

ST. CLAIR COUNTY BOARD OF EDUCATION
CALLED BOARD MEETING
CENTRAL OFFICE
FEBRUARY 15, 2017

The called board meeting of the St. Clair County Board of Education was held on Wednesday February 15, 2017. The board meeting began at 12:00 p.m. at the Central Office with the following board members in attendance:

Marie Manning John DeGaris Randy Thompson Allison Gray Bill Morris

The following individuals were also in attendance:

Matt Adams Larry Ward Laura Kohler Gary Hanner Jimmy Parker John Rea

1. Marie Manning called the meeting to order.
2. A quorum of the board was present. Scott Suttle and Angie Cobb were absent. All other board members were in attendance.
3. Ms. Seals recommended approval of the agenda. Mr. Thompson made the motion to accept the agenda as recommended and Ms. Gray gave the second. All members voted YES.
4. Ms. Seals recommended to amend Resolution to let President or Vice President to sign resolution and approval of the resolution authorizing, making sale and specifying the interest rates of the board's \$5,060,000 Special Tax School Warrants (6 Mill Countywide Tax), Series 2017 . Mr. Morris made the recommendation to approve and Mr. Thompson gave the second. Marie Manning, Allison Gray, John DeGaris, Randy Thompson and Bill Morris voted in favor of the resolution. The motion carried.
5. Ms. Seals recommended approval of the Personnel Agenda. Mr. Morris made the motion to accept the recommendation and Mr. Thompson gave the second. All members voted in favor of the personnel agenda.

PERSONNEL AGENDA

TERMINATION - CLASSIFIED

#	PAF	EMPLOYEE NAME	SCHOOL	JOB	EFFECT DATE	REMARKS
1	2854	THOMPSON, MATTHEW A	TRANSP/ST CLAIR CO H/S	BUS DRIVER		EFFECTIVE 15 DAYS AFTER NOTICE IS DELIVERED

6. Announce next board meeting-Monday, February 27, 2017 at 6:00 p.m. at the central office in Ashville.

Vice President Marie Manning recommended approval to adjourn. Mr. Thompson moved to approve the recommendation.

Approved the 27th day of February, 2017

Board President

Board Secretary

"Fully Covered Securities" means any Warrants considered as "fully paid" under the provisions of Section 20 hereof.

RESOLUTION AUTHORIZING, MAKING SALE AND
SPECIFYING THE INTEREST RATES OF THE BOARD'S
\$5,060,000 SPECIAL TAX SCHOOL WARRANTS,
(6 MILL COUNTYWIDE TAX), SERIES 2017

BE IT RESOLVED by the St. Clair County Board of Education, in the State of Alabama, as follows:

Section I. Definitions. The following words and phrases, wherever used in this resolution, shall be given the following respective meanings, unless the context hereof clearly indicates otherwise:

"Additional Parity Securities" means any securities which the Board may at the time of issuance be authorized to issue and for the payment of the principal of and interest on which the Special Tax may be pledged under the reserved right so to do contained in, and in accordance with the provisions of, Section 7 hereof.

"Annual Debt Service Requirement" means, as of any date of determination, the amount of principal and interest maturing with respect to the then outstanding Parity Securities in such Fiscal Year; provided, that the principal amount of any Parity Securities subject to a mandatory redemption requirement during such Fiscal Year shall, for purposes of this definition, be considered as maturing in the Fiscal Year during which such redemption is required and not in the Fiscal Year in which their stated maturity occurs; and provided further, that for purposes of the foregoing formula, Fully Covered Securities shall not be deemed to be outstanding.

"Bank" means Regions Bank, Birmingham, Alabama, in its capacity as registrar, transfer agent and paying agent of the Board with respect to the Warrants.

"Board" means the St. Clair County Board of Education, as it may at any time exist, and includes any successor to its functions.

"Board's Share of the Special Tax" means the portion of the Special Tax apportioned and allocated to the Board by Alabama law.

"Callable Warrants" means those of the Warrants having stated maturities in 2028 and thereafter.

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"Called Warrants" means those of the Callable Warrants that shall have been duly called for redemption prior to maturity in accordance with the provisions of Section 4 hereof.

"Code" means the Internal Revenue Code of 1986, as amended.

"Constitution" means the Constitution of Alabama of 1901.

"County" means St. Clair County in the State of Alabama.

"Fiscal Year" means a fiscal year of the Board, being the period beginning on October 1 of each calendar year and ending on September 30 of the then next ensuing calendar year, or such other period as provided by the laws of Alabama as the "fiscal year" of the Board.

"Holder" means the person in whose name a Warrant is registered on the registry books of the Bank pertaining to the Warrants.

"Improvements" means the capital improvements described in Section 2 hereof.

"Interest Payment Date" means any February 1 or August 1, commencing August 1, 2017.

"Outstanding Parity Warrants" means the Series 2012 Warrants and the Series 2015 Warrants.

"Overdue Interest" means interest due but not paid on the Interest Payment Date on which such interest is required to be paid.

"Overdue Interest Payment Date" means the date fixed by the Bank, pursuant to the provisions of Section 14 hereof, for the payment of Overdue Interest.

"Parity Securities" means the Warrants herein authorized, the Outstanding Parity Warrants and any Additional Parity Securities that may hereafter be issued pursuant to the provisions of Section 7 hereof.

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"Record Date" means the January 15 or July 15, as the case may be, next preceding any Interest Payment Date.

"Redemption Date" means the date fixed for redemption of Callable Warrants in any Resolution adopted pursuant to the provisions of Section 4 hereof, or, if such a Resolution is not required, the date fixed for the mandatory redemption of a Warrant.

"Redemption Price" means the price at which any Callable Warrant may be redeemed pursuant to the provisions of Section 4 hereof.

"Required Rebate" means any amount that is required, by the provisions of Section 148(f) of the Code and any applicable regulations, to be paid by the Board to the United States of America in order that the Warrants shall not be treated as "arbitrage bonds" within the meaning of Sections 103(b)(2) and 148 of the Code and any applicable regulations promulgated thereunder.

