

RESOLUTION OF THE
BOARD OF SCHOOL DIRECTORS OF THE
WARREN COUNTY SCHOOL DISTRICT

RESOLUTION NO. _____

AUTHORIZING AND DIRECTING THE INCURRENCE OF NONELECTORAL DEBT OF WARREN COUNTY SCHOOL DISTRICT (THE 'BORROWER'), WARREN COUNTY, PENNSYLVANIA THROUGH THE ISSUANCE OF ITS GENERAL OBLIGATION NOTE (STATE PUBLIC SCHOOL BUILDING AUTHORITY) SERIES OF 2011 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THIRTY-FIVE MILLION FOUR HUNDRED THREE THOUSAND THREE HUNDRED THIRTY-THREE AND 35/100 DOLLARS (\$35,403,333.35) FOR THE PURPOSE OF PROVIDING FUNDS TO PAY COSTS OF (A) CERTAIN CAPITAL PROJECTS AND (B) ISSUING THE NOTE (COLLECTIVELY, THE 'PROJECT'); STATING THAT REALISTIC COST ESTIMATES HAVE BEEN MADE FOR THE CAPITAL PROJECT; AUTHORIZING THE PAYMENT OF OTHER CAPITAL PROJECTS UPON APPROPRIATE AMENDMENT HERETO; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE PROJECT FOR WHICH SAID NOTE IS ISSUED; DIRECTING THE PROPER OFFICERS TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND BORROWING BASE CERTIFICATE; COVENANTING THAT THE BORROWER SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; STATING A COVENANT AS TO PAYMENT OF PRINCIPAL AND INTEREST WITHOUT DEDUCTION FOR CERTAIN TAXES; SETTING FORTH THE SUBSTANTIAL FORM AND OTHER DETAILS OF THE NOTE; PROVIDING FOR THE SALE OF THE NOTE AT PRIVATE SALE BY NEGOTIATION AND ACCEPTING THE PROPOSAL FOR THE PURCHASE OF THE NOTE; APPOINTING A LOAN PAYING AGENT AND SINKING FUND DEPOSITORY; PROVIDING FOR PREPAYMENT OF THE NOTE; PROVIDING FOR EXECUTION OF THE NOTE, PAYMENT OF THE PURCHASE PRICE, APPLICATION AND INVESTMENT OF THE PROCEEDS THEREOF; CREATING A SINKING FUND; AUTHORIZING AND APPROVING A LOAN AGREEMENT WITH STATE PUBLIC SCHOOL BUILDING AUTHORITY; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE BORROWER TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; AUTHORIZING THE INCLUSION OF INFORMATION REGARDING THE BORROWER IN THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT; AUTHORIZING CONTINUING DISCLOSURE; AUTHORIZING THE PROPER OFFICERS OF THE BORROWER TO DO ALL THINGS NECESSARY TO CARRY OUT THE RESOLUTION AND TO PAY FINANCING COSTS; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE BORROWER TO PAY ISSUANCE COSTS; AND RESCINDING ALL INCONSISTENT RESOLUTIONS.

WHEREAS, the Warren County School District, Warren County, Pennsylvania, (the“Borrower”), a school district of the Commonwealth of Pennsylvania (the“Commonwealth”), has the power and authority, pursuant to the Local Government Unit Debt Act, 53 Pa. C.S.A. §§8001 et seq. (the“Act”), to incur non-electoral debt for the purposes of financing the costs of capital improvements in and for the Borrower and to evidence such non-electoral debt by the issuance and sale of its general obligation notes; and

WHEREAS, the State Public School Building Authority (the“Authority”) is undertaking a program (the“Program”) of providing financing for capital projects of school districts in the Commonwealth through the issuance, from time to time, by the Authority of its qualified school construction bonds and qualified zone academy bonds, in one or more series (the“Bonds”); and

WHEREAS, in accordance with Section 6431 of the Internal Revenue Code of 1986, as amended, the United States will provide a direct interest subsidy under the federal Qualified Zone Academy Bond program, which the Authority will pass through to the borrowers in proportion to their participation in the Program, including the Borrower; and

WHEREAS, the Authority will lend proceeds of the Bonds to school districts whose projects have been approved for the Program by the Pennsylvania Department of Education; and

WHEREAS, the Board of School Directors (the“Governing Body”) of the Borrower has expressed its intention to participate in the Program, and to borrow from the Authority the amount(s) for the capital project(s) described in Exhibit A hereto, and has authorized its appropriate officers to take such actions as may be necessary or convenient in connection with the Borrower's participation in the Program; and

WHEREAS, the Borrower has been approved by the Pennsylvania Department of Education to receive financing from proceeds of the Bonds to finance the Project (as such term is hereinafter defined); and

WHEREAS, the Borrower will enter into a loan agreement with the Authority (the “Loan Agreement”) pursuant to which the Authority will agree to loan proceeds of the Bonds to the Borrower and the Borrower will agree to repay the loan of Bond proceeds; and

WHEREAS, the Borrower now desires to incur non-electoral debt and to issue its general obligation note to the Authority in order, among other things, to evidence and secure its obligations under the Loan Agreement; and

WHEREAS, the Governing Body has determined that the sale of such general obligation note to the Authority at a private sale by negotiation pursuant to the Act is in the best financial interest of the Borrower; and

WHEREAS the Governing Body has determined to accept the Purchase Proposal (as hereinafter defined) of the Authority for the purchase of the Note, such sale to be conditioned upon, among other things, the receipt of approval from the Pennsylvania Department of Community and Economic Development (“DCED”) relating to the incurring of the maximum aggregate principal amount of the non-electoral debt to be evidenced by such general obligation note;

NOW THEREFORE, the Governing Body of the Borrower, pursuant to the Act, hereby resolves as follows:

Section 1. Incurrence of Debt; Amount and Purpose of Note. The Borrower hereby authorizes and directs the incurring of nonelectoral debt through the issuance of its General Obligation Note (State Public School Building Authority), Series of 2011 (the “Note”) in the maximum aggregate

principal amount of Thirty-Five Million Four Hundred Three Thousand Three Hundred Thirty-Three and 35/100 Dollars (\$35,403,333.35) for the purpose of providing funds to (a) pay costs of the planning, designing, constructing, furnishing and/or equipping of the capital projects described on Exhibit A attached hereto and made a part hereof (the“Capital Project”); and (b) to pay the costs of issuing the Note and the Borrower’s proportionate share of the costs of issuing the Bonds (collectively, the“Project”).

The Note will be a general obligation note of the Borrower.

Section 2. Cost and Realistic Useful Life; Other Capital Projects; Debt Service. Realistic cost estimates have been obtained by the Borrower for the Capital Project by qualified persons, as required by Section 8006 of the Act.

The Borrower hereby determines that the useful life of the Capital Project is at least 17 years from the date hereof, which shall exceed the final maturity of the Note. Nothing in this Section shall be construed to limit the Borrower’s authority hereafter to fix a useful life for the Capital Project for a number of years greater than the number of years set forth in this Section so long as any future determination is not greater than the useful life of such project.

The Borrower hereby reserves the right to undertake components of the Capital Project in such order and at such time or times as it shall determine and to allocate the proceeds of the Note and other available moneys to the final costs of the Project in such amounts and order of priority as it shall determine; but the proceeds of the Note shall be used solely to pay the“costs”, as defined in the Act, of the Project described herein or, upon appropriate amendment hereto, to pay the costs of other capital projects for which the Borrower is authorized to incur indebtedness.

In accordance with Section 8142(b)(2) of the Act, the annual mandatory sinking fund installments of the principal amount of the Note have been fixed so that the principal of the Note will be amortized, together with other outstanding debt, on at least an approximately level annual debt service plan.

Section 3. Debt Statement and Borrowing Base Certificate. The President or Vice-President of the Governing Body of the Borrower or the Treasurer of the Borrower and the Secretary or Assistant Secretary of the Borrower are hereby authorized and directed to prepare, certify, verify and file with DCED a Debt Statement required by Section 8110 of the Act and a Borrowing Base Certificate.

Section 4. Covenant to Pay Note. It is covenanted with the registered owners from time to time of the Note that the Borrower shall (a) include the amount of the debt service for the Note for each fiscal year in which such sums are payable in its budget for that year, (b) appropriate such amounts from its general revenues for the payment of such debt service, and (c) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of (which includes the annual mandatory sinking fund installments of the principal set forth on Schedule I (hereinafter defined)) and the interest on, the Note at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Borrower pledges its full faith, credit and taxing power, within the limits established by law. As provided by the Act, this covenant shall be specifically enforceable.

Section 5. Form and Terms of Note. The Note shall be issued in fully registered form, and shall be substantially in the form set forth in Exhibit B attached hereto and made a part hereof, subject only to such changes as counsel may recommend and the President of the Governing Body may approve, such approval to be conclusively evidenced by his or her execution thereof.

The maximum rate of interest per annum for the Note shall not exceed the rate set forth in Schedule I attached hereto and made a part hereof (“Schedule I”), and the principal amounts and mandatory

sinking fund installments payable in any year shall not exceed the maximum amounts set forth for such year in Schedule I. The final principal maturity of the Note shall not be later than September 1, 2027.

To the extent that the amount of the debt incurred by the Borrower exceeds the amount of the debt to be evidenced by the Note, appropriate officers of the Governing Body are authorized to file necessary documentation with the DCED in accordance with Section 8202 of the Act.

Interest shall accrue on the entire outstanding principal amount of the Note without regard to payments of mandatory sinking fund installments.

Section 6. Approval of Private Sale by Negotiation. After due deliberation and investigation, the Governing Body hereby determines that a private sale by negotiation is in the best financial interests of the Borrower.

The Borrower hereby invites, and authorizes the Authority to submit in the manner herein provided, the Authority's proposal for the purchase of the Note, consisting of a Note Purchase Agreement to be executed and delivered upon adoption of this Resolution, and a Confirmation of Note Purchase Agreement to be executed and delivered after pricing of the Bonds (collectively, the 'Purchase Proposal'), provided that such Note shall bear rates, and have such terms and other provisions not inconsistent with this Resolution.

The Purchase Proposal shall be submitted to the President or Vice President of the Governing Body and the Secretary or Assistant Secretary or Treasurer of the Borrower for approval and acceptance. The Purchase Proposal shall be substantially in the form set forth in Exhibit C hereto, with (a) such insertions as to interest rates, principal amounts, mandatory sinking fund installments, maturity dates and redemption provisions and related matters and (b) such deletions and amendments as the officers of the Borrower executing the Purchase Proposal, with the advice of counsel, shall approve. The sale of the Note shall be for a purchase price of not less than 98% of the aggregate principal amount of the Note. The execution and delivery of the Purchase Proposal by appropriate officers of the Borrower shall constitute conclusive evidence of such approval.

Section 7. Acceptance of Purchase Proposal. The execution and delivery of the Purchase Proposal by the President or Vice President of the Governing Body and attested by the Secretary or Assistant Secretary of the Borrower shall constitute acceptance hereunder of the Purchase Proposal.

Upon acceptance of the Purchase Proposal, as aforesaid, the Note shall be and hereby is awarded and sold to the Authority at a negotiated sale. Provided that the rate or rates per annum to be borne by the Note shall be satisfactory to the officers of the Borrower executing the Purchase Proposal and the Note conforms in all other respects to the requirements of the Act, the proper officers of the Borrower are authorized and directed to execute and deliver an acceptance of the Purchase Proposal.

