Depository Trust Company ("DTC") or any successor thereto, or other securities depository, with such changes in the Book Entry Agreement as may be approved by the Chairperson or Secretary, his or her execution thereof to be conclusive proof of his or her approval, and make such other provision and perform such further acts as may be necessary or convenient to provide for the distribution of the Bonds in book entry form. In connection therewith, the Chairperson or Secretary shall be authorized to execute and deliver an appropriate letter of representations regarding the book-entry system.

The Book Entry Agreement may provide that the Bonds shall be immobilized in the custody of DTC, with the beneficial owners of the Bonds having no right to receive the Bonds in the form of physical securities or Bonds. In such event, ownership of the Bonds shall be shown by book entry on the system maintained and operated by DTC and its participants, and transfers of ownership of beneficial interests shall be made only by DTC and its participants, by book entry, the Issuer having no responsibility therefor. The Bonds in book entry form as set forth herein shall not be transferable or exchangeable, except for transfer to another depository or to another nominee of a depository, without further action by the Issuer.

SECTION 9. BONDS MUTILATED, DESTROYED, STOLEN, OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen, or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen, or lost, and upon the Registered Owner furnishing the Issuer proof of its ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. All Bonds so surrendered shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bonds be lost, stolen, or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this section shall constitute original, additional contractual obligations on the part of the Issuer; whether or not the lost, stolen, or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on the source and security for payment from the funds, as herein pledged, to the same extent as all other Bonds issued hereunder.

SECTION 10. PROVISIONS FOR REDEMPTION. The Bonds shall be redeemable by operation of the Bond Amortization Account and/or at the option of the Issuer, as provided in a

resolution supplemental hereto. Upon the optional redemption of any Term Bonds in any Bond Year in amounts in excess of the applicable Amortization Installment, if any, for such Term Bonds in such Bond Year, the remaining Amortization Installments for such Term Bonds shall be adjusted to reflect such optional redemption; whether in inverse chronological order or such other manner as the Issuer shall determine at the time of such redemption. Bonds in denominations greater than \$5,000 shall be deemed to be an equivalent number of Bonds of the denomination of \$5,000. In the event a Bond is of a denomination greater than \$5,000, a portion of such may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof, or such other principal amounts as provided in a resolution supplemental hereto.

In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof will be given by the Registrar in the name of the School Board, of the redemption of such Bonds, which notice shall specify the series and maturities and interest rates within maturities, if any, of the Bonds to be redeemed, the date of issue of such Bonds as originally issued, the redemption date and the place or places where amounts due upon such redemption will be payable and, if fewer than all of the Bonds of any like series, maturity, and interest rate within maturities are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, the CUSIP numbers of such Bonds to be redeemed, if any, and, in the case of the Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the redemption price thereof, or the redemption price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice may state that the redemption is conditioned on the receipt of moneys for such redemption on or prior to the date set for redemption. In the event that a conditional notice of redemption is given and such moneys are not timely received, the redemption for which such notice was given shall not be undertaken.

Except as may be otherwise set forth with respect to a series of Bonds in a supplemental resolution authorizing such series, such notice shall be mailed by the Registrar, postage prepaid, not less than 30 nor more than 60 days before the redemption date, to the Registered Owners of any Bonds (including Bonds registerable only as to principal) or portions of Bonds which are to be redeemed, at their last addresses appearing upon the Bond Register at the close of business on the last Business Day of the month preceding the month for which notice is mailed. In the event of any redemption of Bonds at the option of the Issuer, such notice shall be mailed in like manner to the applicable Insurer, if any, of such Bonds. In the event that any series of Bonds is issuable in coupon form, such notice shall also be published in the manner set forth in the supplemental resolution authorizing the issuance of such series. Failure to give such notice, to the Registered Owner of any Bonds or any defect therein shall not affect the validity of the proceedings for the redemption of Bonds not containing such defect.

Notice having been mailed to the Registered Owners in the manner and under the conditions herein provided, the Bonds or portions of Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date. On the date so designated for redemption, notice having been mailed and filed and moneys for payment of the redemption price being held in separate accounts in trust for the holders of the Bonds or portions thereof to be redeemed (which deposit may be a condition to redemption provided in notice thereof), all as provided in the Resolution, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds and portions of Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and the Owners of such Bonds or portions of Bonds, shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number, if any, identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer, if any.

Upon surrender of any Bond for redemption in part only, the Issuer shall issue and deliver to the holder thereof, the costs of which shall be paid by the Issuer, a new Bond or Bonds of authorized denominations in aggregate principal amount equal to the unredeemed portion surrendered.

