

There came on for consideration by the Board of Trustees of the Tupelo Public School District, Tupelo, Mississippi, the matter of the issuance of Notes of the District in the maximum aggregate principal amount of Three Million and No/100 Dollars (\$3,000,000.00). After a discussion of the subject, Board Member \_\_\_\_\_ offered and moved the adoption of the following resolution:

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF NOTES OF THE TUPELO PUBLIC SCHOOL DISTRICT IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THREE MILLION AND NO/100 DOLLARS (\$3,000,000.00); PROVIDING FOR THE SALE AND DELIVERY THEREOF; AUTHORIZING THE EXECUTION OF A NOTE PURCHASE AGREEMENT AND TAKING OTHER ACTIONS REGARDING THE NOTE.

WHEREAS, the Board of Trustees of the Tupelo Public School District of Tupelo, Mississippi, (the "Board") acting for and on behalf of the Tupelo Public School District (the "District"), hereby finds, determines, adjudicates and declares as follows:

1. On June 23, 2009, the Board adopted a resolution wherein the Board found, determined and adjudicated that it is necessary to borrow an amount not exceeding \$3,000,000 and to issue notes as evidence of such borrowing in the amount and for the purpose aforesaid, and declared its intention to authorize such borrowing and to issue said notes, or a portion thereof, as "qualified school construction bonds" as defined in Section 54F of the Code.

2. On July 28, 2009, the Board adopted a resolution finding and determining that its resolution of June 23, 2009, had been duly published as required by law; that no petition or other objection of any kind or character against the issuance of the Notes described in said resolution or calling for a referendum was filed; that the Board was authorized to issue said Notes, and directing the issuance of the Notes at a later date.

3. The Board is now authorized and empowered by the provisions of Section 37-59-101, et seq. of the Mississippi Code of 1972, as amended, to issue notes in the maximum aggregate principal amount of \$3,000,000 (the "Notes"), registered as to principal and interest in the form and manner hereinafter provided for by Sections 31-21-1 through 31-21-7, Mississippi Code of 1972.

4. (a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 37-59-101, et seq., and Section 37-59-301 Mississippi Code of 1972, as amended.

"Available Project Proceeds" means the proceeds of the Notes, less amounts spent for costs of issuance.

"Board" shall mean the Board of Trustees of the Tupelo Public School District.

"Bond Counsel" shall mean Watkins & Young PLLC, Jackson, Mississippi.

"Clerk" shall mean the Secretary of the Board.

"Code" shall mean the Internal Revenue Code of 1986, as amended, supplemented or superseded.

"Construction Fund" shall mean the School Construction Fund of the District provided for in Section 12 hereof.

"County" shall mean Lee County, Mississippi.

"District" shall mean the Tupelo Public School District, Tupelo, Mississippi.

"Investment Contract" shall mean any investment contract or contracts approved by the District, as evidenced by the Superintendent's execution thereof, for the investment of funds in the Note Fund.

"Note" or "Notes" shall mean the Series 2011 Notes authorized and directed to be issued in this resolution.

"Note Fund" shall mean the Note/Sinking Fund of the District established pursuant to Section 11 hereof.

"Note Purchase Agreement" means the Note Purchase Agreement between the District and the Purchaser in substantially the form approved by this resolution and subsequent resolutions of the Board.

"Note Resolution" shall mean this resolution.

"Paying Agent" shall mean the Trustee, designated or appointed to make payments of the principal of and interest on the Notes, and to serve as registrar and transfer agent for the registration of owners of the Notes, and for the performance of other duties as may be herein or hereafter specified by the Superintendent or the Board.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization and a government or agency or political subdivision thereof.

"President" shall mean the President of the Board.

"Project" shall mean paying costs of the construction, rehabilitation, or repair of a public school facility, acquiring land therefor, equipping said facility, and paying the costs of such borrowing.

"Purchaser" shall mean the bank or other entity which agrees to purchase the Note by executing the Note Purchase Agreement.

"Record Date" shall mean, as to interest and principal payments on the Notes, the 15th day of the calendar month preceding a calendar month in which there is an interest or principal payment due on the Notes.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the District maintained by the Paying Agent.

