

**ORLEANS PARISH SCHOOL BOARD  
RESOLUTION NO. 32-11**

The following resolution was offered by Brett Bonin and seconded by Cynthia Cade :

A resolution authorizing the issuance of \$9,225,000 of Public School Refunding Bonds, Series 2011 (Taxable) of the Orleans Parish School Board, of the Parish of Orleans, State of Louisiana, secured by and payable from (i) the revenues from the ad valorem tax authorized by Article VIII, Section 13 (C) Second of the Louisiana Constitution of 1974, as adjusted in accordance with the provisions of Article VII, Section 23 of the Louisiana Constitution of 1974 and (ii) the revenues from the one-half of the one percent (2%) sales and use tax authorized at an election held on November 4, 1980, and levied and collected by the Orleans Parish School Board on the authority of Section 2737.45 of Title 33 of the Louisiana Revised Statutes of 1950 as amended, subject only to the payment of the reasonable costs and expenses of collecting and administering said tax, and excluding any revenues from any authorized taxes or rates of taxes not being levied and collected as of November 23, 1987 by said Orleans Parish School Board; prescribing the form, fixing the details and providing for the payment of principal of and interest on such bonds; providing for the deposit of the proceeds thereof and the expenditure of such proceeds; providing for the payment and defeasance of certain outstanding bonds of said Orleans Parish School Board; and providing for other matters in connection therewith.

WHEREAS, the Orleans Parish School Board, of the Parish of Orleans, State of Louisiana (the "**Issuer**") has heretofore issued and presently has outstanding the following described bonds (collectively, the "**Prior Bonds**"):

- (i) Public School Refunding Bonds, Series 1991 of the Orleans Parish School Board of the Parish of Orleans, State of Louisiana (the "**Series 1991 Refunding Bonds**").
- (ii) Public School Refunding Bonds, Series 1995 of the Orleans Parish School Board of the Parish of Orleans, State of Louisiana. (the "**Series 1995 Refunding Bonds**").

WHEREAS, Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1444-39:1455) (the "**Refunding Act**"), authorizes the Issuer to issue refunding bonds for the purpose of refunding and extending all or any portion of the Prior Bonds; and

WHEREAS, the Issuer does hereby find, determine and declare that the refunding and restructuring of the Series 1995 Refunding Bonds and the subsequent issuance of approximately \$79 million of Qualified School Construction Bonds in December 2011 (the “**QSCBs**”) will permit the Issuer to realize present value debt service savings which will inure to the benefit of the citizens and taxpayers of the Parish of Orleans, State of Louisiana (the "**Parish**"); and

WHEREAS, the bonds issued hereby will allow the refunding of the Series 1995 Refunding Bonds in accordance with the Refunding Act, and the provisions of resolutions authorizing the issuance of Prior Bonds permitting the issuance of additional bonds on a parity with the Prior Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the Orleans Parish School Board, that:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

SECTION 101. Definitions. In this Resolution the following terms shall have the following meanings unless the context otherwise requires:

"**Act**" shall mean Chapter 14-A, Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1444-39:1455).

"**Additional Bonds**" means bonds issued in accordance with Section 703 of this Resolution.

"**Authorized Newspaper**" shall mean a financial newspaper or journal published in the City of New York, New York, and a newspaper which is customarily published (except in the case of legal holidays) at least once a day for at least five days in each calendar week, printed in the English language, and of general circulation in the City of New Orleans, Louisiana.

"**Authorized Officers**" shall mean the President and the Secretary of the Issuer or any person succeeding to the powers and duties of such officers and, when used with reference to any act or certificate or other document, also means any person duly authorized to perform such act or sign such document.

"**Beneficial Owner**" shall mean each actual purchaser of a Bond.

"**Bond**" or "**Bonds**" shall mean the \$9,225,000 Public School Refunding Bonds, Series 2011 (Taxable) of the Orleans Parish School Board authorized and issued pursuant to this Resolution.

**"Bond Insurance Policy"** shall mean the insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

**"Bond Insurer"** shall mean Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto.

**"Bond Obligation"** shall mean, as of the date of computation, the principal amount of the Bonds then Outstanding.

**"Bond Purchase Agreement"** shall mean the Bond Purchase Agreement attached hereto as **Exhibit B**.

**"Bond Registrar"** shall mean the Paying Agent/Registrar appointed in accordance with Sections 1102 and 1106 hereof.

**"Bond Resolution"** shall mean this resolution adopted on November 17, 2011 issuing the Bonds as parity bonds in accordance with the resolution adopted by the Issuer on October 23, 1995 giving preliminary approval to the issuance of not exceeding \$140,000,000 of Public School Refunding Bonds and the Refunding Bond Resolution adopted on December 14, 1995.

**"Bondowner"** or **"Owner"**, or words of similar import, shall mean, when used with reference to a Bond, any person who shall be the registered owner of such Bond.

**"Code"** shall mean the Internal Revenue Code of 1986, as amended.

**"Constitutional Millage"** shall mean the existing ad valorem tax revenues from the ad valorem tax authorized by Article 8, Section 13(c) Second of the Louisiana Constitution of 1974 as adjusted in accordance with the provisions of Article 7, Section 23 of the Louisiana Constitution of 1974 collected by the Issuer.

**"Costs of Issuance"** shall mean all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of Bonds, including but not limited to, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any Fiduciary, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, insurance, fees and charges for preparation, execution, transportation and safekeeping of Bonds, costs and expenses of refunding, premiums for the insurance of the payment of the Bonds and any other cost, charge or fee in connection with the original issuance of Bonds.

**"Debt Service"** shall mean for any period shall mean, as of the date of calculation, an amount equal to the sum of (i) interest payable during such period on the Bonds and (ii) the principal amount of the Bonds which is payable at maturity or upon mandatory redemption on any date in such period.

**"Depository"** shall mean any bank or trust company selected by the Issuer as a depository of moneys to be held under the provisions of this Resolution.

**"DTC"** shall mean The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York and its successors and assigns.

**"DTC Direct Participant"** shall mean depositor of U.S. and non-U.S. equity, corporate and municipal debt issues, and/or money market instruments with DTC.

**"Event of Default"** shall mean any event specified in Section 1001 hereof.

**"Fiduciary"** shall mean the Fiscal Agent or Paying Agent/Registrar or Depository.

**"Fiscal Agent"** shall mean the regularly designated fiscal agent bank or banks of the Issuer, or in the event it has no fiscal agent, its regularly designated depository bank or banks.

**"Fiscal Year"** shall mean a twelve month period commencing on the first day of July or any other twelve month period prescribed by law for the Issuer.

**"Funds and Accounts"** shall mean the funds, and the accounts therein established, if any, created pursuant to this Resolution.

**"Interest Payment Date"** shall mean the dates specified in Schedule I attached hereto.

**"Investment Securities"** shall mean permitted investments in accordance with state law, including any of the following securities, if and to the extent the same are at the time legal investments for the Issuer:

- (a) direct obligations of the United States of America; and
- (b) obligations unconditionally guaranteed by the United States of America.

**"Irrevocable Instructions"** shall mean the instructions of the Issuer dated December 1, 2011 to the Prior Paying Agent/Registrar to issue a notice of redemption and to redeem the Refunded Prior Bonds.

**"Issuer"** shall mean the Orleans Parish School Board, of the Parish of Orleans, State of Louisiana, and any instrumentality hereafter succeeding to its powers, duties or functions with respect to this Resolution or the Bonds.