Section 8. Paying Agent, Sinking Fund Depository and Registrar; Payment of Principal and Interest Without Deduction for Taxes. The proper officers of the Borrower are hereby authorized and directed to contract with Wells Fargo Bank, National Association, Pittsburgh, Pennsylvania, for its services as sinking fund depository, paying agent and registrar with respect to the Note (the 'Loan Paying Agent'), and such bank is hereby appointed to act in such capacities with respect to the Note.

The principal of (including the annual mandatory sinking fund installments of the principal) and interest on the Note shall be payable in lawful money of the United States of America at the corporate trust office of Wells Fargo Bank, National Association, Pittsburgh, Pennsylvania, or such other office as the Loan Paying Agent may designate in writing to the Borrower.

The principal or redemption price of, and mandatory sinking fund installments of and interest on, the Note is payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the Borrower assumes and agrees to pay.

Section 9. Prepayment of Note. The Note shall be subject to optional and mandatory prepayment prior to maturity as set forth in the Note and the Purchase Proposal; provided, however, that the Note shall be subject to prepayment (a) only in connection with the redemption of the Borrower's proportionate share of the Bonds, (b) with the prior written consent of the Authority, (c) upon receipt by the Authority of confirmation from any applicable rating agency to the effect that the rating of the Bonds then in effect will not be adversely affected by such prepayment; (d) upon receipt by the Authority of an opinion of bond counsel to the effect that such prepayment will not adversely affect the receipt by the Authority of the interest subsidy with respect to the Bonds from the United States and (e) upon payment by the Borrower, in addition to the prepayment price of the Note, of all fees, costs and expenses of the Authority in connection with such prepayment, including the amount of any breakage fee or similar amounts, payable by the Authority in connection with the termination, modification or reduction of any investment agreement related to the Bonds resulting from such prepayment; and provided further, however, that clauses (c) and (d) of this Section shall not apply to any mandatory prepayment of the Note.

Section 10. Execution of Note; Payment of Purchase Price; Application of Proceeds; Investment of Project Account. The Note shall be executed by the President or the Vice President of the Governing Body of the Borrower and shall have the corporate seal of the Borrower affixed thereto, duly attested by the Secretary or Assistant Secretary of the Borrower and said officers are hereby authorized and directed to execute the Note in such manner. If any officer whose signature appears on the Note shall cease to hold such office before the actual delivery date of such Note, such signature shall nevertheless be valid and sufficient for all purposes as if such person had remained in such office until the actual delivery date of such Note. The President or Vice President of the Governing Body is authorized and directed to deliver, or cause to be delivered, the Note to the Authority, as purchaser thereof or to its assignee, against the full balance of the purchase price therefor. The purchase price for the Note shall be paid by the deposit by the Authority with the trustee for the Bonds (the "Trustee") of moneys in an amount equal to the actual principal amount of the Note. Such moneys shall be held by the Trustee in a segregated account (the "Project Account") and applied (a) to pay the Borrower's proportionate share of the costs of issuing the Bonds, and (b) upon requisition, from time to time, by the Borrower, to pay the costs of issuing the Note and the costs of the Capital Project. Pending such application, the President, the Vice President or the Treasurer of the Governing Board is hereby authorized and directed to cause the money so deposited in the Project Account to be invested or deposited and insured or secured as permitted and required by applicable provisions of the Pennsylvania Public School Code of 1949, as amended (the "School Code"). If so provided in the Loan Agreement, moneys held in the Project Account shall be invested or deposited at the direction of the Authority or of the Trustee, provided that such investments or deposits shall be permitted under the School Code. All income received on such deposits or investments of moneys in the Project Account shall be added to the Project Account and applied to pay costs of the Capital Project upon requisition by the Borrower. Amounts remaining in the Project Account three years after the date of issuance of the Bonds shall be applied to the mandatory prepayment of the Note and the redemption of Bonds if and to the extent required therein.

Section 11. Sinking Fund for Note; Appropriation of Annual Amounts for Payment of Debt Service. The Borrower covenants that there shall be and there is hereby established and that it shall hereafter maintain a sinking fund (the "Sinking Fund") entitled "Warren County School District General Obligation Note (State Public School Building Authority) Series of 2011" to be held by the Loan Paying Agent (or such substitute or successor Loan Paying Agent which shall hereafter be appointed in

accordance with the provisions of the Act) in the name of the Borrower, but subject to withdrawal only by the Loan Paying Agent and into the Sinking Fund there shall be paid, when and as required, all moneys necessary to pay the debt service on the Note, and the Sinking Fund shall be applied exclusively to the payment of the interest covenanted to be paid upon the Note and to the principal thereof at maturity or prior redemption and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

Pending application to the purposes for which the Sinking Fund is established, the President, the Vice President or Treasurer of the Governing Body is hereby authorized and directed to cause the moneys therein to be invested or deposited and insured or secured as permitted and required by Section 8224 of the Act. If so provided in the Loan Agreement, the moneys in the Sinking Fund shall be invested or deposited at the direction of the Authority or of the Trustee for the Bonds, provided that such investments or deposits shall be permitted under Section 8224 of the Act. All income received on such deposits or investments of moneys in the Sinking Fund during each applicable period shall be added to the Sinking Fund and shall be credited against the deposit next required to be made in the Sinking Fund.

The Loan Paying Agent is hereby authorized and directed, without further action by the Borrower, to pay from the Sinking Fund the principal of and interest on the Note as the same become due and payable in accordance with the terms thereof, and the Borrower hereby covenants that such moneys, to the extent required, will be applied to such purposes.

All moneys deposited in the Sinking Fund for the payment of the Note which have not been claimed by the owners thereof after two years from the date payment is due, except where such moneys are held for the payment of outstanding checks, drafts or other instruments of the Loan Paying Agent, shall be returned to the Borrower. Nothing contained herein shall relieve the Borrower of its liability to the holder of an unpresented Note.

In each of the fiscal years ending June 30, 2011 through 2028, the amounts shown in the accepted Purchase Proposal shall be pledged to pay the debt service on the Note, and such amounts are annually hereby appropriated to the Sinking Fund for the payment thereof.

Section 12. Loan Agreement. The President, Vice President, Treasurer, Secretary or Assistant Secretary of the Borrower are authorized to execute and deliver the Loan Agreement substantially in the form set forth in Exhibit D hereto, which is hereby approved, subject only to such changes as counsel may recommend and the President, Vice President or Treasurer of the Governing Body may approve, such approval to be conclusively evidenced by his or her execution thereof.

Section 13. Debt Proceedings. The Secretary or Assistant Secretary of the Borrower is hereby authorized and directed to certify to and file with DCED, in accordance with the Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including the debt statement and borrowing base certificate hereinabove referred to, and to pay the filing fees necessary in connection therewith.

Section 14. Preliminary Official Statement and Official Statement. The Borrower hereby authorizes the inclusion of information regarding the Borrower in an appendix to the Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement") and the Official Statement relating to the Bonds (the "Official Statement").

Section 15. Continuing Disclosure Agreement. The President, Vice President, Treasurer, Secretary or Assistant Secretary of the Borrower are authorized to execute and deliver a Continuing Disclosure Agreement in form and substance acceptable to them, subject only to such changes as counsel

may recommend and the President, Vice President or Treasurer of the Governing Body may approve, such approval to be conclusively evidenced by his or her execution thereof.

Section 16. Incidental Actions. The proper officers of the Borrower are hereby authorized, directed and empowered on behalf of the Borrower to execute any and all agreements, papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the purposes of this Resolution and payment of costs of issuance, including any investment agreements as may be appropriate in connection with investing the proceeds of the Note.

Section 17. Payment of Issuance Costs and Program Expenses. The proper officers of the Borrower are hereby authorized and directed to pay the costs of issuing the Note and the Borrower's proportionate share of the costs of issuing the Bonds at the time of delivery of the Note to the Authority; provided that the total of such costs shall not exceed the amount of Note proceeds available therefor. In addition, the proper officers of the Borrower are hereby authorized and directed to pay the Borrower's proportionate share of fees and expenses of the Program.

Section 18. Inconsistent Resolutions. All Resolutions or parts of Resolutions inconsistent herewith be and the same hereby are rescinded, cancelled and annulled.

Section 19. Effective Date. This Resolution shall take effect on the earliest date permitted by the Act.

WARREN COUNTY SCHOOL DISTRICT
COUNTY OF WARREN, PENNSYLVANIA

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the Board of School Directors hereby certifies on this 11th of April, 2011, that:

1. The foregoing Resolution authorizing the issuance and sale of Thirty-Five Million Four Hundred Three Thousand Three Hundred Thirty-Three and 35/100 Dollars (\$35,403,333.35) General Obligation Note (State Public School Building Authority) Series of 2011, of the Warren County School District, was duly moved and seconded and adopted by a majority vote of all the members of the Governing Body of said Borrower at a duly called and convened public meeting of said Board held on April 11, 2011, that public notice of said meeting was given as required by law; and that the roll of the Board was called and such members voted or were absent as follows:

<u>Name</u>	<u>Vote</u>

2. Said Resolution has not been altered, amended, modified, suspended and is still in full force and effect as of the date of the delivery of this Certificate.

WITNESS my hand and seal of the Warren County School District as of the date first written above.

Secretary

SCHEDULE I

WARREN COUNTY SCHOOL DISTRICT
Warren COUNTY, PENNSYLVANIA
\$35,403,333.35
General Obligation Note
(State Public School Building Authority)
Series of 2011

MAXIMUM PRINCIPAL OR MANDATORY SINKING FUND INSTALLMENTS, PAYMENT
DATES, DEBT SERVICE AND INTEREST RATES

Payment Date	Maximum Principal or Mandatory Sinking Fund Installments	Interest Rate	Interest	Debt Service	Fiscal Year Debt Service
5/26/2011				-	-
9/1/2011	-	8.00%	940,000.00	940,000.00	
3/1/2012	-		940,000.00	940,000.00	1,880,000.00
9/1/2012	420,000.00	8.00%	940,000.00	1,360,000.00	
3/1/2013	-		940,000.00	940,000.00	2,300,000.00
9/1/2013	420,000.00	8.00%	940,000.00	1,360,000.00	
3/1/2014	-		940,000.00	940,000.00	2,300,000.00
9/1/2014	1,200,000.00	8.00%	940,000.00	2,140,000.00	
3/1/2015	-		940,000.00	940,000.00	3,080,000.00
9/1/2015	1,415,000.00	8.00%	940,000.00	2,355,000.00	
3/1/2016	-		940,000.00	940,000.00	3,295,000.00
9/1/2016	1,415,000.00	8.00%	940,000.00	2,355,000.00	
3/1/2017	-		940,000.00	940,000.00	3,295,000.00
9/1/2017	1,415,000.00	8.00%	940,000.00	2,355,000.00	
3/1/2018	-		940,000.00	940,000.00	3,295,000.00
9/1/2018	2,050,000.00	8.00%	940,000.00	2,990,000.00	
3/1/2019	-		940,000.00	940,000.00	3,930,000.00
9/1/2019	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2020	-		940,000.00	940,000.00	4,836,666.67
9/1/2020	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2021	-		940,000.00	940,000.00	4,836,666.67
9/1/2021	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2022	-		940,000.00	940,000.00	4,836,666.67
9/1/2022	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2023	-		940,000.00	940,000.00	4,836,666.67
9/1/2023	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2024	-		940,000.00	940,000.00	4,836,666.67
9/1/2024	3,225,000.00	8.00%	940,000.00	4,165,000.00	
3/1/2025	-		940,000.00	940,000.00	5,105,000.00
9/1/2025	3,020,000.00	8.00%	940,000.00	3,960,000.00	
3/1/2026	-		940,000.00	940,000.00	4,900,000.00
9/1/2026	3,020,000.00	8.00%	940,000.00	3,960,000.00	
3/1/2027	-		940,000.00	940,000.00	4,900,000.00
9/1/2027	3,020,000.00	8.00%	940,000.00	3,960,000.00	
3/1/2028	-		-	-	3,960,000.00
35,403,333.35			31,020,000.00	66,423,333.35	66,423,333.35

