

Draft dated August 18, 2009

**RESOLUTION AUTHORIZING THE ISSUANCE OF BEEVILLE
INDEPENDENT SCHOOL DISTRICT MAINTENANCE TAX NOTES,
SERIES 2009, AND AUTHORIZING THE EXECUTION OF A PAYING
AGENT/REGISTRAR AGREEMENT, AN INVESTMENT LETTER AND
OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO**

**THE STATE OF TEXAS
COUNTY OF BEE
BEEVILLE INDEPENDENT SCHOOL DISTRICT**

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WHEREAS, Section 45.108, Texas Education Code, as amended (the "Act") authorizes the **BEEVILLE INDEPENDENT SCHOOL DISTRICT** (the "Issuer") to borrow money for the purpose of paying maintenance expenses and evidence those loans with negotiable notes in the aggregate principal amount not to exceed 75 percent of the Issuer's previous year's income; and

WHEREAS, the Issuer's income (excluding income derived from federal sources and interest and sinking fund taxes levied by the Issuer) for the fiscal year ended August 31, 2008 is sufficient to satisfy the 75 percent limitation set forth in the Act described in the preceding recital and to permit the issuance of the notes authorized by this Resolution; and

WHEREAS, the Act permits the notes to be payable from and secured by a lien on and pledge of any available funds of the Issuer, including proceeds of the Issuer's maintenance tax; and

WHEREAS, the duly qualified electors of the Issuer have heretofore approved at an election held within the Issuer on May 14, 1966, a proposition authorizing the Issuer to levy a maintenance tax for the maintenance of the public free schools within the Issuer at a rate not to exceed \$1.50 per \$100 of assessed valuation in accordance with Article 2784e-1, Tex. Rev. Civ. Stats.; and

WHEREAS, as required by the Act, the District has adopted a budget for the current school year; and

WHEREAS, the governing body of the Issuer desires to purchase computer equipment and related software, and desires to finance such expenditures and equipment with proceeds received from the sale of notes permitted by the Act; and

WHEREAS, the governing body of the Issuer deems it appropriate to adopt this Resolution and issue the "Notes" herein authorized as permitted by the Act; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF BEEVILLE INDEPENDENT SCHOOL DISTRICT:

SECTION 1. RECITALS, AMOUNT AND PURPOSE OF NOTES. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The Issuer's maintenance tax notes (hereinafter sometimes called the "Notes") are hereby authorized to be issued in the aggregate principal amount of ***\$438,000 FOR THE PURPOSE OF PURCHASING COMPUTER EQUIPMENT AND RELATED SOFTWARE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 45.108, TEXAS EDUCATION CODE, AS AMENDED, AND PAYING COSTS OF ISSUANCE.***

SECTION 2. DESIGNATION. The Notes authorized to be issued by this Resolution shall be designated as the *BEEVILLE INDEPENDENT SCHOOL DISTRICT MAINTENANCE TAX NOTES, SERIES 2009.*

SECTION 3. DATE, DENOMINATIONS, NUMBERS, AND MATURITIES OF NOTES. Initially there shall be issued, sold, and delivered hereunder one fully registered Note, without interest coupons, dated September 15, 2009, in the principal amount stated in Section 1 above, numbered T-1 (the "Initial Note") with Notes issued in replacement thereof being in denominations of \$5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, payable to the initial registered owner thereof (with the Initial Note being payable to the initial purchaser designated in Section 15 hereof), or to the registered assignee or assignees of said Notes or any portion or portions thereof (in each case, the "Registered Owner"), and said Notes shall mature and be payable serially on ***February 1*** in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

YEAR OF MATURITY	PRINCIPAL AMOUNT
2010	\$143,000
2011	145,000
2012	150,000

The term "Notes" as used in this Resolution shall mean and include collectively the Notes initially issued and delivered pursuant to this Resolution and all substitute Notes exchanged therefor, as well as all other substitute Notes and replacement Notes issued pursuant hereto, and the term "Note" shall mean any of the Notes.

SECTION 4. INTEREST. The Notes shall bear interest from the dates specified in the FORM OF NOTE set forth in this Resolution to their respective dates of maturity or redemption prior to maturity at the rate of ***3.00%***. Interest shall be payable in the manner provided and on the dates stated in the FORM OF NOTE set forth in this Resolution.

