

## RESOLUTION

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10 OF PIMA COUNTY, ARIZONA, SCHOOL IMPROVEMENT BONDS, PROJECT OF 2007, SERIES D (2013); DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE BONDS; PROVIDING FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS; AUTHORIZING THE APPOINTMENT OF A REGISTRAR, TRANSFER AGENT AND PAYING AGENT; APPROVING THE FORM OF CERTAIN DOCUMENTS AND AUTHORIZING COMPLETION, EXECUTION AND DELIVERY THEREOF; DELEGATING THE AUTHORITY TO APPROVE AND DEEM FINAL A FORM OF OFFICIAL STATEMENT; AND RATIFYING ALL ACTIONS TAKEN OR TO BE TAKEN TO FURTHER THIS RESOLUTION; APPROVING ISSUANCE AND POST-ISSUANCE COMPLIANCE PROCEDURES RELATING TO TAX-EXEMPT OBLIGATIONS; AND RATIFYING ALL ACTIONS TAKEN OR TO BE TAKEN WITH RESPECT TO THE BONDS.**

**WHEREAS**, Amphitheater Unified School District No. 10 of Pima County, Arizona (the "*District*"), held a special bond election in and for the District on November 6, 2007 (the "*Election*"), at which a majority of the qualified electors voting at the Election authorized the issuance of school improvement bonds; and

**WHEREAS**, the Governing Board of the District (the "*Board*") intends to issue bonds in the aggregate principal amount of not to exceed \$41,000,000 (the "*Bonds*") for the purpose of making school improvements in accordance with the authority granted at the Election and for the purpose of paying a portion of the costs of issuance of the Bonds; and

**WHEREAS**, the Board shall receive a proposal for the purchase of the Bonds from Stifel, Nicolaus & Company, Incorporated (the "*Underwriter*") in the form of a bond purchase agreement now on file with this Board and the District desires that the Bonds be sold through negotiation to the Underwriter on such terms as may hereafter be approved by the District Superintendent or Chief Financial Officer; and

**WHEREAS**, by this resolution, the Board shall approve a form of purchase agreement now on file and order the proposed purchase agreement to be completed with the final terms of the Bonds and entered into between the District and the Underwriter when the final terms of the sale have been determined for the sale of the Bonds to the Underwriter (as so completed, the "*Purchase Agreement*"); and

**WHEREAS**, within and by the parameters set forth in this resolution, the Board shall authorize the execution, issuance and sale of the Bonds and their delivery to the Underwriter in accordance with the Purchase Agreement;

**NOW, THEREFORE, IT IS RESOLVED BY THE GOVERNING BOARD OF AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10 OF PIMA COUNTY, ARIZONA, AS FOLLOWS:**

**Section 1. Authorization.** This Board hereby authorizes the Bonds to be issued and sold in an aggregate principal amount of not to exceed \$41,000,000. The Bonds shall be designated Amphitheater Unified School District No. 10 of Pima County, Arizona, School Improvement Bonds, Project of 2007, Series D (2013), and the Bonds shall be issued and sold in accordance with the provisions of this resolution and delivered against payment therefor by the Underwriter.

**Section 2. Terms.**

A. **Bonds.** The Bonds shall be dated as of September 1, 2013 or such other date as set forth in the Purchase Agreement, shall mature on July 1 in some or all of the years 2014 through 2027, inclusive, and shall bear interest from their date to the maturity or earlier redemption of each of the Bonds, provided that the yield (as determined pursuant to the regulations of the Internal Revenue Code), shall not exceed six (6%) percent per annum. The Bonds shall be classified as "Class B" Bonds for all purposes of Arizona Revised Statutes, Title 15, Chapter 4, Article 5, and Chapter 9, Article 7.

The principal amount maturing in each year, the interest rates applicable to each maturity, the optional and mandatory redemption provisions and any other final terms of the Bonds shall be as set forth in the Purchase Agreement and approved by the President or any other member of the Board, such approval shall be evidenced by the execution and delivery of the Purchase Agreement. The Bonds shall be issued in fully registered Book-Entry-Only form in denominations equal to the respective year's maturity amount. If the Book-Entry-Only System is discontinued, the Bonds shall be in the denominations of \$5,000 each or integral multiples thereof. Interest on the Bonds shall be payable semiannually on each January 1 and July 1 (each an "*Interest Payment Date*") during the term of the Bonds, commencing January 1, 2014 (or on a later date as set forth in the Purchase Agreement).

B. **Book-Entry-Only System.** So long as the Bonds are administered under the book-entry-only system (the "*Book-Entry-Only System*") described in the Letter of Representations which is hereinafter defined, interest payments and principal payments that are part of periodic principal and interest payments shall be paid to Cede & Co. or its registered assigns in same-day funds no later than 2:30 p.m. Eastern Time on each interest or principal payment date (or in accordance with then existing arrangements between the District and The Depository Trust Company, a New York Corporation ("DTC")). The District has entered into an agreement (the "*Letter of Representations*") with DTC in connection with the issuance of the District's bonds including the Bonds and, while the Letter of Representations is in effect, the procedures established therein shall apply to the Bonds.

C. **Registration.** If the Book-Entry-Only System is discontinued, the Registrar's (as defined hereafter) registration books shall show the registered owners of the Bonds (collectively, the owner or owners of the Bonds as shown on the Registrar's registration books shall be referred to as "*Owner*" or "*Owners*"). While the Bonds are subject to the Book-Entry-Only System, the Bonds shall be registered in the name of Cede & Co., or its registered assigns. The Bonds shall be administered by the Registrar in a manner which assures against double issuance and provides a system of transfer of ownership on the books of the Registrar in the manner set forth in the Bonds. The District recognizes that Section 149(a) of the Internal

Revenue Code of 1986, as amended (the "*Code*"), requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in, or converted into bearer or coupon form.