"Resolution" means this Resolution or, if the context indicates otherwise, means a Resolution adopted by the Board.

"Series 2007 Warrants" means the Board's School Tax Anticipation Warrants (6 Mill Tax), Series 2007, dated December 1, 2007, presently outstanding in the aggregate principal amount of \$3,420,000.

"Series 2012 Warrants" means the Board's Special Tax School Warrants (6 Mill Countywide Tax), Series 2012-B and Taxable Series 2012-B-1, dated August 15, 2012, and presently outstanding in the aggregate principal amount of \$4,585,000.

"Series 2015 Wairnnts" means the Board's Special Tax School Warrants (6 Mill Countywide Tax), Series 2015-A, dated September 29, 2015, and presently outstanding in the aggregate principal amount of \$3,085,000.

"Special Tax" means the special ad valorem tax under Amendment No. 77 to the Constitution for public school purposes authorized at an election held in the County on May 6, 2003, to be levied and collected on taxable property in the County, at the rate of six (6) mills on each dollar of assessed valuation.

"State" means the State of Alabama.

"United States Securities" means and includes (i) direct obligations of the United States of America, (ii) obligations the principal of and interest on which are unconditionally guaranteed by the said United States and (iii) an interest in any trust or fund that invests solely in obligations described in (i) or (ii).

"Warrant Fund" means the special fund created in Section 8 hereof

"Warrants" means the Board's Special Tax School Warrants (6 Mill Countywide Tax), Series 2017, authorized in Section 2 of this Resolution.

"Herein," "hereof" and other equivalent words refer to this Resolution as a whole and not solely to the particular portion thereof in which any such word is used.

The definitions contained in this section shall be deemed applicable whether the words defined are used in the singular or plural. Wherever used herein any noun or pronoun shall be deemed to include both singular and plural and to cover all genders. Reference in this Resolution to a section number means the section herein bearing that number.

Section 2. Findings. The Board has found and ascertained and does hereby declare as follows:

(i) it is necessary, desirable and in the public interest for the Board to
(a) provide the funds needed to refund, on a current basis, the Series 2007 Warrants, (b) provide approximately \$1,800,000 to finance the costs of acquiring and equipping various capital improvements to the public school facilities of the Board and (c) provide the funds needed to pay the costs of issuing the Warrants; and

(ii) it is necessary, desirable and in the public interest that the Warrants hereinafter authorized be issued for such purposes.

Section 3. The Warrants. (a) Authorization and Description of the Warrants. Pursuant to authority contained in the laws of Alabama, including particularly Article 14 of Chapter 13 of Title 16 of the Code of Alabama 1975, as amended, and for the purposes hereinabove specified, the Board does hereby authorize the issuance of its Special Tax School Warrants (6 Mill Countywide Tax), Series 2017, to be dated February 27, 2017 (the date of their delivery), to mature on February 1 and bear interest (computed on the basis of a 360-day year of twelve consecutive 30-day months) from their date until their respective maturities as follows:

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Year of Maturity	Principal Amount <u>Maturing</u>	Per Annum <u>Rate</u>
2018	\$430,000	2.00%
2019	615,000	3.00
2020	370,000	3.00
2021	380,000	3.00
2022	400,000	3.00
2023	290,000	3.00
2024	185,000	3.00
2025	190,000	3.00
2026	425,000	3.25
2027	440,000	3.25
2028	650,000	4.00
2029	685,000	4.00

The Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 17 hereof, be designated by the purchaser.

(b) Payment of Principal. The principal of the Warrants shall be payable at the designated office of the Bank, upon presentation and surrender of the Warrants as the same become due and payable.

(c) Interest Rates and Method of Payment. The Warrants shall bear interest from their date until their respective maturities at the per annum rates of interest set forth above (computed on the basis of a 360-day year of twelve consecutive 30-day months). Such interest shall be payable semiannually on each February 1 and August 1, commencing August 1, 2017, until and at the maturity of the Warrants. Except as provided in Section 14 hereof, interest on the Warrants shall be payable in lawful money of the United States of America by check or draft mailed by the Bank to the lawful Holders of the Warrants at the respective addresses shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the Record Date next preceding the Interest Payment Date. Interest shall be deemed to have been timely paid if the check or draft therefor is mailed on or before the due date of such interest.

(d) Findings with Respect to Parity Warrants. The Board hereby finds and states that the Board's Share of the Special Tax received during each of the two immediately preceding Fiscal Years is not less than 125% of the maximum Annual Debt Service Requirement on the Outstanding Parity Warrants and the Warrants.

Section 4. Redemption Provisions. (a) Optional. Those of the Warrants having stated maturities in 2028 and thereafter shall be subject to redemption at the option of the Board, as a whole or in part (and if in part, those of the maturities to be redeemed to be selected by the Board and in amounts of \$5,000 or any integral multiple thereof), on any date on or after February 1, 2027, at and for a redemption price with respect to each such Warrant (or portion thereof) redeemed equal to the principal amount thereof plus accrued interest to the date fixed for redemption.

(b) Manner. Any such redemption or prepayment of the Warrants shall be effected in the following manner:

(i) Call. The Board shall by Resolution call for redemption and prepayment on a date when they are by their terms subject to redemption Warrants (or principal portions thereof), and shall recite in said Resolution (A) that the Board is not in default of the principal of or interest on any of the Warrants, or (B) that all of the Warrants then outstanding are to be retired on the Redemption Date.

(ii) Notice. Not more than sixty (60) days nor less than thirty (30) days prior to the Redemption Date, the Board (or the Bank on behalf of the Board) shall give, or cause to be given, written notice of such redemption and prepayment by United States First-Class Mail to the Holder of each of the Warrants (at the address of such registered Holder as such address appears on the registry books of the Bank) the principal of which is, in whole or in part, to be redeemed and prepaid, stating the following: that the Warrants (or principal portions thereof) have been called for redemption and will become due and payable at the Redemption Price and on a specified Redemption Date and that all interest thereon will cease after the Redemption Date. The Holders of any of the Warrants may waive the requirements of this subsection with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrants.