SECTION 5. CHARACTERISTICS OF THE NOTES. (a) Registration, Transfer, Conversion and Exchange; Authentication. The Issuer shall keep or cause to be kept at the designated corporate trust office of *Wells Fargo Bank, N.A.*, Austin, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer and exchange of the Notes (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the Issuer and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided within three days of presentation in due and proper form. Attached hereto as Exhibit A is a copy of the Paying Agent/Registrar Agreement between the Issuer and the Paying Agent/Registrar which is hereby approved in substantially final form, and the President and Secretary of the Board of Trustees of the Issuer are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Note to which payments with respect to the Notes shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Note or Notes. Registration of assignments, transfers and exchanges of Notes shall be made in the manner provided and with the effect stated in the FORM OF NOTE set forth in this Resolution. Each substitute Note shall bear a letter and/or number to distinguish it from each other Note.

Except as provided in Section 5(c) of this Resolution, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Note, date and manually sign said Note, and no such Note shall be deemed to be issued or outstanding unless such Note is so executed. The Paying Agent/Registrar promptly shall cancel all paid Notes or Notes surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the Issuer or any other body or person so as to accomplish the foregoing transfer and exchange of any Note or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Notes in the manner prescribed herein, and said Notes shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Notes as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Notes, the transferred and exchanged Notes shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Notes which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Notes and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the payment of the principal of and interest on the Notes, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records

of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Notes, and of all transfers and exchanges of Notes, and all replacements of Notes, as provided in this Resolution. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Notes (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Notes to be payable only to the registered owners thereof, (ii) shall be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Notes, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Notes shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Notes, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF NOTE set forth in this Resolution. The Initial Note is not required to be, and shall not be, authenticated by the Paying Agent/ Registrar, but on each substitute Note issued in exchange for the Initial Note issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF NOTE. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Note delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF NOTE below, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Note has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Issuer, and has been registered by the Comptroller.

(d) Substitute Paying Agent/Registrar. The Issuer covenants with the registered owners of the Notes that at all times while the Notes are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Notes under this Resolution, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Notes, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Notes,

by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) Delivery of Initial Note. On the closing date, one Initial Note representing the entire principal amount of the Notes, payable in stated installments to the initial registered owner named in Section 15 of this Resolution or its designee, executed by manual or facsimile signature of the Secretary and President of the Issuer, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Note, the Paying Agent/Registrar may cancel the Initial Note and deliver to the initial registered owner or its designee one registered definitive Note for each year of maturity of the Notes, in the aggregate principal amount of all of the Notes for such maturity.

SECTION 6. FORM OF NOTES. The form of the Notes, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Initial Note), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution.

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FORM OF NOTE

R-___

PRINCIPAL
AMOUNT
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF BEE
BEEVILLE INDEPENDENT SCHOOL DISTRICT
MAINTENANCE TAX NOTE
SERIES 2009

INTEREST
RATE

MATURITY
DATE

DATE
DELIVERY
September 22, 2009

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

ON THE MATURITY DATE specified above, **BEEVILLE INDEPENDENT SCHOOL DISTRICT** (the "Issuer"), in Bee County, Texas, being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the Principal Amount set forth above and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Delivery at the Interest Rate per annum specified above, payable on February 1, 2010 and semiannually on each August 1 and February 1 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity, except that if this Note is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such Principal Amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Note or Notes, if any, for which this Note is being exchanged or converted from is due but has not been paid, then this Note shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS NOTE are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Note shall be paid to the registered owner hereof upon presentation and surrender of this Note at maturity or upon the date fixed for its redemption prior to maturity at the designated corporate trust office of *Wells Fargo Bank, N.A.*, Austin, Texas, which is the "Paying Agent/Registrar" for this Note. The payment of interest on this Note shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of the Notes (the "Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest

payment date, to the registered owner hereof, at its address as it appeared on the fifteenth day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Note appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Note prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Note for redemption and payment to the Paying Agent/Registrar at the Designated Trust Office (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Notes shall be payable in the regular manner described above).