"State" shall mean the State of Mississippi.

"Superintendent" shall mean the Superintendent of Education of the District.

"Trustee" shall mean the bank or trust company designated by the Superintendent or subsequently appointed by the Board to serve as Trustee.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

5. It has now become necessary to make provision for the preparation, execution, issuance and sale of the Notes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, ACTING FOR AND ON BEHALF OF THE DISTRICT, AS FOLLOWS:

SECTION 1. RESOLUTION A CONTRACT. In consideration of the purchase and acceptance of any and all of the Notes by the Registered Owners thereof, this Note Resolution shall constitute a contract between the District and the Registered Owners from time to time of the Notes. The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the District shall be for the equal benefit, protection and security of the Registered Owners of Notes, or any portion thereof, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

SECTION 2. DETAILS OF NOTES. (a) The Notes are to be registered as to principal and interest in the form and manner hereinafter provided for by Sections 31-21-1 through 31-21-7, Mississippi Code of 1972, as amended. Payments of interest on the Notes shall be made to the Record Date Registered Owner and payments of principal shall be made upon presentation and surrender of the Notes at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America.

(b) The Notes shall be registered as to both principal and interest; shall be dated the date of their delivery, or such other date as agreed to by the Superintendent and the Purchaser; shall bear interest from the date thereof payable annually as set forth in the final Note Purchase Agreement executed by the Superintendent; shall be in the denomination of \$1,000.00 or any integral multiple thereof; and shall mature and become due and payable as set forth in the final Note Purchase Agreement, but in no event to exceed seventeen (17) years from the date of delivery.

The Superintendent is authorized to reduce the aggregate principal amount of the Notes, to finalize the maturity amounts and payment dates, agree to an interest rate or rates and to agree to any other Note terms as he or she may deem necessary or appropriate prior to executing the Note Purchase Agreement.

(c) The Notes are subject to redemption prior to their maturity in whole or in part, at the option of the District, to the extent and as may be set forth in the final Note Purchase Agreement.

(d) The Notes shall be subject to special mandatory redemption, to the extent that less than 100% of the Available Project Proceeds are expended for Qualified Purposes by the three-year anniversary of the Notes' date of issuance, within 90 calendar days from the three-year anniversary of the Notes' date of issuance (unless the District is granted an extension by the Internal Revenue Service) payable from unexpended proceeds of the sale of the Notes.

(e) If less than all of the Notes are to be redeemed, the particular Notes to be redeemed shall be selected by the Paying Agent, on a pro rata basis. The portion of any Note to be prepaid in part shall be in the principal amount of \$1,000 or integral multiple thereof.

In the event that any Note is to be called for redemption as aforesaid, notice of such redemption, setting forth the place or places of payment, shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Note to be redeemed at the address shown on the registration books.

On the specified redemption date, all Notes so called for redemption shall cease to bear interest and shall no longer be secured by the pledge and covenants of the Note Resolution, provided monies for their redemption are on deposit at the place of payment at that time.

SECTION 3. REGISTRATION, EXECUTION, AUTHENTICATION AND DELIVERY OF NOTES. (a) When the Notes shall have been validated, if applicable, and executed as herein provided, they shall be registered as an obligation of the District in the office of the Clerk in a book maintained for that purpose, and the Clerk shall cause to be imprinted upon each of the Notes, over his manual or facsimile signature and manual or facsimile seal, his certificate in substantially the form set out in Section 5.

(b) The Notes shall be executed by the manual or facsimile signature of the President and countersigned by the manual or facsimile signature of the Superintendent, provided, however, all signatures appearing on the Notes, other than the signature of an authorized officer of the Paying Agent hereinafter provided for, may be facsimile and shall have the same force and effect as if manually signed. In case any official of the Board or the Superintendent whose signature or a facsimile of whose signature shall appear on the Notes shall cease to be such official or Superintendent before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official or Superintendent had remained in office until delivery or reissuance.

(c) The Notes shall be delivered to the Purchaser upon payment of the purchase price therefor according to the terms and conditions of their sale and award, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the Notes, and the final, unqualified approving opinion of Bond Counsel.

