

BOARD OF EDUCATION MINUTES

EXCERPTS FROM THE MINUTES OF A MEETING OF THE BOARD OF EDUCATION OF ELIZABETHTOWN INDEPENDENT SCHOOL DISTRICT, KENTUCKY, HELD ON JANUARY 22, 2013.

A meeting of the Board of Education of Elizabethtown Independent School District, Kentucky (the "Board of Education") was duly held on January 22, 2013, at 7:00 P.M., E.T., at the regular meeting place of the Board of Education in Elizabethtown, Kentucky.

The meeting was called to order by the Chairperson, and there were present the following:

Guy Wallace
Paul Godfrey
Tony Kuklinski
Matt Wyatt
Teresa Harris

The School Superintendent and Secretary, Gary French, was also present and recorded the Minutes of the meeting.

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Thereupon, there were presented to the Board of Education certain instruments in connection with the proposed issuance and sale of \$_____ (plus or minus up to \$_____) of Elizabethtown Independent School District Finance Corporation School Building Revenue Bonds, Series 2013 (the "Bonds").

After said instruments had been duly considered, a motion was made and seconded that the following Resolution be adopted:

RESOLUTION OF THE BOARD OF EDUCATION OF ELIZABETHTOWN INDEPENDENT SCHOOL DISTRICT, KENTUCKY, AUTHORIZING AND APPROVING THE EXECUTION OF A CONTRACT, LEASE AND OPTION, BETWEEN THE BOARD AND THE ELIZABETHTOWN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION, APPROVING CERTAIN ARCHITECT'S PLANS AND SPECIFICATIONS FOR THE CONSTRUCTION OF ADDITIONS AND RENOVATIONS TO THE EXISTING, DETACHED POOL BUILDING, INCLUDING AN ADDITION OF A BUS CANOPY BETWEEN THE GYMNASIUM AND THE POOL BUILDING, AND APPROVING THE PLAN OF PAYING AND FINANCING THE COST OF SAID PROJECT.

WHEREAS, the Board of Education proposes to authorize the Elizabethtown Independent School District Finance Corporation (the "Corporation"), to issue and sell \$_____ (plus

or minus up to \$_____) of Elizabethtown Independent School District Finance Corporation School Building Revenue Bonds, Series 2013 (the "Bonds"), for the purpose of providing funds to pay the cost, not otherwise provided, of the costs of the construction of additions and renovations to the existing, detached pool building, including an addition of a bus canopy between the gymnasium and the pool building (the "Project"), and

WHEREAS, it is necessary that the Board of Education enter into a Contract, Lease, and Option (the "Lease") with the Corporation with reference to the Project which shall secure said authorized issue of Bonds, pursuant to Sections 58.010-140 and 58.180, and 162.120-300 and 162.385 of the Kentucky Revised Statutes, and

WHEREAS, the Project is necessary to provide adequate educational facilities and to promote the general welfare of the school children in the Elizabethtown Independent School District, and the annual revenues of the Board of Education are sufficient to permit payment from such revenues and grant of the annual rentals for the use and occupancy of the Project, as hereinafter provided,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF ELIZABETHTOWN INDEPENDENT SCHOOL DISTRICT, KENTUCKY, AS FOLLOWS:

1. That the Chairperson is hereby authorized and instructed to execute the Lease with the Corporation with respect to the Project, a copy of the form of the Lease is hereby made a part of this Resolution and of the records of the meeting at which this Resolution was proposed.

2. That this Board of Education hereby approves the final plans and specifications for the construction of said School Building Projects, which plans and specifications were duly prepared by RBS Design Group, Owensboro, Kentucky (who were duly selected and employed as required by Section 162.160 of the Kentucky Revised Statutes), and which plans and specifications were examined and considered by all of the members of the Board of Education present at the meeting at which this Resolution is adopted, and approves, ratifies and confirms the previous actions of this Board of Education and of the Corporation in connection with the awarding of the contracts for the construction of the Project in accordance with said plans and specifications.

3. That the Chairperson is authorized and directed to execute all other and further instruments necessary and desirable in carrying out the plan of authorizing the issuance, sale and delivery of said Bonds.

4. That the public sale of the face amount of said Bonds is hereby authorized, approved, ratified and confirmed, in accordance with a Bond Resolution to be adopted by the Board of Directors of the Corporation. That the designation of First Citizens Bank, Elizabethtown, Kentucky, as the Registrar and Paying Agent for the Bonds, and of First Citizens Bank, Elizabethtown, Kentucky, as the depository for the Construction Account relating to the Bonds is hereby approved.

5. That any two of the Chairperson, the Treasurer and the Secretary of this Board of Education are jointly authorized as the representatives of the Board of Education who may sign checks drawn upon the depository of the proceeds of the sale of said Bonds, and the contribution, if any, by the Board of Education held in the Construction Account, to finance the cost of the Project; that any two of them shall be authorized to sign such checks as may from time to time be drawn for said purpose without further authorization from this Board of Education; and that either of them shall be further authorized to designate the investment of funds in the Debt Service Fund and/or in the Construction Account established pursuant to said Bond Resolution of the Corporation on behalf of this Board of Education without further authorization from this Board of Education.

