

RESOLUTION 17-18-3

A RESOLUTION DESIGNATED THE “2018 MEDIUM-TERM BOND RESOLUTION”; PROVIDING FOR THE ISSUANCE BY THE NYE COUNTY SCHOOL DISTRICT, NEVADA, OF ITS GENERAL OBLIGATION (LIMITED TAX) MEDIUM-TERM BOND, SERIES 2018 FOR THE PURPOSE OF ACQUIRING MOTOR VEHICLES AND OTHER EQUIPMENT TO BE USED FOR THE TRANSPORTATION OF PUPILS; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BOND AND THE SECURITY THEREFOR; AUTHORIZING THE CHIEF OPERATING OFFICER OR SUPERINTENDENT OF THE DISTRICT TO ACCEPT A BINDING BID FOR THE BOND; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the Board of Trustees (the “Board”) of the Nye County School District (the “District” and “State”, respectively) is authorized to finance all or a portion of the cost of acquiring motor vehicles and other equipment to be used for the transportation of pupils (the “Project”); and

WHEREAS, pursuant to NRS 350.087 through 350.095 (the “Project Act”), the District is authorized to enter into medium-term obligations to finance the Project and to issue, as evidence thereof, negotiable medium-term bonds which shall not be paid in whole or in part from a levy of a special tax exempt from the limitations on the levy of ad valorem tax, but which shall be paid from other legally available funds of the District, which must mature not later than 5 years after the date of issuance and must bear interest at a rate or rates which do not exceed by more than 3 percent the “Index of Twenty Bonds” which was most recently published before bids for their purchase are received; and

WHEREAS, pursuant to NRS 350.087 and pursuant to a resolution adopted by the Board, the Board determined to publish a notice (the “Notice”) of its intention to authorize and to issue medium-term bonds in the maximum principal amount of \$1,000,000 in a newspaper of general circulation in the District and an affidavit of such publication is on file in the office of the Chief Operating Officer of the District (the “Chief Operating Officer”); and

WHEREAS, on February 21, 2018, the Board adopted by at least a two-thirds majority a resolution authorizing medium-term obligations in the maximum principal amount of \$1,000,000 to finance the Project (the “Authorizing Resolution”) which contained a finding by the Board that the public interest requires medium-term obligations and a statement of the facts upon which the finding was based, which vote was taken at least 10 days after the publication of the Notice; and

WHEREAS, pursuant to NRS 350.089 and relevant provisions of the Nevada Administrative Code, the Board caused a certified copy of the Authorizing Resolution and supporting documents to be submitted to the Executive Director of the Department of Taxation of the State of Nevada (the “Department of Taxation”) for his approval; and

WHEREAS, the District received the approval of the Executive Director of the Department of Taxation for such medium-term obligations, a copy of such approval being attached to the following page as follows:

(Attach Approval of Department of Taxation)

WHEREAS, the approval of the Department of Taxation as set forth in the preambles hereof is hereby recorded in the minutes of the Board as required by NRS 350.089; and

WHEREAS, the District has not previously utilized any of the authority so approved by the Department of Taxation; and

WHEREAS, pursuant to the Authorizing Resolution, the Board ordered the medium-term obligations to be offered for sale in the form of medium-term bonds and authorized the Chief Operating Officer or his designee to arrange for the sale of such medium-term bonds; and

WHEREAS, the Board hereby determines that the bond herein authorized to be issued shall be designated the “Nye County School District, Nevada, General Obligation (Limited Tax) Medium-Term Bond, Series 2018” in the principal amount not to exceed \$1,000,000 (the “Bond”); and

WHEREAS, the Board has determined and hereby declares and determines that legally available funds of the District will at least equal the amount required in each year for the payment of interest on and the principal of the Bond; and

WHEREAS, pursuant to NRS 350.091, the Board has determined and hereby determines that the maximum term of the Bond does not exceed the estimated useful life of the Project financed with the proceeds of the Bond; and

WHEREAS, the Board elects and hereby determines to issue the Bond in accordance with the provisions of NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 thereof by the short title “Local Government Securities Law” (the “Bond Act”) to the extent applicable; and

WHEREAS, the Board is not authorized to levy general ad valorem taxes to pay the principal of or interest on the Bond exempt from the limitations of any statutes of the State; any general ad valorem taxes levied for the purpose of paying principal or interest on the Bond will be subject to the limitations contained in the Constitution and the statutes of the State, including, without limitation, the limitation on ad valorem taxes contained in NRS 387.195(1) and 361.453; and