SECTION 11. FORM OF BONDS. The text of the Bonds shall be in substantially the following form with such changes, amendments, modifications, deletions, and additions as may be necessary and desirable and authorized and permitted by the Resolution or by any subsequent resolution adopted prior to the issuance thereof:

[Remainder of page intentionally left blank]

[FORM OF BOND]

No. R-_____

\$_____

UNITED STATES OF AMERICA
 STATE OF FLORIDA
 THE SCHOOL BOARD OF SUWANNEE COUNTY, FLORIDA
 [TAXABLE] CAPITAL IMPROVEMENT [REFUNDING] REVENUE BONDS, SERIES _____

Rate of Interest _____ %	Maturity Date _____	Dated Date _____	CUSIP _____
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Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that The School Board of Suwannee County, Florida (the "School Board"), the governing body of the School District of Suwannee County, Florida (the "District"), a governmental authority created by article IX, section 4 of the Florida Constitution, for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount shown above, solely from the revenues hereinafter mentioned, and to pay solely from such revenues, interest on said sum from the Dated Date of this Bond or from the most recent interest payment date to which interest has been paid, at the Rate of Interest per annum set forth above until the payment of such principal sum, such interest being payable on _____ 1, and semiannually thereafter on _____ 1 and _____ 1 of each year. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof on the date fixed for maturity or redemption at the office of the Secretary of the School Board (the "Paying Agent" and the "Registrar") which as of the Dated Date is located in Suwannee County, Florida, or at the office designated for such payment of any successor thereof. The interest on this Bond, when due and payable, shall be paid by check or draft mailed to the Registered Owner, at the Registered Owner's address as it appears on the Bond Register, at the close of business on the fifteenth (15th) day of the month (whether or not a Business Day) next preceding the interest payment date (the "Record Date"), irrespective of any transfer of this Bond subsequent to such Record Date and prior to such interest payment date; except that the Paying Agent will, at the request of any Registered Owner of one million dollars (\$1,000,000) or more in aggregate principal amount of Bonds, make payments of interest on such Bonds by wire transfer to the account designated by such Registered Owner to the Registrar in writing at least five (5) days before the Record Date of such payments. In the event the Issuer shall be in default in payment of interest due on such interest payment date, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of defaulted interest as established by notice mailed by the Registrar to the Registered Owner not less than fifteen (15) days preceding such special record date. Such notice

shall be mailed to the person in whose name such Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. All amounts due hereunder shall be payable in any coin or currency of the United States, which is, at the time of payment, legal tender for the payment of public or private debts.

This Bond is one of a duly authorized issue of Bonds in the aggregate principal amount of \$_____ of like date, tenor and effect, except as to number, series designation, maturity and interest rate (the "Bonds") issued to finance or refinance the Costs of certain Projects, all as more fully described in the Resolution, as defined herein. The Bonds are issued pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly section 1001.32(2), Florida Statutes; section 212.20(6)(d)6.a., Florida Statutes, as a replacement for moneys previously distributed pursuant to section 550.135, Florida Statutes; chapter 30250, Laws of Florida (1955), as amended by chapter 59-727, Laws of Florida (1959), chapter 65-1215, Laws of Florida (1965), and chapter 67-907, Laws of Florida (1967); chapter 71-933, Laws of Florida (1971), each as amended; and other applicable provisions of law (collectively, the "Act"), and a resolution duly adopted by the School Board on _____, as supplemented (collectively, the "Resolution"), and are subject to all the terms and conditions of such Resolution. All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Resolutions.

This Bond and the issue of Bonds of which it is a part, are limited and special obligations of the School Board payable solely from and secured by an irrevocable pledge of the Pledged Revenues, as defined and described in the Resolution, consisting of the moneys distributed to the School Board pursuant to the Act and until applied as provided in the Resolution, the moneys including investments thereof in the funds and accounts under the Resolution.

The principal of and interest on the Bonds and all required Sinking Fund, and other payments shall be limited and special obligations of the School Board, payable solely from and secured by an irrevocable pledge of the Pledged Revenues, as provided in the Resolution. This Bond does not constitute an indebtedness, liability, general, or moral obligation, or a pledge of the faith, credit, or taxing power of the School Board, the District, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provision or limitation. Neither the State of Florida, any political subdivision thereof, the District, nor the School Board shall be obligated (1) to exercise its ad valorem taxing power or any other taxing power in any form on any real or personal property in Suwannee County, Florida to pay the principal of, premium, if any, and interest on the Bonds, or to make any of the required Sinking Fund, or other payments thereon or other costs incident thereto or (2) to pay the same from any other funds of the School Board, except from the Pledged Revenues, in the manner provided herein and in the Resolution. It is further agreed between the School Board and the Registered Owner of this Bond that this Bond and the indebtedness evidenced hereby shall not constitute a lien upon any property of the School Board other than the Pledged Revenues, and shall be payable only from the Pledged Revenues, in the manner provided in the Resolution.

In and by the Resolution, the School Board has covenanted and agreed with the owners of the Bonds that it will (1) take all action legally available to it to ensure the receipt of Pledged Revenues sufficient to make all payments of principal and interest on the Bonds, as and when the same become due, and all other payments required by the Resolution, and will take no action which will impair or adversely affect its receipt of the Pledged Revenues, and (2) budget and appropriate in the annual School Board budget for expenditure from the Pledged Revenues, in each of the fiscal years during which the Bonds are outstanding and unpaid, sufficient amounts of such Pledged Revenues to pay one hundred per centum (100%) of the principal and interest becoming due in such year on the outstanding Bonds of this issue and on all other obligations payable on a parity therewith, plus one hundred per centum (100%) of all other payments required by the Resolution. Pursuant to the Resolution, the School Board has reserved the right to issue additional obligations, payable on a parity with the Bonds, in the manner, and upon the terms and conditions provided in the Resolution; [has provided that for certain purposes related to Bondholder's remedies, the Insurer shall be deemed to be the sole owner of the Bonds;] and has entered into certain other covenants and agreements respecting the Bonds, as to which reference is made to the Resolution.