**"Maturity Date"** shall mean the maturity dates for the Bonds specified in Schedule I hereto.

**"Outstanding"**, when used with reference to Bonds, shall mean, as of any date, all Bonds theretofore or thereupon being issued under this Resolution except:

(a) any Bond for the payment or redemption of which there shall be set aside and held in trust hereunder either:

(i) moneys in an amount sufficient to pay when due the principal or applicable Redemption Price thereof, together with all accrued interest,

(ii) Investment Securities, as described in Section 1201, or obligations secured by such Investment Securities, in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications, as are necessary to provide moneys (whether as principal or interest) in an amount sufficient to pay when due the principal or applicable Redemption Price thereof, together with all accrued interest,

and, if such Bond is to be redeemed, for which notice of redemption has been given as provided in Article VI; and

(b) any Bond in lieu of or in substitution for which other Bonds have been issued.

**"Parish"** shall mean the Parish of Orleans, State of Louisiana.

**"Paying Agent/Registrar"** shall mean The Bank of New York Mellon Trust Company, N.A. in the City of New Orleans, Louisiana, and its successor or successors, and any other person who may at any time be substituted in its place pursuant to this Resolution.

**"Principal Payment Date"** shall mean the Maturity Dates specified in Schedule I attached hereto.

**"Prior Bonds"** shall mean the Series 1991 Refunding Bonds and the Series 1995 Refunding Bonds.

**"Prior Paying Agent/Registrar"** shall mean The Bank of New York Mellon Trust Company, N.A.

**"Refunded Prior Bonds"** shall mean the Series 1995 Refunding Bonds.

**"Regular Record Date"** shall mean, with respect to an Interest Payment Date, the close of business on January 15 or July 15 as the case may be, next preceding such Interest Payment Date, whether or not such January 15 or July 15 is a business day.

**"Resolution"** shall mean this Resolution.

**"Revenues"** shall mean (i) the Constitutional Millage and (ii) the revenues from the Sales Tax, subject only to the payment of the reasonable costs and expenses of collecting and administering said Sales Tax, and excluding any revenues from any authorized taxes or rates of taxes not being levied and collected as of November 23, 1987.

**"Sales Tax"** shall mean the one-half of the one percent (2%) sales and use tax approved by the voters of the Parish on November 4, 1980.

**"Series 1991 Refunding Bonds"** shall mean the outstanding Public School Refunding Bonds, Series 1991.

**"Series 1995 Refunding Bonds"** shall mean the outstanding Public School Refunding Bonds, Series 1995.

**"Sinking Fund"** shall mean the fund referred to in Section 502 hereof.

**"Special Record Date"** for the payment of Defaulted Interest (as defined in Section 305) means the date fixed pursuant to Section 305.

**"State"** shall mean the State of Louisiana.

**"Supplemental Resolution"** shall mean any resolution supplemental to or amendatory of this Resolution adopted by the Issuer in accordance with Article VIII hereof.

SECTION 102. Interpretation. In this Resolution, unless the context otherwise requires, (a) words importing persons include firms, associations and corporations, (b) words importing the singular include the plural and vice versa, (c) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and (d) the title of the Issuer offices used in this Resolution shall be deemed to include any other title by which such office shall be known under any subsequently enacted law or subsequently adopted Issuer charter.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 201. Authorization of Bonds. In compliance with the terms and provisions of the Act, and other constitutional and statutory authority supplemental thereto, there be and there is hereby authorized the creation of an indebtedness of Nine Million Two Hundred Sixty Thousand Dollars (\$9,225,000) for, on behalf of and in the name of the Issuer, for the purpose of refunding the Refunded Prior Bonds, and to represent said indebtedness, the Issuer does hereby authorize the issuance of Nine Million Two Hundred Twenty-five Thousand Dollars (\$9,225,000) of Public School Refunding Bonds, Series 2011 (Taxable) of the Orleans Parish School Board of the Parish of Orleans, State of Louisiana.

The Bonds shall mature on the dates and in the principal amounts and bear interest from their dates at the rates per annum all as set forth in the Bond Purchase Agreement and Schedule I hereto.

The Bonds shall be special obligations of the Issuer payable solely from and secured by an irrevocable pledge and dedication of Revenues on a parity basis with the Series 1991 Bonds.

The Bonds shall be issued for the purpose of refunding the Refunded Prior Bonds.

Provision having been made for the redemption of all the Refunded Prior Bonds on or before January 3, 2012, it is hereby recognized and acknowledged that as of the date of delivery of the Bonds, provision will have been made for the performance of all covenants and agreements of the Issuer incident to the Refunded Prior Bonds, and that accordingly, and in compliance with all that is herein provided, the Issuer is expected to have no future obligation with reference to the aforesaid Refunded Prior Bonds.

SECTION 202. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the owners of Bonds and shall be deemed to be and shall constitute a contract between the Issuer and the owners from time to time of the Bonds. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the owners of any and all of such Bonds, each of which, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Resolution.

SECTION 203. Obligation of Bonds. This Resolution creates an issue of Bonds of the Issuer and creates a continuing pledge and lien to secure the full and final payment of the Bonds. The Bonds, including any additional bonds issued pursuant to Section 703 hereof, are special obligations of the Issuer and, are secured by and payable as to both principal and interest from a lien on the annual Revenues of the Issuer on a parity basis with the Series 1991 Bonds. The Bonds,

including any additional bonds issued pursuant to Section 703 hereof, shall not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any constitutional or statutory limitation of indebtedness.

SECTION 204. Book Entry Registration of Bonds. The Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as registered owner of the Bonds, and held in the custody of DTC. A single certificate will be issued and delivered to DTC for each maturity of the Bonds. The Beneficial Owners of the Bonds and DTC will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

Notwithstanding anything to the contrary herein, while the Bonds are issued in the book-entry-only form, the payment of principal of, premium, if any, and interest on the Bonds may be payable by the Paying Agent by wire transfer to DTC in accordance with the Letter of Representation.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

a. DTC determines to discontinue providing its service with respect to the Bonds. Such a determination may be made at any time by giving 30 days' notice to the Issuer and the Paying Agent and discharging its responsibilities with respect thereto under applicable law.

b. The Issuer determines that continuation of the system of book-entry transfer through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners.

The Issuer and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer or the Paying Agent are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

Whenever during the term of the Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Bond Resolution of holding, delivering



or transferring the Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time DTC ceases to hold the Bonds, all references herein to DTC shall be of no further force or effect.

## ARTICLE III

### GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 301. Principal and Interest Payment Dates; Form; Denomination. The Bonds are issued as fully registered bonds, shall be dated December 1, 2011 and shall be in the denomination of \$5,000 each or any integral multiple thereof within a maturity.

The Bonds shall bear interest payable on each Interest Payment Date at the rates of interest per annum designated in the Bond Purchase Agreement and Schedule I hereto.

SECTION 302. Legends. The Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Resolution as may be necessary or desirable to comply with custom or otherwise as may be determined by the Issuer prior to delivery thereof.

SECTION 303. Place and Medium of Payment. The principal (and premium, if any) of each Bond shall be payable upon maturity or redemption at the principal corporate trust office of the Paying Agent/Registrar 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 and private debts, upon presentation and surrender thereof. Interest on the Bonds shall be payable by check of the Paying Agent/Registrar mailed on the business day next preceding each Interest Payment Date by the Paying Agent/Registrar to the registered owner (determined as of the Regular Record Date at the address as shown on the books of the Paying Agent/Registrar).

Bondowners owning one million dollars of the principal amount of Bonds or more may, by written request to the Paying Agent/Registrar at least five days prior to the Regular Record Date, request that payments of principal, premium and interest be made by wire transfer to an account designated in the request. Such a request shall remain effective until revoked in writing by such Bondowner. CUSIP number identification with appropriate dollar amount of payment pertaining to each CUSIP NUMBER (if more than one CUSIP number) shall accompany all payments of interest, principal and premium, whether by check or by wire transfer.

