

WARREN COUNTY SCHOOL DISTRICT  
WARREN COUNTY, PENNSYLVANIA

A RESOLUTION AUTHORIZING AN INCREASE IN THE NON-ELECTORAL DEBT OF THE WARREN COUNTY SCHOOL DISTRICT, WARREN COUNTY, PENNSYLVANIA BY AUTHORIZING AND APPROVING THE ISSUANCE AND SALE OF \$10,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, REFUNDING SERIES OF 2008 (THE "BONDS"), FOR THE PURPOSE OF PAYING CERTAIN COSTS OF REFUNDING ON A CURRENT BASIS THE SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2001, AND REFUNDING ON A CURRENT BASIS A PORTION OF THE SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2002; DIRECTING THE PRESIDENT AND OTHER OFFICERS OF THE BOARD OF SCHOOL DIRECTORS TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND TO TAKE ALL OTHER NECESSARY ACTION; COVENANTING THAT THE SCHOOL DISTRICT SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; PROVIDING FOR REGISTERED BONDS, DATE OF THE BONDS AND PAYMENT DATES; PROVIDING FOR FACSIMILE SIGNATURES, SEAL AND AUTHENTICATION; APPROVING THE FORM OF THE BONDS, PAYING AGENT'S AUTHENTICATION CERTIFICATE, ENDORSEMENT AND REGISTRATION; PROVIDING FOR TEMPORARY BONDS; PROVIDING FOR THE STATED PRINCIPAL MATURITY AMOUNTS AND FIXING THE RATES OF INTEREST ON THE BONDS; AWARDING THE BONDS AT PRIVATE SALE UPON INVITATION TO BID; CREATING A SINKING FUND; AUTHORIZING THE PROPER OFFICERS OF THE SCHOOL DISTRICT TO CONTRACT WITH A SINKING FUND DEPOSITORY AND PAYING AGENT; AUTHORIZING AND DIRECTING THE SECRETARY TO CERTIFY AND FILE WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; COVENANTING THAT THE PROCEEDS OF THE BONDS SHALL NOT BE USED IN SUCH MANNER AS TO CAUSE THE BONDS TO BE ARBITRAGE BONDS UNDER FEDERAL TAX LAW PROVISIONS; AUTHORIZING THE PROPER OFFICERS OF THE SCHOOL DISTRICT TO DO ALL THINGS NECESSARY TO CARRY OUT THE RESOLUTION; AND RESCINDING ALL INCONSISTENT RESOLUTIONS.

WHEREAS, the Board of School Directors of the Warren County School District (the "School District") proposes to issue \$10,000,000 aggregate principal amount, General Obligation Bonds, Refunding Series of 2008 (the "Bonds"), to provide funds to be used by the School District: (1) toward the current refunding of the School District's outstanding General Obligation Bonds, Series of 2001; (2) toward the current refunding of a portion of the School District's General Obligation Bonds, Series of 2002; and (3) to pay the costs of issuing the Bonds (collectively, the "Project").

NOW, THEREFORE, be it resolved by the Board of School Directors of the School District as follows:

Section 1. 53 Pa. C.S.A. §8103, the Project, the Bonds. The Board of School Directors of the School District does hereby authorize and direct the incurring of non-electoral debt through

the issuance of \$10,000,000 aggregate principal amount of General Obligation Bonds, Refunding Series of 2008 (the "Bonds") of the School District for the purpose of paying the costs of the Project.

Section 2. 53 Pa. C.S.A. §8241, Refunding. The Project includes the current refunding of the School District's General Obligation Bonds, Series of 2001, outstanding in the aggregate principal amount of \$4,415,000 (the "2001 Bonds") and the current refunding of \$4,325,000 principal amount of the School District's General Obligation Bonds, Series of 2002, outstanding in the aggregate principal amount of \$7,765,000 (the "Refunded 2002 Bonds") (such portion the "Refunded 2002 Bonds" and, together with the 2001 Bonds, the "Prior Bonds") (collectively, the "Refunding"). The 2001 Bonds were issued September 10, 2001 and the proceeds thereof were used to provide for capital additions and improvements to School District facilities (the "2001 Project"). The 2001 Project has a remaining useful life in excess of twenty-five (25) years. The Refunded 2002 Bonds were issued October 4, 2002 and the proceeds thereof were used for construction and equipping of a new elementary school and the provision of capital additions and improvements to other School District facilities (the "2002 Project"). The 2002 Project has a remaining useful life in excess of twenty-five (25) years. In accordance with Section 8241 of Act No. 177 approved December 19, 1996, the Local Government Unit Debt Act (the "Act"), the purpose of the Refunding is a reduction in total debt service over the life of the Prior Bonds. From and after the date of closing, assuming payment is made as set forth herein, the Prior Bonds will no longer be deemed outstanding pursuant to the provisions of Section 8250 of the Act.