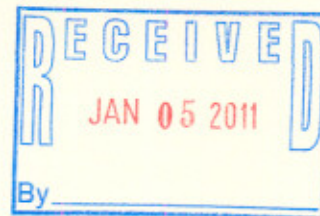
EXHIBIT A

DESCRIPTION OF CAPITAL PROJECT

[Pennsylvania Department of Education approval to be attached]



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION
333 MARKET STREET
HARRISBURG, PA 17126-0333



SECRETARY OF EDUCATION

December 21, 2010

717-787-5820 (TEL)
717-787-7222 (FAX)
717-783-8445 (TTY)

*Copy to
Board
Hb. Kennel
Larry Conrad*

Dr. Robert E. Terrill
Superintendent
Warren County School District
185 Hospital Drive
North Warren, PA 16365-4885

Re: Qualified Zone Academy Bond Allocation

Dear Dr. Terrill:

I am pleased to inform you that the Warren County School District has been allocated \$23,500,000 for the Qualified Zone Academy Bond (QZAB) Program. See the attached list for the project buildings that qualify for QZAB.


The State Public School Building Authority (SPSBA) will issue the bonds. SPSBA has chosen bond counsel, a financial advisor and underwriters for the issuance of the QZABs. The SPSBA financing team will be contacting the school district with specific instructions for bond issuance. The school district is encouraged to have its local bond professionals coordinate with the SPSBA financing team to facilitate and expedite the process. While federal limits apply, the costs of the local bond professionals are eligible to be paid out of the school district's share of the QZAB proceeds. Please note that arbitrage rules, spend down requirements and IRS reporting requirements must be followed.

All bond-related documents and expenditure documentation related to this program should be retained for future auditing purposes. If the school district plans to seek state reimbursement through the PlanCon process for any of these projects, QZAB financing costs and revenue sources must be reported on PlanCon Part D, "Project Accounting Based on Estimates," and/or on PlanCon Part G, "Project Accounting Based on Bids."

Dr. Terrill
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December 21, 2010

If the school district decides not to use the QZAB allocation or will not be using the full amount allocated, please notify the Division of School Facilities in writing so that allocations can be granted to other qualifying school districts. If you have any questions, contact the Division of School Facilities at (717) 787-5480 or at ra-schoolfacilities@state.pa.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas E. Gluck', with a long horizontal flourish extending to the right.

Thomas E. Gluck
Acting Secretary of Education

Attachment

cc: SPSBA

**Qualified Zone Academy Bonds (QZAB): 2008, 2009 and 2010
Third Solicitation – Award of Allocation**

District	School Building Name	Project Description	QZAB Request	QZAB Allocation
bunty	Beaty Warren Middle School	Geothermal; rainwater cisterns; replace electrical, heating, windows, lighting, plumbing; security; asbestos removal; Pre-Kindergarten; STEM	\$17,700,000	\$11,500,000
bunty	Eisenhower Middle/Senior HS	Geothermal; rainwater cisterns; replace electrical, heating, windows, lighting, plumbing; security; asbestos removal; Pre-Kindergarten; STEM	\$18,483,200	\$12,000,000
Total			\$36,183,200	\$23,500,000

EXHIBIT B
FORM OF NOTE

[ATTACHMENT 6]
[SPSBA QSCB/QZAB PROGRAM FORM - NOTE]

NOTE

[\$[Loan Amount]

[*BORROWER NAME*] SCHOOL DISTRICT
[*COUNTY*] COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTE
(STATE PUBLIC SCHOOL BUILDING AUTHORITY)
SERIES OF 2011

FINAL MATURITY DATE: _____, 20__

INTEREST RATE: ____%

ORIGINAL ISSUANCE DATE: _____, 2011

REGISTERED OWNER: STATE PUBLIC SCHOOL BUILDING AUTHORITY

PRINCIPAL AMOUNT: _____ DOLLARS (\$[Loan Amount])

[*Borrower Name*] School District, [*County*] County, Pennsylvania (the “Issuer”), a School District existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”), promises to pay to the order of the State Public School Building Authority (the “Authority”), or registered assigns, the principal amount of [*Word Amount*] Dollars (\$[Loan Amount]), and to pay interest on the principal amount hereof, which, from time to time, shall remain unpaid, from the date hereof, at the rate of interest set forth above, at the times and in the manner hereinafter provided.

This Note is the only one of its series, known generally as “General Obligation Note (State Public School Building Authority) Series of 2011” (the “Note”). This Note is issued in the form of a fully registered note without coupons, is in the principal amount set forth above and is issued in accordance with the provisions of the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, as amended (the “Act”) and by virtue of a resolution of the Issuer duly adopted on _____, 2011 (the “Resolution”), and the sworn statement of the duly authorized officers of the Board of School Directors (the “Governing Body”) as appears on record in the office of the Pennsylvania Department of Community and Economic Development (“DCED”). This Note is a general obligation note of the Issuer.

The Resolution constitutes a contract between the Issuer and the registered owner, from time to time, of this Note. Reference is also made to a Loan Agreement (the “Loan Agreement”) between the Authority, as lender, and the Issuer, as borrower, pursuant to which the Authority has agreed to finance the Borrower Project, as defined in the Loan Agreement, in consideration of the issuance and delivery of this Note to or for the benefit of the Authority, a copy of which Loan Agreement is on file with the Secretary of the Issuer.

The Authority is undertaking a program consisting of providing financing for capital projects of school districts in the Commonwealth through the issuance, from time to time, by the Authority of its

qualified school construction bonds, in one or more series (the “Bonds”) pursuant to a Trust Indenture between the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”).

Interest Payments

Interest on this Note shall be paid in arrears on each [___] 1 and [___] 1. Interest on this Note will be computed on the basis of a 360-day year, consisting of twelve 30-day months. Such interest shall be payable either until maturity or, in the event that this Note shall have been duly called for previous redemption, in full, and payment of the redemption price shall have been made or provided for, until the date fixed for redemption.

This Note shall bear interest at the rate per annum equal to the lesser of the Interest Rate specified on the first page hereto and the maximum rate of interest per annum for this Note set forth in Exhibit I attached hereto and incorporated herein. Interest shall accrue on the entire outstanding principal amount of this Note without regard to payments of mandatory sinking fund installments.

Principal Payment

Except as otherwise set forth herein under the caption entitled “Prepayment,” the principal and mandatory sinking fund installments of this Note shall be payable in [___] consecutive annual installments commencing on [___], 2011, in accordance with the Debt Service Schedule attached hereto as Exhibit I.

Any provisions hereof to the contrary notwithstanding, the entire balance of principal (which includes the annual mandatory sinking fund installments of the principal set forth on Exhibit I (hereinafter defined)) and all accrued and unpaid interest shall be due and payable on [___], 20[___].

The principal or redemption price of, mandatory sinking fund installments of and interest on, this Note shall be payable at the corporate trust office of Wells Fargo Bank, National Association, Pittsburgh, Pennsylvania, (the “Paying Agent”) in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

Prepayment

This Note shall be subject to prepayment prior to maturity as set forth below; provided, however, that this Note shall be subject to prepayment (i) only in connection with the redemption of the Issuer’s proportionate share of the Bonds, (ii) with the prior written consent of the Authority, (iii) upon receipt by the Authority of confirmation from any applicable rating agency to the effect that the rating of the Bonds then in effect will not be adversely affected by such prepayment; (iv) receipt by the Authority of an opinion of bond counsel to the effect that such prepayment will not adversely affect the receipt by the Authority of the interest subsidy with respect to the Bonds from the United States and (v) upon payment by the Issuer, in addition to the prepayment price of this Note, of all fees, costs and expenses of the Authority in connection with such prepayment, including the amount of any breakage fee or similar amounts, payable by the Authority in connection with the termination, modification or reduction of any investment agreement related to the Bonds resulting from such prepayment; provided further, however, that clauses (iii) and (iv) above shall not apply to any mandatory prepayment of this Note as set forth below.

[Make-Whole Optional Prepayment]. This Note is subject to prepayment at the option of the Issuer at any time, in whole or in part (and if in part, in inverse order of maturity), at a redemption price equal to the greatest of (i) 100% of the principal amount of this Note to be prepaid, (ii) the initial offering price of the Bonds allocable to this Note or portion thereof to be prepaid (the “Related Bonds”) and (iii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity

date of the Related Bonds to be redeemed in connection with such prepayment, not including any portion of those payments of interest accrued and unpaid as of the date on which the Related Bonds are to be redeemed, discounted to the date on which the Related Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (hereinafter defined) plus [] basis points, plus, in each case, accrued and unpaid interest on this Note or portion thereof to be prepaid on the date of prepayment.

The “Treasury Rate” is, as of any prepayment date of this Note, the yield to maturity as of such prepayment date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such prepayment date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such prepayment date to the maturity date of this Note; provided, however, that if the period from such prepayment date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.]

Extraordinary Optional Prepayment. This Note is subject to prepayment at the option of the Issuer, in whole or in part (and if in part, in inverse order of maturity), upon the occurrence of an Extraordinary Event, at a redemption price equal to the greatest of (i) 100% of the principal amount of this Note to be redeemed, (ii) the initial offering price of the Related Bonds and (iii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Related Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Related Bonds are to be redeemed, discounted to the date on which such Related Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus [] basis points, plus, in each case, accrued and unpaid interest on this Note or portion thereof to be prepaid on the date of prepayment. An “Extraordinary Event” will have occurred if Section 6431 of the Code is modified, amended or interpreted in a manner pursuant to which the Direct Payments from the United States Treasury in respect of interest paid on the Bonds are reduced or eliminated other than as a result of the reduction in the principal amount of the Bonds.]

Mandatory Prepayment. This Note is subject to prepayment, in whole or in part (and if in part, in inverse order of maturity), to the extent that unexpended proceeds of the Bonds allocable to this Note remain three years after the date of issuance of the Bonds and the U.S. Treasury has not granted an extension to the Authority, at a redemption price equal to 100% of the principal amount of this Note to be prepaid, plus accrued and unpaid interest on this Note or portion thereof to be prepaid on the date of prepayment.