(iii) Payment of Redemption Price. The Board shall make available to the Bank, on or prior to the Redemption Date, the total Redemption Price of the Warrants (or portions thereof) that are to be prepaid and redeemed on the Redemption Date.

Upon compliance with the foregoing requirements on its part contained in this subsection, and if the Board is not on the Redemption Date in default on the payment of the principal of or interest on any of the Warrants, the Warrants (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price on the Redemption Date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders

thereof shall then and there surrender them for redemption; provided, however, that in the event that less than all of the outstanding principal of any Warrant is to be redeemed, the registered Holder thereof shall surrender the Warrant that is to be prepaid in part to the Bank in exchange, without expense to the Holder, for a new Warrant of like tenor except in a principal amount equal to the unredeemed portion of the Warrant. All future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date. Out of the moneys so deposited with it, the Bank shall make provision for payment of the Warrants (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

Section 5. Execution and Registration of the Warrants. The Warrants shall be executed on behalf of the Board by the signature of the President of the Board. The official seal of the Board shall be reproduced on each of the Warrants and the execution and the said seal shall be attested by the signature of the Secretary of the Board (it being understood that a condition to the validity of each Warrant is the appearance on such Warrant of a Registration Certificate, substantially in the form hereinafter provided, executed by the manual signature of a duly authorized officer of the Bank).

Section 6. Source of Payment and Pledge of the Special Tax. The principal of and interest on the Warrants shall be payable solely out of the proceeds apportioned and allocated to the Board of the Special Tax. The Special Tax is now authorized to be levied annually on all taxable property in the County for public school purposes for each tax year until and including the tax year beginning October 1, 2028. The Board's Share of the Special Tax, together with the proceeds derived therefrom, is hereby irrevocably pledged to the extent necessary to pay the principal of and interest on the Warrants at the respective maturities of the said principal and interest, and the Warrants shall constitute a preferred claim on the proceeds of the Board's Share of the Special Tax and shall be superior to all pledges of the Special Tax made after the adoption of this Resolution except for any parity pledge thereof hereinafter made pursuant to the provisions of Section 7 hereof for the benefit of Additional Parity Securities. The Board represents and warrants that it has no outstanding obligations of any nature payable from or secured by a pledge of the Board's Share of the Special Tax other than the Warrants and the Outstanding Parity Warrants.

Section 7. Reservation of Privilege to Issue Additional Parity Securities. The Board reserves the privilege to issue at any time and from time to time additional warrants or other securities of the Board that the Board may at the time of such issuance be lawfully authorized to issue, and to pledge for payment of the principal thereof and the interest thereon, on a parity of lien and pledge with the pledge of the Board's Share of the Special Tax made in this Resolution, and pro rata and on a parity with the like pledge that may be made for the benefit of each series of the Additional Parity Securities, so much of the Board's Share of the Special Tax as may be necessary to pay the principal of and interest on the Additional Parity Securities at the respective maturities of said principal and interest; provided, that in order to make such parity pledge, the following conditions must exist and be complied with:

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(a) At the time such Additional Parity Securities shall be issued, the Board shall have fully complied with all provisions of this Resolution then required to be performed including making all payments then required to be made into the Warrant Fund.

(b) The Board shall file in the office of its Chief School Financial Officer a certificate of the Board's Secretary and of its Chief School Financial Officer attesting that the proceeds of the Special Tax received by the Board during each of the then two immediately preceding Fiscal Years was not less than one hundred twenty-five percent (125%) of the maximum Annual Debt Service Requirement during the then current or any then succeeding Fiscal Year with respect to all Parity Securities that will be outstanding immediately following the issuance of the Additional Parity Securities then proposed to be issued.

(c) Each issue of Additional Parity Securities shall be given a different series designation and shall bear interest payable not less often than semiannually. Any series may have provisions for redemption prior to maturity and such other provisions not in conflict with this Resolution as the Board shall determine advisable and shall set forth in the proceedings in which the Additional Parity Securities of that series are authorized to be issued.

Section 8. (a) Creation of 2017 Warrant Fund. There is hereby created a special fund which shall be designated the "2017 Special Tax Warrant Principal and Interest Fund" and which shall be continued until the principal of and interest on the Warrants have been paid in full. The Board will, during each Fiscal Year of the Board beginning with the current Fiscal Year, and during each Fiscal Year thereafter, and in compliance with the provisions set out in the resolutions authorizing the issuance of the Outstanding Parity Warrants, set aside in a special account all proceeds of the Special Tax as received by the Board, until there shall have been paid into the said special account an amount equal to all principal and interest that will mature on the Warrants and the Outstanding Parity Warrants on the then next succeeding February 1 and August 1. From the said special account, the Board will transfer and deposit into the Warrant Fund, on or before each January 25 and July 25, such amount as will be necessary to pay the principal, if any, of and interest on the Warrants that will mature on the then next succeeding Interest Payment Date. The moneys so paid into the Warrant Fund shall be used solely for payment of the principal of and the interest on the Warrants at the respective maturities of said principal and interest. The Bank is hereby designated as custodian and depository for the Warrant Fund. In the event the Bank should refuse or cease to act as such depository or should become incapable of so acting then the Board may at any time and from time to time designate as depository for the Warrant Fund any other banking institution, provided that each such successor depository shall be and remain a member of the Federal Deposit Insurance Corporation or any agency of the United States of America that may succeed to its functions. Any depository for the Warrant Fund shall at all times keep all moneys on deposit therein (other than such portion thereof that is insured by the Federal Deposit Insurance Corporation or other agency of the United States of America that may succeed to its functions) secured in the manner provided in the next succeeding subparagraph (b) of *this Section 8.*

(b) Trust Nature of and Security for the Warrant Fund. The Warrant Fund shall be and at all times remain a public fund impressed with a trust for the purpose for which the Warrant Fund is herein created. Each depository for any part of the Warrant Fund shall at all times keep the moneys on

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deposit with it in the WaiTant Fund continuously secured for the benefit of the Board and the holders of the Warrants either

(i) by holding on deposit as collateral security, direct general obligations of the United States of America or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the WaiTant Fund; or

(ii) if the furnishing of security in the manner provided in the foregoing clause (i) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for any such depository so to secure any portion of the moneys on deposit in the Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency of the United States of America that may succeed to its functions) or any portion of the said moneys that may be invested in United States Securities.