Section 3. 53 Pa. C.S.A. §8110, Authorization to Prepare Debt Statement. The President or Vice-President and the Secretary of the Board of School Directors of the School District are hereby authorized and directed to prepare, certify and file a debt statement required by Section 8110 of the Act, to execute and deliver the Bonds and to take all other necessary action.

Section 4. 53 Pa. C.S.A. §8104, Covenant. The Bonds hereby authorized are General Obligation Bonds of the School District. It is covenanted with the holders from time to time of the Bonds that the School District shall (i) include the amount of the debt service on the Bonds for each fiscal year in which such sums are payable in its budget for that year, such amounts being specified in the schedule included with the purchase proposal received from the purchaser of the Bonds (the "Purchase Proposal"), (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 its sinking fund or any other of its revenues or funds, the principal of the Bonds and the interest thereon at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the School District pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable. Nothing in this Section shall be construed to give the School District any taxing power not granted by another provision of law.

Section 5. 53 Pa. C.S.A. §8103, Schedule of Maturities. The Bonds are current interest paying bonds. The serial maturities of the Bonds are set forth in the maturity schedule which is a part of the Purchase Proposal. The Bonds shall be issued in fully registered form, in denominations as to principal of \$5,000.00 or integral multiples thereof, and shall be dated June 15, 2008. The Bonds will bear interest on March 1 and September 1 of each year,

commencing September 1, 2008, until maturity. The Bonds shall bear interest at the rates, and shall mature on September 1 of the years, as set forth in the amortization schedule in the Purchase Proposal.

53 Pa. C.S.A. §8161, Private Sale Upon Invitation. After due and sufficient deliberation, the School District hereby determines that a private sale of the Bonds pursuant to the Purchase Proposal, after invitation to bid, is in the best financial interest of the School District.

Section 6. The principal of the Bonds shall be payable in lawful money of the United States of America at the designated trust office of the Bank of New York Trust Company, N.A., or at the designated office of any additional or appointed alternate or successor paying agent or agents (the "Paying Agent"). Interest on the Bonds shall be payable in the manner provided in the form of the Bond hereinafter set forth. The School District agrees without limitation to indemnify and hold the Paying Agent harmless from and against any and all claims, liabilities, losses or damages whatsoever, except for negligent, reckless or willful acts or omissions by the Paying Agent. The Paying Agent shall have no obligations with respect to this Resolution other than those duties specifically mentioned herein and shall have the right to act upon any document or written request believed by it to be genuine and shall have no duty to inquire into the authenticity of any signature. The Paying Agent shall also be entitled to consult and rely upon the advice of counsel if it deems such consultation to be necessary in the performance of its duties. The School District agrees to pay the Paying Agent from time to time reasonable compensation for all services rendered by it hereunder and agrees to reimburse the Paying Agent for all fees and expenses, including those of counsel, upon presentation of an invoice.

Section 7. Authorization to Execute and Deliver Bonds. The Bonds shall be executed by the manual or facsimile signature of the President or Vice President of the Board of School Directors, and shall have a facsimile of the corporate seal of the School District affixed thereto, duly attested by the manual or facsimile signature of the Secretary of the Board, and such officers are hereby authorized to execute the Bonds in such manner. The President or Vice President of the Board of School Directors is authorized and directed to deliver or cause to be delivered the Bonds to the purchaser thereof against receipt of the full balance of the purchase price therefor. The Bonds shall be authenticated by a duly authorized officer of the Paying Agent.