Notice of Prepayment. Any prepayment, as hereinbefore authorized, shall be upon notice given in writing by the Paying Agent, at the direction of the Issuer, not more than 60 and not less than 45 days prior to the date fixed for prepayment, by mailing a copy of the prepayment notice by first class United States mail, postage prepaid, or by another method of giving notice which is acceptable to the Paying Agent and customarily used by fiduciaries for similar notices at the time such notice is given, to the registered owner of this Note. Such notice shall be mailed to the address of such registered owner appearing on the registration books of the Issuer to be kept by the Paying Agent for such purpose, unless such notice is waived by the registered owner of this Note. Notice shall also be given to the Program Administrator, as such term is defined in the Loan Agreement. On the date designated for prepayment, notice having been given as aforesaid and money for payment of the principal and accrued interest being held by the Paying Agent, interest on this Note or on any part of the principal of this Note selected for prepayment, as applicable, shall cease to accrue. If this Note shall have been called for prepayment in

full, this Note shall cease to be entitled to any benefit or security under the Resolution and the registered owner of this Note shall have no rights with respect to this Note, except to receive payment of the principal of, and accrued interest on, this Note to the prepayment date.

Certifications

It is hereby certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the Issuer, is not in excess of any applicable limitation imposed by the Act upon the incurring of the debt of the Issuer which is evidenced by this Note.

Covenants

It is covenanted with the registered owners from time to time of this Note that the Issuer shall (i) include the amount of the debt service for each fiscal year in which the sums are payable in its budget for that year, (ii) appropriate those amounts from its general revenues for the payment of the debt service, and (iii) duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal or redemption price of, and the interest on, this Note at the dates and places and in the manner stated in this Note, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Issuer pledges its full faith, credit and taxing power, within the limits established by law. As provided in the Act, this covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this paragraph shall be construed to give the Issuer any taxing power not granted by another provision of law.

Sinking Fund

The Issuer has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal or redemption price of, and the interest on, this Note shall be deposited not later than the date fixed for disbursement thereof. The Issuer has covenanted in the Resolution to make payments out of such sinking fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of the principal or redemption price of, and interest on, this Note.

Transfer

This Note is transferable by the Authority or by any subsequent registered owner in person or by his attorney duly authorized, in writing, at the principal corporate trust office of the Paying Agent, but only upon notation of such registration hereon and on the records of the Issuer to be kept for that purpose at the principal corporate trust office of the Paying Agent by a duly authorized representative of the Paying Agent acting in behalf of the Issuer. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest hereon and for all other purposes, whether or not this Note shall be overdue. The Issuer and the Paying Agent shall not be affected by any notice to the contrary.

IN WITNESS WHEREOF, the [*Borrower Name *] School District, [*County*] County, Pennsylvania, has caused this Note to be signed in its name by the manual or facsimile signature of the President or Vice President of its Governing Body and its corporate seal (or a facsimile thereof) to be impressed hereon and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of _____, 2011.

[SEAL]

[*BORROWER NAME*] SCHOOL DISTRICT

ATTEST:

Name:
Title:

By: _____
Name:
Title:

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED REPRESENTATIVE OF THE PAYING AGENT, OR OF ANY SUCCESSOR PAYING AGENT, ACTING AS REGISTRAR, IN BEHALF OF THE WITHIN NAMED ISSUER.

Date of Registry (Authorized Representative)	Name of Registered Owner	Registrar

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Note, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACTCustodian.....

(Cust) (Minor)

under Uniform Gifts to Minors

Act.....

(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please type or print name, address (including postal zip code) and social security or other tax

identification number of the transferee)

the within Note and all rights thereunder, hereby irrevocably appointing

_____ his/her attorney to transfer said Note on the note register with
full power of substitution in the premises.

Dated:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an
approved eligible guarantor institution, an
institution that is a participant in a Securities
Transfer Association recognized signature
guaranteed program.

NOTICE: No transfer will be made in the name of the Transferee unless the signature to this assignment corresponds with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust and the name of the trustee must be supplied.

**EXHIBIT I
TO
GENERAL OBLIGATION NOTE
(STATE PUBLIC SCHOOL BUILDING AUTHORITY)
SERIES OF 2011**

MAXIMUM PRINCIPAL OR MANDATORY SINKING FUND INSTALLMENTS, PAYMENT
DATES, DEBT SERVICE AND INTEREST RATE

<u>Payment Date</u>	Maximum Principal or Mandatory Sinking Fund <u>Installments</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Debt Service</u>	Fiscal Year <u>Debt Service</u>
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The Note is subject to redemption under certain circumstances upon written notice as provided in the Note.

EXHIBIT C

FORM OF PURCHASE PROPOSAL

Not to Exceed Principal Amount Set Forth in Appendix I
NOTE PURCHASE AGREEMENT

SCHOOL DISTRICT
General Obligation Note
(State Public School Building Authority)
Series of 2011

April 11, 2011

Board of School Directors
At the address set forth in Appendix I

Dear Board Members:

Subject to the terms and conditions hereof, the State Public School Building Authority (the "Authority") agrees to purchase and you agree to sell the School District's General Obligation Note (State Public School Building Authority) Series of 2011 in the maximum aggregate principal amount set forth in Appendix I (the "Note") at a purchase price equal to the aggregate principal amount of the Note.

The Note shall be issued as a fully registered Note and shall be dated as of the date of issuance. The Note shall mature on the dates (subject to prior redemption as described in Appendix I hereto) and shall bear interest at the interest rates (on a not to exceed basis) set forth in said Appendix I, and shall be payable at the times and in the manner, and shall otherwise have the terms and provisions specified by the Resolution and the Loan Agreement (hereinafter defined) consistent with the parameters set forth in this Agreement.

The final purchase price, interest rates, annual mandatory sinking fund installments of the principal amount of the Note, redemption provisions (optional and mandatory), and any other appropriate terms and conditions applicable to the Note shall be as set forth in a Confirmation to this Agreement substantially in the form set forth in Appendix II attached hereto (the "Confirmation") to be executed by the School District and the Authority prior to the Closing Time (hereinafter defined).

The Note shall be issued in accordance with provisions of the Local Government Unit Debt Act 53 Pa. C.S.A. Chapters 80-82 (the "Act") of the Commonwealth of Pennsylvania (the "Commonwealth") and by virtue of a duly adopted resolution of the School District defined in Appendix I hereto (the "Resolution"). Reference is also made to the Loan Agreement (the "Loan Agreement") between the School District and the Authority pursuant to which the Authority has agreed to finance the Borrower Project (as defined in the Loan Agreement) in consideration of the issuance and delivery of the Note to or for the benefit of said Authority, the form of which Loan Agreement is on file with the Secretary of the School District.

Delivery of the Note against payment therefor will be made on a date to be agreed to by the parties hereto and set forth in the Confirmation, with the understanding that this date can be changed by mutual consent. Said date at which the closing is scheduled to occur is herein called the "Closing Time."

1. The School District hereby represents and warrants to the Authority that:
 - a) The information provided by the School District in the Application for financing and Borrower Profile, and for inclusion in the Preliminary Official Statement and the Official Statement related to the Authority's qualified school construction bonds (the "Bonds"), is, and will

be at the Closing Time, true in all material respects and does not, and will not as of the Closing Time, contain any untrue or misleading statement or omit any statement of a material fact related to such information necessary to make said information not misleading. In addition, based upon a review of the Application, the School District has no knowledge that any information contained therein is not, or at the Closing Time will not be, true in all material respects or omits, or as of the Closing Time will omit, any statement of a material fact necessary to make such information not misleading.

b) The School District is not in violation of any provisions of the Constitution of the Commonwealth or applicable law, has full power and authority to issue the Note and to enter into, carry out and consummate all proceedings and transactions contemplated by this Agreement, the Note, the Resolution, the Loan Agreement and any other agreements relating to the Note.

c) When delivered to and paid for by the undersigned at Closing, the Note will have been duly authorized, executed, issued and delivered and will constitute a valid and binding general obligation of the School District.

d) Debt proceedings of the School District at the Closing Time (the "Debt Proceedings") will have been approved by the Department of Community and Economic Development of the Commonwealth ("DCED") pursuant to the Act.

e) There is no action, suit, proceeding or investigation of any nature whatsoever before or by any court, public board or body, pending or threatened against or affecting the School District, or the Note, or to the best of the knowledge of the School District any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated herein or which in any way would adversely affect the validity of the Note, the proceedings, the Resolution, the Loan Agreement or this Agreement.

2. The Authority's obligations hereunder are subject to the performance by the School District of its obligations and agreements to be performed hereunder at or prior to the Closing Time, to the accuracy in all material respects of the representations of the School District contained herein, as of the date hereof as of the Closing Time, and to the following conditions, any of which may be waived by the Authority:

a) At the Closing Time, the Authority shall have received a "No Litigation Certificate" of the School District and its counsel in substantially the form of subparagraph 1(e) above.

b) The Authority shall have received at or prior to the Closing Time a certificate, satisfactory in form to the undersigned, to the effect that on or as of the Closing Time each of the representations and warranties of the School District set forth in paragraph 1 hereof, is true, accurate and complete, and all agreements of the School District herein provided and contemplated to be performed on or prior to the Closing Time, have been performed.

c) The Authority shall have received at or prior to the Closing Time executed or certified copies of the Resolution, the Loan Agreement and the Debt Proceedings relating to the Note and other documentation contemplated therein.

d) The Authority shall have issued and sold the Bonds and the proceeds thereof shall be sufficient to pay the purchase price of the Note.

e) All conditions in the Loan Agreement for the issuance of the Note shall have been satisfied.

In the event that at the Closing Time any of the foregoing conditions has not been satisfied, or if any other legal requirement relating to the issuance of the Note and the required approvals are not resolved to the satisfaction of the Authority, the Authority at its election, may be relieved of its obligation under this Agreement to purchase the Note.

The Authority will be reimbursed at the Closing Time, or upon demand of the Authority if the Authority is relieved of its obligation to purchase the Note as provided herein, for all costs incurred relating to the issuance of the Note, including Authority Counsel fees and any related public notice advertising. Additional expenses incurred by the School District such as legal advertising, DCED filing fee for the Debt Proceedings, fees and expenses of counsel to the School District and Bond Counsel's fees and expenses are to be separately negotiated and, except to the extent paid with proceeds of the Bonds, shall be paid by the School District.

[Signatures to follow]

We trust the foregoing is in accordance with your understanding and that you will indicate your acceptance by signing and returning the duplicate of this contract.

Very truly yours,

STATE PUBLIC SCHOOL BUILDING AUTHORITY

By: _____
Robert Baccon, Assistant Executive Director

ACCEPTED:

WARREN COUNTY SCHOOL DISTRICT
Warren County, Pennsylvania

By: _____

Name: _____

Title: _____

APPENDIX I
to
Note Purchase Agreement

\$35,403,333.35
WARREN COUNTY SCHOOL DISTRICT
Warren COUNTY, PENNSYLVANIA
General Obligation Note
(State Public School Building Authority)
Series of 2011

DESCRIPTION OF THE NOTE

School District: Warren County School District, Warren County, Pennsylvania.

Address: 185 Hospital Drive
Warren, Pennsylvania 16365

Resolution: The resolution of the Board of School Directors of the School District, dated April 11, 2011, authorizing, among other things, the incurrence of the debt evidenced by the Note and the execution and delivery of the Loan Agreement, and the School District's participation in the Program.