SECTION 4. PAYING AGENT. (a) The Trustee shall act as Paying Agent for the Notes. The Paying Agent shall act as set forth herein.

(b) So long as any of the Notes shall remain outstanding, the District shall maintain with the Paying Agent records for the registration and transfer of the Notes. The Paying Agent is hereby appointed registrar for the Notes, in which capacity the Paying Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Note entitled to registration or transfer.

(c) The District shall pay or reimburse the Paying Agent for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents and bond registrars, subject to agreement between the District and the Paying Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Paying Agent, shall be made by the District on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Board.

(d) A Paying Agent may at any time resign and be discharged of its duties and obligations of Paying Agent by giving at least sixty (60) days' written notice to the District, and may be removed as Paying Agent at any time by resolution of the Board delivered to the Paying Agent. The resolution shall specify the date on which such removal shall take effect and the name and

address of the successor Paying Agent, and shall be transmitted to the Paying Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of a Paying Agent shall become effective until a successor Paying Agent has been appointed pursuant to the Note Resolution.

Upon receiving notice of the resignation of a Paying Agent, the District shall promptly appoint a successor Paying Agent by resolution of the Board. Any appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent. If no successor Paying Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Paying Agent may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Paying Agent.

In the event of a change of Paying Agents, the predecessor Paying Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Paying Agent, and the successor Paying Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Paying Agent shall be fully paid. Every predecessor Paying Agent shall deliver to its successor Paying Agent all books of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Paying Agent.

Any successor Paying Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

Every successor Paying Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Paying Agent and to the District an instrument in writing accepting such appointment hereunder, and thereupon such successor Paying Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and be subject to all the duties and obligations, of its predecessor.

Should any transfer, assignment or instrument in writing be required by any successor Paying Agent from the District to more fully and certainly vest in such successor Paying Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Paying Agent, any such transfer, assignment and written instruments shall, on request, be executed, acknowledged and delivered by the District.

The District will provide any successor Paying Agent with certified copies of all resolutions, orders and other proceedings adopted by the Board relating to the Notes.

All duties and obligations imposed hereby on a Paying Agent or successor Paying Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by this Note Resolution.

(e) Any corporation or association into which a Paying Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Paying Agent hereunder and vested with all the powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the District or the successor Paying Agent, anything herein to the contrary notwithstanding, provided only that such successor Paying Agent shall be satisfactory to the District and eligible under the provisions of Section 5(d)(iv) hereof.

SECTION 5. FORM OF NOTES. The Notes shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by this Note Resolution:

[ NOTE FORM]

**TUPELO PUBLIC SCHOOL DISTRICT  
TUPELO, MISSISSIPPI  
LIMITED-TAX NOTE, SERIES 2011  
(QUALIFIED SCHOOL CONSTRUCTION BOND -  
FEDERALLY TAXABLE - DIRECT PAYMENT)**

NO. \_\_\_\_\_ \$3,000,000.00

Rate of Interest                      Maturity Date                      Date of Original Issue  
\_\_\_\_\_

**REGISTERED OWNER:** \_\_\_\_\_  
\_\_\_\_\_

**PRINCIPAL AMOUNT:    THREE MILLION AND NO/100 DOLLARS (\$3,000,000.00)**

The Tupelo Public School District, Tupelo, Mississippi (the "District"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the registered owner identified above, upon the presentation and surrender of this Note at the principal office of \_\_\_\_\_, \_\_\_\_\_, Mississippi, or its successor, as paying agent (the "Paying Agent") for the Tupelo Public School District Limited-Tax Notes, Series 2011, (Qualified School Construction Bonds - Federally Taxable - Direct Payment), of the District (the "Notes"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this Note shall be made to the registered owner hereof who shall appear in the registration records of the District maintained by the Paying Agent, which will also serve as registrar and transfer agent for the Notes, as of the 15th day of the calendar month preceding a calendar month in which a principal or interest payment is due on the Notes (the "Record Date").

The District further promises to pay interest on such principal amount from the date of this Note or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth above on \_\_\_\_\_ of each year, commencing \_\_\_\_\_, until said principal sum is paid, to the registered owner hereof who shall appear in the registration records of the District maintained by the Paying Agent as of the Record Date.