[INSERT REDEMPTION PROVISIONS]

[Bonds in denominations greater than \$5,000 shall be deemed to be an equivalent number of Bonds of the denomination of \$5,000. In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof.] In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Bonds or portions thereof to be redeemed will be given by the Registrar (who shall be the paying agent for the Bonds, or such other person, firm or corporation as may from time to time be designated by the School Board as the Registrar for the Bonds) prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed in whole or in part in the manner provided in the Resolution. Failure to give such notice to any Registered Owner of Bonds, or any defect therein, shall not affect the validity of any proceeding for the redemption of the Bonds. All Bonds so called for redemption will cease to bear interest after the specified redemption date provided funds for their redemption are on deposit at the place of payment at that time. Upon surrender of any Bond for redemption in part only, the School Board shall issue and deliver to the Registered Owner thereof, the costs of which shall be paid by the School Board, a new Bond or Bonds of authorized denominations in aggregate principal amount equal to the unredeemed portion surrendered.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city where the office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

It is hereby certified and recited that all acts, conditions, and things required to exist, to happen and to be performed precedent to and in connection with the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds of this issue does not violate any constitutional or statutory limitations or provisions.

Subject to the provisions set forth herein for registration and transfer, this Bond is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities of the State of Florida.

[The Bonds are issued in the form of fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple of \$5,000.] Subject to the limitations and upon payment of the charges provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same series, rate of interest and maturity of other authorized denominations. This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing, at the principal office of the duly appointed Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Any Bonds delivered for transfer shall be accompanied by written instrument of transfer, in form and with guaranty of signature satisfactory to the Registrar, specifying the details of the transfer of such Bonds, along with the address and social security number or federal taxpayer identification number of such transferee and, if such transferee is a trust, the name and social security or federal taxpayer identification numbers of the settlor and beneficiaries of the trust, the federal taxpayer identification number and date of the trust and the name of the trustee. In all cases of the transfer of a Bond, the Registrar shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount which the Registered Owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. No transfer of any Bond shall be effective until entered on the registration books maintained by the Bond Registrar. The School Board may deem and treat the Registered Owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the School Board shall not be affected by any notice to the contrary.

This Bond shall not be deemed valid or obligatory for any purpose unless the Bond of Authentication endorsed hereon shall have been duly executed by the manual signature of an authorized officer of the Registrar.

IN WITNESS WHEREOF, the School Board has issued this Bond and has caused the same to be executed by the manual or facsimile signature of the Chairperson of the School Board and attested by the manual or facsimile signature of the Superintendent, ex-officio

Secretary to the School Board and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, as of the Dated Date set forth above.

**THE SCHOOL BOARD OF SUWANNEE
COUNTY, FLORIDA**

(SEAL)

By: _____
Chairperson
The School Board of Suwannee
County, Florida

ATTEST:

By: _____
Superintendent, ex-officio
Secretary of The School Board of
Suwannee County, Florida

"Approved as to Form and Sufficiency
BY _____
Leonard J. Dietzen, III
Rumberger, Kirk & Caldwell, P.A.
Suwannee School Board Attorney"

[INSERT VALIDATION LEGEND]

CERTIFICATE OF AUTHENTICATION OF BOND REGISTRAR

This Bond is one of the issue of the within described Bonds. The Dated Date, the Principal Amount, Rate of Interest, Maturity Date and Registered Owner shown above are correct in all respects and have been recorded, in accordance with the Resolution, in the Bond Register maintained for such purposes at the principal offices of the undersigned.

By: _____
Authorized Signature

Date of Authentication

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned _____

(the "Transferor"), hereby sells, assigns, and transfers unto

_____ (Please insert name and Social Security or Federal Employer Identification number of assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ (the "Transferee") as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or a trust company.

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

[END OF FORM]

SECTION 12. APPLICATION OF 2018 BOND PROCEEDS. The proceeds, including accrued interest and premium, if any, received from the sale of the 2018 Bonds shall be applied by the Issuer simultaneously with the delivery of the 2018 Bonds to the purchaser thereof, as follows:

A. The accrued interest, if any, received from the sale of the 2018 Bonds shall be deposited in the Sinking Fund herein created and shall be used only for the purpose of paying interest becoming due on the 2018 Bonds.

B. To the extent not paid or reimbursed therefor by the purchasers of the 2018 Bonds, the Issuer shall pay all costs and expenses in connection with the preparation, issuance, and sale of the 2018 Bonds.