SECTION 304. Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and for the registration of transfer of the Bonds as provided in this Resolution to be kept by the Paying Agent/Registrar at its principal corporate trust office, and such Paying Agent/Registrar is hereby constituted and appointed the Registrar for such Bonds. At reasonable times and under reasonable regulations established by the Paying Agent/Registrar, said list may be inspected and copied by the Issuer.

Upon surrender for registration of transfer of any Bond at such office, the Paying Agent/Registrar shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denomination of the same maturity and like aggregate principal

amount. At the option of the Bondowner, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and like aggregate principal amount upon surrender at such office. Whenever any Bonds are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver in exchange therefor the Bond or Bonds which the Bondowner making the exchange shall be entitled to receive.

All Bonds presented for registration of transfer or exchange shall (if so required by the Issuer or the Paying Agent/Registrar), be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Issuer and the Paying Agent/Registrar, duly executed by the registered owner or by such owner's duly authorized attorney.

No service charge will be made by a Paying Agent/Registrar for any exchange or registration of transfer of Bonds. The Paying Agent/Registrar may require payment by the person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

The Issuer and the Paying Agent/Registrar shall not be required (a) to issue, register the transfer of or exchange any Bonds during a period beginning at the opening of business on the Regular Record Date next preceding an Interest Payment Date or any date of selection of Bonds to be redeemed and ending at the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given or (b) to register the transfer of or exchange any Bonds so selected for redemption in whole or in part.

All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Resolution as the Bonds surrendered.

Prior to due presentment for registration of transfer of any Bond, the Issuer and the Paying Agent/Registrar, and any agent of the Issuer or the Paying Agent/Registrar may treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes (subject to Section 306), whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

**SECTION 305. Payment of Interest; Interest Rights Preserved.** Interest on any Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Bond (or one or more predecessor Bonds) is registered on the Regular Record Date for such Interest Payment Date.

Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date by virtue of having been such owner; and such Defaulted Interest shall be paid by the Issuer to the persons in whose names the Bonds (or their respective predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following

manner: The Issuer shall notify the Paying Agent/Registrar in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Issuer shall deposit with the Paying Agent/Registrar an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent/Registrar for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest. Thereupon the Paying Agent/Registrar shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Paying Agent/Registrar of the notice of the proposed payment. The Paying Agent/Registrar shall promptly notify the Issuer of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class, postage prepaid, to each Bondowner at his address as it appears in the Bond Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Bonds (or their respective predecessor Bonds) are registered on such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

SECTION 306. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bonds shall become mutilated or be improperly canceled, or be destroyed, stolen or lost, the Issuer may in its discretion adopt a resolution and thereby authorize the issuance and delivery of a new Bond in exchange for and substitution for such mutilated or improperly canceled Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the owner furnishing the Issuer and the Paying Agent/Registrar proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Issuer and the Paying Agent/Registrar, upon his giving to the Issuer and the Paying Agent/Registrar an indemnity bond in such amount as the Issuer and the Paying Agent/Registrar may require, upon his compliance with such other reasonable regulations and conditions as the Issuer may prescribe and upon his paying such expenses as the Issuer and Paying Agent/Registrar may incur. All Bonds so surrendered shall be canceled by the Paying Agent/Registrar and held for the account of the Issuer. If any Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may cause to be paid the same upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this Section shall constitute an original, additional, contractual obligation on the part of the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such duplicate Bond shall be in all respects identical with those replaced except that they shall bear on their face the following additional clause:

"This bond is issued to replace a lost, canceled or destroyed bond under the authority of R.S. 39:971 through 39:974."

Such duplicate Bonds shall be signed by the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds are no longer in office, then the new Bonds shall be signed by the officers then in office. Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source and security for payment from the Revenues as provided herein with respect to all other Bonds hereunder, the obligations of the Issuer upon the new Bonds being identical to its obligations upon the original Bonds and the rights of the owner of the new Bonds being the same as those conferred by the original Bonds.

SECTION 307. Preparation of Definitive Bonds, Temporary Bonds. Until definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 310, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in such denominations as may be authorized by the Issuer, and with such omissions, insertions and variations as may be appropriate to temporary Bonds.

SECTION 308. Cancellation and Destruction of Bonds. All Bonds paid or redeemed either at or before maturity shall be delivered to the Paying Agent/Registrar when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Issuer, shall thereupon be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be returned to the Issuer at regular intervals of not less than six (6) months.

SECTION 309. Execution. The Bonds shall be executed in the name of and on behalf of the Issuer by the manual or facsimile signature of the President and countersigned by the manual or facsimile signature of the Secretary of the Issuer, and the corporate seal of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. 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 before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be 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. Any Bond may be signed and sealed on behalf of the Issuer by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office in the Issuer, although at the date of the Bonds such person may not have been so authorized to have held such office. Said officers shall, by the execution of the Bonds, adopt as and for their own proper signatures their respective facsimile signatures appearing on the Bonds, and the Issuer may adopt and use for that purpose the facsimile signature of any person or persons who shall have been such officer at any time on or after the date of such Bonds, notwithstanding that at the date of such Bonds such person may not have held such office or that at the time when such Bonds shall be delivered such person may have ceased to hold such office.

SECTION 310. Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of registration on such Bond substantially in the form set forth in the form of Bond attached hereto as **Exhibit A** shall have been duly executed by the Paying Agent/Registrar and such executed certificate of the Paying Agent/Registrar upon any such Bond shall be conclusive evidence that such Bond has been executed, registered and delivered under this Resolution.

SECTION 311. Power of Authorized Officers. The Authorized Officers are hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out the terms and provisions of this Resolution, to execute the Bond Purchase Agreement attached hereto as **Exhibit B**, to deliver the Irrevocable Instructions attached hereto as **Exhibit C**, to execute the Form of Continuing Disclosure Certificate attached hereto as **Exhibit D**, to cause the necessary Bonds to be printed or lithographed in substantially the form set out in **Exhibit A** attached hereto, and are further empowered to execute, sign and seal the Bonds all in accordance with law.

## ARTICLE IV

### APPLICATION OF PROCEEDS

SECTION 401. Application of Bond Proceeds and Accrued Interest. The proceeds of the Bonds issued hereunder (exclusive of accrued interest and after having provided for the payment of Costs of Issuance) shall be delivered to the Prior Paying Agent/Registrar for deposit with the Prior Paying Agent/Registrar pursuant to the Irrevocable Instructions to redeem the Refunded Prior Bonds on or before January 3, 2012. The Prior Paying Agent/Registrar is hereby authorized to take such actions and execute any and all such documents, notices and/or certificates as may be necessary to redeem the Refunded Prior Bonds on or before January 3, 2012.

The amount, if any, received as accrued interest shall be deposited in the Sinking Fund.

## ARTICLE V

### SINKING FUND

SECTION 501. The Pledge Effected by this Resolution. The Issuer hereby obligates itself to continue to levy and collect the taxes being levied and collected by the Issuer as of November 23, 1987 to the extent permitted by law and further obligates itself not to discontinue or decrease or permit to be discontinued or decreased such taxes nor in any way make any change which would diminish the amount of the Revenues to be received by the Issuer. The Issuer further covenants and obligates itself to make no expenditure that would cause there to be insufficient moneys to make the payments to the Sinking Fund required by this Resolution.

SECTION 502. Maintenance of Sinking Fund. The Issuer hereby covenants to maintain the Refunding Bond Sinking Fund (the "**Sinking Fund**"), a special trust fund held by the Fiscal Agent, which is hereby authorized to be established by the Fiscal Agent.