D. Payment. If the Book-Entry-Only System is discontinued, interest on the Bonds shall be payable on each Interest Payment Date by check mailed to the Owner thereof at the Owner's address all as shown on the registration books maintained by the Registrar as of the close of business of the Registrar on the fifteenth (15th) day of the month preceding an Interest Payment Date (the "*Record Date*").

If the Book-Entry-Only System is discontinued, principal of the Bonds shall be payable, when due, only upon presentation and surrender of the Bond at the designated corporate trust office of the Paying Agent (as defined hereafter). Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds not less than twenty (20) days prior to an Interest Payment Date, all payments of interest and, if adequate provision for surrender is made, principal shall be paid by wire transfer in immediately available funds to an account within the United States of America designated by such Owner.

Notwithstanding any other provision of this resolution, payment of principal of and interest on any Bond that is held by a securities depository or that is subject to the Book-Entry-Only System may be paid by the Paying Agent by wire transfer in "same day funds".

E. Other Terms. The Bonds shall have such other terms and provisions as are set forth in Exhibit A hereto and shall be sold under the terms and conditions set forth in the Purchase Agreement.

### **Section 3. Prior Redemption.**

A. Optional Redemption. The Bonds may be subject to optional redemption as set forth in the Purchase Agreement.

B. Mandatory Redemption. The Bonds may be subject to mandatory redemption as set forth in the Purchase Agreement.

Whenever Bonds subject to mandatory redemption are purchased, redeemed (other than pursuant to mandatory redemption) or delivered by the District to the Registrar for cancellation, the principal amount of the Bonds so retired shall satisfy and be credited against the mandatory redemption requirements for such Bonds for such years as the District may direct.

#### **C. Notice of Redemption.**

(1) So long as the Bonds are held under the Book-Entry-Only System, notices of redemption will be sent to DTC in the manner required by DTC. If the Book-Entry-Only System is discontinued, notice of redemption of any Bond will be mailed to the registered owner of the Bond or Bonds being redeemed at the address shown on the bond register maintained by the registrar not more than sixty (60) nor less than thirty (30) days prior to the date set for

redemption. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Neither the failure of DTC nor any registered owner of Bonds to receive a notice of redemption nor any defect therein will affect the validity of the proceedings for redemption of Bonds as to which proper notice of redemption was given.

(2) Notice of any redemption will also be sent to the Municipal Securities Rulemaking Board (the “MSRB”), currently through the MSRB’s Electronic Municipal Market Access system (“EMMA”), in the manner required by the MSRB, but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

(3) If moneys for the payment of the redemption price and accrued interest are not held in separate accounts by the District or by a Paying Agent prior to sending the notice of redemption, such redemption shall be conditional on such moneys being so held on the date set for redemption and if not so held by such date, the redemption shall be cancelled and be of no force and effect.

D. Effect of Call for Redemption. On the date designated for redemption by notice given as herein provided, the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date, and, if moneys for payment of the redemption price are held in separate accounts by the Paying Agent, interest on such Bonds or portions of such Bonds so called for redemption shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security hereunder and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and such Bonds shall be deemed paid and no longer outstanding.

E. Redemption of Less Than All of a Bond. The District may redeem an amount which is included in a Bond in the denomination in excess of, but divisible by, \$5,000. In that event, the Owner shall submit the Bond for partial redemption and the Paying Agent shall make such partial payment and the Registrar shall cause to be issued a new Bond in a principal amount equal to the unpaid amount remaining on such Bond after the redemption to be authenticated and delivered to the Owner thereof.

**Section 4. Security.** For the purpose of paying the principal of, interest on and costs of administration of the registration and payment of the Bonds, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs as the same becomes due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected. The proceeds of the taxes shall be kept in a special fund entitled the Debt Service Fund of the District and shall be used only for the payment of principal, interest, premium, if any, or costs as above-stated. If for any reason, the amount on deposit in the District's debt service fund is insufficient to pay on the date of payment, the principal, interest and premium (if any) due on the Bonds, the District hereby authorizes the Treasurer to pay such deficiency from any District funds lawfully available therefor.

**Section 5. Use of Proceeds.** Upon the delivery of and payment for the Bonds in accordance with the terms of their sale, the net proceeds from the sale of the Bonds, after payment of the expenses of issuance, shall be set aside and deposited by the Pima County Treasurer (the "*Treasurer*"), in a separate fund entitled the Bond Building Fund of the District.

The proceeds of the Bonds shall be expended only for the purpose set forth in the ballot used at the Election wherein issuance of the Bonds was approved and to pay the costs of issuance of the Bonds and the cost of a bond insurance premium, if applicable. Any premium received from the sale of the Bonds shall be used to pay the underwriter's compensation and any other costs of issuance lawfully payable from such proceeds.

**Section 6. Form of Bonds.** Pursuant to A.R.S. § 35-491, a fully registered bond form is adopted as an alternative to the form of bond provided in A.R.S. § 15-1023. So long as the Book-Entry-Only System is in effect, the Bonds shall be in substantially the form of *Exhibit A* attached hereto and incorporated by reference herein, with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby or by the Purchase Agreement and are approved by those officers executing the Bonds; execution thereof by such officers shall constitute conclusive evidence of such approval.

The Bonds may have notations, legends or endorsements required by law, securities exchange rule or usage. Each Bond shall show both the date of the issue and the date of such Bond's authentication and registration. The Bonds are prohibited from being converted to coupon or bearer form without the consent of the Board and approval of bond counsel. If the Book-Entry-Only System is discontinued, the Bonds shall be reissued and transferred in the form of Bond to be prepared at that time.

**Section 7. Execution of Bonds and Other Documents.**

A. **Bonds.** The Bonds shall be executed for and on behalf of the District by its President by manual or facsimile signature. If an officer whose signature is on a Bond no longer holds that office at the time the Bond is authenticated and registered, such Bond shall nevertheless be valid.

A Bond shall not be valid or binding until authenticated by the manual signature of an authorized representative of the Registrar. The signature of the authorized representative of the Registrar shall be conclusive evidence that such Bond has been authenticated and issued pursuant to this resolution.