Dated Date: Date of Issuance of the Note

Maximum (not to exceed) Aggregate Principal Amount: \$35,403,333.35

Interest Payment Dates: March 1 and September 1 of each year commencing September 1, 2011

MATURITY SCHEDULE

Payment Date	Maximum Principal or Mandatory Sinking Fund Installments	Interest Rate	Interest	Debt Service	Fiscal Year Debt Service
5/26/2011				-	-
9/1/2011	-	8.00%	940,000.00	940,000.00	
3/1/2012	-		940,000.00	940,000.00	1,880,000.00
9/1/2012	420,000.00	8.00%	940,000.00	1,360,000.00	
3/1/2013	-		940,000.00	940,000.00	2,300,000.00
9/1/2013	420,000.00	8.00%	940,000.00	1,360,000.00	
3/1/2014	-		940,000.00	940,000.00	2,300,000.00
9/1/2014	1,200,000.00	8.00%	940,000.00	2,140,000.00	
3/1/2015	-		940,000.00	940,000.00	3,080,000.00
9/1/2015	1,415,000.00	8.00%	940,000.00	2,355,000.00	
3/1/2016	-		940,000.00	940,000.00	3,295,000.00
9/1/2016	1,415,000.00	8.00%	940,000.00	2,355,000.00	
3/1/2017	-		940,000.00	940,000.00	3,295,000.00
9/1/2017	1,415,000.00	8.00%	940,000.00	2,355,000.00	
3/1/2018	-		940,000.00	940,000.00	3,295,000.00
9/1/2018	2,050,000.00	8.00%	940,000.00	2,990,000.00	
3/1/2019	-		940,000.00	940,000.00	3,930,000.00
9/1/2019	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2020	-		940,000.00	940,000.00	4,836,666.67
9/1/2020	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2021	-		940,000.00	940,000.00	4,836,666.67
9/1/2021	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2022	-		940,000.00	940,000.00	4,836,666.67
9/1/2022	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2023	-		940,000.00	940,000.00	4,836,666.67
9/1/2023	2,956,666.67	8.00%	940,000.00	3,896,666.67	
3/1/2024	-		940,000.00	940,000.00	4,836,666.67
9/1/2024	3,225,000.00	8.00%	940,000.00	4,165,000.00	
3/1/2025	-		940,000.00	940,000.00	5,105,000.00
9/1/2025	3,020,000.00	8.00%	940,000.00	3,960,000.00	
3/1/2026	-		940,000.00	940,000.00	4,900,000.00
9/1/2026	3,020,000.00	8.00%	940,000.00	3,960,000.00	
3/1/2027	-		940,000.00	940,000.00	4,900,000.00
9/1/2027	3,020,000.00	8.00%	940,000.00	3,960,000.00	
3/1/2028	-		-	-	3,960,000.00
35,403,333.35			31,020,000.00	66,423,333.35	66,423,333.35

APPENDIX II
to
Note Purchase Agreement

CONFIRMATION OF THE
NOTE PURCHASE AGREEMENT
(ORIGINALLY DATED _____, 20__)

\$ _____
[***BORROWER NAME***] **SCHOOL DISTRICT**
[***COUNTY***] **COUNTY, PENNSYLVANIA**
General Obligation Note
(State Public School Building Authority)
Series of 2011

_____, 2011

Board of School Directors
[***Borrower Name***] School District
[Address]
[City/Town], PA [Zip Code]

Ladies and Gentlemen:

The following is a confirmation of the Note Purchase Agreement between the State Public School Building Authority (the "Authority") and the [***Borrower Name***] School District, [***County***] County, Pennsylvania (the "School District") dated _____, 2011.

The purchase price of the Note is \$_____, reflecting the principal amount of the Note less underwriter's discount of \$_____, which discount is not in excess of 2% of the principal amount of the Note.

The principal amount of the Note to be issued, the dated date therefor, the annual mandatory sinking fund installments of the principal amount of the Note, and the interest rate and maturity amounts per maturity are set forth in *Exhibit A* hereto. Except as provided above the Note shall be as described in, and shall be issued and secured under and pursuant to the provisions of the resolution adopted by the School District on _____, 2011 and any supplements thereto (the "Resolution").

If you agree with the foregoing, please sign and return it to the Authority. This confirmation shall become a binding agreement between you and the Authority when at least the counterpart of this letter shall have been signed by or on behalf of the parties hereto.

[Signatures to follow]

Respectfully submitted,

STATE PUBLIC SCHOOL BUILDING AUTHORITY

By: _____
Robert Baccon, Assistant Executive Director

ACCEPTED:
[*BORROWER NAME*] SCHOOL DISTRICT
[*County*] County, Pennsylvania

By: _____
Name: _____
Title: _____

**EXHIBIT A
TO
CONFIRMATION**

\$ _____
[*BORROWER NAME*] SCHOOL DISTRICT
[*COUNTY*] COUNTY, PENNSYLVANIA
General Obligation Note
(State Public School Building Authority)
Series of 2011

Maturity Date

Principal

Interest Rate

Redemption Provisions

EXHIBIT D

FORM OF LOAN AGREEMENT

[ATTACHMENT 8]
[SPSBA QSCB/QZAB PROGRAM FORM - LOAN AGREEMENT]

LOAN AGREEMENT

Dated as of May 1, 2011

Between

STATE PUBLIC SCHOOL BUILDING AUTHORITY,
as lender

and

SCHOOL DISTRICT (defined herein),
as borrower

QUALIFIED [SCHOOL CONSTRUCTION/ZONE ACADEMY] BOND FINANCING PROGRAM

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LOAN AGREEMENT

THIS LOAN AGREEMENT dated as of May 1, 2011 between the STATE PUBLIC SCHOOL BUILDING AUTHORITY (the "Authority"), a body corporate and politic organized and duly existing under the laws of the Commonwealth of Pennsylvania, as lender, and the school district named on Appendix I attached hereto and made a part hereof (the "Borrower" or "School District"), a school district of the Commonwealth of Pennsylvania (the "Commonwealth"), as borrower.

WITNESSETH:

WHEREAS, the Authority is a body corporate and politic, constituting a public corporation and a governmental instrumentality, organized and existing under the State Public School Building Authority Act, approved by the General Assembly of the Commonwealth on July 5, 1947, P.L. 1217, as amended (the "Act"), for the purpose of acquiring, financing, refinancing, constructing, improving, furnishing, equipping, maintaining and operating (i) buildings for public school and educational broadcasting facilities for use as part of the public school system of the Commonwealth under the jurisdiction of the Pennsylvania Department of Education, and (ii) community college buildings in the Commonwealth; and

WHEREAS, the Authority is authorized by the Act to, among other things, (i) finance projects by making loans to or for the benefit of any eligible school district, vocational school or board of trustees of a community college, which loans may be secured as the Authority shall determine necessary or desirable for the security or protection of the Authority and the holders of its bonds, (ii) borrow moneys and to issue its notes, bonds and other evidences of indebtedness and to secure the payment thereof by pledge of all or any of its revenues and receipts, and to make such agreements with the purchasers or holders of such notes, bonds and evidences of indebtedness as the Authority shall deem advisable, and (iii) in connection with the foregoing, make contracts of every name and nature necessary and convenient for the carrying on of its business and to do all acts necessary or convenient to carry out the powers granted to it by the Act; and

WHEREAS, the Borrower is a school district of the Commonwealth and has the power and authority, pursuant to the Local Government Unit Debt Act, 53 Pa. C.S.A. §§ 8001 et seq. (the "Debt Act"), to incur non-electoral debt for the purposes of financing the costs of capital improvements in and for the Borrower and to evidence such non-electoral debt by the issuance and sale of its general obligation notes; and

WHEREAS, the Authority has determined to undertake a program (the "Program") consisting of providing financing for capital projects of school districts in Pennsylvania through the issuance, from time to time, by the Authority of its qualified [school construction/academy zone] bonds, in one or more series (the "Bonds") pursuant to a Trust Indenture (the "Indenture") between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"); and

WHEREAS, in accordance with Section 6431 of the Internal Revenue Code of 1986, as amended (the "Code"), the United States will provide a direct interest subsidy (the "Direct Subsidy") under the federal Qualified [School Construction/Academy Zone] Bond program, which the Authority will pass through to the borrowers in proportion to their participation in the Program, including to the Borrower; and

WHEREAS, the Borrower has been approved by the Pennsylvania Department of Education to receive financing from proceeds of the Bonds to finance the Borrower Project (as defined herein); and

WHEREAS, the Authority has entered into this Loan Agreement with the Borrower for the purposes of providing for (i) the loan in the aggregate principal amount set forth in Appendix I hereto of

the proceeds of the Bonds to the Borrower (the “Loan”) in order to finance the costs of the Borrower Project, and (ii) the repayment by the Borrower of the Loan amounts to the Authority; and

WHEREAS, the obligation of the Borrower to repay the Loan will be evidenced by the general obligation note of the Borrower (the “Note”); and

WHEREAS, the Note will constitute debt of the School District under the Debt Act; and

WHEREAS, the Authority will assign in the Indenture all of its right, title and interest in this Loan Agreement (except the rights of the Authority to receive notices, to indemnification and to the payment of its fees and expenses thereunder) to the Trustee as security for the payment of the principal or redemption price of and interest on the Bonds; and

WHEREAS, the Board of School Directors of the Borrower, by its duly adopted resolution as more particularly defined in Appendix I hereto (the “Authorizing Resolution”) has authorized the incurrence of the debt evidenced by the Note and the execution and delivery of this Loan Agreement, and has authorized its appropriate officers to take such actions as may be necessary or convenient in connection with the Borrower’s participation in the Program; and

WHEREAS, the Borrower will issue the Note to the Authority and payments by the Borrower under the Note will be credited against the obligations of the Borrower under this Loan Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS; REPRESENTATIONS

Section 1.01 Terms Defined in Recitals and Certain Defined Terms.

The following terms shall have the meanings sets forth in the recitals hereto:

Act	Debt Act
Authority	Direct Subsidy
Authorizing Resolution	Indenture
Bonds	Loan
Borrower	Note
Code	Program
Commonwealth	Trustee

The following terms shall have the following meanings:

“Borrower Project” is defined in Exhibit A attached hereto and incorporated herein by this reference, as such project may be modified, revised, altered or replaced with the consent of the Authority and the approval of the Pennsylvania Department of Education.

“Closing Date” means the date of original issuance of the Bonds.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement between the Authority and the Borrower dated as of May 1, 2011.

“Loan Amount” means the aggregate principal amount of the Loan as set forth in Appendix I hereto.

“School Code” means The Public School Code of 1949, as amended.

“Tax Certificate” means the Tax and Use of Proceeds Certificate entered into by and between the Authority and the Borrower, dated the date of the Closing (hereinafter defined).

Section 1.02 Certain Funds and Accounts.

All references herein to the “Program Fund”, the “Sinking Fund”, the “Debt Service Fund”, and the “Revenue Fund” and other funds or accounts shall mean the Funds and Accounts so designated which are established pursuant to the Indenture and the Authorizing Resolution.

Section 1.03 Terms Defined in the Indenture.

Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture.

Section 1.04 Authority Representations.

The Authority makes the following representations and warranties:

(a) It is a body corporate and politic duly organized and existing under the laws of the Commonwealth, with the power to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder and has duly authorized the execution and delivery of this Loan Agreement, the Bonds and the Indenture.

(b) The issuance and sale of the Bonds, the execution and delivery of this Loan Agreement and the Indenture, and the performance of all covenants and agreements of the Authority contained in this Loan Agreement and the Indenture and of all other acts and things required under the Constitution and laws of the Commonwealth to make this Loan Agreement, the Bonds and the Indenture the valid and binding limited obligations of the Authority in accordance with their terms, are authorized by the Act and have been duly authorized by proceedings of the Authority adopted or passed at meetings thereof duly called and held.