WHEREAS, the Board is therefore authorized and empowered by the Project Act, by the approval of the Executive Director of the Department of Taxation, and by the Bond Act, without any further preliminaries:

A. To issue and sell the District's Bond; and

B. To exercise the incidental powers provided in the Bond Act in connection with the powers authorized therein or as otherwise expressly provided therein; and

WHEREAS, after receiving bids for the purchase of the Bond, the Board hereby authorizes the Chief Operating Officer, and in his absence the Superintendent, to sell the Bond to the best bidder therefor (the "Purchaser"), which bid offers to purchase the Bond bearing interest at the rates per annum provided in the bond purchase proposal submitted by the Purchaser and upon the other terms provided below (the "Purchase Proposal"), for a purchase price consisting of their principal amount (not to exceed \$1,000,000), plus a premium or less a discount not to exceed nine percent of such principal amount, all as specified by the Chief Operating Officer, or in his absence the Superintendent, in a certificate dated on or before the date of delivery of the Bond (the "Certificate of the Chief Operating Officer") which price does not result in an effective interest rate on the Bond in excess of three percent over the Index of Twenty Bonds most recently published in The Bond Buyer prior to the time bids were received for the Bond; and

WHEREAS, the Board hereby determines and declares that it is necessary and for the best interests of the District and its inhabitants to acquire the Project and to issue and sell the Bond to defray wholly or in part the cost of the Project; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348 of NRS (the "Supplemental Bond Act") apply to the Bond; and

WHEREAS, the Board has determined and hereby declares that each of the limitations and other conditions to the issuance of the Bond in the Project Act, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State or the Federal Government, has been met; and pursuant to NRS 350.708, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

WHEREAS, the Board has determined and does hereby declare that this Resolution pertains to the sale, issuance and payment of the Bond, and such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 350.579.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE NYE COUNTY SCHOOL DISTRICT, NEVADA:

Section 1. Short Title. This Resolution shall be known and may be cited as the “2018 Medium-Term Bond Resolution.”

Section 2. Acceptance of Purchase Proposal. The Chief Operating Officer or the Superintendent is authorized to accept the Purchase Proposal by the execution of the Certificate of the Chief Operating Officer.

Section 3. Ratification. All action heretofore taken by the Board and the officers and employees of the District directed toward the Project and toward the issuance, sale and delivery of the Bond is ratified, approved and confirmed.

Section 4. Necessity of the Project and the Bond. The Board hereby declares that it is necessary and in the best interests of the Board, its officers and the inhabitants of the District that the District effect the Project and defray wholly or in part the cost thereof by the issuance of the Bond.

Section 5. Authorization of the Project. The Board hereby authorizes the Project.

Section 6. Estimated Life of Project. The Board has determined and hereby declares that:

A. The estimated life or estimated period of usefulness of the buses or other vehicles financed with the proceeds of the Bond is not less than 5 years; and

B. The installments of principal of the Bond shall mature at such time or times not exceeding such estimated life or estimated period of usefulness.

Section 7. Authorization of the Bond. For the purpose of providing funds to pay all or a portion of the cost of the Project, the District shall issue the “Nye County School

District, Nevada, General Obligation (Limited Tax) Medium-Term Bond, Series 2018” in the principal amount set forth in the Certificate of the Chief Operating Officer (not to exceed \$1,000,000). The Bond shall be in substantially the form as set forth in Section 21 hereof.

Section 8. General Obligation. The Bond, as to the principal thereof and the interest thereon (the “Bond Requirements”), shall constitute a general obligation of the District, which hereby pledges its full faith and credit for its payment. For the purpose of creating an account for the payment of the principal of the Bond and the interest thereon, there is hereby created a separate account designated as the “Nye County School District, Nevada, General Obligation (Limited Tax) Medium-Term Bond, Series 2018 Medium-Term Debt Service Account” (the “Medium-Term Debt Service Account”).