Section 8. 53 Pa. C.S.A. §8103, Form of Bond. The form of the Bond, the Paying Agent's authentication certificates endorsement and registration thereto annexed shall be substantially as follows:

(FORM OF BOND)

No. \_\_\_\_\_

WARREN COUNTY SCHOOL DISTRICT  
COUNTY OF WARREN  
COMMONWEALTH OF PENNSYLVANIA  
GENERAL OBLIGATION BOND, REFUNDING SERIES OF 2008

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
		June 15, 2008	

REGISTERED OWNER:

PRINCIPAL SUM: DOLLARS

The Warren County School District, Warren County, Pennsylvania, a municipal corporation and a School District of the Commonwealth of Pennsylvania (the "School District") for value received, hereby acknowledges itself indebted and promises to pay, as a General Obligation of the School District, to the registered owner hereof, on the maturity date stated above, unless this Bond shall be redeemable and shall have been duly called for previous redemption and payment of the redemption price made or provided for, upon surrender hereof, the principal sum stated above and to pay interest thereon, as a General Obligation of the School District, from the date hereof at the interest rate per annum stated above, payable semi-annually on the 1st day of March in each year, beginning September 1, 2008, until the principal amount hereof shall have been fully paid and until maturity hereof to the registered owner hereof as herein provided.

The principal of, and the interest on this Bond, shall be payable at the designated office of The Bank of New York Trust Company, N.A. (the "Paying Agent") or at the designated office of any successor paying agent and is payable, in any coin or currency of the United States of America which, at time of payment, is legal tender for payment of public and private debts. Interest on this Bond will be paid by check or draft mailed to the person in whose name this Bond is registered, at the close of business on the fifteenth day (whether or not a business day) next preceding each interest payment date, on the registration books of the School District maintained by the Paying Agent, as Bond registrar, at the address appearing thereon.

The Bonds are an authorized issue (the "Bonds") fully registered as to principal and interest and designated as "Warren County School District General Obligation Bonds, Refunding Series of 2008," amounting in the aggregate to \$10,000,000 principal amount of Bonds. The Bonds are current interest bonds. The Bonds are issued pursuant to a Resolution, dated as of \_\_\_\_\_, 2008 (the "Resolution"), duly adopted by the School District. The Bonds are issued in fully registered form in the denomination of \$5,000.00 or any integral multiple thereof, all of like date and tenor except as to dates of maturity, rates of interest and interest payment provisions. The Bonds are issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act No. 177 of 1996, approved December 19, 1996, as amended (the "Act"). The Bonds are issued for the purpose of providing funds

toward the current refunding of the School District's outstanding General Obligation Bonds, Series of 2001; toward the current refunding of a portion of the School District's outstanding General Obligation Bonds, Series of 2002; and to pay the costs of issuing the Bonds.

The Bonds maturing on or after September 1, 2013 are subject to redemption prior to maturity at the option of the School District as a whole on March 1, 2013 or on any date thereafter, or from time to time in part (and if in part, in any order of maturity as selected by the School District and within a maturity by lot) at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon, to the date fixed for redemption.

Notice of redemption of Bonds shall be given by mailing a copy of the redemption notice by first class mail, postage prepaid, no less than 30 days prior to the redemption date, to the registered owners of Bonds to be redeemed at the addresses which appear in the Bond Register. Neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond will affect the validity of the proceedings for the redemption of any other Bond. If the School District shall have duly given notice of redemption and shall have deposited with the Paying Agent funds for the payment of the redemption price of the Bonds so called for redemption with accrued interest thereon to the date fixed for redemption, interest on such Bonds will cease to accrue after such redemption date.

This Bond is a General Obligation of the School District. The School District hereby covenants with the holders from time to time of this Bond that the School District shall include the amount of the debt service payable on this Bond, for each fiscal year in which such sums are payable, in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid the principal of this Bond, and the interest thereon, at the dates and places and in the manner stated herein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the School District pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable. Nothing in this paragraph shall be construed to give the School District any taxing power not granted by another provision of law.

This Bond is payable in such coin or currency as at the respective dates of payment thereof shall be legal tender for the payment of public and private debts, at the designated office of the Paying Agent, or at the designated office of any successor paying agent.

It is hereby certified that all acts, conditions and things required to be or be done, happen or be performed precedent to and in the issuance of the Bonds or in the creation of the debt of which they are evidence have been done, happened and been performed in regular and due form and manner as required by law and that this Bond together with all other indebtedness of the said School District are not in excess of any constitutional or statutory limitations.

Proceedings relating to the issuance of the Bonds by the School District have been approved by the Department of Community and Economic Development of the Commonwealth of Pennsylvania under the provisions of the Act.