(c) Investment of Moneys in the Warrant Fund. So long as the Board shall not be in default hereunder it may, at any time and from time to time as it in its sole discretion shall deem advisable, cause to be invested in United States Securities or in any security permitted under the provisions of Section 11-81-21 of the Code of Alabama 1975, as amended, any or all of the moneys in the Warrant Fund; provided, that each such investment shall mature not later than the Interest Payment Date next following the date such investment is made. In the event of any such investment, the securities in which the investment is made shall become a part of the Warrant Fund and shall be held by the depository for the moneys so invested to the same extent as if they were moneys on deposit in the said fund. Income from such investments shall be applied to the payment of the principal of and interest on the Warrants and shall be credited against the amounts required by Section 8(a) hereof to be paid into the Warrant Fund. The Board may likewise at any time and from time to time cause any securities in which any such investment shall be made to be sold or otherwise converted into cash, whereupon the net proceeds derived from any such sale or conversion, after payment of all necessary expenses incident to such sale or conversion, shall become a part of the Warrant Fund. Each depository for the Warrant Fund shall be fully protected in making investments, sales and conversions of any such securities upon written direction given to it in a Resolution adopted by the Board.

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Section 9. Form of the Warrants. The Warrants, the Form of Registration Certificate and the Form of Assignment with respect thereto shall be in substantially the following forms, respectively, with appropriate changes therein to conform with the provisions hereof:

(Form of Warrant)

No. _____

\$ _____

UNITED STATES OF AMERICA

STATE OF ALABAMA

ST. CLAIR COUNTY BOARD OF EDUCATION

SPECIAL TAX SCHOOL WARRANT
(6 MILL COUNTYWIDE TAX)
SERIES 2017

INTEREST RATE

MATURITY DATE

CUSIP NUMBER

Subject to prior payment and other provisions as herein provided

The chief school financial officer and custodian of public school funds of the St. Clair County Board of Education, in the State of Alabama, is hereby ordered and directed by the St. Clair County Board of Education ("the Board") to pay to CEDE & CO., or registered assigns, solely out of the revenues hereinafter referred to, the principal sum of

_____ DOLLARS (\$ _____)

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on August 1, 2017, and semiannually thereafter on each February 1 and August 1 until the due date hereof. The principal of and premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the designated office of Regions Bank, Birmingham, Alabama ("the Bank"). Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the January 15 or July 15, as the case may be, next preceding the payment date for such interest. Interest shall be deemed to have been timely paid if the check or draft therefor is mailed on or

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before the due date of such interest. All payments by the Board or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of an issue of warrants, designated "Special Tax School Warrants, Series 2017" ("the Warrants") aggregating \$5,060,000 in principal amount, which have been issued pursuant to the provisions of the laws of Alabama, including particularly Article 14 of Chapter 13 of Title 16 of the Code of Alabama 1975, as amended, for the purpose of paying the costs of acquiring, providing, constructing and equipping certain improvements to the public schools in St. Clair County in the State of Alabama that are under the jurisdiction and control of the Board, and refunding indebtedness issued for such purpose. The Warrants are payable, as to both principal and interest, solely out of the proceeds allocated and paid to the Board and derived from the levy of a special tax authorized at an election held on May 6, 2003, to be levied annually for each tax year until and including the tax year beginning October 1, 2028, at the rate of six (6) mills on each dollar of the assessed valuation of all taxable property in the County, as assessed for state taxation after deducting lawful exemptions. The Board has irrevocably pledged the said proceeds for payment of the said principal and interest. In the resolution of the Board pursuant to which the Warrants are issued ("the Authorizing Resolution"), the Board reserved the privilege, upon compliance with certain requirements set forth therein, of issuing additional securities and securing them by a pledge of the said proceeds on a parity with the aforesaid pledge thereof for the benefit of the Warrants and pledges thereof heretofore made for the benefit of certain warrants of the Board now outstanding.

Those of the Warrants having stated maturities in 2028 and thereafter will be subject to redemption at the option of the Board, as a whole or in part (and if in part, those of the maturities to be redeemed to be selected by the Board) and in amounts of \$5,000 or any integral multiple thereof, on any date on or after February 1, 2027, at and for a redemption price with respect to each such Warrant (or portion thereof) redeemed equal to the principal amount thereof redeemed plus accrued interest to the date fixed for redemption.

In the event that less than all the Warrants of a single maturity are redeemed, the Bank shall, by lot, select that portion of the principal of the Warrants of such maturity to be redeemed. The Authorizing Resolution requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by United States First Class Mail to the registered owner of such Warrant, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered Holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Authorizing Resolution, the Warrants (or principal portions thereof) so called for redemption and prepayment shall become due and payable on the date specified in such notice, anything herein or in the Authorizing Resolution to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for prepayment, and all future interest on the Warrants (or principal portions thereof) so called for prepayment shall cease to

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accrue after the date specified in such notice, whether or not the Warrants are so presented.

Anything herein to the contrary notwithstanding, so long as the Warrants are subject to the Book-Entry Only System of The Depository Trust Company ("DTC"), payments of debt service on and redemptions and transfers of the Warrants (or beneficial ownership interests therein) shall be made in accordance with the rules and operational arrangements of DTC.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Authorizing Resolution for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denominations, all upon the terms and subject to the conditions set forth in the Authorizing Resolution.