C. The proceeds of the 2018 Bonds remaining after the foregoing payments have been made shall be deposited into the "School Board of Suwannee County, Florida Capital Improvement Revenue Bonds, Series 2018 Construction Fund" (the "Construction Fund") hereby created and established and shall be used to pay for the Costs of the 2018 Project. Any funds on deposit in the Construction Fund which, in the opinion of the Issuer, acting upon the recommendation of the Chief Financial Officer of the Issuer, are not immediately necessary for expenditure may be invested in the manner authorized by law in authorized investments maturing at such times as the moneys in the Construction Fund will be needed for their intended purposes. All such securities shall be held by the depository bank, and all income derived therefrom shall be deposited in the Construction Fund until the 2018 Project has been completed, at which time such income, together with any balance remaining in the Construction Fund, shall, at the option of the Issuer, be deposited in the Sinking Fund. All expenditures or disbursements from the Construction Fund shall be made only after such expenditures or disbursements shall have been approved in writing by such Chief Financial Officer. The date of completion of the 2018 Project shall be determined by such Chief Financial Officer who shall certify such fact in writing to the School Board.

However, to the extent there are no other available funds held hereunder, the Issuer shall use the remaining funds in the Construction Fund to pay principal and interest on the 2018 Bonds to the Bondholders in the event of a payment default.

Such funds shall be kept separate and apart from all other funds of the Issuer and the moneys on deposit therein shall be withdrawn, used, and applied by the Issuer solely for the purposes set forth herein. All such proceeds shall be and constitute trust funds for such purposes and there is hereby created a lien in favor of the holders of the 2018 Bonds upon such proceeds of the 2018 Bonds until so applied by the Issuer solely for the purposes set forth herein.

SECTION 13. BONDS SPECIAL OBLIGATIONS OF ISSUER. The Bonds shall be limited and special obligations of the Issuer, payable solely from the Pledged Revenues as

herein provided. The Bonds do not constitute an indebtedness, liability, general, or moral obligation, or a pledge of the faith, credit, or taxing power of the Issuer, the District, the State, or any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation. Neither the District, the State, nor any political subdivision thereof nor the Issuer shall be obligated (A) to exercise its ad valorem taxing power or any other taxing power in any form on any real or personal property to pay the principal of the Bonds, premium, if any, and interest on the Bonds, or to make any of the required Sinking Fund, or other payments thereon or other costs incident thereto, or (B) to pay the same from any other funds of the Issuer except from the Pledged Revenues, all in the manner provided herein. The acceptance of the Bonds by the holders from time to time thereof shall be deemed an agreement between the Issuer and such holders that the Bonds and the indebtedness evidenced thereby shall not constitute a lien upon any property of the Issuer other than the Pledged Revenues, and shall be payable only from the Pledged Revenues, in the manner hereinafter provided.

The payment of the principal of, premium, if any, and the interest on the Bonds shall be secured forthwith equally and ratably by an irrevocable pledge of the Pledged Revenues, superior to all other liens or encumbrances on such Pledged Revenues. The Issuer does hereby irrevocably pledge such Pledged Revenues to the payment of the principal of, premium, if any, and interest on the Bonds and for all other required payments.

SECTION 14. COVENANTS OF THE ISSUER. For as long as any of the principal of, premium, if any, and interest on any of the Bonds shall be outstanding and unpaid, or until payment has been provided for as herein permitted, or until there shall have been set apart in the Sinking Fund, herein established, a sum sufficient to pay when due the entire principal of the Bonds remaining unpaid, together with the premium, if any, and interest accrued and to accrue thereon, the Issuer covenants with the holders of any and all Bonds as follows:

A. **ANNUAL APPROPRIATION.** The Issuer will set up and appropriate in the annual budget for expenditure in each of the fiscal years during which the Bonds are outstanding and unpaid, from the Pledged Revenues, sufficient amounts of such Pledged Revenues to pay one hundred per centum (100%) of the Bond Service Requirement due in such year on the outstanding Bonds, plus one hundred per centum (100%) of all other payments required by the Resolution and the Bonds. Such covenant and agreement on the part of the Issuer to budget and appropriate sufficient amounts of such Pledged Revenues to make all payments required by the Resolution shall be cumulative, and shall continue until such Pledged Revenues in amounts sufficient to make all required payments shall have been budgeted, appropriated, and actually paid in the manner hereinafter provided.

B. **APPLICATION OF FUNDS.** The entire Pledged Revenues received in each fiscal year by the Issuer shall upon receipt be deposited forthwith into a separate fund of the Issuer which is hereby created and designated "Capital Improvement Revenue Bonds Revenue Fund" (the "Revenue Fund") and used pursuant to the annual budget and appropriation resolution only for the purposes and in the manner herein provided. Such Revenue Fund shall constitute a

trust fund for the purposes herein provided, and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner herein provided.

C. DISPOSITION OF REVENUES. All Pledged Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of on or before the fifteenth (15th) day of each month, commencing in the month immediately following the delivery of the Bonds, in the following manner and in the following order of priority:

(1) From the Pledged Revenues, the Issuer shall deposit into any Rebate Fund established pursuant to Section 14.J. hereof an amount estimated to be sufficient to timely provide for the rebate deposit required thereunder.