(c) All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Authority of its obligations hereunder or under the Bonds or the Indenture have been obtained.

(d) This Loan Agreement and the Indenture constitute the legal, valid and binding obligations of the Authority, enforceable in accordance with their terms (subject, as to enforcement of remedies, to any bankruptcy, insolvency, reorganization or other laws or equitable principles affecting the enforcement of creditors' rights).

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending, or to the knowledge of the Authority, threatened against the Authority, affecting the existence of the Authority, or in any way contesting or affecting the validity or enforceability of this Loan Agreement, the Bonds or the Indenture, or contesting the power of the Authority to issue the Bonds or to implement the Program.

Section 1.05 Borrower Representations.

The Borrower makes the following representations and warranties:

(a) The Borrower is a school district of the Commonwealth, with full power and legal right to enter into this Loan Agreement and perform its obligations hereunder. The Borrower's actions in making and performing this Loan Agreement have been duly authorized by all necessary governmental action and will not violate or conflict with any law or governmental rule or regulation, or any agreement, instrument or other document by which it or its properties are bound.

(b) The Borrower is a "local government unit" within the meaning of the Debt Act with power to issue the Note under and pursuant to the Debt Act in connection with the financing of the Borrower Project.

(c) This Borrower has obtained, or has power to and will timely obtain, all necessary licenses, permits and approvals required by all governing bodies or agencies having jurisdiction over the acquisition, installation and operation of the Borrower Project, including, without intending to limit the generality of the foregoing, any approval of the Pennsylvania Department of Education or the Pennsylvania Department of Community and Economic Development to the extent required.

(d) The Borrower will apply the Loan Amount for the purpose of financing or reimbursing the Borrower's cost of the acquisition, construction or installation of the Borrower Project.

(e) The Loan Amount does not exceed the cost of the Borrower Project plus the costs of issuing the Note and the Borrower's proportionate share of the costs of issuing the Bonds.

(f) There are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower, except as specifically described in writing to the Authority, in any court or before any governmental authority or arbitration board or tribunal that, if adversely

determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the Borrower, or the corporate existence or powers or ability of the Borrower to issue the Note, to enter into and perform its obligations under this Loan Agreement, or to undertake the Borrower Project.

(g) To the knowledge of the officials of the Borrower executing this Loan Agreement, the execution and delivery of this Loan Agreement and the consummation of the transactions provided for in this Loan Agreement, and compliance by the Borrower with the provisions of this Loan Agreement:

(i) are within the governmental powers and have been duly and validly authorized by all necessary governmental and other action on the part of the Borrower; and

(ii) do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon, any property or assets of the Borrower pursuant to any indenture, loan agreement or other agreement or instrument (other than this Loan Agreement) or any governmental restriction to which it is a party or by which it, its properties or operations may be bound or with the giving of notice or the passage of time or both would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien charge or encumbrance could materially and adversely affect the validity or the enforceability of this Loan Agreement or the Borrower's ability to perform fully its obligations under this Loan Agreement; nor will such action result in any violation of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Borrower, its properties or operations are subject.

(h) No event has occurred and no condition exists that constitutes an Event of Default under this Loan Agreement or which, upon the execution and delivery of this Loan Agreement, or the passage of time or giving of notice or both, would constitute an Event of Default under this Loan Agreement. The Borrower is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as heretofore have been specifically disclosed in writing to, and have been in writing specifically consented to, by the Authority), of any terms of any court order, statute, regulation, ordinance, agreement, or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(i) All federal and state tax or information returns, statements, certificates and reports of the Borrower, if any are required by law to be filed to the date hereof in order to establish and maintain the Borrower's status as a "governmental unit" authorized to issue tax-exempt obligations and to participate in the Program under the Debt Act and other applicable laws of the Commonwealth, as amended and supplemented, and the Code, have been duly filed and the Borrower has no knowledge or reason to believe that it does not have the power to issue tax-exempt obligations or to participate in the Program.

(j) This Loan Agreement and the Note are legal, valid and binding obligations and agreements of the Borrower, enforceable against the Borrower in accordance with their terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(k) The Borrower agrees that it will comply with all of the terms of the Tax Certificate to be executed and delivered by the Borrower in connection with the issuance of the Bonds.

(l) The Borrower has, or hereby covenants to, include in any contracts for construction, alteration or repair work with respect to the Borrower Project the Davis-Bacon clauses stated in 29 CFR 5.5(a)(1) through (10).

ARTICLE II THE CAPITAL ASSETS

Section 2.01 Disbursement of Loan Amount.

Following the execution and delivery of this Loan Agreement and the Note and the issuance of the Bonds (the “Closing”), the Trustee, upon receipt of the written direction of the Authority, shall deposit the Loan Amount in the Borrower’s account within the Program Fund established under the Indenture. Amounts on deposit in the Borrower’s account within the Program Fund shall be applied in accordance with the Indenture (i) to pay the Borrower’s proportionate share (but, together with the costs of issuing the Note, not to exceed 2% of the Loan Amount unless the Authority shall have consented thereto) of costs of issuance of the Bonds, and (ii) upon requisition of the Borrower, from time to time, to pay costs of issuing the Note and the costs of the Borrower Project.

The Borrower agrees that, upon written request of the Authority, it shall supply such necessary documentation as the Authority may reasonably require to determine that the Loan Amount has been applied solely to payment of the costs of issuing the Note, the Borrower’s proportionate share of the costs of issuing the Bonds, and the costs of the Borrower Project.

At or prior to the Closing, the Borrower, in addition to executing and delivering this Loan Agreement, shall deliver to the Authority the following:

(a) A certified copy of the Authorizing Resolution substantially in the form set forth in Exhibit C hereto together with a complete transcript of the proceedings respecting issuance of the Note approved by the Department of Community and Economic Development of the Commonwealth as required by the Debt Act; and

(b) A certificate of the Borrower in the form provided by the Authority with respect to, *inter alia*, the due authorization, execution and delivery of the Note, this Loan Agreement, the absence of litigation or the threat thereof which would materially adversely affect the ability of the Borrower to authorize, execute or deliver the Note, this Loan Agreement or to undertake and complete the obligations set forth therein and to the effect that the information contained in the Official Statement relating to the Bonds with respect to the Borrower does not contain any untrue statement of a material fact or omit to make a statement of a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(c) The Tax Certificate of the Borrower; and

(d) An opinion of the Solicitor or Bond Counsel to the Borrower respecting the validity of the Note and related documents and proceedings relating thereto, in form satisfactory to Program Bond Counsel and the Authority, to the effect that: (i) the Borrower is a school district of the Commonwealth; (ii) the Borrower is authorized under the Debt Act to authorize, execute and deliver the Note as a general obligation; (iii) the Authorizing Resolution of the Borrower has been adopted lawfully and currently is in effect; (iv) the Loan Agreement and the Continuing Disclosure Agreement are valid and binding agreements of the Borrower and are enforceable against the Borrower in accordance with their terms and currently are in effect; (v) proceedings authorizing issuance and delivery of the Note are valid and legally sufficient; (vi) the Note is a general obligation of the Borrower and is secured by its full faith and credit and unlimited *ad valorem* taxing power within the limits established by law; (vii) the Note

has been duly executed and delivered by the Borrower and all conditions precedent or concurrent to issuance and delivery of the Note have been fulfilled; (viii) the Note, upon issuance and delivery, will be valid and enforceable against the Borrower, in accordance with the terms thereof and the Debt Act; (ix) the Borrower has acquired, or has power to and will timely acquire, all necessary governmental permits and approvals to participate in the Program and undertake the Borrower Project; (x) the Borrower advertised and posted all meetings at which action was taken with respect to such Resolution in accordance with the Sunshine Act, Act of October 15, 1998 (P.L. 729, No. 92 of the General Assembly of the Commonwealth); and (xi) there is no action, suit, proceeding, inquiry, or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened: (A) affecting the existence of the Borrower or the titles of its officers to their respective offices; (B) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Note, the application of the proceeds thereof or the performance by the Borrower of its obligations under the Authorizing Resolution, the Loan Agreement or the Continuing Disclosure Agreement; (C) challenging the levy or collection of any taxes pledged or to be pledged to pay the principal of, and interest, on the Note; (D) in any way contesting or affecting the validity or enforceability of the Authorizing Resolution, the Loan Agreement, the Note or the Continuing Disclosure Agreement or contesting in any way the completeness or accuracy of the information relating to the Borrower in the Preliminary Official Statement or the Official Statement; or (E) contesting the powers of the Borrower, or any other authority for the adoption of the Authorizing Resolution, the issuance of the Note or execution and delivery of the Loan Agreement or the Continuing Disclosure Agreement; nor, to our knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Authorizing Resolution, the Note or the Continuing Disclosure Agreement. The opinions with respect to enforceability of the Note and this Loan Agreement may be qualified by a statement to the effect that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that the enforcement thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity;

- (e) A Continuing Disclosure Agreement fully executed by the Borrower; and
- (f) The Note.

ARTICLE III
NOTE PAYMENTS; ASSIGNMENT TO TRUSTEE

Section 3.01 Note Payments.

The Borrower shall issue and deliver to the Trustee, as assignee of the Authority, its General Obligation Note (State Public School Building Authority) Series of 2011 (the "Note") in the aggregate principal amount equal to the Loan Amount. The Note shall be substantially in the form set forth in Exhibit D attached hereto and incorporated herein by this reference, evidencing the Borrower's obligation to pay the Loan Amount to the Authority at the times and in the amounts as follows:

(a) Principal. The Loan Amount shall be paid on each payment date set forth in and in the amounts set forth in the schedule attached hereto as Exhibit B. The Borrower will be entitled to a credit on each payment date against the principal (including annual mandatory sinking fund installments) requirements set forth in Exhibit B to the extent of investment earnings on the Borrower's subaccount in the principal account of the Debt Service Fund which are available for such payment on such payment date. The Authority and the Borrower may from time to time amend Exhibit B to provide for a different schedule for amortization of the Loan Amount provided that at all times the aggregate principal or mandatory sinking fund installment requirements shall at all times equal the Loan Amount and the payment dates shall not be altered.

(b) Interest. Commencing on September 1, 2011, and continuing on September 1 and March 1 of each year thereafter, to and including the Maturity Date set forth in Appendix I hereto, or until the principal amount of the Note shall be paid in full, the Borrower shall pay as interest the fixed rate per annum set forth in Exhibit B. Interest shall accrue on the entire outstanding principal amount of the Note without regard to payments of mandatory sinking fund installments.

(c) Direct Subsidy Payments. Provided the Borrower has timely made the payments of interest pursuant to Section 3.01(b), upon subsequent receipt of the Direct Subsidy from the Department of the Treasury of the United States (but not prior to the date on which the Authority has made the related payment of interest on the Bonds), the Authority will, pursuant to the terms of the Indenture, cause the Trustee to pay and remit the proportionate share of the Direct Subsidy to the Borrower.

Section 3.02 Additional Payments.

(a) The Borrower agrees to pay to or at the direction of the Authority any required payment due to the United States as a rebate of excess investment earnings on its loan proceeds or otherwise at the time and in the manner required in the Tax Certificate.

(b) The Borrower agrees that its obligation to pay the amounts in 3.02(a) shall survive the repayment of the Note, whether at maturity or by earlier prepayment or acceleration.