By the execution of this Warrant, the Board acknowledges that it is indebted to the holder hereof in the principal amount hereof and will become indebted for the interest thereon as the same matures and becomes due.

It is hereby certified and recited that the amount ordered paid by this Warrant will be lawfully due at its maturity without condition, abatement or offset of any description; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to or in the issuance of this Warrant exist, have been performed and have happened; and that the amount ordered paid by this Warrant together with all other warrants payable out of the Board's share of the said tax proceeds are within every limit prescribed by the laws of the State of Alabama.

This Warrant is transferable by the registered holder hereof: in person or by authorized attorney, only on the books of the Board and only upon surrender of this Warrant to the Board for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Authorizing Resolution. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the Board and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Authorizing Resolution.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register or transfer this Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

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IN WITNESS WHEREOF, the Board has caused this Warrant to be executed by its President, has caused its corporate seal to be hereunto imprinted, has caused the said execution and seal to be attested by the Secretary of the Board, and has caused this Warrant to be dated February 27, 2017.

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By _____
Its President

Attest:

Its Secretary

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(Form of Registration Certificate)

Date of Registration: February 27, 2017

This Warrant was registered in the name of the above-registered owner on the date set forth above.

REGIONS BANK
Birmingham, Alabama,
As Bank

By

_____, _____
Its Authorized Officer

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(Form of Assignment)

For value received _____, hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this ___ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm) '

By _____
(Authorized Officer)

Its Medallion Number: _____

Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

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Section 10. Registration Certificate on Warrants. A registration certificate by the Bank, in substantially the form hereinabove recited, duly executed by the manual signature of the Bank, shall be endorsed on each of the Warrants and shall be essential to its validity.

Section 11. Registration and Transfer of Warrants. All Warrants shall be registered as to both principal and interest, and shall be transferable only on the registry books of the Bank. The Bank shall be the registrar and transfer agent of the Board and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Warrants as are presented for those purposes, all in the manner and to the extent hereinafter specified.

No transfer of a Warrant shall be valid hereunder except upon presentation and surrender of such Warrant at the office of the Bank with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Bank, whereupon the Board shall execute, and the Bank shall register and deliver to the transferee, a new Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name a Warrant is registered on the books of the Bank shall be the sole person to whom or on whose order payments on account of the principal thereof and of the interest (and premium, if any) thereon may be made. Each Holder of any of the Warrants, by receiving or accepting such Warrant, shall consent and agree and shall be estopped to deny that, insofar as the Board and the Bank are concerned, the Warrants may be transferred only in accordance with the provisions of this Resolution.

If any Warrant is duly called for redemption (in whole or in part), the Bank shall not be required to register or transfer such Warrant during the period of forty-five (45) days next preceding the Redemption Date.

Section 12. Exchange of Warrants. Upon the request of the Holder of one or more Warrants, the Board shall execute, and the Bank shall register and deliver, upon surrender to the Bank of such Warrant or Warrants in exchange thereof, a Warrant or Warrants in different Authorized Denominations of the same maturity and interest rate and series and together aggregating the same principal amount as the then unpaid principal of the Warrant or Warrants so surrendered, all as may be requested by the person surrendering such Warrant or Warrants.

The registration, transfer and exchange of Warrants (other than pursuant to Section 16 hereof) shall be without expense to the Holder or transferee. In every case involving any transfer, registration or exchange, such Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

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Section 13. Accrual of Interest on Warrants. All Warrants issued prior to August I, 2017, in exchange for Warrants initially delivered, shall bear interest from February 27, 2017, and all Warrants issued on or after August I, 2017, shall bear interest from the February 1 or August I, as the case may be, next preceding the date of its issuance and delivery unless (a) such date of delivery is a February 1 or August I, in which event such Warrant shall bear interest from the date of its issuance and delivery, or (b) at the time of such delivery the Board is in default in the payment of interest on the Warrant in lieu of which such new Warrant is issued, in which event such new Warrant shall bear interest from the last Interest Payment Date to which interest has previously been paid or made available for payment on the Warrant in lieu of which such new Warrant is issued. The preceding provision shall be construed to the end that the issuance of a Warrant shall not effect any gain or loss in interest to the Holder thereof.

Section 14. Persons to Whom Payment of Interest on Warrants is to be Made. Interest on the Warrants shall, except as provided in the next succeeding paragraph of this Section 14, be payable in lawful money of the United States of America by check or draft mailed by the Bank to the lawful Holders of the Warrants at the addresses shown on the registry books of the Bank pertaining to the Warrants. Each Holder of any of the Warrants takes it subject to all payments of interest in fact made with respect thereto.

Any provision hereof to the contrary notwithstanding, Overdue Interest shall not be payable to any Holder of the Warrants solely by reason of such Holder having been the Holder on the Interest Payment Date on which such interest became due and payable, but shall be payable by the Bank as follows:

- (a) Not less than ten (10) days following receipt by the Bank of immediately available funds in an amount sufficient to enable the Bank to pay all Overdue Interest, the Bank shall fix an Overdue Interest Payment Date for payment of such Overdue Interest.
- (b) Such Overdue Interest Payment Date fixed by the Bank shall be a date not more than twenty (20) days following the expiration of the period described in the foregoing subparagraph (a).
- (c) Overdue Interest shall be paid by check or draft mailed by the Bank to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date.

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Payment of Overdue Interest in the manner prescribed in this paragraph to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date shall fully discharge and satisfy all liability for the same.

Section 15. Persons Deemed Owners of Warrants. The Board and the Barile may deem and treat the person in whose name a Warrant is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is registered, shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 16. Replacement of Mutilated, Lost Stolen or Destroyed Warrants. In the event any Warrant is mutilated, lost, stolen or destroyed, the Board may execute and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided that (a) in the case of any such mutilated Warrant, such Warrant is first surrendered to the Board and the Bank, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the Board and the Bank evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The Board may charge the Holder with the expense of issuing any such new Warrant.