The Notes are subject to redemption prior to their maturity, in whole or in part, at any time at the option of the District, at par plus accrued interest.

The Notes shall be subject to special mandatory redemption, to the extent that less than 100% of the Available Project Proceeds are expended for Qualified Purposes by the three-year anniversary of the Notes' date of issuance, within 90 calendar days from the three-year anniversary of the Notes'



date of issuance (unless the District is granted an extension by the Internal Revenue Service) payable from unexpended proceeds of the sale of the Notes.

If less than all of the Notes are to be redeemed, the particular Notes to be redeemed shall be selected by the Paying Agent, on a pro rata basis. The portion of any Note to be prepaid in part shall be in the principal amount of \$1,000 or integral multiple thereof.

In the event that any Note is to be called for redemption as aforesaid, notice of such redemption, setting forth the place or places of payment, shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Note to be redeemed at the address shown on the registration books.

On the specified redemption date, all Notes so called for redemption shall cease to bear interest and shall no longer be secured by the pledge and covenants of the Note Resolution, provided monies for their redemption are on deposit at the place of payment at that time.

Payments of principal of and interest on this Note shall be made by check or draft mailed to such registered owner at his address as it appears on such registration records. The registered owner hereof may change such address by written notice to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the Record Date.

This Note is one of a series of Notes of like date of original issue, tenor and effect, except as to denomination, and number, issued in the aggregate authorized principal amount of Three Million and No/100 Dollars (\$3,000,000.00) to raise money for the purpose of paying the costs of the construction, rehabilitation, or repair of a public school facility, acquiring land therefor, equipping said facility, and to pay the costs of issuance. This Note is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 37-59-101, *et. seq.*, and Section 37-59-301 of the Code (the "Act"), and by the further authority of proceedings duly had by the Board of Trustees of the District, including a resolution adopted March 29, 2011 (the "Note Resolution").

The Notes are registered as to both principal and interest. The Notes are to be issued or reissued in the denomination of \$1,000 each, or integral multiples thereof up to the amount of a single maturity.

**The transfer of this Note is restricted by the provisions of an investment letter executed and delivered by the initial purchaser or purchasers of the Note. Subject to the provisions of the investment letter, this Note may be transferred or exchanged by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, but only in the manner described in the Note Resolution, subject to the limitations stated therein and in the aforesaid investment letter, and upon surrender and cancellation of this Note. Upon such transfer or exchange, a new Note or Notes of like aggregate principal amount in authorized denominations of the same maturity will be issued.**

The District and the Paying Agent may deem and treat the Registered Owner of this Note as the absolute owner for the purpose of receiving payment of principal hereof and for all other purposes and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

This Note is and will continue to be payable as to principal out of the avails of a special, annual ad valorem tax, not to exceed three mills, levied on all taxable property of the District, along with any other funds of the District pledged for such purpose.

This Note shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Note Resolution until the certificate of registration and authentication hereon shall have been signed by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Notes, in order to make the same legal and binding limited-tax obligations of the District, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, the District has caused this Note to be executed in its name by the President of the Board of Trustees, countersigned by the signature of the Superintendent of the District under the seal of the District, all as of \_\_\_\_\_.

TUPELO PUBLIC SCHOOL DISTRICT

By: specimen-not for signature  
President of the Board of Trustees

COUNTERSIGNED:

specimen-not for signature  
Superintendent

(Seal)

**CERTIFICATE OF REGISTRATION AND AUTHENTICATION**

This Note is one of the Notes described in the within mentioned Note Resolution of the Tupelo Public School District, Tupelo, Mississippi.

specimen-not for signature  
as Paying Agent

By: \_\_\_\_\_  
Authorized Officer

Date of Registration and Authentication: \_\_\_\_\_

**REGISTRATION AND VALIDATION CERTIFICATE**

STATE OF MISSISSIPPI  
COUNTY OF LEE

I, the undersigned Secretary of the Board of Trustees of the Tupelo Public School District of Tupelo, Mississippi, do hereby certify that the within Note has been duly registered by me as an obligation of the Tupelo Public School District of Tupelo, Mississippi, pursuant to law in a book kept in my office for that purpose, and has been validated and confirmed by Decree of the Chancery Court of Lee County, Mississippi.