B. **Purchase Agreement.** The form of the Purchase Agreement, as presented to this Board, is hereby approved and the President or any member of this Board is hereby authorized to execute the Purchase Agreement on behalf of the District. The Superintendent or Chief Financial Officer of the District or the President or any member of the Board shall cause the Purchase Agreement to be completed to reflect the terms of the Bonds, including the price at which the Bonds are sold and provisions for original issue premium or original issue discount with respect thereto. The execution and delivery of the Purchase Agreement as completed shall be conclusive evidence of such approval of the final terms and provisions.

C. Registrar Contract. The form of registrar's contract concerning duties of the Registrar and Paying Agent for the Bonds, in substantially the form submitted to and on file with the Board, is hereby approved and the President, any member of this Board, the Superintendent or the Chief Financial Officer of the District is hereby directed to execute such contract on behalf of the District with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by those officers executing the documents and cause such respective contract to be delivered. Execution by any such officer shall constitute conclusive evidence of such approval.

D. Continuing Disclosure Undertaking. In order to comply with the provisions of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934 (the "*Rule*"), unless an exemption from the terms and provisions of the Rule is applicable to the Bonds, the Superintendent or Chief Financial Officer of the District is hereby authorized and directed to prepare, execute and deliver on behalf of the District a written agreement or undertaking for the benefit of the Owners (including beneficial owners) of the Bonds, in substantially the form presented to the Board and on file with the District. The written agreement or undertaking shall contain such terms and provisions as are necessary to comply with the Rule including, but not limited to (i) an agreement to provide to Municipal Securities Rulemaking Board, the financial information or operating data presented in the final official statement as determined by mutual agreement between the Superintendent or the Chief Financial Officer and the Underwriter and audited financial statements of the District and (ii) an agreement to provide listed events disclosure to Municipal Securities Rulemaking Board.

E. Official Statement. The preparation and dissemination of a preliminary official statement with respect to the Bonds is hereby authorized and approved. The preliminary official statement shall be in a form that is approved and deemed as "final" for all purposes of the Rule, by the Superintendent or the Chief Financial Officer of the District. The Superintendent or Chief Financial Officer shall approve and cause a final official statement (the "*Official Statement*") in substantially the form of the preliminary official statement referred to above to be prepared and distributed with the Bonds upon initial issuance. The President or any member of this Board is authorized to execute and deliver the Official Statement on behalf of the District.

**Section 8. Mutilated, Lost or Destroyed Bonds.** In case any Bond becomes mutilated or destroyed or lost, the District shall cause to be executed, authenticated and delivered a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of the mutilated Bond or in lieu of and in substitution for the Bond destroyed or lost, upon the Owner's paying the reasonable expenses and charges of the District in connection therewith and, in the case of the Bond destroyed or lost, filing with the Registrar and the Treasurer of evidence satisfactory to the Registrar and the Treasurer that such Bond was destroyed or lost, and furnishing the Registrar and the Treasurer with a sufficient indemnity bond pursuant to A.R.S. §47-8405.

**Section 9. Acceptance of Offer; Sale of Bonds; Purchase Agreement Approval.** The Underwriter proposes to purchase the Bonds pursuant to the Purchase Agreement submitted to and on file with this Board. Such proposal as supplemented by the final terms as contemplated by this resolution is hereby accepted. When the final terms of the Bonds are known, the Purchase Agreement shall be finalized. The Superintendent or the Chief

Financial Officer or President or any member of the Board are authorized and directed to cause the Purchase Agreement to be completed and executed; provided, however, that the parameters of this resolution shall govern the Purchase Agreement and neither the Superintendent nor the Chief Financial Officer is authorized to insert in the Purchase Agreement any terms or conditions which would be contrary to this resolution. Upon the completion, execution and delivery of the Purchase Agreement, the Bonds are ordered sold to the Underwriter pursuant to the Purchase Agreement.

The Treasurer is hereby authorized and directed to receive payment for the Bonds in accordance with the terms of the Purchase Agreement. Any other provisions of this resolution to the contrary notwithstanding, the Bonds shall not be sold for less than par and no premium on the Bonds shall exceed the net premium permitted by A.R.S. §15-1024.

**Section 10. Registrar and Paying Agent.** The District shall maintain an office or agency where the Owners of the Bonds shall be recorded in the registration books and the Bonds may be presented for registration or transfer (such entity performing such function shall be the "*Registrar*"). The District shall maintain an office or agency where Bonds may be presented for payment (such entity performing such function shall be the "*Paying Agent*"). Bonds shall be paid by the Paying Agent in accordance with Section 2D of this resolution. The District may appoint one or more co-Registrars or one or more additional Paying Agents. The Registrar and Paying Agent may make reasonable rules and set reasonable requirements for their respective functions with respect to the Owners of the Bonds.

The Superintendent or Chief Financial Officer shall solicit pricing quotes to act as Registrar and Paying Agent with respect to the Bonds and shall select a Registrar and Paying Agent in the best interests of the District. The District may change the Registrar or Paying Agent without notice to or consent of Owners of the Bonds and the District may act in any such capacity.

Each Paying Agent shall be required to agree in writing that the Paying Agent shall hold in trust for the benefit of the Owners of the Bonds all moneys held by the Paying Agent for the payment of principal of and interest and any premium on the Bonds.

The Registrar may appoint an authenticating agent acceptable to the District to authenticate Bonds. An authenticating agent may authenticate Bonds whenever the Registrar may do so. Each reference in this resolution to authentication by the Registrar includes authentication by an authenticating agent acting on behalf and in the name of the Registrar and subject to the Registrar's direction.

The Registrar shall keep a separate register for the Bonds. If the Book-Entry-Only System is discontinued, when Bonds are presented to the Registrar or a co-registrar with a request to register transfer, the Registrar shall register the transfer on the registration books if its requirements for transfer are met and shall authenticate and deliver one or more Bonds registered in the name of the transferee of the same principal or payment amount, maturity or payment date and rate of interest as the surrendered Bonds. All transfer fees and costs shall be paid by the transferor.