Section 17. Denominations of Warrants as Initially Issued. The Warrants of each maturity shall be initially issued in Authorized Denominations as requested by the purchaser and registered in the names of the persons specified by the purchaser. If, for any reason, the Board is unable to prepare or cause to be prepared Warrants in the Authorized Denominations requested by the purchaser and registered in the names of the persons specified by the purchaser, the Board may deliver one Warrant for each maturity in the principal amount of such maturity, each registered in the name of the purchaser of the Warrants from the Board.

Section 18. Special Covenants of the Board Relating to Exemption of the Interest on the Warrants from Gross Income for Federal Income Tax Purposes. The Board will (a) in a timely manner, make all Required Rebates and take such other action as shall be necessary, under the provisions of Section 103 of the Code and any applicable regulations, to preserve the exemption of the interest on the Warrants from gross income of the recipients thereof for federal income tax purposes, and (b) refrain from taking any action that would, under the provisions of Section 103 of the Code and any applicable regulations, result in the interest on the Warrants being or becoming subject to gross income of the recipient thereof for federal income tax purposes. Further, the Board will not apply the proceeds from the Warrants in a manner that would cause the Warrants to be "private activity bonds" within the meaning of Section 141(a) of the Code.

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Section 19. Sale and Delivery. The Warrants are hereby sold to Raymond James & Associates, Inc. (the "Underwriter"), at and for a purchase price equal to \$5,305,021.40 (which reflects original issue premium of \$290,561.40 and underwriting discount of \$45,540).

The President and the Secretary of the Board are hereby authorized and directed to execute and deliver the Warrants to the said purchaser upon payment of the said purchase price to the Board and the President of the Board is hereby further authorized and directed to execute and deliver, on behalf of the Board, a Warrant Purchase Agreement between the Board and the Underwriter evidencing such sale, in substantially the form presented to the meeting at which this resolution is adopted (which form shall be attached as Exhibit A to the minutes of the meeting at which this resolution is adopted and which is hereby adopted in all respects as if set out in full in this resolution) and the Secretary of the Board is hereby authorized and directed to affix the seal of the Board to the said Warrant Purchase Agreement and to attest the same. The proceeds derived from the sale of the Warrants shall be applied solely for the purposes for which the Warrants in Section 2 hereof are authorized to be issued. To that end, the proceeds remaining after providing for the retirement of the Series 2007 Warrants are hereby directed to be paid into a special fund or account of the Board, held apart from all other funds of the Board, for the purpose of providing for the payment of the Improvements and of the issuance expenses.

Section 20. Escrow for Warrants. In addition to all other circumstances under which the Warrants are to be deemed paid, any of the Warrants shall be considered as "fully paid" if there shall be filed with the Board and the Bank each of the following:

(a) a trust agreement between the Board and a banking corporation or national banking association making provision for the retirement of such Warrants by creating for that purpose an irrevocable trust fund sufficient to provide for payment and retirement of such Warrants (including payment of the interest that will mature thereon until and on the dates they are retired, as such interest becomes due and payable), either by redemption prior to their respective maturities, by payment at their respective maturities or by payment of part thereof at their respective maturities and redemption of the remainder prior to their respective maturities, which said trust fund shall consist of (i) United States Securities which are not subject to redemption prior to their respective maturities at the option of the issuer and which, if the principal thereof and the interest thereon are paid at their respective maturities, will produce funds sufficient so to provide for payment and retirement of all such Warrants, or (ii) both cash and such United States Securities which together will produce funds sufficient for such purpose, or (iii) cash sufficient for such purpose;

(b) a certified copy of a Resolution calling for redemption those of such Warrants that, according to said trust agreement, are to be redeemed prior to their respective maturities;

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(c) an opinion of nationally recognized bond counsel to the effect that the execution and effectuation of the trust agreement referred to in the preceding clause (a) will not result in subjecting the interest income on such Warrants to federal income taxation and that such Warrants will be considered fully paid and no longer outstanding hereunder; and

(d) a report of an independent firm of certified public accountants addressed to the Board and the Bank, verifying the sufficiency of the escrow established to pay the Warrants in full according to the said trust agreement; provided, if the escrow is composed entirely of cash under paragraph (a)(iii) of this section, then the report called for in this paragraph (d) shall not be required.

Section 21. Provisions of Resolution Constitute Contract. The provisions of this Resolution shall constitute a contract between the Board and the holder of the Warrant. Whenever the Warrant has been paid in full, then the obligations of the Board hereunder shall thereupon cease.

Section 22. Provisions of Resolution Severable. The various provisions of this Resolution are hereby declared to be severable. In the event any provisions hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Resolution.

Section 23. Approval of Official Statement. The Board hereby approves and adopts the Preliminary Official Statement, dated February 8, 2017, respecting the Warrants in substantially the form submitted to the Board, a copy of which, marked Exhibit B, is attached to the minutes of the meeting of the Board at which this Resolution is adopted. The actions of the President of the Board in deeming the said Preliminary Official Statement to be "final", as of its date, as described in SEC Rule 15c2-12(b)(1), for the purposes of such rule, subject to revision, amendment and completion in a final Official Statement. The said Exhibit B is made a part of this Resolution in all respects as if set forth in full herein. The President of the Board is hereby authorized and directed to execute a final Official Statement of the Board with respect to the Warrants in substantially the form of the said Preliminary Official Statement, with such changes therein and additions thereto as shall be necessary to conform to the provisions of the Resolution of the Board respecting the Warrants and such other changes and additions as the President shall deem necessary and appropriate. The President is hereby authorized and directed to cause the said final Official Statement to be delivered to the purchaser of the Warrants.