All moneys or securities deposited in the Sinking Fund pursuant to this Resolution shall be held in trust and applied only in accordance with the provisions hereof and shall be considered trust funds for the purposes of this Resolution. The Fiscal Agent shall transfer such amounts from the Sinking Fund on a timely basis to the Paying Agent/Registrar for application for the purposes herein specified.

On the 1st day of each month following the delivery of the Bonds, the Issuer shall deposit in the Sinking Fund from any available funds that may be legally used, (i) a sum equal to one-sixth of the interest falling due on the next Interest Payment Date and (ii) as of the 1st day of the twelfth month prior to the Maturity Date of a Bond, a sum equal to one-twelfth of the principal amount of such Bond due on the Maturity Date of such Bond, together with such other proportionate sum as may be required to provide sufficient moneys to pay the principal and interest as the same falls due.

SECTION 503. Investment of Sinking Fund. Moneys held in the Sinking Fund shall be invested and reinvested by the Fiscal Agent, to the fullest extent practicable, in Investment Securities which mature not later than such times as shall be necessary to provide moneys for payments to be made from such Sinking Fund, as required herein; provided, however, that the Fiscal Agent shall make any such investment in accordance with any instructions received from the Issuer.

In computing the amount in the Sinking Fund established under the provisions of this Resolution, obligations purchased as an investment of moneys therein shall be valued at par if purchased at par or at amortized value if purchased at other than par. Amortized value, when used with respect to an obligation purchased at a premium above or discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of interest payments remaining on such obligation after such purchase and deducting the amount thus calculated for each interest payment date after such purchase from the purchase price in the case of an obligation purchased at a premium and adding the amount thus



calculated for each interest payment date after such purchase to the purchase price in the case on an obligation purchased at a discount.

Except as otherwise provided herein, the Fiscal Agent shall sell at the best price obtainable, using reasonable diligence to determine such best price, or present for redemption, any obligation so purchased as an investment whenever it shall be so requested in writing by the Issuer or whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the Sinking Fund.

Investments purchased as an investment of moneys in the Sinking Fund shall be deemed at all times to be a part of such Fund, and any losses suffered due to the investment thereof shall be charged to such Fund.

Income and any profits realized due to the investment of moneys in the Sinking Fund shall be deposited in and credited to the Sinking Fund and shall offset deposits required by Section 502 hereof.

## **ARTICLE VI**

### **REDEMPTION OF BONDS**

SECTION 601. Bonds Not Subject To Redemption. The Bonds are not subject to Optional Redemption prior to their maturity.

## ARTICLE VII

### PARTICULAR COVENANTS

The Issuer covenants and agrees with the owners from time to time of the Bonds that as long as any of the Bonds remain Outstanding and unpaid:

SECTION 701. Payment of Bonds. The Issuer shall duly and punctually pay or cause to be paid (but solely from the sources herein provided) the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof.

SECTION 702. Power to Issue Bonds and Pledge Revenues and Funds. The Issuer is duly authorized under all applicable laws to authorize and issue the Bonds and to adopt this Resolution and to pledge the Revenues purported to be pledged hereby in the manner and to the extent herein provided. The Revenues so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created hereby, subject only to the prior pledge of such Revenues to the payment of the Series 1991 Refunding Bonds, all action on the part of the Issuer to that end has been and will be duly and validly taken. The Bonds and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Issuer in accordance with their terms and the terms of this Resolution, subject to bankruptcy, insolvency or other laws affecting creditors' rights generally. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of such Revenues, including rights therein pledged under this Resolution and all the rights of the Owners of the Bonds under this Resolution against all claims and demands of all persons whomsoever. The Issuer does hereby obligate itself and is bound under the terms and provisions of law, to annually budget, collect and set aside Revenues sufficient to pay Debt Service each year until all of the Bonds have been retired as to both principal and interest.

SECTION 703. Additional Bonds. The Bonds and the Series 1991 Bonds shall enjoy complete parity of lien on the Revenues of the Issuer despite the fact that any Bond may be delivered at an earlier date than any other Bond. The Issuer shall hereafter issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the Revenues of the Issuer having priority over or parity with the Bonds, and any outstanding pari passu bonds, except that bonds may hereafter be issued on a parity with the Bonds and any outstanding pari passu bonds, under the following conditions:

1. The Bonds or any part thereof, including interest and redemption premiums thereon, may be refunded and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any; provided, however, that if the refunding bonds require total principal and interest payments during any Bond Year in excess of the principal and interest which would have been required in such Bond Year to pay the Bonds refunded thereby, then such Bonds may not be refunded without consent of the owners of the unrefunded

portion of the Bonds and of any outstanding pari passu bonds (provided, such consent shall not be required if such refunding Bonds meet the requirements set forth in clause (2) below of this Section 703).

2. Additional bonds may also be issued on a parity with the Bonds and any outstanding pari passu bonds if all of the following conditions are met:

(a) The annual Revenues of the Issuer available for payment of the Bonds herein authorized and any additional bonds proposed to be issued must in each of the two (2) completed Fiscal Years immediately preceding the issuance of the additional bonds have been equal to or in excess of one and one-half (1-1/2) times the highest combined principal and interest requirements for any succeeding Fiscal Year on all bonds then outstanding, including any pari passu additional bonds theretofore issued and then outstanding and any other bonds or obligations whatsoever then outstanding which are payable from said annual Revenues.

(b) The payments required to be made into the various sinking funds for principal and interest for all outstanding bonds, including the amounts required to be paid into any reserve or emergency funds for outstanding bonds, must be current.

(c) The matters described in subparagraphs (a) and (b) above must be set out in a statement signed by an independent Certified Public Accountant or firm of independent Certified Public Accountants.

Notwithstanding the satisfaction of other conditions to the issuance of additional bonds required by this Bond Resolution, no such bonds may be issued hereunder should any event of default have occurred and be continuing.

SECTION 704. Fidelity Bonds. So long as any of the Bonds are outstanding and unpaid, the Issuer shall require all of its officers and employees who may be in a position of authority or in possession of money derived from the Revenues of the Issuer prior to its deposit in the Sinking Fund, to obtain or be covered by a blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the Issuer from loss.

SECTION 705. General. The Issuer shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of law, including the Act, and this Resolution in accordance with the terms of such provisions.

SECTION 706. Subrogation. In the event the Bonds herein authorized to be issued, or any of them, should ever be held invalid by any court of competent jurisdiction, the owner or

owners thereof shall be subrogated to all the rights and remedies against the Issuer had and possessed by the owner or owners of the Refunded Prior Bonds.

SECTION 707. State Bond Commission Policy on Approval of Proposed Swaps.

By virtue of the Authority's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approvals(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

So long as any Bonds insured by the Insurer remain outstanding or any amounts are owed to the Insurer by the Issuer, the Issuer shall not enter into any interest rate exchange agreement, cap, collar, floor ceiling or other agreement or instrument involving reciprocal payment obligations between the Issuer and a counterparty based on interest applied to a notional amount of principal, without the prior written consent of the Insurer.

## ARTICLE VIII

### SUPPLEMENTAL RESOLUTIONS

SECTION 801. Supplemental Resolutions Without Consent of Bondowners Effective Upon Filing with the Paying Agent/Registrar. For any one or more of the following purposes and at any time from time to time, a Supplemental Resolution may be adopted, which, upon the filing with the Paying Agent/Registrar of a copy thereof certified by an Authorized Officer, shall be fully effective in accordance with its terms:

(a) to provide limitations and restrictions in addition to the limitations and restrictions contained in this Resolution on the registration and delivery of Bonds or the issuance of other evidences of indebtedness;

(b) to add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(c) to add to the limitations and restrictions in this Resolution other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(d) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of this Resolution, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained in this Resolution;

(e) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of the Revenues of the Issuer or of any other moneys, securities or funds;

(f) to modify any of the provisions of this Resolution in any respect whatever, provided that (i) such modification shall be and be expressed to be effective only after all Bonds outstanding, together with any outstanding pari passu bonds, at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof;

(g) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of this Resolution;

(h) to insert such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable and are not contrary to or inconsistent with this Resolution as theretofore in effect; or

(i) To make any amendment to this Resolution prior to the sale of the Bonds herein authorized.