As declared by the Act and subject to the provisions for registration of the Bonds endorsed hereon, the Bonds have all the qualities and incidents of negotiable instruments under

the laws of the Commonwealth of Pennsylvania, and are issued with the intent that the laws of said Commonwealth shall govern their construction.

In case of default by the School District in the payment of the principal of, or interest on the Bonds, or in the performance of any of the covenants of the School District contained in the Resolution, the owner of this Bond shall have such remedies as are provided by the Resolution and the Constitution and laws of the Commonwealth of Pennsylvania.

This Bond shall be registered as to principal and interest on the books of the School District to be kept for that purpose at the office of the Paying Agent and such registration shall be noted hereon. No transfer of this Bond shall be valid unless made at said office by the registered owner in person or by his duly authorized attorney and similarly noted hereon. The School District and the Paying Agent may treat the registered owner as the absolute owner hereof for the payment of the principal, premium, if any, and interest on this Bond and shall not be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal, or redemption price for, or the interest on the Bonds or for any claim based hereon, against any past, present or future member, officer or employee of the School District, or of any predecessor or successor corporation, as such, either directly or otherwise whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being by the acceptance hereof, and as a material part of the consideration for the issue hereof, expressly waived and released.

This Bond shall not be entitled to any payment of principal or interest or become valid for any purpose until the certification of authentication hereon has been signed by the Paying Agent.

IN WITNESS WHEREOF, Warren County School District has caused this Bond to be executed in its name by the facsimile signature of the President or Vice President of the Board of School Directors, its facsimile corporate seal to be affixed hereto and attested by the facsimile signature of the Secretary.

(SEAL)  
ATTEST:

WARREN COUNTY SCHOOL DISTRICT

\_\_\_\_\_  
Secretary

BY: \_\_\_\_\_  
President, Board of School Directors

## AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds designated herein, described in the within-mentioned Resolution.

Accompanying this Bond, or printed hereon, is the complete text of the opinion of Bond Counsel, Knox McLaughlin Gornall & Sennett, P.C., of Erie, Pennsylvania, a signed original of which is on file with the undersigned, delivered and dated on the date of the original delivery of and payment for the Bonds.

THE BANK OF NEW YORK TRUST  
COMPANY, N.A.  
Paying Agent

BY: \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signatures must be guaranteed by a member of an approved Signature Guarantee Medallion Program.

\_\_\_\_\_  
NOTICE: The Signature(s) to this assignment must correspond with the name(s) as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.



The Bonds shall be executed in substantially the form as hereinabove set forth with such appropriate changes, additions or deletions as may be approved by the officers executing the Bonds in the manner provided in Section 7 hereof; such execution shall constitute approval by such officers on behalf of the Board of School Directors. The opinion of Bond Counsel is authorized and directed to be issued contemporaneously therewith.

The School District, solely for the convenience of the holders of Bonds, has caused CUSIP (Committee on Uniform Security Identification Procedures) numbers to be printed on the Bonds. No representation is made as to the accuracy of said numbers either as printed on such Bonds or as contained in any notice of redemption, and the School District shall have no liability of any sort with respect thereto. Reliance with respect to any redemption notice with respect to the Bonds may be placed only on the identification numbers printed thereon.

Section 9. Until the Bonds in definitive form are ready for delivery, the proper officers of the Board of School Directors may execute, and upon their request in writing, the Paying Agent shall authenticate and deliver in lieu of such Bonds in definitive form one or more printed or typewritten Bonds in temporary form, substantially of the tenor of the Bonds hereinbefore described, with appropriate omissions, variations and insertions. The Bonds in temporary form may be for the principal amount of Five Thousand (\$5,000.00) Dollars or any whole multiple or multiples thereof as such officers may determine. The aforesaid officers, without unnecessary delay, shall prepare, execute and deliver the Bonds in definitive form to the Paying Agent, and thereupon, upon presentation and surrender of the Bonds in temporary form, the Paying Agent shall authenticate and deliver, in exchange therefor, the Bonds in definitive form in authorized denominations of the same maturity and for the same aggregate principal amount as the Bonds in temporary form surrendered. When and as interest is paid upon the Bonds in temporary form, the fact of such payment shall be endorsed thereon. Until so exchanged, the temporary Bonds shall be in full force and effect according to their terms.

Section 10. 53 Pa. C.S.A. §8142, Amortization Schedule. The Bonds shall mature in the amounts and bear interest at the interest rates set forth in the Purchase Proposal attached hereto. The stated maturities are established on a level annual debt service plan, in conformity with the Act.