THE ISSUER COVENANTS WITH THE REGISTERED OWNER of this Note that on or before each principal payment date, interest payment date and accrued interest payment date for this Note it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Notes, when due.

IF THE DATE FOR THE PAYMENT OF THIS NOTE shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS NOTE IS ONE OF A SERIES OF NOTES, dated September 15, 2009, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of ***\$438,000 FOR THE PURPOSE OF PURCHASING COMPUTER EQUIPMENT AND RELATED SOFTWARE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 45.108, TEXAS EDUCATION CODE, AS AMENDED, AND PAYING COSTS OF ISSUANCE.***

ALL NOTES OF THIS SERIES are issuable solely as fully registered Notes, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Resolution, this Note or any unredeemed portion thereof may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Notes, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Note to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Resolution. Among other requirements for such assignment and transfer, this Note must be presented and surrendered to the Paying Agent/Registrar, together with the proper instruments of

assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Note or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Note or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Note may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Note or any portion or portions hereof from time to time by the registered owner. In the case of the assignment, transfer, conversion or exchange of a Note or Notes or any portion or portions thereof, the reasonable standard or customary fees and charges of the Paying Agent/Registrar will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Note or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, such limitation of transfer shall not be applicable to an exchange by the Registered Owner of an unredeemed balance of a Note called for redemption in part.

IN THE EVENT ANY PAYING AGENT/REGISTRAR FOR THE NOTES is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Notes.

IT IS HEREBY CERTIFIED, RECITED AND COVENANTED that this Note has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Note have been performed, existed and been done in accordance with law; that this Note is an obligation of the Issuer, issued on the full faith and credit thereof; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Note, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the Issuer, and have been pledged from the Issuer's annual ad valorem maintenance tax for such payment, within the limit prescribed by law.

BY ACCEPTANCE OF THIS NOTE, the registered owner assents to the terms and provisions of the Resolution, a copy of which is on file in the official records of the Issuer, and this Note, agrees to be bound by such terms and provisions, and agrees that the terms and provisions of this Note and the Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Note to be signed with the manual or facsimile signature of the President of the Board of Trustees of the Issuer and countersigned with the manual or facsimile signature of the Secretary of the Board of Trustees of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Note.

(signature)
Secretary, Board of Trustees

(signature)
President, Board of Trustees

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Note is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Note has been issued under the provisions of the Resolution described in the text of this Note; and that this Note has been issued in conversion or replacement of, or in exchange for, a Note, Notes, or a portion of a Note or Notes of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated:

WELLS FARGO BANK, N.A.
Austin, Texas
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Note, or duly authorized representative or attorney thereof, hereby assigns this Note to

_____ (Assignee's Social Security or Taxpayer Identification Number)	_____ (Print or typewrite Assignee's name and address, including zip code)
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and hereby irrevocably constitutes and appoints _____
attorney to register the transfer of the within Note on the books kept for registration thereof, with
full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by
a member firm of the New York Stock
Exchange or a commercial bank or trust
company.

NOTICE: The signature above must
correspond with the name of the Registered
Owner as it appears upon the front of this
Note in every particular, without alteration or
enlargement or any change whatsoever.

**FORM OF REGISTRATION CERTIFICATE OF THE
COMPTROLLER OF PUBLIC ACCOUNTS**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Note has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

INITIAL NOTE INSERTIONS:

The Initial Note shall be in the form set forth above except that:

- (A) Immediately under the name of the Note, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below".
- (B) The first paragraph shall be deleted and the following shall be inserted:

"ON THE RESPECTIVE MATURITY DATES specified below, ***BEEVILLE INDEPENDENT SCHOOL DISTRICT*** (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from the Delivery Date at the respective Interest Rates per annum specified below, payable on February 1, 2010, and semiannually on each August 1 and February 1 thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Note are set forth in the following schedule:

MATURITY DATE (FEBRUARY 15)	PRINCIPAL INSTALLMENT	INTEREST RATE	MATURITY DATE (FEBRUARY 15)	PRINCIPAL INSTALLMENT	INTEREST RATE

[Insert principal and interest information from Sections 3 and 4 above]

- (C) The Initial Note shall be numbered "T-1."