SECTION 802. Supplemental Resolutions Effective with Consent of Bondowners.

At any time or from time to time a supplemental resolution may be adopted subject to consent by Bondowners in accordance with and subject to the provisions of Article IX, which supplemental resolution, upon the filing with the Paying Agent/Registrar of a copy thereof certified by an Authorized Officer and upon compliance with the provisions of Article IX, shall become fully effective in accordance with its terms as provided in said Article.

## ARTICLE IX

### AMENDMENTS

SECTION 901. Powers of Amendment. Any modification or amendment of this Resolution or of the rights and obligations of the Issuer and of the owners of the Bonds hereunder, in any particular, may be made by a Supplemental Resolution, with the written consent (i) of the owners of a majority of the Bond Obligation at the time such consent is given, (ii) in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the owners of a majority of the Bond Obligation so affected at the time such consent is given; except that if such modification or amendment will, by its terms, not take effect so long as any Bonds remain Outstanding, the consent of the owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Bond Obligation under this Section and (iii) the prior written consent of the Bond Insurer providing insurance on the Bonds. **The Bond Insurer shall be provided with a full transcript of all proceedings relating to the execution of any Supplemental Resolution.** Any rating agency rating the Bonds must receive notice of each amendment to this Resolution and a copy thereof at least 15 days in advance of its execution or adoption. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Paying Agent/Registrar without its written assent thereto, without the consent of the owners of all of the Bonds then Outstanding.



## ARTICLE X

### REMEDIES ON DEFAULT

SECTION 1001. Events of Default. If one or more of the following events (in this Resolution called "**Events of Default**") shall happen, that is to say,

(1) if default shall be made by the Issuer in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or upon call for redemption, or otherwise; or

(2) if default shall be made by the Issuer in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or

(3) if default shall be made by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part in this Resolution, any Supplemental Resolution or in the Bonds contained, and such default shall continue for a period of 45 days after written notice thereof to the Issuer by the Paying Agent/Registrar or by the owners of not less than 25% of the Bond Obligation; or

(4) if the Issuer shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law; then, upon the happening and continuance of any Event of Default the owners of the Bonds and the Bond Insurer, or the Paying Agent/Registrar on their behalf, shall be entitled to exercise all rights and powers for which provision is made in the Act or in any provision of law.

(5) if while any Bonds are Outstanding, the State of Louisiana has limited or altered, adverse to the interest of the Bondowners, the rights of the Issuer (Orleans Parish School Board), pursuant to the constitutional and statutory provisions relating to the Issuer, as in force on the date of this Resolution to fulfill the terms of any agreements made with Bondowners or in any way impairing the rights and remedies of the Owners of the Bonds;

then, and in each and every such case, so long as such Event of Default shall not have been cured, with the consent of or at the direction of the Bond Insurer or when the Bond Insurer is in default as provided in the next paragraph below, twenty-five percent (25%) in amount of the DTC Direct Participants to whom DTC ascribes ownership of the Outstanding Bonds or alternatively at the election of each separate DTC Direct Participant, the Beneficial Owners of the Bonds ascribed by DTC to such DTC Direct Participant (by notice in writing to the Issuer and Fiduciary), may declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, and the payments due by the Issuer to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this Resolution or in any of the Bonds

contained to the contrary notwithstanding. The right to make such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, all Events of Default (other than the payment of principal and interest due and payable solely by reason of such declaration) shall have been cured or provision shall be made therefor, then and in every such case a majority in amount of the DTC Direct Participants by written notice to the applicable Fiduciary and the Issuer, may annul such declaration.

The Bond Insurer, DTC Direct Participants or the Beneficial Owners, as applicable, of the Bonds ascribed by DTC to such DTC Direct Participant (by notice in writing to the Issuer and Fiduciary), shall also be entitled to exercise all rights and powers for which provision is made in the Act or any provision of applicable law.

The above and foregoing provisions to the contrary notwithstanding (i) payments made by the Bond Insurer pursuant to any policy of insurance or surety bond shall not be given effect in determining whether an Event of Default has occurred and (ii) the Bond Insurer shall be deemed to be the sole holder of the Bonds it has insured, however, should the Bond Insurer be in default or have repudiated its obligations to pay pursuant to any insurance policy relating to Outstanding Bonds then such Bond Insurer shall not be considered to be the holder of such Bonds.

**In determining whether an Event of Default has occurred pursuant to Section 1001(1) or (2), no effect shall be given to payments made under the Bond Insurance Policy.**

**SECTION 1002. Bond Insurer as Holder of Bonds. Notwithstanding anything to the contrary set forth in this Article and for all purposes of this Article, except the giving of notice of default to Bondholders, the Bond Insurer shall be deemed to be the sole holder of the Bonds it has insured for so long as it has not failed to comply with its payment obligations under the Bond Insurance Policy and shall be entitled to exercise all voting rights or privileges or giving any consent or direction or taking any other action that the holders of the Bonds issued by it are entitled to take pursuant to this Article pertaining to (i) defaults and remedies (including mandamus as an express remedy), and (ii) duties and obligations of the Paying Agent.**

**SECTION 1003. Consent of Bond Insurer to Acceleration. Any acceleration of the Bonds or annulment thereof shall be subject to the prior written consent of the Bond Insurer, provided the Bond Insurer has not failed to comply with its payment obligations under the Bond Insurance Policy. In the event the maturity of the Bonds is accelerated, the Bond Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued on such principal to the date of acceleration (to the extent unpaid by the Issuer) and the Paying Agent shall be required to accept such amounts, upon payment of such accelerated principal and interest accrued to the acceleration date, as provided above, the Bond Insurer's obligations under the Bond Insurance Policy with respect to the Bonds shall be fully discharged.**

**SECTION 1004. Bond Insurer Notice of Default. The Bond Insurer shall receive immediate notice of any payment default and notice of any other default known to the Paying Agent/Registrar within 30 days of the Paying Agent/Registrar's knowledge thereof."**

## ARTICLE XI

### CONCERNING FIDUCIARIES

SECTION 1101. Appointment of Fiscal Agent. The regularly designated fiscal agent bank of the Issuer shall be designated as the Fiscal Agent hereunder until such time as the Issuer designates a successor fiscal agent bank as provided by law. The Fiscal Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Issuer a written acceptance thereof.

SECTION 1102. Paying Agent/Registrar; Appointment and Acceptance of Duties.

(a) A bank or trust company organized under the laws of any state of the United States or a national banking association having a capital and surplus aggregating at least \$10,000,000 and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all duties imposed upon it by this resolution shall be appointed initial Paying Agent/Registrar for the Bonds by subsequent resolution of the Issuer adopted at the time of the sale of the Bonds.

(b) The Paying Agent/Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Issuer a written acceptance thereof.

(c) The principal offices of the Paying Agent/Registrar are designated as the respective offices or agencies of the Issuer for the payment of the interest on and principal or Redemption Price of such Bonds.

