

**RESOLUTION TO DEFEASE OUTSTANDING BONDS
IN ORDER TO SAVE INTEREST COSTS AND INCREASE DISTRICT CASH FLOW**

BE IT RESOLVED by the Board of Directors of Fort Smith School District No. 100 of Sebastian County, Arkansas (the "District") that:

1. The District recognizes that interest savings may be achieved and cash flow will be improved by defeasing the District's outstanding bond issues dated June 1, 2011 (the "2011 Bonds") and October 1, 2010 (the "2010 Bonds") prior to their stated maturity.

2. The Superintendent of Schools (the "Superintendent") is instructed to deposit with the trustee for the 2011 Bonds and the trustee for the 2010 Bonds pursuant to Escrow Deposit Agreements, moneys sufficient to pay the principal of and the interest on the 2011 Bonds and the 2010 Bonds, including all necessary and proper fees in connection therewith.

3. The Superintendent shall instruct the trustee for 2011 Bonds and the trustee for the 2010 Bonds to send the required Call Notices to bondholders at least 30 days prior to the call date for each issue of Bonds. In addition, the trustee for the 2011 Bonds and the trustee for the 2010 Bonds is instructed to post the Call Notices on the Municipal Securities Board's (MSRB) Electronic Municipal Market Access (EMMA) website as required by the District's Continuing Disclosure Agreement.