(2) From the Pledged Revenues, the Issuer shall deposit into a separate fund which is hereby created and designated "Capital Improvement Revenue Bonds Sinking Fund" (hereinafter called "Sinking Fund"), such sums as will be sufficient to pay all interest becoming due on the Bonds in the current Bond Year, and all principal maturing on the Serial Bonds in the current Bond Year, including any deficiencies for any prior payments. All such payments, as provided above, shall include an amount sufficient to pay the fees and charges of the Registrar and Paying Agents for the Bonds (other than if the Secretary is serving as the Registrar and Paying Agent). Such monthly payments shall be increased or decreased proportionately to the extent required to pay principal and interest becoming due the first and each succeeding fiscal year, after making allowances for the amounts of money, if any, which are on deposit in the Sinking Fund from proceeds of the Bonds, or which will be on deposit therein from investment earnings.

(3) On a parity with the deposits under paragraph (1) above in respect of maturing principal, the Issuer shall simultaneously deposit into a "Bond Amortization Account" hereby created and established within the Sinking Fund, if and to the extent required, a sum equal to the amount of the Amortization Installment for Term Bonds which shall become due and payable during the current Bond Year, plus the premium, if any, on a principal amount of such Term Bonds equal to the amount of such Amortization Installment, which would be payable on the next principal maturity date, if such principal amount of Term Bonds were to be redeemed prior to their maturity from moneys held in the Bond Amortization Account. The funds and investments in each such separate account shall be pledged solely to the payment of principal of the Term Bonds of the series or maturity within a series for which it is established and shall not be available for payment, purchase or redemption of Term Bonds of any other series or within a series, or for transfer to any other account in the Sinking Fund to make up any deficiencies in required payments therein. Upon the sale of any Additional Parity Obligations as Term Bonds, the Issuer shall, by resolution, establish the amounts and maturities of such Amortization Installments for each series, and if there shall be more than one maturity of Term Bonds within a series, the Amortization Installments for the Term Bonds of each maturity. In the event the moneys deposited for retirement of a maturity of Term Bonds are required to be invested, in the manner provided below, then the Amortization Installments may be stated in terms of either

the principal amount of the investments to be purchased on, or the cumulative amounts of the principal amount of investments required to have been purchased by, the payment date of such Amortization Installment.

Moneys on deposit in each of the separate special accounts or subaccounts in the Bond Amortization Account may be used for the open market purchase or the redemption of Term Bonds of the series or maturity of Term Bonds within a series for which such separate special account is established or may remain in said separate special account and be invested until the stated date of maturity of the Term Bonds. The resolution establishing the Amortization Installments for any series or maturity of Term Bonds may limit the use of moneys to any one or more of the uses set forth in the preceding sentence.

(4) Upon the issuance of any Additional Parity Obligations under the terms, limitations, and conditions as are herein provided, the payments into the several accounts in the Sinking Fund shall be increased in such amounts as shall be necessary to make the payments for the principal of and interest on such Additional Parity Obligations and, if Term Bonds are issued, the Amortization Installments, on the same basis as hereinabove provided with respect to the Bonds initially issued under the Resolution.

The Issuer shall not be required to make any further payments into the Sinking Fund when the aggregate amount of money in the Sinking Fund is at least equal to the total Bond Service Requirement of the Bonds then outstanding, plus the amount of redemption premium, if any, then due and thereafter to become due on such Bonds then outstanding by operation of the Bond Amortization Account.

(5) The balance of any Pledged Revenues remaining in the Revenue Fund after the above required payments have been made may be used for the purchase or redemption of the Bonds or for any lawful purpose.

(6) The Sinking Fund and the Bond Amortization Account and any other special funds herein established and created shall constitute trust funds for the purposes provided herein for such funds. All such funds shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Sinking Fund may be invested and reinvested in the manner provided by law provided such investments either mature or are redeemable at not less than par at the option of the Issuer not later than the dates on which the moneys on deposit therein will be needed for the purpose of such fund. Any and all income received by the Issuer from such investments shall be deposited into the Revenue Fund except however, that investment income earned in the Bond Amortization Account shall remain therein or be transferred to the Sinking Fund and used to pay maturing principal, Amortization Installments, and interest on the Bonds.

The cash required to be accounted for in each of the foregoing funds and accounts established herein may be deposited in a single bank account, and funds allocated to the

various accounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein and such investments for the various purposes of such funds and accounts as herein provided.

The designation and establishment of the various funds in and by the Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

The gross amount required to pay principal or interest and Amortization Installments on the Bonds on any payment date shall be deposited in trust for such purposes with the Paying Agent in immediately available funds on or prior to such payment date. Any provision hereof to the contrary notwithstanding, so long as the Issuer is not in default in the payment of principal, premium, if any, and interest on the Bonds, then the failure to deposit the Pledged Revenues into the Revenue Fund and Sinking Funds created herein in the amounts required hereunder shall not be deemed a default hereunder so long as the full amount of such deposits necessary to make all such payments with respect to the Bonds are deposited in such funds on or prior to the date such payments are due.

(7) The Issuer covenants that it will provide for the accounting of and the rebate to the United States of, any amounts earned on the funds and investments hereunder in accordance with the provisions of its non-arbitrage certification delivered at the time of issuance of the Bonds and subsection J. below.