Section 24. Authorization of Related Documents and Actions. The President and the Secretary of the Board are hereby authorized and directed to execute, seal, attest and deliver such other documents and certificates and to take such other actions on behalf of the Board as

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may be necessary to consummate the sale and issuance of the Warrants and to carry out fully the transactions contemplated by this resolution. Further, the President of the Board is hereby authorized and directed to execute and deliver a Disclosure Dissemination Agent Agreement between the Board and Digital Assurance Certification, L.L.C., in substantially the form presented to the meeting at which this resolution is adopted (which form shall be attached as Exhibit C, to the minutes of the meeting at which this Resolution is adopted and which is hereby adopted in all respects as if set out in full in this resolution) and the Secretary is hereby authorized and directed to affix to the said document, if necessary, the seal of the Board and to attest the same.

Section 25. Registration of Warrants in the Book-Entry Only System. The provisions of this Section 25 shall apply with respect to any Warrant registered to CEDE & CO. or any other nominee of The Depository Trust Company ("DTC") while the Book-Entry Only System is in effect and shall, during the period of their application, supersede any contrary provisions of this resolution.

The Warrants shall be issued as one fully registered warrant for each maturity in the total principal amount of such maturity. On the date of the initial authentication and delivery of the Warrants, the Warrants shall be registered in the name of CEDE & CO., as nominee of DTC as the Owner of all the Warrants. With respect to Warrants registered in the name of CEDE & CO., as nominee of DTC, the Board and the Bank shall have no responsibility or obligation to any Participant (which means securities brokers and dealers, banks, trust companies, clearing corporations and various other entities, some of whom, or their representatives, own DTC) or to any Beneficial Owner (which means, when used with reference to the Book-Entry Only System, the person who is considered the beneficial owner thereof pursuant to the arrangements for book entry determination of ownership applicable to DTC) with respect to the following: (i) the accuracy of the records of DTC, CEDE & CO. or any participant with respect to any ownership interest in the Warrants, (ii) the delivery to any Participant, any Beneficial Owner or any other person, other than DTC, of any notice with respect to the Warrants, including any notice of redemption, or (iii) the payment to any Participant, or any Beneficial Owner or any other person, other than DTC, of any amount with respect to the principal or purchase price of or premium, if any, or interest on the Warrants. The Bank shall pay all principal of and premium, if any, or interest on the Warrants only to or upon the order of DTC, and all such payments shall be valid and effective fully to satisfy and discharge the Board's obligations with respect to the principal of and premium, if any, and interest on such Warrants to the extent of the sum so paid. No person other than DTC shall receive a Warrant. Upon delivery by DTC to the Bank of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Section 25 shall refer to such new nominee of DTC.

Upon receipt by the Bank of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities hereunder, the Bank shall issue, transfer and exchange Warrants as requested by DTC in Authorized Denominations, and whenever DTC

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requests the Bank to do so, the Bank will cooperate with DTC in taking appropriate action after reasonable notice to arrange for a substitute bond depository willing and able upon reasonable and customary terms to maintain custody of the Warrants registered in whatever name or names the Owners transferring or exchanging such Warrants shall designate, in accordance with this Section 25.

In the event the Board determines that it is in the best interests of the Beneficial Owners that they be able to obtain Warrants registered in the name of an Owner other than DTC, the Board may so notify DTC and the Bank, whereupon DTC will notify the Participants, of the availability through DTC of such Warrants. In such event, upon the return by DTC of all Warrants held by DTC in the name of Cede & Co., the Bank shall issue, transfer and exchange Warrants in Authorized Denominations as requested by DTC, and whenever DTC requests the Board and the Bank to do so, the Bank and the Board will cooperate with DTC in taking appropriate action after reasonable notice to make available Warrants registered in whatever name or names the Beneficial Owners transferring or exchanging Warrants shall designate, in accordance with this Section 25.

Notwithstanding any other provision of this resolution to the contrary, so long as any Warrant is registered in the name of CEDE & CO., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Warrant and all notices with respect to such Warrant shall be made and given, respectively, to DTC as provided in the Optional Arrangements of DTC.

In the event that the Book-Entry Only System pursuant to this Section 25 is discontinued, the Beneficial Owners shall be registered on the Registry Books as the Owners of the Warrants. Subsequent to the discontinuation of the Book-Entry Only System, Warrants may be registered, transferred and exchanged in accordance with the provisions of this Resolution (other than this Section 25).

Section 26. Call for Redemption: Retiming. The Board hereby calls the Series 2007 Warrants for redemption and prepayment on March 29, 2017, said redemption to be at and for a redemption price equal to the par amount of the Warrants being redeemed plus accrued interest to the date fixed for redemption and authorizes the paying agent therefor to give timely notice of such redemption and payment. In order to provide for the retiming of the Series 2007 Warrants as described in Section 2 hereof, the President is hereby authorized and directed to execute and deliver an Escrow Trust Agreement, in substantially the form presented to the meeting at which this resolution is adopted (which form shall be attached as Exhibit D to the minutes of the meeting at which this resolution is adopted and which is hereby adopted in all respects as if set out in full in this resolution) and the Secretary is hereby authorized and directed to affix to the said document the seal of the Board and attest the same.

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Section 27. Provisions Regarding the Bank. (a) Appointment of Bank and Acceptance of Duties. The Bank is hereby designated and appointed and shall act as registrar, transfer agent and paying agent with respect to the Warrants. The Bank shall signify its acceptance of the duties of the Bank under this Resolution by filing with the Board a written acceptance thereof not later than the date of the issuance of the Warrants. In such acceptance the Bank shall accept and agree to perform the duties required by this Resolution, subject, however, to the following conditions:

(i) The Bank shall undertake to perform such duties and only such duties as are specifically set forth in this Resolution, and no implied covenants or obligations shall be read into this Resolution against the Bank.

(ii) In the absence of bad faith or negligence on its part, the Bank may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Bank and conforming to the requirements of this Resolution; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Bank, the Bank shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Resolution.