(d) Any successor paying agent/registrar or co-paying agent/registrar must have combined capital, surplus and undivided profits of at least \$50 million, unless the Bond Insurer shall otherwise approve. Additionally, no resignation or removal of such paying agent/registrar or co-paying agent/registrar shall be come effective until a successor has been appointed and has accepted the duties thereof. The Bond Insurer shall be furnished with written notice of the resignation or removal of any paying agent/registrar or co-paying agent/registrar and the appointment of any successor thereto.

SECTION 1103. Responsibilities of Fiduciaries. The recitals of fact in this Resolution and in the Bonds contained shall be taken as the statements of the Issuer and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Resolution or of any Bonds or in respect of the security afforded by this Resolution, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the issuance of the Bonds or the application of the proceeds thereof or the application of any moneys paid to the Issuer or for any losses incurred upon the sale or redemption of any securities purchased for or held in the Sinking Fund under this Resolution. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. The Fiscal Agent shall be under no responsibility or duty with respect to the application of any moneys placed on time deposit, at the

direction of the Issuer, with any other Depository. No Fiduciary shall be liable in connection with the performance of its duties under this Resolution except for its own willful misconduct, negligence or default.

SECTION 1104. Evidence on Which Fiduciaries May Act. (a) Each Fiduciary shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the Issuer, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by such Fiduciary under this Resolution in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

(c) Except as otherwise expressly provided in this Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Issuer to any Fiduciary shall be sufficiently executed if executed in the name of the Issuer by an Authorized Officer.

SECTION 1105. Certain Permitted Acts. Any Fiduciary may become the owner of any Bonds or any other obligations of the Issuer with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as Depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondowners or the owners of any other obligations of the Issuer or to effect or aid in the enforcement of the Bonds or any other obligations of the Issuer or this Resolution, whether or not any such committee shall represent the owners of a majority of the Bond Obligation. In addition, the Paying Agent/Registrar may act as the Escrow Trustee.

SECTION 1106. Resignation or Removal of Paying Agent/Registrar and Appointment of Successor Paying Agent/Registrar. (a) Any Paying Agent/Registrar may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty days' written notice to the Issuer. Any Paying Agent/Registrar may be removed at any time by an instrument filed with such Paying Agent/Registrar and signed by the Issuer. Any successor Paying Agent/Registrar shall be appointed by the Issuer and (subject to the requirements of Section 1102) shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having a capital, surplus and undivided profits aggregating at least \$50,000,000 (unless the Bond Insurer shall otherwise approve), and willing and able to accept the

office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution. No resignation or removal of the Paying Agent/Registrar shall become effective until a successor has been appointed and accepted the duties thereof. The Bond Insurer shall be furnished with written notice of the resignation or removal of the Paying Agent/Registrar and the appointment of any successor thereto.

(b) In the event of the resignation or removal of any Paying Agent/Registrar, such Paying Agent/Registrar shall pay over, assign and deliver any moneys held by it as Paying Agent/Registrar to its successor, or if there be no successor, to the Fiscal Agent. In the event that for any reason there shall be a vacancy in the office of any Paying Agent/Registrar, the Fiscal Agent shall act as such Paying Agent/Registrar.

## ARTICLE XII

### MISCELLANEOUS

SECTION 1201. Defeasance. (a) If the Issuer shall pay or cause to be paid to the owners of all Bonds then Outstanding, the principal or Redemption Price, if any, and interest to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the covenants, agreements and other obligations of the Issuer to the Bondowners shall be discharged and satisfied. In such event, the Paying Agent/Registrar shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciary shall pay over or deliver to the Issuer all moneys, securities and funds held by it pursuant to this Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption. Bonds shall not be deemed paid within the meaning of this paragraph (A) if the payments on the Bonds are provided by any bond insurer providing bond insurance on the Bonds.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agent/Registrar (through deposit by the Issuer of funds for such payment or redemption or otherwise) at a maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section. Any Bond shall, prior to maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section if (i) in case such Bond is to be redeemed on any date prior to its maturity, the Issuer shall have given to the Paying Agent/Registrar in form satisfactory to it irrevocable instructions to give, as provided in Article VI of this Resolution, notice of redemption on said date of such Bond, and (ii) there shall have been deposited with the Paying Agent/Registrar either cash, direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, Refcorp interest strips, CATS, TIGRS, STRPS, or defeased municipal bonds rated AAA by S&P or Aaa by Moody's (or any combination thereof) in the amounts and having such terms as are necessary to provide moneys (whether as principal or interest) in an amount sufficient to pay when due the principal or applicable Redemption Price thereof, together with all accrued interest and (iii) the sufficiency of such deposit of moneys has been verified by an independent certified public accountant and such report has been furnished to the Paying Agent/Registrar, the Issuer and the Bond Insurer. Neither Investment Securities, obligations secured thereby, or moneys deposited with the Paying Agent/Registrar pursuant to this Section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds or for the purchase of other Investment Securities for such purpose; provided that any cash received from such principal or interest payments on such direct obligations of the United States of America deposited with the Paying Agent/Registrar shall, to the extent practicable, be reinvested in direct obligations of the United States of America maturing at times and in amounts sufficient to pay when due the principal

or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

SECTION 1202. Evidence of Signatures of Bondowners and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Resolution may require or permit to be signed and executed by the Bondowners may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondowners in person or by their attorneys-in-fact appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the owning by any person of the Bonds shall be sufficient for any purpose of this Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent/Registrar, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) the fact and date of the execution by any Bondowner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;

(2) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registry books.

(b) Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Issuer or any Fiduciary in accordance therewith.

SECTION 1203. Moneys Held for Particular Bonds. The amounts held by any Fiduciary for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the owners of the Bonds entitled thereto.

SECTION 1204. Parties Interested Herein. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Issuer, the Fiduciaries, the owners of the Bonds and the Bond Insurer, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Resolution contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Fiduciaries, the owners of the Bonds and the Bond Insurer.



SECTION 1205. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any member or officer of the Issuer or any person executing the Bonds.

SECTION 1206. Successors and Assigns. Whenever in this Resolution the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Resolution contained by or on behalf of the Issuer shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 1207. Certification of Proceedings. The Issuer, having investigated the regularity of the proceedings had in connection with the issuance of the Bonds herein authorized and having determined the same to be regular, shall cause each of said Bonds to contain the following recital, to-wit: "It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana."

SECTION 1208. Severability. In case any one or more of the provisions of this Resolution or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Bonds, but this Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this Resolution which validates or makes legal any provision of this Resolution or of the Bonds which would not otherwise be valid or legal shall be deemed to apply to this Resolution and to the Bonds.

SECTION 1209. Publication of Resolution. A copy of this Resolution shall be published after its adoption in the official journal of the Issuer. For a period of thirty (30) days from the date of such publication any person in interest shall have the right to contest the legality of this Resolution and of the Bonds to be issued pursuant thereto and the provisions securing the Bonds. After the expiration of said thirty (30) days, no one shall have any right of action to contest the validity of the Bonds or the provisions of this Resolution, and the Bonds shall be conclusively presumed to be legal and no court shall thereafter have authority to inquire into such matters.

SECTION 1210. Filing of Resolution. A certified copy of this Resolution shall be filed and recorded in the Mortgage Records of the Parish if required by Bond Counsel.

SECTION 1211. Application to State Bond Commission. Application has been made to the State Bond Commission for consent and authority to issue, sell and deliver the Bonds. A Certified copy of this Resolution shall be forwarded to the State Bond Commission on behalf of the Issuer.

SECTION 1212. Employment of Bond Counsel. The employment of Foley & Judell, L.L.P. New Orleans, Louisiana, as Bond Counsel to the Issuer in connection with the Bonds is hereby approved. The fee of Bond Counsel for the Bonds shall not exceed the fee prescribed by the Attorney General of the State of Louisiana plus out-of-pocket expenses incurred with respect to the

Bonds. A certified copy of this Resolution shall be forwarded to the Attorney General of the State of Louisiana for his approval in the manner required by law.

