

A RESOLUTION CALLING ALL OF THE DISTRICT'S OUTSTANDING UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2001 FOR REDEMPTION PRIOR TO MATURITY; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, Chico Independent School District (the "District") has issued, and there are currently outstanding, the District's Unlimited Tax School Building Bonds, Series 2001, consisting of bonds maturing on February 15 in each of the years 2014 through 2016, inclusive, in the aggregate principal amount of \$330,000 (the "Bonds"); and

WHEREAS, in the order that authorized the issuance of the Bonds (the "Bond Order"), the District reserved the option to redeem the Bonds maturing on and after February 15, 2012 before their scheduled maturity, commencing August 15, 2008 or on any date thereafter, in whole or in part at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the redemption date; and

WHEREAS, the District will have funds available in the interest and sinking fund established for the Bonds to redeem a portion of the Bonds during the District's 2013-2014 fiscal year, and such redemption will reduce future debt payment requirements of the District; and

WHEREAS, this Board of Trustees finds and determines that it is necessary and in the best interests of the District to redeem all of the outstanding Bonds that mature on and after February 15, 2014 (the "Redeemed Bonds"), in the aggregate principal amount of \$330,000, with funds available for such purpose; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Resolution has been adopted was open to the public and public notice of the date, hour, place and subject of said meeting, including this Resolution, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551. Now, Therefore

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF CHICO INDEPENDENT SCHOOL DISTRICT:

Section 1. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Resolution are hereby adopted, restated and made a part of the operative provisions hereof.

Section 2. Redemption of Bonds.

The Redeemed Bonds, in the aggregate principal amount of \$330,000, are hereby called for redemption on December 11, 2013 (the "Redemption Date"), at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. Interest on the Redeemed Bonds shall cease to accrue on the Redemption Date. The Redeemed Bonds are further described in Exhibit A hereto.

Section 3. Authorization of Actions.

(a) The President of the Board or other authorized officer of the District is hereby authorized and directed to issue or cause to be issued the Notice of Redemption of the Redeemed Bonds in the form set forth in Exhibit A attached hereto to the Paying Agent/Registrar for the Redeemed Bonds (which Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A.).

(b) In addition, the Paying Agent/Registrar for the Redeemed Bonds is hereby directed to provide the appropriate notice of redemption as specified by the Bond Order and is hereby directed to make appropriate arrangements so that the Redeemed Bonds may be redeemed on their redemption date. The Redeemed Bonds shall be presented for redemption at the Paying Agent/Registrar therefor, and shall not bear interest after the date fixed for redemption.

(c) On or before the Redemption Date, the District shall deposit with the Paying Agent/Registrar for the Redeemed Bonds funds in an amount sufficient to provide for the redemption of the Redeemed Bonds, and to pay any costs associated with such redemption. Lawfully available funds of the District are hereby authorized and appropriated in the amounts necessary for such purpose.

(d) The officers and employees of the District are hereby authorized and directed to take such actions and to execute and deliver such documents, orders and receipts, including without limitation material events notices with respect to the Redeemed Bonds, as necessary or appropriate to consummate the transactions authorized by this resolution and to redeem the Redeemed Bonds in accordance with the provisions and requirements of the Bond Order.

(Execution Page Follows)

PASSED, APPROVED AND EFFECTIVE this October 21, 2013.

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President, Board of Trustees  
Chico Independent School District

ATTEST:

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Secretary, Board of Trustees  
Chico Independent School District

**EXHIBIT A  
NOTICE OF REDEMPTION**

**CHICO INDEPENDENT SCHOOL DISTRICT  
Unlimited Tax School Building Bonds, Series 2001**

**NOTICE IS HEREBY GIVEN** that the Chico Independent School District (the "District"), in Chico, Texas, has called for redemption on the date and at the redemption price specified, the below listed outstanding Bonds of the District as follows:

**Chico Independent School District Unlimited Tax School Building Bonds, Series 2001**, dated June 15, 2001, consisting of bonds maturing on February 15 in each of the years 2014 through 2016, inclusive, now outstanding in the aggregate principal amount of \$330,000 (the "Bonds"), in the amounts, on the redemption date, at the redemption price of the principal amount called for redemption plus accrued interest to the date fixed for redemption, as follows:

<u>Maturity Date (2/15)</u>	<u>Principal Amount Outstanding</u>	<u>Principal Amount Redeemed</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
2014	\$105,000	\$105,000	12/11/2013	100%
2015	\$110,000	\$110,000	12/11/2013	100%
2016	\$115,000	\$115,000	12/11/2013	100%

On December 11, 2013, interest on such Bonds shall cease to accrue and be payable.

THE BONDS SHALL BE REDEEMED in whole at The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, as the Paying Agent/Registrar for the Bonds. Upon presentation of the Bonds at the Paying Agent/Registrar on the aforementioned redemption date, the holder thereof shall be entitled to receive the redemption price equal to par and accrued interest to the redemption date.

NOTICE IS FURTHER GIVEN that due and proper arrangements have been made for providing the place of payment of the Bonds called for redemption with funds sufficient to pay the principal amount of the Bonds and the interest thereon to the redemption date. In the event the Bonds are not presented for redemption by the respective date fixed for their redemption, they shall not thereafter bear interest.

UNDER THE PROVISIONS of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), paying agents making payments of interest and principal on municipal securities may be obligated to withhold 28% tax from remittance to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Registered bondholders who wish to avoid the imposition of the tax should submit certified taxpayer identification numbers (via form W-9) when presenting the Bonds for payment.

THIS NOTICE is issued and given pursuant to the redemption provisions in the proceedings authorizing the issuance of the Bonds and in accordance with the recitals and provisions of each of the Bonds, respectively.

NOTICE IS FURTHER GIVEN that the Bonds should be submitted to the following address:

<u>First Class/Registered/ Certified Mail</u>	<u>Express Delivery</u>	<u>Hand Delivery</u>
The Bank of New York Mellon Trust Company, N.A. Global Corporate Trust P.O. Box 396 East Syracuse, NY 13057	The Bank of New York Mellon Trust Company, N.A. Global Corporate Trust 111 Sanders Creek Parkway East Syracuse, NY 13057	The Bank of New York Mellon Trust Company, N.A. Global Corporate Trust Corporate Trust Window 101 Barclay Street 1st Floor East New York, NY 10286