D. OPERATION OF BOND AMORTIZATION ACCOUNT. Money held for the credit of the Bond Amortization Account shall be applied to the retirement of Term Bonds as follows:

(1) Subject to the provisions of paragraph (3) below, the Issuer may endeavor to purchase Term Bonds then outstanding at the most advantageous price obtainable with reasonable diligence, such price not to exceed the principal of such Term Bonds plus the accrued interest to the date of delivery thereof. The Issuer shall pay the interest accrued on such Term Bonds to the date of delivery thereof from the Sinking Fund and the purchase price from the Bond Amortization Account, but no such purchase shall be made by the Issuer within the period of 45 days immediately preceding any interest payment date on which Term Bonds are subject to call for redemption, except from money in excess of the amounts set aside or deposited for the redemption of Term Bonds.

(2) Subject to the provisions of paragraph (3) below, whenever sufficient money is on deposit in the Bond Amortization Account to redeem Term Bonds, the Issuer may call for redemption from money in the Bond Amortization Account such amount of Term Bonds then

subject to redemption as, with the redemption premium, if any, will exhaust the money then held in the Bond Amortization Account as nearly as may be practicable. Prior to calling Term Bonds for redemption, the Issuer shall withdraw from the Sinking Fund and from the Bond Amortization Account and set aside in separate accounts or deposit with the Paying Agent the respective amounts required for paying the interest on and the principal of and the redemption premium, if any, applicable to the Term Bonds so called for redemption.

(3) Money in the Bond Amortization Account shall be applied by the Issuer in each fiscal year to the retirement of Term Bonds then outstanding in the following order:

(i) The Term Bonds of each series of Bonds, to the extent of the Amortization Installment, if any, for such fiscal year for the Term Bonds of each such series then outstanding, and, if the amount available in such fiscal year shall not be sufficient therefor, then in proportion to the Amortization Installment, if any, for such fiscal year for the Term Bonds of each such series then outstanding; provided, however, that if the Term Bonds of any such series shall not then be subject to redemption from money in the Bond Amortization Account the balance of such money, shall be retained in the Bond Amortization Account and be applied to the Term Bonds of such series as provided above or as such amounts become due; and

(ii) Any balance then remaining, other than money retained under the first clause of this paragraph (3), may be applied to the retirement of such Term Bonds as the Issuer in its sole discretion shall determine, but only, in the case of the redemption of Term Bonds of any series, in such amounts and on such terms as may be provided in the resolution authorizing the issuance of the Term Bonds of such series.

(4) The Issuer shall deposit into the Bond Amortization Account Amortization Installments for the amortization of the principal of the Term Bonds, together with any deficiencies for prior required deposits, such Amortization Installments to be in such amounts and to be due in such years as shall be determined herein or by supplemental resolution adopted prior to the delivery of the Bonds.

The Issuer shall pay from the Revenue Fund all expenses in connection with any such purchase or redemption.

The amounts required to be deposited into the Sinking Fund in any month shall be adjusted to reflect any amounts on deposit in excess of current requirements (including deficiencies in prior requirements) and available for the payment of the Bond Service Requirement for the current Bond Year.

E. BOOKS AND RECORDS. The Issuer shall keep books and records of the Pledged Revenues which shall be kept separate and apart from all other books, records, and accounts of

the Issuer, and the owners of the Bonds shall have the right at all reasonable times to inspect all records, accounts and data of the Issuer relating thereto.

F. ANNUAL AUDIT. The Issuer shall also, at least once a year, as soon as possible after the close of its fiscal year, cause the books, records, and accounts relating to the total annual budget of the Issuer including the Pledged Revenues to be made available so that such books, records, and accounts may be properly audited in accordance with law.

G. OPERATING BUDGET. In accordance with law, the Issuer shall annually prepare and adopt a detailed budget of the estimated revenues and expenditures during the fiscal year, which budget may be amended from time to time in accordance with law.

H. ISSUANCE OF OTHER OBLIGATIONS. Subject to the provisions of subsection I. below, the Issuer will not issue or consent to the issuance of any other obligations, except under the conditions and in the manner provided herein, payable from the Pledged Revenues or any portion thereof, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance, or other charge, having priority to or being on a parity with the lien of the Bonds and the interest thereon, upon the Pledged Revenues. Any other obligations issued by the Issuer in addition to the 2018 Bonds or Additional Parity Bonds provided for in subsection I. below, payable from the Pledged Revenues, shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds herein authorized, as to lien on and source and security for payment from the Pledged Revenues.

I. ISSUANCE OF ADDITIONAL PARITY BONDS. No Additional Parity Bonds, payable on a parity from the Pledged Revenues with the 2018 Bonds shall be issued after the issuance of the 2018 Bonds, except for financing the Costs of a Project, or the completion thereof, or for refunding any or all outstanding Bonds and except upon the conditions and in the manner herein provided:

(1) There shall have been prepared and accepted by the School Board a report by the Chief Financial Officer of the School Board, based in part on reports of others as necessary, setting forth the established Costs of any Projects proposed to be financed by such Additional Parity Bonds; schedules of construction of the Projects proposed to be constructed or acquired from the proceeds of the Additional Parity Bonds, and a debt service schedule for the Additional Parity Bonds.