(c) The Borrower agrees to pay (i) all costs of issuance of the Note and its proportionate share of the costs of issuance of the Bonds, to the extent such costs are not paid from proceeds of the Bonds, and (ii) a fixed annual fee to the Trustee for its ordinary services, and its proportionate share of the other fees and expenses of the Program, including without limitation fees and expenses of the Authority, fees and expenses of the Trustee for its extraordinary services, and legal, financial advisory and investment management expenses. The initial annual fee payable by the Borrower to the Trustee shall be \$850.00 and the additional annual fee payable to the Trustee in its capacity as dissemination agent shall be \$500.00.

(d) The Borrower agrees to pay all expenditures reasonably incurred by the Authority or the Trustee to compel full and punctual performance by the Borrower of all the provisions of the Note and this Loan Agreement in accordance with the terms thereof and hereof.

(e) The Borrower agrees to pay to or at the direction of the Authority all costs associated with the prepayment of the Note and the redemption of Bonds resulting from such prepayment, including in addition to the prepayment price of the Notes, all fees, costs and expenses of the Authority in connection with such prepayment, including the amount of any breakage fee or similar amounts, payable by the Authority in connection with the termination, modification or reduction of any investment agreement related to the Bonds resulting from such prepayment.

Section 3.03 Optional and Mandatory Redemption.

The Note shall be subject to optional and mandatory redemption as provided in the Note.

Section 3.04 State Intercept.

The Borrower's obligations to pay principal and interest on the Loan Amount under this Loan Agreement and the Note are entitled to the benefits of the intercept provisions of Section 7-785(a) of the School Code.

Section 3.05 Assignment of Loan Agreement; Manner of Payment.

In evidence of its obligations hereunder the Borrower will issue and deliver the Note to the Authority, which will assign the Note to the Trustee. As additional security for payment of the Bonds the Authority will assign to the Trustee all of its rights, title and interest in and to this Loan Agreement except for the right of the Authority to receive indemnity against claims and payment of its fees and expenses pursuant to Sections 3.02 and 7.05 hereof. The Borrower consents and agrees to such assignment. The Borrower covenants to fully perform, in timely fashion, all of its covenants, agreements and obligations under the Note and this Loan Agreement, and to make all payments required by the Borrower under the Note and this Loan Agreement directly to the Trustee, all without set-off, defense or counterclaim by reason of any dispute which the Borrower may have with the Authority or the Trustee.

Section 3.06 General Obligation of Borrower; No Defense or Set-Off.

The Borrower covenants and agrees that the Note shall be a general obligation of the Borrower to which the full faith, credit and ad valorem taxing power of the Borrower are pledged, within the limits established by law. The Borrower's obligation to make payments pursuant to the Note shall be absolute and unconditional, without defense or set off by reason of any default by the suppliers, materialmen or laborers, or any default under any contracts relating to the Borrower Project, or by the Authority under this Loan Agreement, or under any other agreement between the Borrower and the Authority, or for any other reason, including without limitation, failure to complete the acquisition, construction and installation of the Borrower Project, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Borrower Project, commercial frustration of purpose, or failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement, it being the intention of the parties that the payments required by this Loan Agreement will be paid in full when due without any delay or diminution whatsoever.

The Borrower agrees to pay or cause to be paid, the amounts due under the Note from its general funds and any other moneys legally available to it, in the manner and at the times provided therein and described in this Loan Agreement. The Borrower covenants that it shall (i) include the amount of the debt

service for the Note for each fiscal year in which such sums are payable in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid from the sinking fund established for the Note or any other of its revenues or funds the principal of the Note and the interest thereon at the dates and place and in the manner set forth in the Note. The Borrower acknowledges that the foregoing covenant shall be specifically enforceable. If the current revenues of the Borrower in any calendar year are insufficient to pay the debt service on the Note coming due during the year, the unpaid balance will be provided for and paid out of its current revenues for its succeeding year.

Section 3.07 Payments to be Net.

Payments and additional amounts required to be paid by the Borrower under the Note and hereunder shall be received by the Authority or its assigns as net amounts and the Borrower covenants to pay all charges against or which might diminish such net amounts.

ARTICLE IV COVENANTS OF THE BORROWER

Section 4.01 Compliance with Indenture.

The Borrower covenants and agrees to cooperate with the Authority whenever the Borrower is requested in writing by the Authority to provide information or assistance in order to enable the Authority to comply with all requirements hereof, as well as to enable the Authority to fulfill all covenants under the Indenture.

Section 4.02 Reports and Opinions; Inspections.

Until all amounts due under the Note have been paid in full, the Borrower shall deliver to the Authority, in such number of copies as may reasonably be requested, its annual financial report, prepared in accordance with generally accepted accounting principles and certified by an independent certified public accountant or accounting firm (which accountant or firm is satisfactory to the Authority), or, if such an accountant or firm is not available, certified by the Business Manager of the Borrower, within ten days of the Borrower's receipt thereof, and in no event later than 180 days after the end of the Borrower's fiscal year to which the report relates. In addition, the Borrower shall deliver to the Authority, from time to time as requested by the Authority, such additional reports and information as the Authority shall reasonably request in order to permit the Authority to comply with its duties and responsibilities set forth in the Tax Certificate and the Continuing Disclosure Agreement between the Authority and the Trustee relating to the Bonds, and to comply with information requests received by the Authority from the Trustee or Bondholders.

The Borrower agrees to permit the Authority and the Trustee or their agents to examine, visit and inspect, and upon prior written notice to the Borrower, at any reasonable time, the Borrower Project, and the Borrower's facilities, and any accounts, books and records, including its receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and to supply such reports and information as the Authority or the Trustee may reasonably require.

Section 4.03 Compliance with Laws.

With respect to the Program and the Borrower Project and any additions, alterations, or improvements thereto, the Borrower will at all times comply with all applicable requirements of Federal and state laws and with all applicable lawful requirements of any agency, board, or commission created under the laws of the Commonwealth or of any other duly constituted public authority; provided, however, that the Borrower shall be deemed in compliance with this Section 4.03 so long as it is contesting in good faith any such requirement by appropriate legal proceedings.

Section 4.04 Compliance with Tax Certificate.

The Borrower hereby covenants that it will not take any action, nor omit to take any action that would cause the Loan to fail to meet the requirements of a Qualified [School Construction/Academy Zone] Bond, as that term is defined under Sections 54A and 54F of the Code. Specifically, the Borrower agrees to comply with all of the requirements set forth in the Tax Certificate.

Section 4.05 Restriction Against Interest Rate Hedge Agreements.

The Borrower hereby covenants that it will not enter into any interest rate exchange, swap, cap, collar, floor, or other arrangement intended to hedge the interest rate on the Note in connection with the Program.

ARTICLE V
THE PROGRAM

Section 5.01 Disbursement of Loan.

(a) Upon the issuance of the Bonds, the proceeds of the Bonds representing the Loan Amount will be deposited with and held by the Trustee in an account within the Program Fund segregated for the Borrower.

(b) In order to receive disbursements of the Loan, the Borrower will be required to submit a requisition to the Trustee in the form attached as Exhibit E hereto.

(c) Proceeds for the reimbursement (or in limited circumstances, for the redemption of qualified interim financings) of costs paid prior to issuance of the Bonds will be delivered upon evidence of the reimbursable expenses or use of interim financing proceeds by the Borrower.

Section 5.02 Program Spending Rules.

Under the Program, the Borrower is required to spend 100% of the Loan Amount within three years of the date of issuance of the Bonds. Upon completion of the Borrower Project, the Borrower shall provide the Authority and the Trustee with a certificate in the form attached hereto as Exhibit F to the effect that the Borrower Project has been completed or that 100% of the Loan Amount has been spent. In the event that 100% of the Loan Amount is not spent within three years of the Closing Date, the Borrower shall prepay all or a portion of the Note equal to the unspent proceeds, within 90 days of the three-year deadline. The Borrower may request that the Authority file, at the expense of the Borrower, with the Internal Revenue Service a request for an extension of the three-year spending deadline. Such request must be submitted to the Authority no later than 30 months after the Closing Date.

Section 5.03 Investment of Moneys.

Moneys on deposit in the Borrower's accounts or subaccounts within the funds established under the Indenture, including the Program Fund and the Debt Service Fund, shall be invested or deposited from time to time at the direction of the Authority or, to the extent provided in the Indenture, at the direction of the Borrower, in investments which are permitted investments for such moneys under the Indenture. Earnings on such moneys shall be applied in accordance with the Indenture. Neither the Authority nor the Trustee shall be liable for any losses in connection with such investments.

ARTICLE VI DEFAULTS AND REMEDIES

Section 6.01 Events of Default.

Each of the following events is hereby defined as, and declared to be and shall constitute, an “Event of Default”:

(a) failure by the Borrower to make any payment required to be made pursuant to the Note for the purpose described in Section 3.01(a) or 3.01(b) hereof within 15 days after such payment is due; or

(b) failure by the Borrower to make any payment required to be made pursuant to the Note for the purpose described in Section 3.02 hereof within 30 days after the same is due; or

(c) failure by the Borrower to observe and perform any other covenant, condition or agreement on its part to be observed or performed under the Note or this Loan Agreement for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the Borrower by the Authority or the Trustee; or

(d) if any of the representations and warranties of the Borrower hereunder shall prove to be false or misleading in any material respect.

Section 6.02 Payment on Default; Suit Therefor.

The Borrower covenants that, in case default shall occur in the payment of any sum payable by the Borrower pursuant to the Note for the purposes described under Section 3.01 of this Loan Agreement as and when the same shall become due and payable, then, upon demand of the Authority, or of the Trustee at the direction of the Authority, the Borrower will pay to the Trustee an amount equal to the sum of: (a) the outstanding amounts due under the Note; (b) all other amounts which the Borrower is obligated to pay under the Note or this Loan Agreement; and (c) such further amount as shall be sufficient to cover the costs and expenses of collection, including a reasonable compensation to the Authority, the Trustee, their agents and attorneys, and any expenses or liabilities incurred by the Authority or the Trustee (or its assignee).

In case the Borrower shall fail forthwith to pay such amounts upon such demand, the Trustee shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid, including the exercise of remedies pursuant to the Debt Act and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Borrower and collect in the manner provided by law out of the property of the Borrower the money adjudged or decreed to be payable.

In case any proceedings shall be pending for the adjustment of debts of the Borrower under laws of the Commonwealth, the Federal bankruptcy laws or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Borrower, or in case any other similar judicial proceedings shall be pending relating to the Borrower or to the creditors or property of the Borrower, the Trustee or its assigns shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owed by the Borrower under the Note and this Loan Agreement and to file such proofs of claim and other papers or documents as may be necessary or advisable in order to prosecute the claims of the Trustee in any such judicial proceedings relating to the Borrower, its creditors, or its property, and to collect and receive any money or other property payable or deliverable on any such claims, and to distribute the same after the deduction of its charges and expenses.

Any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized to make such payments to the Trustee and to pay to the Trustee any amount it requires for compensation and expenses, including counsel fees it has incurred up to the date of such distribution.

Section 6.03 Other Remedies.

In addition to the foregoing, the Authority or the Trustee, as applicable and appropriate, shall be entitled to exercise of rights or remedies conferred by the Debt Act or the Act, or other law, as appropriate, in effect from time to time, as holder, or assignee, of the Note.

Section 6.04 Cumulative Rights.