SECTION 7. INTEREST AND SINKING FUND/TAX LEVY. A special *Beeville Independent School District Maintenance Tax Notes, Series 2009 Interest and Sinking Fund* (the "Interest and Sinking Fund") is hereby created solely for the benefit of the Notes, and the Interest and Sinking Fund shall be established and maintained by the Issuer at an official depository bank of the Issuer for so long as the Notes or interest thereon are outstanding and unpaid. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the Issuer, and shall be used only for paying the interest on and principal of the Notes. Until expended for the purposes set forth in Section 1 hereof, the proceeds derived from the sale of the Notes shall be held as further security for the timely payment of the principal and interest on the Notes. All ad valorem taxes levied and collected for the Issuer's maintenance tax for and on account of said Notes, as collected, shall be deposited to the credit of the Interest and Sinking Fund. During each year while any of said Notes are outstanding and unpaid, the governing body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax for the Issuer's maintenance tax which will be sufficient to raise and produce the money required to pay the interest on said Notes as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of such Notes as such principal matures; and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied out of the maintenance tax of the Issuer, and is hereby ordered to be levied, against all taxable property in said Issuer for each year while any of said Notes are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Notes as such interest comes due and such principal matures, are hereby pledged from the maintenance tax of the Issuer for such payment, within the limit prescribed by law.

SECTION 8. CONSTRUCTION FUND. There is hereby created and established in the depository of the Issuer, a fund to be called the "*Beeville Independent School District Maintenance Tax Notes (Series 2009) Construction Fund*" - (herein called the "Construction Fund"). All proceeds from the sale and delivery of any Note (other than accrued interest, if any, which shall be deposited into the Interest and Sinking Fund) shall be deposited into the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the Issuer for payment of all costs incurred in carrying out the purpose for which the Notes are issued and for paying costs of issuance of the Notes. All funds remaining on deposit in the Construction Fund upon completion of purposes for which the Notes were issued shall be transferred to the Interest and Sinking Fund.

SECTION 9. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction Fund shall be secured by the depository bank of the Issuer in the manner and to the extent required by law to secure other public funds of the Issuer and may be invested from time to time in any investment authorized in the Public Funds Investment Act (Chapter 2256, Texas Government Code) and the Issuer's investment policy adopted in accordance with the provisions of the Public Funds Investment Act at the direction of the Superintendent or the chief financial officer of the Issuer; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the Issuer reasonably expects the funds from such investments will be required to pay costs of the projects for which the Notes were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the Issuer and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Notes. It is further provided, however, that any interest earnings

on Note proceeds which are required to be rebated to the United States of America pursuant to Section 13 hereof in order to prevent the Notes from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 10. DEFEASANCE OF NOTES. (a) Any Note and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Note") within the meaning of this Resolution, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Note, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Notes shall have become due and payable. At such time as a Note shall be deemed to be a Defeased Note hereunder, as aforesaid, such Note and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Notes and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Notes may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Notes, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

(d) Until all Defeased Notes shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Notes the

same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Notes of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Notes by such random method as it deems fair and appropriate.

SECTION 11. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED NOTES. (a) Replacement Notes. In the event any outstanding Note is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Note of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Note, in replacement for such Note in the manner hereinafter provided.

(b) Application for Replacement Notes. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Notes shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Note, the registered owner applying for a replacement Note shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Note, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Note, as the case may be. In every case of damage or mutilation of a Note, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Note so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Note shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on such Note, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Note) instead of issuing a replacement Note, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Notes. Prior to the issuance of any replacement Note, the Paying Agent/Registrar shall charge the registered owner of such Note with all legal, printing, and other expenses in connection therewith. Every replacement Note issued pursuant to the provisions of this Section by virtue of the fact that any Note is lost, stolen, or destroyed shall constitute a Note of the Issuer whether or not the lost, stolen, or destroyed Note shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Notes duly issued under this Resolution.