If the Book-Entry-Only System is discontinued, the Registrar may, but shall not be required to, transfer or exchange any Bonds during the period commencing on the Record Date to and including the respective Interest Payment Date. The Registrar may but need not register the transfer of a Bond which has been selected for redemption and need not register the transfer of any Bond for a period of fifteen (15) days before a selection of Bonds to be redeemed; if the transfer of any Bond which has been called or selected for call for redemption in whole or in part is registered, any notice of redemption which has been given to the transferor shall be binding upon the transferee and a copy of the notice of redemption shall be delivered to the transferee along with the Bond or Bonds. If the Registrar transfers or exchanges Bonds within the period referred to above, interest on such Bonds shall be paid to the person who was the Owner at the close of business of the Registrar on the Record Date as if such transfer or exchange had not occurred.

The Registrar shall authenticate Bonds for original issue up to \$41,000,000 in aggregate principal amount upon the written request of the Treasurer. The aggregate principal amount of Bonds outstanding at any time may not exceed that amount except for replacement Bonds as to which the requirements of the Registrar and the District are met.

**Section 11. Resolution a Contract.** This resolution shall constitute a contract between the District and the Owners of the Bonds and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the Owners of the Bonds then outstanding. The performance by the Board of the obligations in this resolution and in the Bonds and the Purchase Agreement is hereby authorized and approved.

**Section 12. Tax Covenant.** In consideration of the purchase and acceptance of the Bonds by the owners thereof and, as authorized by Arizona Revised Statutes, Title 35, Chapter 3, Article 7, and in consideration of retaining the exclusion of interest income on the Bonds from gross income for federal income tax purposes, the Board covenants with the Owners from time to time of the Bonds to neither take nor fail to take any action which action or failure to act is within its power and authority and would result in interest income on the Bonds becoming subject to inclusion as gross income for federal income tax purposes under either laws existing on the date of issuance of the Bonds or such laws as they may be modified or amended.

The President or any member of the Board, the District's Superintendent or Chief Financial Officer is authorized to execute and deliver all closing documents incorporating the District's representations necessary to exclude the interest on the Bonds from gross income for federal income tax purposes and other matters pertaining to the sale of the Bonds as required by bond counsel. The District's Superintendent or Chief Financial Officer, the Treasurer or a partner of Gust Rosenfeld P.L.C., bond counsel to the District ("*Bond Counsel*"), is authorized to execute and file on behalf of the District information reporting returns and to file or deliver such other information as may be required by Section 149(e) of the Internal Revenue Code of 1986, as amended (the "*Code*").

The Board further authorizes the employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of the Code. The President, any member of the Board, or the Superintendent or Chief Financial Officer of the District are authorized to make



any applicable elections necessary to avoid the rebate to the federal government of certain of the investment earnings attributable to the Bonds.

The District shall comply with such requirements and shall take any such actions as in the opinion of Bond Counsel are necessary to prevent interest income on the Bonds from becoming subject to inclusion in gross income for federal income tax purposes. Such requirements may include but are not limited to making further specific covenants; making truthful certifications and representations and giving necessary assurances; complying with all representations, covenants and assurances contained in certificates or agreements to be prepared by bond counsel; to pay to the United States of America any required amounts representing yield reduction payments or rebates of arbitrage profits relating to the Bonds; filing forms, statements and supporting documents as may be required under the federal tax laws; limiting the term of and yield on investments made with moneys relating to the Bonds; and limiting the use of the proceeds of the Bonds and property financed thereby.

The Governing Board hereby authorize the Chief Financial Officer, or his or her designee, to represent and act for the District in all matters pertaining to the District's tax-exempt bonds, as may be necessary to comply, on a continuing basis, with the Internal Revenue Service, Securities Exchange Commission and other governmental entities requests, reporting requirements and post issuance compliance policies and matters.

**Section 13. Certifications.** The District certifies as follows:

- A. The District is a governmental unit with general taxing powers;
- B. No bond which is a part of the Bonds to be issued in accordance with this resolution is a private activity bond as defined in Section 141 of the Code; and
- C. Ninety-five percent (95%) or more of the net proceeds of such issue are to be used for local government activities (i.e., school facilities) of the District.

The officers of the District charged with issuing the Bonds shall determine if the facts and conclusions stated in this Section are correct as of the date of issuance of the Bonds and, if correct, are authorized and directed to execute a certificate to that effect and cause the same to be delivered to the initial purchaser of the Bonds.

**Section 14. Bonds Not Qualified Tax-Exempt Obligations.** The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

**Section 15. Investment of Moneys.** Pursuant to A.R.S. §§ 15-1024 and 15-1025, subject to the provisions of Section 12 hereof, this resolution shall be construed as a request and continuing consent of this Board to invest moneys in the Debt Service Fund established for the Bonds and the proceeds of the Bonds deposited in the Bond Building Fund pending use, in (i) any of the securities allowed by A.R.S. § 15-1025 and (ii) the local government investment pool-government established under A.R.S. § 35-326, so long as the pool only invests in securities allowed by A.R.S. § 15-1025. This resolution shall constitute the continuing consent of this Board to such investment and no further annual consent need be

given; provided, however, that the District, acting through its Superintendent or Chief Financial Officer, may at any time provide written investment instructions to the Treasurer during any fiscal year and the Treasurer, to the extent such investments are lawful, is hereby directed to invest the moneys designated in the written instructions in the investments set forth in such instructions.

**Section 16. Ratification of Actions.** All actions of the officers and agents of the District which conform to the purposes and intent of this resolution and which further the issuance and sale of the Bonds as contemplated by this resolution whether heretofore or hereafter taken are hereby ratified, confirmed and approved. The proper officers and agents of the District are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the District as may be necessary to carry out the terms and intent of this resolution.