(2) There shall have been obtained and filed with the Issuer a certificate of the Chief Financial Officer: (i) stating that the books and records of the Issuer relating to the collection and receipt of Pledged Revenues have been reviewed by him or her; (ii) setting forth the amount of Pledged Revenues received by the Issuer for any twelve (12) consecutive months within the thirty (30) months immediately preceding the date of delivery of such Additional Parity Bonds with respect to which the certificate is made; (iii) stating that the Pledged Revenues, received by the Issuer for such twelve (12) month period equals at least the sum of

1.00 times the Maximum Bond Service Requirement on (x) the 2018 Bonds and all Additional Parity Bonds, if any, then outstanding and (y) the Additional Parity Bonds with respect to which the certificate is made.

As used herein, the term "outstanding" shall mean any Bond authorized, issued, authenticated, and delivered under the Resolution or any resolution supplemental hereto, except: (a) Bonds cancelled or surrendered for cancellation pursuant to the Resolution on or prior to such date; (b) Bonds which have been paid, or for which provision for payment has been made (or will be made with the proceeds of the Additional Parity Bonds with respect to which the Bond is made), pursuant to section 15 of the Resolution; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Resolution.

(3) Each resolution authorizing the issuance of Additional Parity Bonds will recite that all of the covenants herein contained will be applicable to the Additional Parity Bonds.

(4) Immediately following the issuance of such Additional Parity Bonds, the Issuer shall not be in default in performing any of the covenants and obligations assumed hereunder, and all payments herein required to have been made into the accounts and funds, as provided hereunder, shall have been made to the full extent required.

J. TAX COVENANT. No use will be made of the proceeds of the Bonds which, if such use were reasonably expected on the date of issuance of the Bonds, would cause the same to be "arbitrage bonds" within the meaning of the Code. The School Board at all times while the Bonds and the interest thereon are outstanding will comply with the requirements of the Code necessary to maintain the exclusion of the interest on the Tax Exempt Bonds from federal gross income including the creation of any rebate funds or other funds and/or accounts required in that regard.

The School Board shall at all times do and perform all acts and things permitted by law and the Resolution which are necessary or desirable in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes, including taking no action that would cause any Bonds to be "private activity bonds" within the meaning of the Code.

K. NO IMPAIRMENT. The pledging of the Pledged Revenues in the manner provided herein shall not be subject to repeal, modification, or impairment by any subsequent ordinance, resolution, or other proceedings of the School Board or by any subsequent act of the Legislature of the State.

L. RECEIPT OF FUNDS. The Issuer will take all action legally available to it to ensure the receipt of Pledged Revenues sufficient to make all payments of principal of and

interest on the Bonds, as and when the same become due, and all other payments required herein, and will take no action which will impair or adversely affect its receipt of the Pledged Revenues.

SECTION 15. DEFEASANCE AND SUBROGATION.

A. If, at any time, the Issuer shall have paid, or shall have made provision for payment of, the principal, interest, and redemption premiums, if any, with respect to any Bonds, then, and in that event, the pledge of the Pledged Revenues in favor of the holders of such Bonds shall be no longer in effect.

B. In the event any of the principal and redemption premium, if applicable, and interest due on the Bonds shall be paid by an Insurer pursuant to a Bond Insurance Policy which insures against non-payment thereof, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the Pledged Revenues and all covenants, agreements, and other obligations of the Issuer to the Registered Owners to whom or for the benefit of whom the Insurer has made such payments shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such Registered Owners to the full extent of such payments.

SECTION 16. MODIFICATION OR AMENDMENT. The Issuer from time to time and at any time, may amend the Resolution without the consent of the Registered Owners of the Bonds for the following purposes:

A. to cure any ambiguity or formal defect or omission or to correct or supplement any provisions herein that may be inconsistent with any other provision herein; or

B. to grant to or confer for the benefit of the Registered Owners of the Bonds any additional rights, remedies, powers, authority, or security that may lawfully be granted to or conferred upon the Registered Owners or the Insurer, if any; or

C. to add to the provisions of the Resolution other conditions and limitations thereafter to be observed; or

D. to add to the covenants and agreements of the Issuer in the Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power therein reserved to or conferred upon the Issuer; or

E. to permit the qualification of the Resolution under any federal statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, if the Issuer so determines, to add to the Resolution such other terms, conditions, and provisions as may be permitted or required by such federal statute or Blue Sky law; or

F. to provide for the issuance of the Bonds in Bond form or under a book-entry system; or

G. to modify the covenants and agreements contained herein as may be necessary to secure or retain a rating on the Bonds.

Except as otherwise set forth above, no material modification or amendment of the Resolution or of any resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of (1) as to any series of Bonds, the timely payment of principal and interest on which is unconditionally guaranteed by an Insurer, the written consent of such Insurer; or (2) in the case of any series of Bonds, the timely payment of principal and interest on which are not guaranteed by an Insurer, the owners of fifty-one percent (51%) or more in principal amount of each series of the Bonds then outstanding affected by such amendment; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation or affect the unconditional promise of the Issuer to pay the principal of and interest on the Bonds as the same shall come due or reduce the percentage of the holders of the Bonds required to consent to any material modification or amendment hereof, without the consent in writing of the holder or holders of all such Bonds; provided, further, that no such modification or amendment shall allow or permit any acceleration of the payment of principal of or interest on the Bonds upon any default in the payment thereof whether or not the holders of the Bonds consent thereto.