(seal) specimen-not for signature  
Secretary of the Board of Trustees

SECTION 6. MUTILATED, LOST OR STOLEN NOTES. In case any Note shall become mutilated or be stolen, destroyed or lost, the District shall, if not then prohibited by law, cause to be authenticated and delivered a new Note of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Note, or in lieu of and in substitution for such Note stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the District in connection therewith, and in case of a Note stolen, destroyed or lost, his filing with the District or Paying Agent evidence satisfactory to it or them that such Note was stolen, destroyed or lost, and of his ownership thereof, and furnishing the District or Paying Agent with such security or indemnity as may be required by law and by them to save each of them harmless from all risks, however remote.

SECTION 7. SECURITY FOR NOTES. For the purpose of securing and providing for the payment of the principal of and interest on the Notes as the same shall respectively mature and accrue, there shall be levied by the levying authority of the District, pursuant to the requirements of Mississippi Code Ann. §37-59-107, a direct, continuing special tax upon all of the taxable property

within the geographical limits of the District, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the Notes. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the District are collected, and the rate of the tax which shall be so extended shall be sufficient, together with other funds of the District that may be lawfully applied to the payment of the Notes, in each year fully to produce the sums required as aforesaid, without limitation as to time, rate or amount except that such tax to pay debt service on the Notes and all other debt issued under the Act shall not exceed three (3) mills on the dollar of the assessed valuation of taxable property within the District. The Notes, and any other notes issued under the Act shall be equally secured by and payable from the avails of the aforesaid special, limited tax.

The avails of said tax are hereby irrevocably pledged for the payment of the principal of and interest on the Notes as the same shall respectively mature and accrue. Should there be a failure in any year to comply with the requirements of this section, such failure shall not impair the right of the Registered Owners of any of the Notes in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Notes, both as to principal and interest.

In addition to the special ad valorem tax and other funds pledged for the repayment of the Note, the Board hereby irrevocably pledges to the repayment of the Note, the District's Education Enhancement Funds ("EEF Funds") to be received from the State of Mississippi pursuant to Section 37-61-33 of the Mississippi Code of 1972, as amended, in the approximate amount of \$228,206 per year. The pledge of the EEF Funds to the Note is subordinate to any prior pledge of the EEF Funds to other debt of the District. Any EEF Funds not required to pay the principal of and the interest on the Note in any year in which the EEF Funds are pledged to repay the Note may be used by the District for any other authorized purpose. The Superintendent is authorized and directed to file evidence of the District's pledge of its EEF Funds with the Mississippi State Department of Education.

**SECTION 8. CERTIFICATE OF REGISTRATION AND AUTHENTICATION.** Only such of the Notes as shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Paying Agent, shall be entitled to the rights, benefits and security of this Note Resolution. No Note shall be valid or obligatory for any purpose unless and until such certificate of registration and authentication shall have been duly executed by the Paying Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under this Note Resolution. The Paying Agent's certificate of registration and authentication on any Note shall be deemed to have been duly executed if manually signed by an authorized officer of the Paying Agent, but it shall not be necessary that the same officer sign said certificate on all of the Notes that may be issued hereunder at any one time.

**SECTION 9. REGISTERED OWNER.** Except as hereinabove provided, the Person in whose name any Note shall be registered in the records of the District maintained by the Paying Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any Note shall be made only to or upon the order of the Registered Owner thereof, or his legal representative. All such payments shall be valid and effectual to satisfy and

discharge the liability upon such Note to the extent of the sum or sums so paid.

SECTION 10. TRANSFER OF NOTES. The Registered Owner's right to transfer or assign the Note is limited by an investment letter signed by the Purchaser stating that the Note was purchased for investment purposes, and not for resale. Subject to the provisions of the investment letter, this Note may be transferred or exchanged by the Registered Owner thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, but only in the manner described in this Note Resolution, subject to the limitations stated herein and in the aforesaid investment letter, and upon surrender and cancellation of this Note. Upon such transfer or exchange, a new Note or Notes of like aggregate principal amount in authorized denominations of the same maturity will be issued. Notwithstanding the foregoing, the Purchaser shall be allowed to assign the Note to the Trustee.