This Board hereby acknowledges bond counsel's representation of the Underwriter in matters not involving the District or the Bonds and hereby consents to the representation of the District in the matters set forth in this resolution.

**Section 17. Severability.** If any section, paragraph, subdivision, sentence, clause or phrase of this resolution is for any reason held to be illegal, invalid or unenforceable, such decision shall not affect the validity of the remaining portions of this resolution. The Board hereby declares that it would have adopted this resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this resolution may be held illegal, invalid or unenforceable.

**Section 18. Bond Insurance or Credit Enhancement.** The Treasurer is hereby authorized to expend or cause to be expended Bond proceeds for the purchase of bond insurance or other credit enhancement for the Bonds.

**Section 19. Issuance and Post-Issuance Compliance Procedures.** The form of the Issuance and Post-Issuance Compliance Procedures Relating to Tax-Exempt Bonds, Tax Credit Bonds, Build America Bonds (Direct Pay), and Tax Credit Bonds (Direct Pay), as presented to the Board at the meeting at which this resolution was adopted as described in *Exhibit B* attached hereto, and on file with the Board, is hereby approved and District staff shall follow the procedures set forth therein as it relates to issuance and post-issuance compliance procedures required by the Bonds, or any bonds of the District.

**PASSED, ADOPTED AND APPROVED** by the Governing Board of Amphitheater Unified School District No. 10 of Pima County, Arizona, on August 13, 2013.

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President

**EXHIBIT A**

(Form of Book-Entry-Only Bond)

Number: R-\_\_\_\_\_

Denomination: \_\_\_\_\_

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the District or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge, or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

***AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10  
OF PIMA COUNTY, ARIZONA  
SCHOOL IMPROVEMENT BOND  
PROJECT OF 2007, SERIES D (2013)***

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Dated Date</u>	<u>CUSIP No.</u>
____%	July 1, ____	September 1, 2013	721832____

Registered Owner: Cede & Co.

Principal Amount: \_\_\_\_\_ AND NO/100 DOLLARS (\$\_\_\_\_\_.00)

**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10 OF PIMA COUNTY, ARIZONA** (the "*District*"), for value received, hereby promises to pay to the registered owner identified above, or registered assigns as provided herein, on the maturity date set forth above, the principal amount set forth above, and to pay interest on the unpaid principal amount at the interest rate shown above.

INSERT CALL FEATURE IF APPLICABLE.

Interest is payable on January 1 and July 1 of each year commencing \_\_\_\_ 1, 20\_\_, and will accrue from the most recent date to which interest has been paid, or, if no interest has been paid, from the original dated date set forth above. Interest will be computed on the basis of a year comprised of 360 days consisting of twelve (12) months of thirty (30) days each.

Principal of and interest on this bond are payable in lawful money of the United States of America. Interest payments and principal payments that are part of periodic principal and interest payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns in same-day funds no later than 2:30 p.m. Eastern Time on each interest or principal payment date (or in accordance with existing arrangements between the District and DTC).

The "Record Date" for this bond will be the close of business of the registrar on the fifteenth (15<sup>th</sup>) day of the month preceding an interest payment date.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and laws of the State of Arizona to exist, to occur and to be performed precedent to and in the issuance of this bond exist, have occurred and have been performed and that the series of bonds of which this is one, together with all other indebtedness of the District, is within every debt and other limit prescribed by the Constitution and laws of the State of Arizona, and that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon all of the taxable property in the District for the payment of this bond and of the interest hereon as each becomes due, unlimited as to rate or amount.

This bond is one of a series of general obligation bonds in the aggregate principal amount of \$\_\_\_\_\_ of like tenor except as to amount, maturity date, redemption provisions, interest rate and number, issued by the District to provide funds to make certain school improvements within the District, pursuant to a resolution of the Governing Board of the District duly adopted prior to the issuance hereof (the "*Resolution*"), and pursuant to the Constitution and laws of the State of Arizona relative to the issuance and sale of school district bonds, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the punctual payment of this bond and the interest hereon and for the levy and collection of ad valorem taxes on all taxable property within the District sufficient for that purpose, the full faith and credit of the District are hereby irrevocably pledged.

So long as the book-entry-only system is in effect, this bond is non-transferable. If the book-entry-only system is discontinued, this bond is transferable by the registered owner in person or by attorney duly authorized in writing at the designated office of the registrar, which on the original issue date is the corporate trust office of \_\_\_\_\_, the initial registrar and paying agent, upon surrender and cancellation of this bond. Bonds of this issue are issuable only in fully registered form in the denomination of \$5,000 of principal or integral multiples thereof. The registrar or paying agent may be changed by the District without notice.

The District, the registrar and the paying agent may treat the registered owner of this bond as the absolute owner for the purpose of receiving principal and interest and for all other purposes and none of them shall be affected by any notice to the contrary.

The District has caused this bond to be executed by the President of its Governing Board, which signature may be a facsimile signature. This bond is not valid or binding upon the District without the manually affixed signature of an authorized representative of the registrar. This bond is prohibited from being issued in coupon or bearer form without the consent of the Governing Board of the District, and the occurrence of certain other conditions.

**AMPHITHEATER UNIFIED SCHOOL DISTRICT  
NO. 10 OF PIMA COUNTY, ARIZONA**

\_\_\_\_\_  
(facsimile)  
President, Governing Board

-----  
DATE OF AUTHENTICATION AND REGISTRATION: \_\_\_\_\_

**AUTHENTICATION CERTIFICATE**

This bond is one of the Amphitheater Unified School District No. 10 of Pima County, Arizona School Improvement Bonds, Project of 2007, Series D (2013), described in the resolution mentioned herein.