**SECTION 1213. Provisions Relating To Bond Insurance. Notwithstanding anything to the contrary set forth in this Resolution, the following provisions shall apply for so long as the Bond Insurer has not failed to comply with its payment obligations under the Bond Insurance Policy:**

(a) The rights granted to the Insurer under the Resolution or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Bondholders and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the Insurer.

(b) Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the Insurer, securities eligible for "AAA" defeasance under then existing criteria of S & P or any combination thereof, shall be used to effect defeasance of the Bonds unless the Insurer otherwise approves.

To accomplish defeasance, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under the Resolution, and (iv) a certificate of discharge of the Paying Agent with respect to the Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, Paying Agent and Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow.

Bonds shall be deemed "Outstanding" under the Resolution unless and until they are in fact paid and retired or the above criteria are met.

**(c) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of the Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with the Resolution. The Resolution shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.**

**(d) Each of the Issuer and Paying Agent covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Revenues under applicable law.**

**(e) Claims Upon the Insurance Policy and Payments by and to the Insurer.**

**If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Paying Agent, after making all transfers and deposits required under the Resolution, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Paying Agent shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Paying Agent shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal of the Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.**

**The Paying Agent shall designate any portion of payment of principal on Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Paying Agent's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Bond or the subrogation rights of the Insurer.**

**The Paying Agent shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Paying Agent.**

Upon payment of a claim under the Insurance Policy, the Paying Agent shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the "Policy Payments Account" and over which the Paying Agent shall have exclusive control and sole right of withdrawal. The Paying Agent shall receive any amount paid under the Insurance Policy in trust on behalf of Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Paying Agent to Bondholders in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections hereof regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Revenues and payable from such Revenues on a parity with debt service due on the Bonds.

Funds held in the Policy Payments Account shall not be invested by the Paying Agent and may not be applied to satisfy any costs, expenses or liabilities of the Paying Agent. Any funds remaining in the Policy Payments Account following a Bond payment date shall promptly be remitted to the Insurer.

(f) The Insurer shall, to the extent it makes any payment of principal or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy. Each obligation of the Issuer to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(g) The Issuer shall pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Resolution or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Resolution or any other Related Document whether or not

executed or completed, or (iv) any litigation or other dispute in connection with the Resolution any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Resolution any other Related Document.

(h) After payment of reasonable expenses of the Paying Agent, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Bonds.

(i) The Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Insurance Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof in accordance with the Resolution, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

**SECTION 1214. Information Provided to Bond Insurer.** The Bond Insurer shall be provided the following information:

(i) Annual audited financial statements within 150 days after the end of the Issuer's fiscal year (together with a certification of the Issuer that it is not aware of any default or Event of Default under the Resolution), and the Issuer's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of any default known to the Paying Agent or Issuer within five Business Days after knowledge thereof;

(iii) Prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(iv) Notice of the resignation or removal of the Paying Agent and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(v) Notice of the commencement of any proceeding by or against the Issuer or Obligor commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

**(vi) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds;**

**(vii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and**

**(viii) All reports, notices and correspondence to be delivered to Bondholders under the terms of the Related Documents.**

**SECTION 1215. Notice Addresses of Bond Insurer and Bond Insurer's Fiscal Agent.** The notice addresses of the Bond Insurer and the Bond Insurer's Fiscal Agent shall be: **Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. , Telephone: (212) 826-0100; Telecopier: (212) 339-3556.** In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

**SECTION 1216. Continuing Disclosure.** Pursuant to 17 CFR 240.15c212 (the "SEC Continuing Disclosure Rules") the Issuer covenants and agrees for the benefit of the Owners of the Bonds and the Purchasers to provide certain financial information and operating data relating to the Issuer (the "Annual Report"), and to provide notices of the occurrence of the events enumerated in Section (b)(5)(i)(C) of the SEC Continuing Disclosure Rules, if material. The Annual Report will be filed by the Issuer with the Municipal Securities Rulemaking Board (the "MSRB") (and with any future Louisiana officially designated State Information Depository). The specific nature of the information to be contained in the Annual Report or the notice of material events shall be as more fully set forth in the Continuing Disclosure Certificate in the Official Statement, as the same may be amended from time to time in accordance with its terms. Failure to comply with the SEC Continuing Disclosure Rules shall not constitute an "event of default" under this Resolution; however, any of the Owners of the Bonds and the Purchasers may take such action or exercise such remedies as may be provided by law to enforce the obligations of the Issuer under the Continuing Disclosure Certificate.

The Chairman and Secretary of the Issuer are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or certificate necessary to effectuate the purposes of this Section, including, without limitation, the Continuing Disclosure Certificate in substantially the form attached hereto as **Exhibit D**.

In addition, to the extent that the Issuer has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

(a) The Insurer shall have the right to receive such additional information as it may reasonably request.

(b) The Issuer will permit the Insurer to discuss the affairs, finances and accounts of the Issuer or any information the Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

(c) The Issuer shall notify the Insurer of any failure of the Issuer to provide notices, certificates and other information under the transaction documents.

(d) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Resolution, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Debt Service Reserve Fund is fully funded at the Debt Service Reserve Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by the Insurer.

(e) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Resolution would adversely affect the security for the Bonds or the rights of the Bondholders, the Paying Agent shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

(f) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

(g) So long as any Bonds insured by the Insurer remain outstanding or any amounts are owed to the Insurer by the Issuer, the Issuer shall not issue or incur indebtedness payable from or secured in whole or in part by the Pledged Revenues that (i) bears interest at other than fixed rates or (ii) permits the holder to tender such indebtedness for purchase prior to the stated maturity thereof, in either case without the prior written consent of the Insurer.



This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Cynthia Cade, Woody Koppel, Lourdes Moran, Brett Bonin

NAYS: None

ABSENT: Ira Thomas, Thomas Robichaux, Seth Bloom

ABSTENTION: None

And the resolution was declared adopted on this the 17th day of November, 2011.

/s/ Lourdes F. Moran

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Lourdes F. Moran, President

/s/ Darryl C. Kilbert

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Darryl C. Kilbert, Secretary –Treasurer

STATE OF LOUISIANA  
PARISH OF ORLEANS

I, the undersigned Secretary of the Orleans Parish School Board, State of Louisiana, do hereby certify that the foregoing fifty-seven (57) page constitutes a true and correct copy of a Resolution adopted by said Orleans Parish School Board on November 17, 2011.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Orleans Parish School Board in the Parish of Orleans, State of Louisiana, on this, the 17 day of November, 2011.

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Executive Secretary to the Board

SEAL

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FORM OF CONTINUING DISCLOSURE CERTIFICATE

## CONTINUING DISCLOSURE CERTIFICATE

Not Exceeding \$14,300,000

### Orleans Parish School Board of the Parish of Orleans, Parish of Orleans, State of Louisiana Public School Refunding Bonds, Series 2011 (Taxable)

This Continuing Disclosure Certificate (the “**Disclosure Certificate**”), dated \_\_\_\_\_, 2011, is executed and delivered by the Orleans Parish School Board, of the Parish of Orleans, State of Louisiana (the “**Issuer**”), acting through its duly authorized President, in connection with the issuance of the above-captioned bonds (the “**Bonds**”). The Bonds are being issued pursuant to a resolution adopted by the Issuer on November 17, 2011 (the “**Bond Resolution**”), and are described in that certain Official Statement dated November \_\_\_\_\_, 2011, (the “**Official Statement**”) which contains certain information concerning the Issuer, the Revenues securing the Bonds and certain financial and other information relating thereto. Capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the Bond Resolution. The Issuer covenants and agrees as follows:

#### SECTION 1. DEFINITIONS.

In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

**"Annual Report"** shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

**"City"** shall mean the city of New Orleans, Louisiana.

**"Constitutional Millage"** shall mean the existing ad valorem tax revenues from the ad valorem tax authorized by Article 8, Section 13(c) Second of the Louisiana Constitution of 1974 as adjusted in accordance with the provisions of Article 7, Section 23 of the Louisiana Constitution of 1974 collected by the Issuer.