SECTION 11. NOTE FUND. (a) The District shall maintain with the Trustee, a fund in the name of the District for the payment of the principal of and interest on the Notes and the payment of Paying Agents' fees in connection therewith (the "Series 2011 QSCB - Note Fund" or "Note Fund"). The administration of the Note Fund and the functions of the Trustee will be subject to the additional terms of the Note Purchase Agreement and Investment Contract to be executed by the Superintendent with the Trustee. The Superintendent is hereby authorized to negotiate the terms of and to execute any such agreement with the Trustee. There shall be deposited into the Note Fund in accordance with the terms of the Trust Agreement authorized pursuant to Section 17 of this Resolution:

(i) the avails of any of the ad valorem taxes levied and collected pursuant to Section 7 hereof;

(ii) any income received from investment of monies in the Note Fund; and

(iii) any other funds available to the District which may be lawfully used for payment of the principal of and interest on the Notes, and which may be directed to be deposited into the Note Fund.

SECTION 12. APPLICATION OF PROCEEDS OF NOTES. The principal proceeds received upon the sale of the Notes shall be deposited with a qualified depository of the District in a special fund, hereby created, in the name of the District designated the "Series 2011 QSCB - Construction Fund" (the "Construction Fund"), and shall be held and disbursed for the costs, fees and expenses incurred by the District in connection with the authorization, issuance, sale, validation and delivery of the Notes, and for the payment of all the fees, expenses and costs of the Project, as authorized by the Act.

SECTION 13. [RESERVED]

SECTION 14. PAYMENT OF PRINCIPAL AND INTEREST (a) Payment of each installment of interest on the Notes shall be made to the Record Date Registered Owner thereof.

Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Note subsequent to the Record Date and prior to the due date of the interest.

(b) Payment of principal on the Notes shall be made, upon presentation and surrender of the Notes at the principal office of the Paying Agent, to the Record Date Registered Owner thereof whose name shall appear in the registration records of the District maintained by the Paying Agent as of the Record Date.

(c) Principal of and interest on the Notes shall be paid by check or draft mailed to Registered Owners at the addresses appearing in the registration records of the Paying Agent. Any such address may be changed by written notice from the Registered Owner to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the 15th day of the calendar month preceding a calendar month in which the applicable principal or interest payment is due on the Notes.

SECTION 15. VALIDATION. The Notes may, at the discretion of the Superintendent, be submitted for validation as provided by Chapter 13, Title 31, Mississippi Code of 1972, and to that end the Clerk is hereby directed to make up a transcript of all legal papers and proceedings relating to the Notes and to certify and forward the same to the State's Bond Attorney for the institution of validation proceedings.

SECTION 16. CONTEST. It is specifically provided, notwithstanding the dates set out in this Note Resolution for the date of the Notes and the payment dates for principal and interest, that if the delivery of the Notes is delayed by a contest of the validation of the Notes or otherwise and the initial Purchaser shall decline to take delivery of the Notes, then the Notes may be re-offered for sale. In such event, all principal maturities may be adjusted so that such maturities will fall due in the same amounts and intervals as provided by subsequent resolution of the Board directing the offer for sale thereof.

SECTION 17. EXECUTION OF DOCUMENTS; TRUST AGREEMENT; ISSUANCE AND CLOSING OF NOTE. The Board President and Secretary and the Superintendent, or their designee, are authorized to execute all closing documents and to take all actions necessary to consummate the closing of the Notes. Without limiting the generality of the foregoing provision, the Superintendent is authorized and directed to: (a) execute a certificate or agreement designating and approving the Trustee, (b) execute a certificate or agreement authorizing the investment of any amounts in the Note Fund by the Trustee in any investments permitted by Mississippi law, (c) execute the Note Purchase Agreement effectuating the sale of the Note, establishing the credit rate, interest rate and any other matters affecting the sale of the Note, (d) reduce the principal amount of the Note prior to its issuance as deemed necessary or advisable by the Superintendent, (e) execute a Trust Agreement in substantially the form attached hereto as Exhibit C which is hereby approved by the Board, subject to any revisions consented to by the Superintendent, and (f) negotiate and execute the Investment Contract for the investment of the amount held in the Note fund. Furthermore, the District's Business Manager is authorized and directed to promptly use the necessary portion of the

Note proceeds, if any, to reimburse the District's district maintenance fund or other appropriate fund for costs of the Project previously paid by the District.