(iii) The Bank shall perform the duties imposed by this Resolution and exercise the rights and powers vested in it by this Resolution in accordance with its customary practice.

(iv) No provision of this Resolution shall be construed to relieve the Bank from liability for its own gross negligence or willful misconduct, except that no provision of this Resolution shall require the Bank to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(v) The Bank may consult counsel on any matters connected herewith and shall not be answerable for any action taken or failure to take any action in good faith on the advice of counsel, provided that its action or inaction is not contrary to any express provision hereof.

(vi) The Bank need not recognize a Holder of a Warrant as such without the satisfactory establishment of his title to such Warrant.

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(vii) Any action taken by the Bank at the request of and with the consent of the Holder of a Warrant will bind all subsequent Holders of the same Warrant and any Warrant issued hereunder in lieu thereof.

(viii) The Bank may be a Holder or a pledgee of any of the Warrants as if not Bank hereunder.

(ix) The Bank shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.

(x) The Bank shall not be liable to pay or allow interest on any moneys to be held by it under this Resolution or otherwise to invest any such moneys, except as specifically required by this Resolution or as may be required by law or other written agreement between the Board and the Bank.

(xi) The Bank may make any investments permitted or required hereby through its own investment department, and any Eligible Investments issued or held by it hereunder shall be deemed investments and not deposits.

(xii) The Bank shall, upon reasonable request, inform the Board of the amount at the time on deposit in any of the special funds or accounts created hereunder.

(xiii) The recitals of fact herein and in the Warrants are statements by the Board and not by the Bank, and the Bank is in no way responsible for the validity or security of the Warrants or the validity of the security afforded hereby.

(b) Bank to Maintain Registration Books. The Bank will keep on file at its principal corporate trust office registration books listing the names and addresses of the holders of the Warrants and proper records of account relating to the receipt, disbursement, investment, allocation and application of moneys under this Resolution.

(c) Resignation by Bank. The Bank and any successor Bank may resign and be discharged from the duties under this Resolution by causing written notice specifying the effective date, postage prepaid, to the Board and to every Holder of a Warrant. Unless the effective date of the Bank's resignation shall coincide with the appointment of a successor Bank

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by the Holders of the Warrants as herein provided, such date shall be at least thirty (30) days after the date on which notice to the Board and the Holders of the Warrants shall have been mailed.

(d) **Removal of Bank.** The Bank may be removed at any time by an instrument or concurrent instruments in writing delivered to the Bank and to the Board and signed by the Holders of a majority in aggregate principal amount of the Warrants then outstanding.

(e) **Appointment of Successor Bank; Interim Bank.** In case the Bank shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by the Holders of a majority in aggregate principal amount of Warrants then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Bank to be incapable of acting, the Board, by an instrument signed by the Mayor, shall appoint an interim Bank to serve until a successor Bank shall be appointed by the Holders of a majority in aggregate principal amount of the Warrants, as provided above. Whenever necessary to avoid or fill a vacancy in the office of Bank, the Board will appoint an interim Bank in order that there shall at all times be a Bank hereunder. Any interim Bank so appointed by the Board shall immediately and without further act be superseded by the Bank appointed by the holders of the Warrants.

The Board shall cause notice of the appointment of an interim Bank, in the event that such an appointment is made, to be forwarded by United States registered or certified mail, postage prepaid, to every Holder of a Warrant. When the appointment of a successor Bank, as selected by the Holders of a majority in principal amount of the Warrants then outstanding, becomes effective, the Board shall also cause notice of that fact to be given in the manner provided above for the notice required to be given upon the appointment of an interim Bank. Every interim or successor Bank appointed pursuant to this Section shall be a trust company or Bank which is qualified to perform all duties of the Bank under this Resolution and which has, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$25,000,000, if there be such an institution willing, qualified and able to accept appointment as Bank upon reasonable or customary terms.

(f) **Concerning any Successor Bank.** Every successor Bank shall execute, acknowledge and deliver to its predecessor and also to the Board an instrument in writing accepting its appointment as Bank hereunder, and thereupon such successor Bank, without any further act, deed or conveyance, shall become fully vested with all the rights, powers and duties of its predecessor. Such predecessor shall, nevertheless, on the written request of the Board or such successor Bank, execute and deliver an instrument transferring to such successor Bank all rights, powers and interests of such predecessor hereunder; and every predecessor Bank shall deliver all securities and moneys held by it as Bank hereunder to its successor.

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(g) Merger or Consolidation of Bank. Any corporation into which the Bank may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank, shall be the successor of the Bank hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case the registration certificates with respect to any Warrants shall have been executed by the Bank then in office, any successor by merger or consolidation to such Bank may adopt the registration of such Warrants and deliver such Warrants with the same effect as if such successor Bank had itself registered such Warrants.

(h) Provisions for Payment at Par. The Bank, and every other Bank that may act as paying agent for any of the Warrants, by acceptance of their respective duties with respect to the payment of the Warrants, shall be deemed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal and interest on the Warrants in Bankable funds at par without any deduction for exchange or other costs, fees or expenses. The Board agrees with the Holders of the Warrants that it will pay all charges for fees and expenses which may be made by the Bank or any other Bank in the making of remittances in Bankable funds of the principal of and interest on any of the Warrants.

(i) Compensation of Bank. Subject to the provisions of any separate agreement with the Bank, the Board shall pay to the Bank from time to time reasonable compensation for all services rendered by it under this Resolution, including its services as registrar and paying agent for the Warrants, and also all its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its duties hereunder.

Board Member _____ moved that the foregoing resolution be adopted, which motion was seconded by Board Member _____ and, upon the motion being put to vote, the following vote was recorded:

YEAS:

NAYS:

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The Chairman thereupon announced that the motion for adoption of said resolution had been carried.

* * *

There being no further business to come before the meeting, the same was on motion duly adjourned.

Isl Scott
Suttle

President

Attest:

Isl Jenny Seals Secretary

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