Section 9. Payment of the Bond. The Bond Requirements shall be payable from any monies legally available therefor, and provision for the payment of the Bond Requirements shall be made as provided in the Bond Act; provided, however, that ad valorem taxes levied for the purpose of paying the Bond Requirements shall be subject to the limitations contained in the Constitution and statutes of the State, including, without limitation, the limitations on the levy of ad valorem taxes (“General Taxes”) imposed by NRS 387.195(1) and 361.453. The District is not authorized to levy ad valorem taxes exempt from the limitations of any of said statutes to pay the Bond Requirements. The District hereby irrevocably covenants with the registered owners of the Bond from time to time that it will make sufficient provisions annually in the budget of the District to pay the Bond Requirements of the Bond when due, and the amount of money necessary for this purpose shall be a first charge against all such legally available revenues received by the District.

Section 10. Limitation Upon Security. The payment of the Bond is not secured by any encumbrance, mortgage or other pledge of property of the District, except for the proceeds of the Bond, General Taxes and any other moneys legally available for the payment of the Bond. No property of the District, subject to such exceptions, shall be liable to be forfeited or taken in payment of the Bond.

Section 11. No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Bond Requirements or for any claim based thereon or otherwise upon this Resolution or any other instrument relating thereto against any individual member of the Board or any officer or other agent of the Board or the District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bond and as a part of the consideration of its issuance specially waived and released.

Section 12. Bond Details. The Bond shall be issued in fully registered form as a single Bond, shall be dated as of the date of its delivery and shall bear interest from its dated date until the principal thereof is paid in full at the rate(s) per annum set forth in the Certificate of the Chief Operating Officer. Interest on the Bond shall be calculated on the basis of 360-day year (twelve 30-day months), payable semiannually on each May 1, and November 1, commencing on November 1, 2018. The installments of principal of the Bond shall be payable on the dates and in the amounts set forth in the Certificate of the Chief Operating Officer (not to exceed 5 years from the date of the Bond). Installments of principal and interest prior to the final payment shall be made by check mailed by the District's Chief Operating Officer, as paying agent for the Bond or any successor paying agent appointed by the District's Chief Operating Officer (the "Paying Agent"), on each payment date (or, if such payment date is not a business day, on the next succeeding business day) to the owner thereof, at his or her address as shown on the registration records kept by the Paying Agent, as registrar for the Bond (the "Registrar") as of the close of business on the day next preceding each payment date. The final payment on the Bond shall be made only upon presentation and surrender of the Bond at the office of the Paying Agent or such other office as designated by the Paying Agent. If any installment of principal of the Bond shall not be paid when due, such installment shall continue to draw interest at the interest rate set forth in the Certificate of the Chief Operating Officer until such installment of principal is paid in full. The Paying Agent may make payment on any installment of principal or interest of the Bond by wire or such alternative means as may be mutually agreed to between the owner of the Bond

and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 13. Prepayment. The installments of principal on the Bond are subject to prepayment, at the option of the District, as set forth in the Certificate of the Chief Operating Officer, upon at least 10 days written notice by first class mail, postage prepaid, to the registered owner of the Bond as shown on the registration records maintained by the Registrar.

Section 14. Negotiability. Subject to the registration contained in this Resolution, the Bond shall be fully negotiable within the meaning of and for the purpose of the Uniform Commercial Code - Investment Securities and each owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code - Investment Securities.

Section 15. Registration and Transfer of the Bond.

A. Records for the registration and transfer of the Bond shall be kept by the Registrar. Upon the surrender of the Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment in a form satisfactory to the Registrar duly executed by the owner or his or her attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond. For every transfer of the Bond requested by the owner thereof, the Registrar may make a sufficient charge to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and may charge a sum sufficient to pay the cost of preparing and authenticating a new Bond.

B. The person in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes. Payment of or on account of either principal or interest on the Bond shall be made only to or upon the written order of the owner thereof or his or her legal representative. All such payments shall be valid and effectual to discharge the liability upon the Bond to the extent of the sum or sums so paid.

C. If the Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the District may reasonably require, and upon payment of all expenses in connection therewith, authenticate

and deliver a replacement Bond of a like aggregate principal amount and tenor. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct that the Bond be paid by the Paying Agent in lieu of replacement.

D. Whenever the Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer or replacement as provided herein, the Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the Board, upon request.

Section 16. Execution and Authentication.

A. The Bond shall be signed and executed in the name of and on behalf of the District with the facsimile or manual signature of the President of the Board, shall be signed and executed with the facsimile or manual signature of the County Treasurer ex officio Treasurer of the District (the "Treasurer"), shall be attested by the facsimile or manual signature of the Clerk of the District and shall bear a manual impression of the official seal of the District.