The School District hereby determines that the schedule of maturities provides for the amortization of the Bonds in a manner which complies with Section 8142 of the Act.

Section 11. The School District hereby sells the Bonds by private sale upon invitation to bid on the terms set forth in the Purchase Proposal, a copy of which is attached hereto and made a part hereof.

Section 12. 53 Pa. C.S.A. §8221, Sinking Fund Covenant. The School District covenants to establish and there is hereby established a sinking fund to be known as the Sinking Fund, General Obligation Bonds, Refunding Series of 2008 with the Paying Agent as Sinking Fund Depository. The Treasurer of the School District shall pay into the Sinking Fund, which shall be maintained until the Bonds are paid in full, the amounts set forth in the maturity schedule

attached to the Purchase Proposal and as required pursuant to the covenant contained in Section 4 hereof.

Section 13. 53 Pa. C.S.A. §8106, Paying Agent, Sinking Fund Depository. The Bank of New York Trust Company, N.A. is hereby appointed Sinking Fund Depository and Paying Agent for the Bonds. The proper officers of the School District are hereby authorized and directed to contract with the Sinking Fund Depository and Paying Agent for its services with respect to the Bonds. The proper officers of the School District are also authorized to enter into an agreement for the purchase of bond insurance for the Bonds through Financial Securities Assurance.

Section 14. The Bonds are subject to redemption as set forth in the form of the Bond contained in Section 8 hereof.

Section 15. The Secretary of the Board of School Directors is hereby authorized and directed to certify to and file with the Department of Community and Economic Development, 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 hereinabove referred to and pay the filing fees necessary in connection therewith.

Section 16. The School District covenants with the owners of the Bonds that it will make no use of the proceeds of the Bonds at any time during the term thereof which, if such use had been reasonably expected on the date of issue of the Bonds, would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code, as interpreted by the regulations applicable to the Bonds, as promulgated for such purpose by the United States Treasury Department.

The School District agrees to take all actions necessary to preserve and maintain the tax exempt status of the Bonds and of the interest thereon, under all laws currently in effect and any that may become effective. The School District covenants that it will not intentionally use any portion of the proceeds of the Bonds to acquire, or to replace funds used directly or indirectly to acquire, investment property with a yield materially higher than the yield on the Bonds except as authorized by Section 148(a) of the Code and by the regulations promulgated thereunder. The School District covenants to expend the proceeds of the Bonds within the temporary periods prescribed by Section 148(c) of the Code and the regulations thereunder. The School District covenants to rebate to the United States all arbitrage profits earned on the proceeds of the Bonds as required by Section 148(f) of the Code, except for any arbitrage profits earned on funds held in the Sinking Fund so long as the annual earnings on the Sinking Fund are less than \$100,000, but only to the extent that Section 148(f) is applicable to the Bonds. For purposes of this covenant, “arbitrage profits” means (i) the excess of (A) the amount earned on any proceeds of the Bonds invested in any investment property (excluding tax-exempt bonds) over (B) the amount which would have been earned if such investments were invested at a rate equal to the yield on the Bonds, and (ii) any income attributable to such excess.

Section 17. The proper officers of the School District are hereby authorized and empowered on behalf of the School District to execute any and all 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 this Resolution.

Section 18. Bond counsel to the School District, Knox McLaughlin Gornall & Sennett, P.C., is hereby requested to prepare or review all documents necessary to the financing and the sale of the Bonds and to issue to the purchaser of the Bonds the legal opinion relating to the Bonds. The Solicitor to the School District shall approve the form of all documents required for the closing.

Section 19. The official statement of the School District with respect to the Bonds in the preliminary form submitted to the Board of School Directors is hereby approved subject to changes as the President or Vice President of the Board of School Directors shall approve, the execution thereof by the President or Vice President to be conclusive evidence of such approval, and the President or Vice President are each hereby authorized to execute said official statement and said official statement is hereby authorized to be distributed to prospective purchasers of the Bonds.

Section 20. The School District hereby designates the Bonds as “qualified tax-exempt obligations” under Section 265(b)(3) of the Code. The School District reasonably anticipates that the total amount of “qualified tax-exempt obligations” to be issued by the School District and all subordinate entities thereof during calendar year 2008 will not exceed \$10,000,000.00.