**"Dissemination Agent"** shall mean the Issuer's duly appointed Chief Financial Officer, or any successor Dissemination Agent designated by the Issuer.

**"EMMA"** shall mean the internet-based portal referred to as the Electronic Municipal Market Access system operated by the MSRB which has an online address of [www.emma.msrb.org](http://www.emma.msrb.org).

**"Listed Events"** shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

**"Obligated Person"** shall mean the Issuer.

**"Official Statement"** shall mean the Official Statement with respect to the Bonds, dated November \_\_\_\_\_, 2011.

**"Participating Underwriter"** shall mean any of the original purchasers of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

**"Repositories"** shall mean the MSRB through EMMA and the State Information Depository, if any.

**"Revenues"** shall mean (i) the Constitutional Millage and (ii) the revenues from the Sales Tax, subject only to the payment of the reasonable costs and expenses of collecting and administering said Sales Tax, and excluding any revenues from any authorized taxes or rates of taxes not being levied and collected as of November 23, 1987.

**"Rule"** shall mean Rule 15c2-12 (b) (5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**"Sales Tax"** shall mean the one-half of one percent (2%) sales and use tax approved by the voters of the Parish on November 4, 1980.

**"State Information Depository"** shall mean any public or private depository or entity designated by the State of Louisiana as a state depository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Information Depository.

## **SECTION 2. PURPOSE OF THE DISCLOSURE CERTIFICATE.**

This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the owners of the Bonds, including owners of beneficial interests in the Bonds, and the Participating Underwriter, and in order to assist the Participating Underwriter in complying with the Rule. Pursuant to this Disclosure Certificate, annual financial information and notices of material events, if any, will be provided by the Issuer.

## **SECTION 3. PROVISIONS OF ANNUAL REPORTS.**

- a. Issuer shall, or shall cause the Dissemination Agent to, in each year no later than six (6) months from the end of the Issuer's first fiscal year ending after issuance of the Bonds, with the first such report to be due not later than December 31, 2012, provide to the Repositories and the Bond Insurer an Annual Report which is consistent with the requirements set forth below. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as set forth below; *provided* that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.
- b. If the Dissemination Agent is unable to provide to the Repositories an Annual Report by the date required in (a) above, the Issuer shall send a Notice of Failure to File Annual Report to each of the Repositories, in substantially the form attached as Exhibit A.
- c. The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each of the Repositories.

## **SECTION 4. CONTENTS OF ANNUAL REPORTS.**

The Issuer's Annual Report shall contain or incorporate by reference the following.

- a. Audited financial statements of the Issuer for the preceding fiscal year, if available. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

- b. Basis of accounting used by the Issuer in reporting their financial statements. Issuer follows GAAP principles and mandated Louisiana statutory accounting requirements as in effect from time to time. In the event of any material change in such requirements the impact of such changes will be described in the Annual Report of the year such change occurs.
- c. Any material change in the method of fixing the rate of the millage of the property taxes pledged to the payment of the Bonds.
- d. The total amount of debt issued by the Issuer, as well as any such bonded debt which has been authorized but not yet issued.
- e. Any material changes in the assessment procedures and the homestead exemption as authorized by law.
- f. The assessed value of taxable property in the City and homestead exemptions for the most recent tax year available from the Louisiana Tax Commission.
- g. The assessed value of property by classifications for the City for the most recent tax year available from the Louisiana Tax Commission.
- h. The assessed valuations of taxable property in the City including motor vehicles for the prior tax year.
- i. The millage rates for the prior tax year.
- j. The Constitutional Millage levies and collections of the Issuer for the prior tax year.
- k. A listing of the ten largest *ad valorem* taxpayers within the City for the prior tax year.
- l. The Sales Tax revenues of the Issuer of the prior Fiscal Year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer, which have been submitted to each of the Repositories or the Municipal Securities Rulemaking Board. If the document incorporated by reference is a deemed final official statement, it shall be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so incorporated by reference.

#### **SECTION 5. REPORTING OF LISTED EVENTS.**

- a. This section shall govern the giving of notices of the occurrence of any of the following Listed Events:
  - (i) Principal and interest payment delinquencies;
  - (ii) Non-payment related defaults, if material;
  - (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
  - (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
  - (v) Substitution of credit or liquidity providers, or their failure to perform;
  - (vi) 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 status of the Bonds, or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
  - (viii) Bond calls, if material, and tender offers;
  - (ix) Defeasance;
  - (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
  - (xi) Rating changes;
  - (xii) Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
  - (xiii) The consummation of a merger, consolidation, acquisition involving an Obligated Person, or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or
  - (xv) Appointment of a successor or additional trustee or the change of the name of a trustee, if material.

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall direct the Dissemination Agent to file as soon as possible, but in no event more than ten business days after the occurrence of the event, a notice of such occurrence with the Repositories.

#### **SECTION 6. TERMINATION OF REPORTING OBLIGATION.**

The obligations of the Issuer under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

#### **SECTION 7. DISSEMINATION AGENT.**

The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

#### **SECTION 8. AMENDMENT; WAIVER.**

Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

#### **SECTION 9. ADDITIONAL INFORMATION.**

Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall not have any obligation under this

Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**SECTION 10. DEFAULT.**

In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondowner (including any owner of a beneficial interest in the Bonds) or the Participating Underwriter may take such actions as may be necessary and appropriate, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

**SECTION 11. BENEFICIARIES.**

This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and owners (including any owner of a beneficial interest in the Bonds) from time to time of the Bonds, and shall create no rights in any other person or entity.

**SECTION 12. COUNTERPARTS.**

This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be one and the same instrument.

**SECTION 13. OTHER STIPULATIONS.**

Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by MSRB. Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be word searchable (without regard to diagrams, images and other non-textual elements).

IN FAITH WHEREOF, the undersigned have executed this Continuing Disclosure Certificate on this, the \_\_\_\_\_ day of December, 2011.

Parish School Board of the Parish of Orleans,  
Parish of Orleans, State of Louisiana

By: \_\_\_\_\_  
          Lourdes F. Moran, President

ATTEST:

By: \_\_\_\_\_  
Darryl C. Kilbert, Secretary-Superintendent

**EXHIBIT A  
to Disclosure Certificate**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Parish School Board of the Parish of Orleans, Parish of Orleans, State of Louisiana

Name of Bond Issue: Not Exceeding \$14,300,000 Orleans Parish School Board of the Parish of Orleans, Parish of Orleans, State of Louisiana  
Public School Refunding Bonds, Series 2011 (Taxable)

Date of Issuance: \_\_\_\_\_, 2011

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report as required by Section 1216 of that certain Bond Resolution adopted by the Issuer on November 17, 2011, providing for the issuance of the above-captioned bonds. The Issuer anticipates that such Annual Report will be filed by \_\_\_\_\_.

Date: \_\_\_\_\_

Parish School Board of the Parish of Orleans,  
Parish of Orleans, State of Louisiana

By: \_\_\_\_\_  
Chief Financial Officer, Orleans Parish School Board



SCHEDULE I

SCHEDULE OF BOND MATURITIES AND INTEREST RATES