\_\_\_\_\_, as Registrar

\_\_\_\_\_  
Authorized Representative

-----  
**(INSERT INSURANCE STATEMENT HERE, IF APPLICABLE)**  
-----

**FORM OF ASSIGNMENT**

The following abbreviations, when used in this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT/TRANS MIN ACT- _____ Custodian _____
TEN ENT - as tenants by the entireties	(Cust) _____ (Minor)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts/Transfers to Minors Act _____ (State)

Additional abbreviations may also be used though not in list above

**ASSIGNMENT**

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

\_\_\_\_\_ (Name and Address of Transferee)  
the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Firm or Bank  
\_\_\_\_\_

\_\_\_\_\_  
Note: The signature(s) on this assignment must correspond with the name(s) as written on the within registered bond in every particular without alteration or enlargement or any change whatsoever.

Authorized Signature  
Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other program acceptable to the Registrar

**ALL FEES AND TRANSFER COSTS SHALL BE PAID BY THE TRANSFEROR**

**EXHIBIT B**

**ISSUANCE AND POST-ISSUANCE COMPLIANCE PROCEDURES  
RELATING TO TAX-EXEMPT BONDS, TAX CREDIT BONDS,  
AND OTHER TAX-EXEMPT FINANCINGS  
FOR THE AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10  
OF PIMA COUNTY, ARIZONA**

**Date of Implementation: August 13, 2013.**

**INTRODUCTION**

Many conditions, restrictions and requirements must be complied with to permit and preserve the tax-exempt, tax credit or direct federal subsidy treatment of general obligation bonds, revenue bonds, lease-purchase agreements, and other tax-exempt financings by the Amphitheater Unified School District No. 10 of Pima County, Arizona (the "District"). Prior to issuance, the District and its bond counsel will review the facts and the reasonable expectations to determine if the issue will comply with these conditions, restrictions and requirements at the time of issuance. There are certain actions the District must perform after issuance to preserve the favorable tax treatment and certain actions of the District after issuance can adversely affect the tax treatment. In addition, the District must maintain proper records to demonstrate compliance. Because tax benefits may be critical to the investors' decision to purchase the bonds or other obligations, the District covenants to the bond purchasers to comply with all of the conditions, restrictions and requirements throughout the life of the bonds.

Failure to comply may cause the District to be (a) liable to the bondholders, (b) subject to enforcement action by the Internal Revenue Service (the "IRS"), (c) subject to a loss of all or part of any applicable direct federal subsidy, and (d) subject to enforcement action by the U.S. Securities and Exchange Commission. Therefore, it is important that the District take the necessary action to ensure compliance with the conditions, restrictions and requirements applicable to each bond or other financing.

To ensure compliance, the District must identify a single person with overall compliance responsibility. The Superintendent and/or Chief Financial Officer, or his or her designee, will be

the responsible person and is referred to in these procedures as the "Bond Compliance Official." Anyone with any questions about the bonds, the proceeds of the bonds, the facilities financed with the bonds or compliance with the conditions, restrictions and requirements should discuss them with the Bond Compliance Official who shall, as necessary, discuss them with bond counsel. The Bond Compliance Official shall meet with bond counsel to discuss these requirements and from time to time any changes in these requirements. In the event the District fails to comply with these procedures, the Bond Compliance Official shall meet with bond counsel as soon as practicable after the discovery of the failure to comply in order to discuss the steps required to correct the noncompliance.

**1. INVESTMENT OF PROCEEDS UNTIL EXPENDED.**

Detailed records of investments and earnings will be made and kept by the District with respect to all bond proceeds.

Generally, proceeds of bonds cannot be invested at a yield higher than the bond yield unless during certain specific temporary periods. Therefore, prior to closing, the Bond Compliance Official will determine with bond counsel which funds do or do not qualify for a temporary period. Qualifying information will be set out in a tax certificate. No proceeds will be invested at a yield higher than the bond yield unless they qualify. If the actual facts regarding the use of proceeds change from what was reasonably expected at closing, the Bond Compliance Official will discuss those changes with bond counsel to see if the temporary periods are changed.

Bond proceeds include the amount received from the sale of the bonds, amounts held in a payment or reserve fund for the bonds *and investment earnings on those amounts*.

The proceeds will not be invested in any investment where a yield cannot be determined.

Any investment in a guaranteed investment contract or similar investment agreement will be made only in compliance with the bidding requirements as reviewed by bond counsel.

Bond proceeds from each issue will be invested so that they can be tracked separately from any other funds of the District. The District will work with the County Treasurer to be sure that invested earnings are properly allocated between bond proceeds and other funds,

and that interest earnings on tax-exempt bonds are tracked separately from interest earnings on tax credit and direct pay bonds.

## **2. USE OF PROCEEDS.**

Detailed records will be made and kept by the District with regard to the use of bond proceeds and shall be kept on a series by series basis. For each expenditure the amount, date of and purpose will be recorded. If the project is also funded with non-bond proceeds, the records will reflect an allocation of expenditures between bond proceeds and other funds. No proceeds will be used to reimburse an expenditure made prior to the issue date of the bonds unless the reimbursement requirement, including the prior declaration of intent to reimburse, has been fully complied with and evidence of such compliance is maintained. The District's Governing Board by taking action, or the Superintendent or Chief Financial Officer is authorized to complete the declaration of intent to reimburse.

The District is expected to exercise diligence to expend the proceeds, to enter into within six months of the issue date a binding contract to expend at least 10% of the proceeds and to have expended most of the proceeds within three years. After the third anniversary of the issue, any remaining proceeds in the construction account must be yield restricted. Any remaining Qualified School Construction Bond proceeds must be used to redeem bonds after three years.

The Bond Compliance Official shall periodically review the progress of the projects and the expenditure of proceeds to ensure timely expenditure of proceeds.