No remedy conferred upon or reserved to the Authority or the Trustee by this Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Note, this Loan Agreement or now or hereafter existing at law or in equity or by statute. No waiver by the Authority or the Trustee of any breach by the Borrower of any of its obligations, agreements or covenants hereunder shall be deemed a waiver of any subsequent breach, or a waiver of any other obligation, agreement or covenant, and no delay or failure by the Authority or the Trustee to exercise any right or power shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised by the Authority or the Trustee from time to time, and as often as may be deemed expedient.

Section 6.05 Discontinuance of Proceedings.

In case the Authority or the Trustee shall have proceeded to enforce any right under the Note or this Loan Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Authority or the Trustee, then and in every such case the Borrower, the Authority and the Trustee shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Borrower, the Authority and the Trustee shall continue as though no such proceeding had been taken.

ARTICLE VII
MISCELLANEOUS

Section 7.01 Limitation of Liability of the Authority.

Notwithstanding any other provision of this Loan Agreement, in the event of any default by the Authority hereunder or under the Bonds or the Indenture, any liability of the Authority shall be enforceable only out of its interest under the Note and this Loan Agreement and the money to be paid by the Borrower, and there shall be no recourse for any claim based on this Loan Agreement, the Indenture or the Bonds, against any other property of the Authority or against any officer or employee, past, present or future, of the Authority or any successor body as such, either directly or through the Authority or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or other wise, and the liability of the Authority shall be limited to its interest under this Loan Agreement, the Note, and the money to be paid by the Borrower, and the lien of any judgment shall be restricted thereto, and there shall be no other recourse by the Borrower against the Authority or any of the property now or hereafter owned by it.

Section 7.02 Notices.

Notices hereunder shall be given to the addresses shown below or to such other address as shall be filed in writing with the parties hereto:

If to the Authority:

State Public School Building Authority
1035 Mumma Road
Wormleysburg, PA 17043
Attention: Executive Director

If to the Borrower:

The Notice Address set forth in Appendix I hereto

If to the Trustee:

Wells Fargo Bank, National Association
Four Gateway Center, Suite 1400
444 Liberty Avenue
Pittsburgh, PA 15222
Attention: Dolores Kenst

Section 7.03 Assignments.

This Loan Agreement may not be assigned by either of the parties hereto without the consent of the other party hereto and the consent of the Trustee, except that the Authority may assign its rights to the Trustee pursuant to Section 3.05 hereof. Any assignment in contravention of this Section shall be void.

Section 7.04 Illegal, etc. Provisions Disregarded.

In case any provision of this Loan Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, this Loan Agreement shall be construed as if such provision had never been contained herein or therein.

Section 7.05 No Personal Recourse Against Authority; Indemnification.

(a) In the exercise of the power of the Authority and its members, officers, employees and agents under this Loan Agreement including (without limiting the foregoing) the application of moneys and the investment of funds, the Authority shall not be accountable to the Borrower for any action taken or omitted by it or its members, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred. The Authority shall be protected in its or their acting upon any paper or document believed by it or them to be genuine, and it or they may conclusively rely upon the advice of Counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the Borrower for any claims based on this Loan Agreement or on the Indenture against any member, officer, employee or agent of the Authority alleging personal liability on the part of such person. The Borrower shall indemnify the Authority and all such other parties and save them harmless against any liability intended to be precluded by this Section 7.05. In addition, the Borrower agrees to be responsible for and to pay for any loss, liability or expense, including attorneys' fees, incurred by the Authority, which arises out of or relates to the Borrower's acts or omissions with respect to its obligations hereunder. This provision shall not be construed to limit any party's rights, obligations, liabilities, claims or defenses which arise as a matter of law or pursuant to any other provision of this Loan Agreement. The provisions of this Section 7.05(a) shall survive the termination of this Loan Agreement and the Indenture.

(b) The Borrower will indemnify and hold harmless the Authority and each member, officer and employee of the Authority against any and all claims, losses, damages or liabilities, joint and several and any and all fines, penalties, and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses of defending or preparing to defend against any claim, to which the Authority or such other persons may become subject, insofar as such losses, claims, damages, liabilities, fines, penalties or expenses (or actions in respect thereof) arise out of or are based upon any alleged act or omission by the Authority in connection with the Project, the issuance of the Bonds or the administration of the Indenture or this Loan Agreement. In the event any such claim is made or action brought against the Authority, or any member, officer or employee of the Authority, the Authority may direct the Borrower to assume the defense of the claim and any action brought thereon and the Borrower shall pay all expenses incurred therein; or the Authority may assume the defense of any such claim or action, the reasonable costs of which shall be paid by the Borrower; provided, however, that Counsel selected by the Authority to conduct such defense shall be approved by the Borrower, which approval shall not be unreasonably withheld, and further provided that the Borrower may engage its own Counsel to participate in the defense of any such action. The defense of any such claim shall include the taking of all actions necessary or appropriate thereto. The provisions of this Section 7.05(b) shall survive the termination of this Loan Agreement and the Indenture.

(c) The Borrower shall and hereby agrees to indemnify and hold harmless the Trustee and its directors, officers, agents and employees (collectively, the "Indemnitees") from and against any and all claims, liabilities, losses, damages, fines, penalties, and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses of defending or preparing to defend against any claim ("Losses") that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Trustee is authorized to rely pursuant to the terms of this Loan Agreement and the Indenture. In addition to and not in limitation of the immediately preceding sentence, the Borrower also covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Trustee's performance under this Loan Agreement and the Indenture, provided the Trustee has not acted with

negligence or engaged in willful misconduct. The provisions of this Section 7.05(c) shall survive the termination of this Loan Agreement and the Indenture and the resignation or removal of the Trustee for any reason. The Trustee shall give the Borrower prompt notice in writing of any action, suit or proceeding filed and naming the Trustee as a party in connection with its actions in connection with the foregoing documents.

Section 7.06 Amendments.

The Borrower and the Authority may, with the consent of the Trustee, enter into any amendments hereto at any time as shall not materially adversely affect the rights of or the security of the holders of the Bonds, for any of the following purposes:

- (a) To cure any ambiguity, defect or omission herein or in any amendment hereto; or
- (b) To grant to or confer upon the Authority any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon it; or
- (c) To add to the covenants and agreements of the Borrower herein contained, or to surrender any right or power herein reserved to or conferred upon the Borrower; or
- (d) To reflect any approved change to the Borrower Project; or
- (e) To reflect a change in Exhibit B hereto as permitted under Section 3.01(a); or
- (f) To reflect a change in applicable law.

All other amendments must be approved by the Trustee, with Bondholders' consent, if necessary, in the same manner and to the same extent as is set forth in the Indenture.

Section 7.07 Successors and Assigns.

All covenants, promises and agreements contained in this Loan Agreement by or on behalf of or for the benefit of the Borrower or the Authority, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 7.08 Applicable Law.

This Loan Agreement shall be governed by, and interpreted under, the laws of the Commonwealth.

IN WITNESS WHEREOF, STATE PUBLIC SCHOOL BUILDING AUTHORITY has caused this Loan Agreement to be executed by its Authorized Representative and its corporate seal to be hereunto affixed, attested by its Secretary as of the day and year first above written.

STATE PUBLIC SCHOOL BUILDING AUTHORITY

Attest: _____
Robert Bacon, Assistant Executive
Director

By: _____
William C. Bostic, Executive Director

IN WITNESS WHEREOF, the undersigned, by its duly authorized representative, has executed and delivered this Loan Agreement as of the date first written above.

[*BORROWER NAME*] SCHOOL DISTRICT

ATTEST:

Name:
Title:

By: _____
Name:
Title:

APPENDIX I

“Authorizing Resolution” means the resolution of the Board of School Directors of the Borrower, dated _____, 2011, authorizing, among other things, the incurrence of the debt evidenced by the Note and the execution and delivery of this Loan Agreement, and the Borrower’s participation in the Program.

“Borrower” means [*Borrower Name*] School District, [*County*] County, Pennsylvania.

“Loan Amount” means \$[Loan Amount].

“Maturity Date” means [_____].

“Notice Address” means [_____].

EXHIBIT A
DESCRIPTION OF BORROWER PROJECT

[Pennsylvania Department of Education approval to be attached]

EXHIBIT B

SCHEDULE OF NOTE PRINCIPAL OR MANDATORY SINKING FUND INSTALLMENT
PAYMENTS

Principal or Mandatory
Sinking Fund Installment Due Date

Principal or Mandatory
Sinking Fund Amount

Interest Rate: __%

EXHIBIT C

FORM OF AUTHORIZING RESOLUTION

EXHIBIT D
FORM OF NOTE

EXHIBIT E

FORM OF REQUISITION

\$[*Note Amount*]
[*BORROWER*] SCHOOL DISTRICT
GENERAL OBLIGATION NOTE
(STATE PUBLIC SCHOOL BUILDING AUTHORITY)
SERIES OF 2011

To: Wells Fargo Bank, National Association, as Trustee (the "Trustee")
Fax: 412-454-4610
Email: dolores.j.kenst@wellsfargo.com

From: _____ (the "Borrower")

Re: Draw from Program Fund established under the Trust Indenture for the above-referenced bonds dated as of May 1, 2011 (the "Indenture")

Requisition Number:

Date:

The Borrower hereby directs the Trustee to pay from the Borrower's account within the Program Fund established under the Indenture the following amount to the Payees listed below, and certifies that such amount is for the "Cost" of a "Borrower Project," as such terms are defined in the Indenture, and is for the categories of Cost for the Borrower Project set forth on Schedule A annexed hereto and made a part hereof. None of the amounts listed below is for a cost of issuing the Bonds or the Borrower's Note (as such terms are defined in the Indenture).

	<u>Amount</u>	<u>Payee</u>
\$		

[_____] SCHOOL DISTRICT

By: _____
Name:
Title:

EXHIBIT F

FORM OF COMPLETION CERTIFICATE

To: State Public School Building Authority
Wells Fargo Bank, National Association, as Trustee

From: _____ (the "Borrower")

Re: Completion of Borrower Project

Date:

The Borrower hereby certifies that the Borrower Project has been completed. The date of completion was _____. All obligations of the Borrower in connection with the acquisition, construction or equipping of the Borrower Project have been paid and discharged in full or provision made for their payment and discharge.

[_____] SCHOOL DISTRICT

By: _____
Name:
Title:

ASSIGNMENT

For value received STATE PUBLIC SCHOOL BUILDING AUTHORITY (the "Authority") hereby sells, assigns and transfers unto WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee under a Trust Indenture dated as of May 1, 2011, with the Authority (the "Trust Indenture"), the within Loan Agreement and all collateral security interests and attendant rights thereunder, including, without intending to limit the generality of the foregoing, the Note, as such term is defined in the Loan Agreement, without recourse, representation or warranty, provided, however, that notwithstanding such assignment, the Authority reserves the right to receive payment of fees and expenses, reports and indemnity against claims and to enforce remedies with respect to the obligations of the Borrower under Sections 3.02, 4.01 and 7.05 of the Loan Agreement and to amend said Loan Agreement as provided in the Trust Indenture.

STATE PUBLIC SCHOOL BUILDING AUTHORITY

Attest: _____
Robert Baccon
Assistant Executive Director

By: _____
William C. Bostic
Executive Director

Date: May __, 2011

Receipt of this Assignment and the instructions contained therein is hereby acknowledged.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee,

By: _____
Authorized Officer