Section 21. Rule 15c2-12 Continuing Disclosure Undertaking.

(a) The School District (the “Obligated Person”) hereby agrees, in accordance with the provisions of Rule 15c2-12 (the “Rule”), promulgated by the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided, to each nationally recognized municipal securities information repository (“NRMSIR”) and to the appropriate state information depository (“SID”), if any, for the Commonwealth of Pennsylvania, in each case as designated by the Commission in accordance with the Rule, the following annual financial information and operating data, not later than 180 days following the end of each fiscal year of the School District, commencing with the fiscal year ended June 30, 2008:

(i) the financial statements for the most recent fiscal year, prepared in accordance with generally accepted accounting principles for local government units and audited in accordance with generally accepted auditing standards.

(ii) a summary of the budget for the current fiscal year.

(iii) the assessed value and aggregate market value of all taxable real estate for the current fiscal year.

(iv) the taxes and millage rates imposed for the current fiscal year.

(v) the real property tax collection results for the most recent fiscal year, including (1) the real estate levy imposed (expressed both as a millage rate and an aggregate dollar amount), (2) the dollar amount of real estate taxes collected that represented current collections (expressed both as a percentage of such fiscal year’s levy and as an aggregate dollar amount), (3) the amount of real estate taxes collected that represented taxes levied in prior years (expressed as an aggregate dollar amount), and (4) the total amount of real estate taxes

collected (expressed both as a percentage of the current year's levy and as an aggregate dollar amount).

(vi) a list of the ten (10) largest real estate taxpayers and, for each, the total assessed value of real estate for the current fiscal year.

(vii) pupil enrollment figures, including enrollment at the end of the most recent fiscal year, current enrollment and projected enrollment for the beginning of the next fiscal year, including a breakdown between elementary and secondary enrollment (to the extent reasonably feasible).

(b) The Obligated Person agrees to provide or cause to be provided, in a timely manner, to (I) each NEMESIS or to the Municipal Securities Rulemaking Board ("MRS.") and (ii) the SID, notice of the occurrence of any of the following events with respect to the Bonds, if, in the judgment of the Obligated Person, such event is material:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions or events affecting the tax-exempt status of the security;
- (7) modifications to rights of security holders;
- (8) bond calls;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the securities; and
- (11) rating changes.

(c) The Obligated Person agrees to provide or cause to be provided, in a timely manner, to (i) each NRMSIR or to the MSRB and (ii) the SID, notice of a failure by the Obligated Person to provide the annual financial information with respect to the Obligated Person described in (a)(i) above on or prior to the date set forth in (a)(ii) above.

(d) The Obligated Person reserves the right to terminate its obligation to provide annual financial information and notices of material events, as set forth above, if and when the Obligated Person no longer remains an obligated person with respect to the Bonds within the meaning of the Rule; the Obligated Person will provide notice of such termination to the NRMSIR's, the MSRB and the SID.

(e) The Obligated Person agrees that its undertaking pursuant to the Rule set forth in this Section 21 is intended to be for the benefit of the holders of the Bonds and shall be enforceable by such holders; provided, that such right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Obligated Person's obligations hereunder and any failure by the Obligated Person to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds.

Section 22. The School District hereby approves the engagement letter with Bond Counsel, Knox McLaughlin Gornall & Sennett, P.C., dated \_\_\_\_\_, 2008, and authorizes and directs the execution of the letter by any officer of the School District.

Section 23. All resolutions or parts of resolutions not in accord with this Resolution are hereby repealed insofar as they conflict herewith.

This Resolution was duly adopted by an affirmative vote of a majority of the members of the Board of School Directors of the Warren County School District, Warren County, Pennsylvania, at a meeting duly advertised and held in accordance with the provisions of law on the \_\_\_\_\_ day of \_\_\_\_\_, 2008.

(SEAL)  
ATTEST:

WARREN COUNTY SCHOOL DISTRICT

\_\_\_\_\_  
Secretary, Board of School Directors

BY: \_\_\_\_\_  
President, Board of School Directors

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly adopted by the affirmative vote of a majority of the members of the Board of School Directors of the Warren County School District, Warren County, Pennsylvania, at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2008; that proper notice of such meeting was duly given as required by law; and that said Resolution has been duly recorded upon the Minutes of said Board of School Directors, showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said School District this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

(SEAL)

\_\_\_\_\_  
Secretary