## **3. USE OF BOND FINANCED FACILITIES.**

Detailed records of the use of proceeds will identify those facilities that are financed in whole or in part with bond proceeds and must reflect the allocation of bond proceeds and other funds used. Any sale or lease to, or other agreement for use by, a private party in a trade or business can adversely affect the tax status of the bonds. The District will not sell or lease any bond financed property or enter into any agreement with non-governmental entities for use or management of any bond financed property without a thorough review by the Bond Compliance Official and bond counsel. Although not a comprehensive list, the Bond Compliance Official will review the following types of transactions with bond counsel prior to



entering into any agreement with non-governmental entities or persons: (a) the sale or lease of any bond financed property, (b) any management contracts with a food service provider or book store, (c) any research agreement and (d) public-private partnerships. The Bond Compliance Official shall periodically review the use of all bond financed facilities to ensure compliance with the private use restrictions. In the event the District takes action that causes the bonds to meet the private business tests or private loan financing test, the Bond Compliance Official shall meet with bond counsel as soon practicable after the issue is discovered to discuss the steps required to correct the noncompliance, including, if necessary, redeeming or defeasing all of the bonds that meet the private business tests or private loan financing test.

#### **4. ARBITRAGE REBATE.**

Any time that bond proceeds are permitted to be invested at a yield higher than the bond yield, the amount earned over the bond yield is arbitrage. With certain exceptions, the District is obligated to pay over (rebate) to the United States any arbitrage earned. The District will keep complete and accurate records of all investments of bond proceeds and all information supporting any applicable exceptions to the rebate requirement and will retain or ensure that the County Treasurer has retained a professional rebate consultant to review the records and prepare a report so that the District or the County Treasurer can make any necessary rebate payments. Unless exempt, the District must, at a minimum, make payments at every fifth anniversary of the issue and upon final payment. The Bond Compliance Official will review any exemption prior to each fifth anniversary and upon final payment to determine if any facts have changed which might eliminate the exemption.

#### **5. RECORD RETENTION.**

All records concerning the bond issue, including

- a) the transcript of the original proceedings,
- b) investment of proceeds,
- c) use and allocation of proceeds, including the declaration of intent to reimburse,
- d) non-governmental use of bond financed property,
- e) payment of principal and interest on the bonds,

- f) the interest rate or rates on the bonds from time to time, if variable,
- g) compliance with reimbursement requirements,
- h) refunding of all or part of the bonds,
- i) payment of arbitrage rebate or information supporting any exemption to rebate, and
- j) evidence of compliance with special requirements for Tax Credit Bonds, Build America Bonds (Direct Pay), or Tax Credit Bonds (Direct Pay) including Qualified School Construction Bonds (Direct Pay)

shall be kept for the life of the bonds plus three years and, if the bonds are refunded, for the life of all of the refunding bonds plus three years (and in compliance with any State of Arizona records retention policies).

**6. SPECIAL REQUIREMENTS FOR TAX CREDIT AND CERTAIN TAX CREDIT (DIRECT PAY) BONDS.**

If the District issues any Qualified School Construction Bonds, Qualified Zone Academy Bonds, Qualified Forestry Conservation Bonds, New Clean Renewable Energy Bonds, or Qualified Energy Conservation Bonds (the "Tax Credit Bonds"), the following additional requirements will be met:

a) Capital Expenditure Requirement. All of the proceeds, including investment earnings, must be spent on capital expenditures (and not working capital) except that up to 2% of the proceeds can be spent on costs of issuance and proceeds can fund a reasonably required reserve fund. The Bond Compliance Official shall consult with bond counsel prior to issuance to determine that the 2% costs of issuance limit will not be exceeded, that any reserve fund complies with requirements, and that the balance of the proceeds will be spent on capital expenditures. The Bond Compliance Official will review all expenditures to ensure compliance.

b) Use of Proceeds for Tax Credit Bonds. At the date of issuance, the District must reasonably expect to

- (i) spend 100% or more of the proceeds for one or more qualified purposes within the 3-year period beginning on the date of issuance, and
- (ii) have a binding commitment with a third party to spend at least 10% of such proceeds within the 6-month period beginning on the date of issuance.

If the District does not spend 100% of the proceeds within the 3-year period from the date of issuance, the District shall redeem all of the nonqualified bonds within 90 days after the end of the 3-year period. The District may be able to receive an extension prior to the expiration of the 3-year period if the District establishes that failure to spend the proceeds is due to a reasonable cause and the District will continue to proceed to spend the proceeds with due diligence.

The Bond Compliance Official shall periodically review the progress of the projects and the expenditure of proceeds to ensure timely expenditure of proceeds. If the Bond Compliance Official believes that the District will not spend 100% of the proceeds within the 3-year period beginning the date of issuance, the Bond Compliance Official will contact bond counsel as soon as possible.

A qualified purpose for a:

(i) Qualified School Construction Bonds is the construction, rehabilitation or repair of a public school facility or for the acquisition of land on which such a facility is to be constructed with part of the proceeds;

(ii) Qualified Zone Academy Bonds is a qualified purpose with respect to a qualified zone academy established by an eligible local education agency;

(iii) Qualified Forestry Conservation Bond is one or more qualified forestry conservation purposes;

(iv) New Clean Renewable Energy Bond is one or more qualified renewable energy facilities; and

(v) Qualified Energy Conservation Bonds is one or more qualified conservation purposes.

The Bond Compliance Official shall review the qualified purpose of the applicable Tax Credit Bonds to ensure compliance. Additionally, the Bond Compliance Official shall review the use of proceeds periodically to ensure continued compliance to spend 100% of the proceeds for the applicable qualified purpose.

c) Reserve Fund. The requirements of a reserve fund must be met, including the requirement that the yield on the reserve cannot exceed the discount rate determined on the date the Bond Purchase Agreement is signed and pursuant to the Treasury Rules set forth daily

on [www.treasurydirect.gov](http://www.treasurydirect.gov). The Bond Compliance Official shall review these requirements with bond counsel to ensure compliance and review this periodically to ensure continued compliance.

d) Maximum Term. The bonds cannot exceed the maximum term permitted for Tax Credit Bonds. The maximum term will be determined on the date the bonds are sold or on the date the Bond Purchase Agreement is signed and pursuant to the Treasury Rules set forth daily on [www.treasurydirect.gov](http://www.treasurydirect.gov). The Bond Compliance Official shall review this requirement with bond counsel to ensure compliance.