Any rating agency rating the Bonds must receive notice of each amendment and a copy thereof at least fifteen (15) days in advance of its execution or adoption. The Insurer and any such rating agency shall be provided with a full transcript of all proceedings relating to the execution of any such amendment or supplement.

SECTION 17. USE OF ADDITIONAL FUNDS FOR DEBT PAYMENT. Subject to the provisions of the Florida Constitution, nothing herein contained shall preclude the Issuer from using any legally available funds, in addition to the Pledged Revenues herein provided, which may come into its possession, including but not limited to the proceeds of sale of the Bonds, contributions, or grants, for the purpose of payment of principal of and interest on the Bonds, or the payment of Amortization Installments, if any, or the purchase or redemption of such Bonds in accordance with the provisions of the Resolution, as amended and supplemented.

SECTION 18. SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of the Resolution, and other applicable provisions of law, all as set forth in a resolution supplemental hereto.

SECTION 19. DEFAULTS; EVENTS OF DEFAULT AND REMEDIES. Except as provided below, if any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default:"

- A. default in the due and punctual payment of any interest on the Bonds; or
- B. default in the due and punctual payment of the principal of and premium, if any, on any Bond, at the stated maturity thereof, or upon proceedings for prepayment thereof, if applicable; or
- C. default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the School Board contained in the Resolution or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the School Board given by the Bondholders of not less than twenty-five percent (25%) of aggregate principal amount of Bonds then outstanding (provided, however, that with respect to any obligation, covenant, agreement, or condition which requires performance by a date certain, if the Issuer performs such obligation, covenant, agreement, or condition within thirty (30) days of written notice as provided above, the default shall be deemed to be cured); or
- D. failure by the School Board promptly to remove any execution, garnishment, or attachment of such consequence as will materially impair its ability to carry out its obligations hereunder; or
- E. any act of bankruptcy or the rearrangement, adjustment, or readjustment of the obligations of the School Board under the provisions of any bankruptcy or moratorium laws or similar laws relating to or affecting creditors' rights.

The term "default" shall mean default by the School Board in the performance or observance of any of the covenants, agreements, or conditions on its part contained in the Resolution, any supplemental resolution or in the Bonds, exclusive of any period of grace required to constitute an "Event of Default" as hereinabove provided.

The Registered Owners of Bonds issued under the provisions hereof or any trustee acting for the Registered Owners of such Bonds may, either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under state or federal law, or granted and contained herein, and may enforce and compel the performance of all duties required herein or by any applicable law to be performed by the Issuer or by any officer thereof.

The foregoing notwithstanding:

(1) No remedy conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder.

(2) No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient.

(3) No waiver of any default or Event of Default hereunder by the Bondholders shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

(4) Acceleration of the payment of principal of and interest on the Bonds shall not be a remedy hereunder in the case of an Event of Default.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholders under the Resolution, the Bondholders shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Issuer and the funds pending such proceedings, with such powers as the court making such appointment shall confer.

On the occurrence of an Event of Default, to the extent such rights may then lawfully be waived, neither the School Board nor anyone claiming through or under it, shall set up, claim, or seek to take advantage of any stay, extension, or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Resolution, and the School Board, for itself and all who may claim through or under it, hereby waives, to the extent it may lawfully do so, the benefit of all such laws and all right of redemption to which it may be entitled.

Nothing herein, however, shall be construed to grant to any owner of the Bonds any lien on any real or personal property of the Issuer other than the Pledged Revenues, or any right to require or compel the exercise by the Issuer of its ad valorem taxing power or any other taxing power in any form on any real or personal property for any purpose.

A Bond Insurance Policy, if any, shall not be taken into account in determining whether the rights of Bondholders are adversely affected by actions taken pursuant to the terms and provisions of the Resolution.

SECTION 20. VALIDATION PROCEEDINGS. The Attorney for the Board and Bond Counsel, as necessary, may institute appropriate proceedings in the Circuit Court for Suwannee County, Florida for the validation of the 2018 Bonds and any and all other proceedings

necessary for the School Board to determine its authority to issue the 2018 Bonds and to finance and/or reimburse the Costs of the 2018 Project, and the proper officers of the School Board are hereby authorized to verify on behalf of the School Board any pleadings in such proceedings.

SECTION 21. SEVERABILITY. If any one or more of the covenants, agreements, or provisions of the Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements, or provisions of the Resolution or of the Bonds issued hereunder.

SECTION 22. REPEALING CLAUSE. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 23. EFFECTIVE DATE. This resolution shall be in full force and take effect immediately upon its passage and adoption.

Duly adopted this 1st day of March, 2018.

**THE SCHOOL BOARD OF SUWANNEE
COUNTY, FLORIDA**

ATTEST:

By: _____
Chairperson

Superintendent, ex-officio
Secretary of The School Board of
Suwannee County, Florida

"Approved as to Form and Sufficiency
BY _____
Leonard J. Dietzen, III
Rumberger, Kirk & Caldwell, P.A.
Suwannee School Board Attorney"