(e) Authority for Issuing Replacement Notes. In accordance with Section 1201, Texas Government Code, this Section of this Resolution shall constitute authority for the issuance of any such replacement Note without necessity of further action by the Issuer or any other body or person, and the duty of the replacement of such Notes is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such replacement Notes in the form and manner and with the effect, as provided in Section 5(a) of this Resolution for Notes issued in conversion and exchange of other Notes.

SECTION 12. CUSTODY, APPROVAL, AND REGISTRATION OF NOTES; BOND COUNSEL'S OPINION. The President of the Board of Trustees of the Issuer is hereby authorized to have control of the Notes initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Notes pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Notes said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Notes, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the Issuer's Bond Counsel (together with an appropriate certificate of the Secretary of the Board of Trustees relating to such opinion) may, at the option of the Issuer, be printed on the Notes issued and delivered under this Resolution, it shall not have any legal effect, and shall be solely for the convenience and information of the registered owners of the Notes.

SECTION 13. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE NOTES. (a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Notes as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Notes or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Notes, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Notes or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Notes (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Notes being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Notes being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Notes, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Notes, other than investment property acquired with –

(A) proceeds of the Notes invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Notes;

(7) to otherwise restrict the use of the proceeds of the Notes or amounts treated as proceeds of the Notes, as may be necessary, so that the Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings);

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Notes) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Notes have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and

(9) to assure that the proceeds of the bonds will be used solely for new money projects or to refund Refunded Bonds that were issued after December 31, 2003 and prior to January 1, 2009.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Notes. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Notes, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in

the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Notes under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Notes, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Notes under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Superintendent to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Notes.

(d) Allocation Of, and Limitation On, Expenditures for the Project. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Resolution (the "Project") on its books and records in accordance with the requirements of the Internal Revenue Code. The Issuer recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Notes, or (2) the date the Notes are retired. The Issuer agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Notes. For purposes hereof, the issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Disposition of Project. The Issuer covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Notes. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION 14. DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS. The Issuer hereby designates the Notes as "qualified tax-exempt bonds" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) that during the calendar year in which the Notes are issued, the Issuer (including any subordinate entities) has not designated nor will designate bonds, which when aggregated with the Notes, will result in more than \$10,000,000 (\$30,000,000 for taxable years beginning after December 31, 2008 and ending prior to January 1, 2011) of "qualified tax-exempt bonds" being issued; (b) that the Issuer reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Notes are issued, by the Issuer (or any subordinate entities) will not exceed \$10,000,000 (\$30,000,000 for taxable years beginning after December 31, 2008 and

ending prior to January 1, 2011); and, (c) that the Issuer will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Notes will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 15. SALE OF NOTES. The Notes are hereby initially sold and shall be delivered to *Presidio Short Term Tax Exempt Fund, L.P.* (the "Purchaser") for cash for the par value thereof and no accrued interest, pursuant to the private placement letter, attached hereto as Exhibit B, dated the date of the final passage of this Resolution which the President of the Board of Trustees is hereby authorized to execute and deliver. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable. The Notes initially shall be registered in the name of *Presidio Short Term Tax Exempt Fund, L.P.*

SECTION 16. FURTHER PROCEDURES. The President, Vice President and Secretary of the Board of Trustees of the Issuer, the Superintendent and Business Manager of the Issuer and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer the Paying Agent/Registrar Agreement and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Notes, the sale of the Notes and the Official Statement. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 17. RESOLUTION A CONTRACT; AMENDMENTS. The Resolution shall constitute a contract with the Registered Owners of the Notes, binding on the Issuer and its successors and assigns, and shall not be amended or repealed by the Issuer as long as any Note remains outstanding except as permitted in this Section. The Issuer may, without the consent of or notice to any Registered Owners, amend, change, or modify this Resolution as may be required (i) by the provisions hereof, (ii) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the Registered Owners. The Issuer may, with the written consent of the Registered Owners of a majority in aggregate principal amount of the Notes then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Resolution; provided that without the consent of all of the Registered Owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Notes, reduce the principal amount thereof or the rate of interest thereof, (ii) give any preference to any Note over any other Note, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Notes required for consent to any such amendment, change, modification, or rescission. Whenever the Issuer shall desire to make any amendment or addition to or rescission of this Resolution requiring consent of the Registered Owners, the Issuer shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to the Registered Owners at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the Issuer shall receive an instrument or instruments in writing executed by the Registered Owners of a majority in aggregate principal amount of the Notes then outstanding affected by any such amendment, addition, or rescission requiring the consent of the Registered Owners, which instrument or instruments shall refer to the

proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Registered Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 18. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the Issuer (i) defaults in the payment of the principal, premium, if any, or interest on the Notes, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution, the Holders of any of the Notes shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the Issuer and other officers of the Issuer to observe and perform any covenant, condition or obligation prescribed in this Resolution.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies, and the specification of such remedy shall not be deemed to be exclusive.