e) Financial Conflicts of Interest. The District must certify that all applicable conflicts of interest are satisfied. The Bond Compliance Official shall review this requirement with bond counsel to ensure compliance.

f) Irrevocable Election. To qualify the Tax Credit Bond as one of the applicable Tax Credit Bonds (Direct Pay), the District must make an irrevocable election to have the applicable Tax Credit Bond (Direct Pay) section apply and to have Section 6431(f)(3)(B) apply to the bonds. The Bond Compliance Official shall ensure that the elections have been made and are evidenced in the transcript at the time of closing.

g) Authorize District Board and Superintendent and/or Chief Financial Officer to Act. The District Board and Superintendent and/or Chief Financial Officer or other authorized person are authorized to do all things necessary to take any action within its power and authority which would, other than as a result of the application of Section 6431(f) of the Code, prevent the interest income on the bonds from becoming includable in gross income for federal income tax purposes and to do all things necessary to continue to qualify as the applicable Tax Credit Bonds (Direct Pay) under the applicable Tax Credit Bond (Direct Pay) section and 6431(f) to receive the direct subsidy payment. The Bond Compliance Official shall ensure that such authorization has been granted and is evidenced in the transcript at the time of closing.

h) Filing for Subsidy. An 8038-TC will be prepared by bond counsel, executed by the Bond Compliance Official or other authorized signer, filed promptly after closing and included in the transcript. For each interest payment, the Bond Compliance Official will prepare, sign and file an 8038-CP to request the payment of the direct pay credit from the United States. With respect to fixed rate bonds, the form must be filed no more than 90 days and not less than 45 days prior to the interest payment date. With respect to variable interest rate

bonds, the credit payment will be aggregated on a quarterly basis and the 8038-CP must be filed for reimbursement in arrears not more than 45 days after the last interest payment date within that quarter.

Additionally, the Bond Compliance Official will discuss the requirements to appropriately reduce the amount of the subsidy and shall ensure that the amount of the subsidy requested is appropriately reduced for New Clean Renewable Energy Bonds and Qualified Energy Conservation Bonds (Direct Pay) on the 8038-TC and subsequent 8038-CPs.

i) De Minimis Premium. No Tax Credit Bond (Direct Pay) can be reoffered at an issue price which includes a premium which exceeds .25% of the stated redemption price at maturity, multiplied by the number of complete years to the earlier of maturity, mandatory redemption or first optional redemption date, if applicable. Prior to closing, the Bond Compliance Official shall review the pricing information with its bond underwriter to determine that this requirement has been complied with. The bond purchaser or underwriter will certify at the closing what the reoffering prices were reasonably expected to be to establish the amount of premium for each maturity.

j) Davis Bacon. If the District issues any New Clean Renewable Energy Bonds, Qualified Energy Conservation Bonds, Qualified Zone Academy Bonds or Qualified School Construction Bonds, the District must comply with the Davis Bacon requirements. The Bond Compliance Official shall ensure that the District complies with this requirement and files required quarterly filings.

## **7. SPECIAL REQUIREMENTS FOR BUILD AMERICA BONDS (DIRECT PAY).**

If the District issues any Build America Bonds (Direct Pay), the following additional requirements will be met:

a) Capital Expenditure Requirement. All of the sales proceeds, including investment earnings, must be spent on capital expenditures (and not working capital) except that up to 2% of the proceeds can be spent on costs of issuance and proceeds can fund a reasonably required reserve fund. The Bond Compliance Official shall consult with bond counsel prior to issuance to determine that the 2% costs of issuance limit will not be exceeded, that any reserve fund complies with requirements, and that the balance of the sales proceeds will be spent on

capital expenditures. The Bond Compliance Official will review all expenditures to ensure compliance.

b) De Minimis Premium. No Build America Bonds can be reoffered at an issue price which includes a premium which exceeds .25% of the stated redemption price at maturity, multiplied by the number of complete years to the earlier of maturity, mandatory redemption or first optional redemption date, if applicable. Prior to closing, the Bond Compliance Official shall review the pricing information with its bond underwriter to determine that this requirement has been complied with. In addition, the District shall review trading information available at <http://www.emma.msrb.org> to monitor all trading activity up to the closing date of the bonds. The bond purchaser or underwriter will certify at the closing what the reoffering prices were reasonably expected to be to establish the amount of premium for each maturity.

c) Irrevocable Election. To qualify an issue as Build America Bonds, the District must make an irrevocable election to have Section 54AA (BABs) and Section 54AA(g) (BABs Direct Pay) of the Code apply to the bonds. The Bond Compliance Official shall ensure that the elections have been made and are evidenced in the transcript at the time of closing.

d) Authorize District Board and Superintendent and/or Chief Financial Officer to Act. The Authorizing Resolution must authorize the District Board and Superintendent and/or Chief Financial Officer or other authorized person to do all things necessary to take any action within its power and authority which would, other than as a result of the application of Section 54AA(g) of the Code, prevent the interest income on the bonds from becoming includable in gross income for federal income tax purposes and to do all things necessary to continue to qualify as BABs – Direct Pay under Sections 54AA and 54AA(g) to receive the direct subsidy payment. The Bond Compliance Official shall ensure that such authorization has been granted and is evidenced in the transcript at the time of closing.

e) Filing for Subsidy. An 8038-B will be prepared by bond counsel, executed by the Bond Compliance Official or other authorized signer, filed promptly after the closing and included in the transcript. For each interest payment, the Bond Compliance Official will prepare, sign and file an 8038-CP to request the payment of the direct pay credit from the United States. With respect to fixed rate bonds, the form must be filed not more than 90 days and not less than 45 days prior to the interest payment date. With respect to variable interest rate

bonds, the credit payment will be aggregated on a quarterly basis and the 8038-CP must be filed for reimbursement in arrears not more than 45 days after the last interest payment date within that quarter.

Prior to closing, the District will determine to whom the credit payment will be sent and will obtain the necessary information to properly direct the payment.