6. That the Secretary of the Board of Education is further authorized, on behalf of the Board of Education, to sign the Official Statement to be distributed to prospective bidders for the Bonds, in such form as may be submitted by J.J.B. Hilliard, W.L. Lyons, LLC, the Fiscal Agent of the Board of Education in connection with said Bonds.

7. That the Secretary of the Board of Education be and is hereby authorized and directed to file a certified copy of this Resolution with the Secretary of the Corporation, with the request that they be brought to the attention of the Board of Directors of the Corporation at its next meeting, and same shall constitute the authorization and direction to the Corporation to take all action necessary and appropriate (1) to provide for the authorization and sale of the Bonds in accordance with the provisions of the Bond Resolution of the Corporation; (2) to provide that the proceeds of the sale of said Bonds, together with any funds made available by this Board of Education, be set apart and held separate from all other funds of the Corporation, for the purpose of financing the cost of constructing the Project, and cost of issuance of said Bonds; and (3) to execute the proposed Lease.

8. The Board of Education, by the adoption of this Resolution, hereby certifies that it does not reasonably anticipate that the total principal amount of tax-exempt obligations, which (a) the Board of Education will issue in its own behalf, or (b) the Board of Education will request the Corporation to issue on behalf of the Board of Education, during the calendar year ended December 31, 2013, will exceed \$10,000,000, and, accordingly, the Board of Education requests the Corporation to designate the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

9. The Board of Education requests the Corporation to include a covenant in the Bond Resolution to the effect that if it is determined by the Corporation or the Board of Education, upon advice of recognized Bond Counsel, that the investment income on the Construction Account will produce excess earnings subject to rebate to the United States of America because the Corporation has not satisfied the requirements of the two-year construction expenditure exception set forth in Section 148(f)(4)(C) of the Code, the Corporation shall provide for the payment of any "required rebate" to the United States of America with respect to excess earnings from investments.

10. The Board of Education hereby agrees, in accordance with the provisions of SEC Rule 15c2-12, as amended and interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act

of 1934, to provide or cause to be provided to the continuing disclosure service portal provided through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (the "EMMA") as provided at <http://www.emma.msrb.org>, or any similar system that is acceptable to the Securities and Exchange Commission, in each case as designated by the Commission in accordance with the Rule, certain audited financial statements prepared in accordance with the basis of accounting prescribed by the Commonwealth of Kentucky whereby certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred, and financial information and operating data (commencing with the fiscal year ended June 30, 2013) consistent with the information provided in Appendix A to the Official Statement pursuant to which the Bonds are being offered for sale.

The Board of Education reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Board of Education; provided that the Board of Education agrees that any such modification will be done in a manner consistent with the Rule.

The annual information and operating data, including audited financial statements, will be made available on or before 180 days after the end of each fiscal year (June 30). The annual financial information and operating data will be made available, in addition to EMMA, to each holder or beneficial owner of Bonds who makes request for such information.

The Board of Education agrees to provide or cause to be provided, in a timely manner, not in excess of 10 business days after the occurrence of such event, to EMMA notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Notes;
- (g) modifications to rights of the Bondholders, if material;
- (h) Bond calls, if material and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Board of Education;
- (m) consummation of a merger, consolidation, or acquisition involving the Board of Education or the sale of all or substantially all of the assets of the Board of Education, other than in the ordinary course of business, the entry into a definitive

- agreement to undertake such action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and/or
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Board of Education may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if such other event is material with respect to the Bonds, but the Board of Education does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

As of the date of this Resolution, the Board of Education is in compliance with the reporting requirements of the Rule for all undertakings for which it is an "obligated person" as defined in the Rule.

The Board of Education reserves the right to terminate its obligation to provide annual financial information and notices of material events, as set forth above, if and when the Board of Education no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

The Board of Education agrees that its undertaking pursuant to the Rule is intended to be for the benefit of the holders or beneficial owners of the Bonds, and shall be enforceable by such holders or beneficial owners; provided that the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Board of Education's obligations hereunder and any failure by the Board of Education to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds under the Resolution.

11. That this Resolution shall take effect from and after its passage and approval.

Passed and approved on January 22, 2013.

Chairperson, Board of Education

Secretary

Upon a vote being taken upon a motion to adopt the above Resolution, the result was as follows:

Yeas For the Motion

Guy Wallace
Paul Godfrey
Tony Kuklinski
Matt Wyatt
Teresa Harris

Nays Against the Motion

None

The Chairperson thereupon declared that said motion had carried and that said Resolution had been adopted.

* * * * *

Thereupon, a motion was made, seconded and unanimously carried that the meeting be adjourned. Whereupon the meeting was adjourned.

Chairperson, Board of Education

Secretary, Board of Education

CERTIFICATE

I, the undersigned, Secretary of the Board of Education of Elizabethtown Independent School District, Kentucky, do hereby certify (1) that the foregoing (with items hereto attached) constitutes a true, correct and complete excerpt from the transcript of the record of the proceedings of said Board of Education held on January 22, 2013, insofar as such proceedings relate to the matter of (1) financing the Project, (2) that the copies of the instruments referred to in said proceedings, which are attached to these minutes, are true copies of said instruments as read and approved by said Board of Education at said meeting, and (3) that the foregoing minutes and foregoing instruments have all been duly recorded in the official minutes and records of this Board of Education.

WITNESS my signature this January 22, 2013.

Secretary, Board of Education