SECTION 18. AUTHORIZATION TO EXECUTE NOTE PURCHASE AGREEMENT AND CLOSE. The Superintendent is authorized and directed to execute a Note Purchase Agreement with the Purchaser in substantially the form attached hereto finalizing the terms of the sale of the Note and to sign all other documents and take all other action necessary to close on the Note. Without limiting the foregoing provisions, the Superintendent is authorized to finalize the final terms of the Note, including the designation of the Purchaser and setting the final maturity date, the interest rate (not to exceed 150 basis points over the applicable credit rate) on the Note, the provisions regarding the repayment of the Note and to include all such terms in the Note Purchase Agreement.

SECTION 19. NOTES NOT ARBITRAGE BONDS. The Board covenants and certifies to and for the benefit of the owners of the Notes that it will neither take any action nor omit to take any action nor make any investment or use of the proceeds from the issue and sale of the Notes, including amounts treated as proceeds, if any, which will cause the Notes to be classified as arbitrage bonds within the meaning of Section 148 of the Code, and any regulations thereunder as such may be applicable to the Notes, at the time of such action, investment or use.

SECTION 20. QUALIFIED SCHOOL CONSTRUCTION BOND STATUS.

(a) The Notes are hereby designated as "qualified school construction bonds" under the provisions of the American Recovery and Reinvestment Act of 2009 ("ARRA") and the Hiring Incentives to Restore Employment Act of 2010 (the "HIRE Act"). The Notes are being issued as "qualified school construction bonds" as defined in Section 54F of the Code and as "specified tax credit bonds" as defined in Section 6431(f)(3) of the Code for which the District will receive, pursuant to Sections 54F and 6431 of the Code, a direct cash subsidy payment from the Treasury Department equal to the lesser of the amount of interest payable on the Notes on such date, or the amount of interest that would have been payable on the Notes on such date if such interest were determined at the applicable tax credit bond rate determined under Section 54A(b)(3) of the Code.

(b) Without limiting the generality of the foregoing, the Board hereby determines and certifies that the certifications set forth in the form of the Certificate Regarding Tax Matters attached hereto as Exhibit A are true and correct as of the date of this Note Resolution, or, if not true and correct as of the date of this Note Resolution, will be true and correct as of the closing date of the Notes. The Superintendent of the District is hereby authorized and directed to sign and deliver the Certificate Regarding Tax Matters at closing with such modifications deemed proper by the Superintendent as evidenced by the Superintendent's execution thereof.

(c) The Board and District will not take any actions regarding the use of proceeds of the Notes that would cause the Notes to no longer be qualified as "qualified school construction bonds" within the meaning of the Code.

SECTION 21. CONFLICTING PROCEEDINGS REPEALED. All orders, resolutions or proceedings of this Board in conflict with any provision hereof shall be, and the same are hereby

repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this Note Resolution shall become effective upon the adoption hereof.

Board Member \_\_\_\_\_ seconded the motion to adopt the foregoing resolution and, the question being put to a roll call vote, the result was as follows:

Board Member Mike Clayborne	Voted: _____
Board Member Amy Heyer	Voted: _____
Board Member Lee Tucker	Voted: _____
Board Member John Nail	Voted: _____
Board Member Eddie Prather	Voted: _____

Having received a majority of the affirmative votes of the Board, the Resolution passed on March 29, 2011.

**BOARD OF TRUSTEES OF THE  
TUPELO PUBLIC SCHOOL DISTRICT**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary



**Exhibit A to Note Resolution**

**Form of Certificate Regarding Tax Matters**

**Exhibit B to Note Resolution**  
**Form of Note Purchase Agreement**

**Exhibit C to Note Resolution**

**Form of Trust Agreement**