

RESOLUTION OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF HILLSBOROUGH IN THE COUNTY OF SOMERSET, NEW JERSEY APPOINTING A LESSOR RELATING TO THE LEASE PURCHASE OF TRANSPORTATION VEHICLES IN AN AMOUNT NOT TO EXCEED \$185,434.50, APPROVING THE FORM OF CERTAIN AGREEMENTS, AUTHORIZING THE PRESIDENT AND THE BUSINESS ADMINISTRATOR/BOARD SECRETARY TO EXECUTE CERTAIN AGREEMENTS IN AN AMOUNT NOT TO EXCEED AND DETERMINING RELATED MATTERS IN CONNECTION THEREWITH

WHEREAS, The Board of Education of the Township of Hillsborough in the County of Somerset, New Jersey (the "Board") seeks to acquire transportation vehicles (the "Project") at a cost not to exceed \$185,434.50; and

WHEREAS, the Board intends to finance such Project through a tax-exempt, lease purchase financing in an aggregate amount not exceeding \$185,434.50 (the "Lease Purchase Financing"); and

WHEREAS, the Board, through the Middlesex County Educational Services Commission, sought quotes for such Lease Purchase Financing; and

WHEREAS, the Board, on May 30, 2014, received quotes for the Lease Purchase Financing; and

WHEREAS, the quote of US Bancorp Government Leasing & Finance, Inc. ("US Bancorp") was the most advantageous quote to the Board; and

WHEREAS, the Board seeks to execute a lease purchase agreement (the "Lease") for the Lease Purchase Financing with US Bancorp in its capacity as lessor and in accordance with its quote as set forth below; and

WHEREAS, the Board desires to set forth the basic financial terms to be incorporated into the Lease and authorize the preparation, the execution and the delivery of the Lease and certain other agreements necessary or incidental to the transactions contemplated thereby;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF HILLSBOROUGH IN THE COUNTY OF SOMERSET, NEW JERSEY, as follows:

SECTION 1. The Board hereby approves to finance the acquisition of the Project and other related costs and hereby awards the financing to US Bancorp (as defined above). The interest rate per annum, the principal maturities and the other terms of the financing shall be as described in the Lease and shall be consistent with the quote submitted by US Bancorp on May 30, 2014 (the "Quote"). In accordance with the Quote the interest rate shall be .1.404% or as indexed in the Quote.

SECTION 2. The Board hereby authorizes (i) the execution and the delivery of the Lease and other related documents, including an Escrow Agreement, and (ii) the performance by the Board of its obligations under the Lease and the Escrow Agreement, both to be dated the date of respective closing. The Board further authorizes and directs the Board President (or in every instance where the Board President is authorized to execute a document under this Resolution the same such authority shall also be given to the Vice President), and the Business Administrator/Board Secretary to approve any non-material changes, additions or deletions to the Lease and the Escrow Agreement as may be necessary in the judgment of the Board's Bond Counsel. The Lease sets forth, among other things, the lease payments of the Board and their respective amounts. In all respects, the Lease shall be consistent with the terms of this Resolution.

SECTION 3. In exchange for its authorization and execution of the Lease, the Board will receive an aggregate amount not to exceed \$185,434.50, which will be used to finance the Project and other related costs. Lease payments under the Lease may occur on one or more dates, provided that the final lease payment shall not extend beyond August 31, 2018.

SECTION 4. The Board President and the Business Administrator/Board Secretary are hereby authorized and directed to execute and to deliver on behalf of the Board each of the agreements referred to in Section 2 of this Resolution and such other agreements and certificates as may be necessary to complete the transaction contemplated by the Lease and the Board President and Business Administrator/Board Secretary are hereby authorized and directed to take, on behalf of the Board, such other actions as shall be necessary and appropriate to accomplish the lease purchase financing of the Project in accordance with the terms of the Lease and this Resolution and pursuant to the terms of the agreements and the instruments authorized to be prepared hereby and to accomplish the performance of the obligations of the Board in respect thereof.

SECTION 5. The Board hereby covenants that it will comply with any conditions subsequently imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the Lease, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Lease.

SECTION 6. This Resolution shall take effect immediately upon its adoption.

I, Aiman Mahmoud, Business Administrator/Board Secretary of The Board of Education of the Township of Hillsborough in the County of Somerset, New Jersey (the "Board"), HEREBY CERTIFY that the foregoing annexed resolution has been duly adopted by the Board at a meeting duly called and held on _____, 2014 and it is a true, complete and correct copy thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board this _____ day of _____, 2014.

Aiman Mahmoud
Business Administrator/Board
Secretary

(SEAL)

Motion _____ Abstention _____

Second _____ Absent _____

Ayes _____

Nays _____

Vote _____ (Adopted: _____)