SECTION 19. NO RULE 15c2-12 UNDERTAKING; ANNUAL FINANCIAL STATEMENTS. The Issuer has not made an undertaking in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") in connection with the issuance of the Notes inasmuch as the Purchaser is not acting as an "underwriter in a primary offering of municipal securities" within the meaning of the Rule. The Issuer is not, therefore, obligated pursuant to the Rule to provide any on-going disclosure relating to the Issuer or the Notes.

SECTION 20. SECURITY INTEREST. Chapter 1208, Texas Government Code, applies to the issuance of the Notes and the pledge of the maintenance tax granted by the Issuer under Section 7 of this Resolution, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Notes are outstanding and unpaid such that the pledge of the maintenance tax granted by the Issuer under Section 7 of this Resolution is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Notes the perfection of the security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 21. INTERESTED PARTIES. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer and the registered owners of the Notes, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all 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 and the registered owners of the Notes.

SECTION 22. INCORPORATION OF RECITALS. The Issuer hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Issuer hereby incorporates such recitals as a part of this Resolution.

SECTION 23. CHOICE OF LAW. This Resolution shall be governed by and construed in accordance with the laws of the State of Texas.

SECTION 24. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Resolution shall become effective immediately after its adoption.

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***ADOPTED BY THE BOARD OF TRUSTEES OF THE BEEVILLE INDEPENDENT
SCHOOL DISTRICT AT A REGULAR MEETING HELD ON THE 25th DAY OF AUGUST,
2009.***

APPROVED:

President, Board of Trustees

ATTEST:

Secretary, Board of Trustees

(SEAL)

[SIGNATURE PAGE TO NOTE RESOLUTION]

EXHIBIT A

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS.

EXHIBIT B

THE INVESTMENT LETTER IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT.

BOND DEBT SERVICE

Beeville Independent School District
Maintenance Tax Notes, Series 2009

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2010	143,000	3.000%	4,708.50	147,708.50	
08/01/2010			4,425.00	4,425.00	
09/30/2010					152,133.50
02/01/2011	145,000	3.000%	4,425.00	149,425.00	
08/01/2011			2,250.00	2,250.00	
09/30/2011					151,675.00
02/01/2012	150,000	3.000%	2,250.00	152,250.00	
09/30/2012					152,250.00
	438,000		18,058.50	456,058.50	456,058.50

Beeville ISD

Lease vs. Maintenance Tax Notes for the Purchase of Computers

<u>Debt Type:</u>	<u>Company:</u>	<u>Loan Amount</u> ¹ :	<u>Interest Rate:</u>	<u>Total Interest Cost:</u>	<u>Interest Cost Savings with a Tax Note:</u>
Lease	DLL Lease	427,471.00	8.050%	56,182.33	(38,123.83)
Lease	National City Lease	427,471.00	4.495%	38,992.69	(20,934.19)
Maintenance Tax Note	Open Market Rates ²	438,000.00	3.000%	18,058.50	

Footnote:

(1) Assumes a 3 year repayment schedule.

(2) Currently, the going open market rate for a Maintenance Tax Note is 3.00%.

(3) The issuance of Maintenance Tax Notes requires issuance costs to cover Financial Advisor, Bond Attorney and Texas Attorney General's fees. For a transaction this size, the discounted rate is \$10,000. However, as shown above, even with the additional issuance costs on top of the loan amount, the District would save \$20,934.19 to \$38,123.83 in interest cost by issuing Maintenance Tax Notes at a lower interest rate versus a Lease at a higher interest rate.

Prepared by:
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