B. The Bond shall not be valid or obligatory for any purpose unless the registration panel appended to the Bond, substantially in the form hereinafter provided, has been manually executed by the Registrar. By manually executing the registration panel appended to the Bond, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

C. The President of the Board, the Clerk of the District and the Treasurer of the District are hereby authorized and directed to prepare and to execute the Bond as provided in this Resolution.

Section 17. Use of Predecessor's Signature. The Bond bearing the signatures of the officers in office at the time of the execution of the Bond shall be the valid and binding obligation of the District, notwithstanding that before its delivery any or all of the persons who executed it shall have ceased to fill their respective offices.

Section 18. Incontestable Recital. The Bond shall contain a recital that it is issued pursuant to the Bond Act, and each owner from time to time of the Bond by its purchase thereof does thereby agree that such recital shall be conclusive evidence of the validity of the Bond and the regularity of its issuance.

Section 19. Initial Registration. The Registrar shall maintain the registration records of the District for the Bond, showing the name and address of the owner of the Bond, the date of authentication, the final maturity of the Bond, and its interest rate, principal amount and number.

Section 20. Bond Delivery. After such registration by the Registrar and after its execution as provided herein, the Treasurer shall cause the Bond to be delivered to the Purchaser, upon payment therefor being made in accordance with the terms of its sale.

Section 21. Bond Form. Subject to the provisions of this Resolution, the Bond shall be in substantially the following form, with such omissions, insertions, endorsements and variations as may be required by the circumstances, be required or permitted by this Resolution, or be consistent with this Resolution or necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

NYE COUNTY SCHOOL DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM-TERM BOND
SERIES 2018

NO. R-1

			\$ _____
<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated As Of</u>	
_____ %	May 1, _____	_____, 2018	

PRINCIPAL AMOUNT:

The Nye County School District, Nevada (the “District” and the “State”, respectively), for value received hereby acknowledges itself to be indebted and promises to pay to the registered owner specified on the registration panel appended hereto, or registered assigns, the principal amount set forth above in installments on the dates and in the amounts set forth in Schedule I attached hereto, and to pay interest thereon on May 1 and November 1 in each year, commencing November 1, 2018, at the interest rate per annum specified above on the dates and in the amounts set forth in Schedule 1 attached hereto, until the principal amount is paid or provided therefor. Interest on the Bond shall be calculated on the basis of a 360-day year (twelve 30-day months). The unpaid installments of principal of this Bond shall bear interest from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from the date of this Bond.

The final payment of principal of and interest on this Bond is payable upon presentation and surrender hereof at the office of the District’s paying agent for the Bond (the “Paying Agent”), presently the Chief Operating Officer of the District, who is also now acting as the District’s Registrar for the Bond (the “Registrar”) or such other paying agent and registrar as designated by the Paying Agent. Installments of principal and interest on this Bond prior to the final payment will be made by check mailed by the Paying Agent on each payment date (or, if such date is not a business day, on the next succeeding business day) to the person in whose name this Bond is registered (the “registered owner”) in the registration records of the District maintained by the Registrar, at the address appearing thereon as of the close of business on the day next preceding such payment date. Alternative means of payment of interest may be used if mutually agreed to by the registered owner and the Paying Agent, as provided in the Resolution of the Board of Trustees of the District (the “Board”) authorizing the issuance of this Bond and designated in Section 1 thereof as the “2018 Medium-Term Bond Resolution” (the “Resolution”) duly adopted by the Board on April 25, 2018. All such payments shall be made in lawful money

of the United States of America without deduction for any service charges of the Paying Agent or the Registrar.

This Bond is issuable solely as a fully registered single Bond and is fully transferable by the registered owner in person or by his or her duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar.

This Bond must be registered in the name of the owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained by the Registrar by the registered owner or his or her attorney duly authorized in writing.

The District, the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of payment and for all other purposes.

The installments of principal on the Bond are subject to prepayment at the option of the District, as set forth in the Certificate of the Chief Operating Officer, upon at least 30 days written notice by first class mail, postage prepaid, to the registered owner of the Bond as shown on the registration records maintained by the Registrar.

This Bond is issued by the District upon its behalf and upon the credit thereof, for the purpose of defraying wholly or in part the cost of acquiring motor vehicles and other equipment to be used for the transportation of pupils (the "Project") under the authority of and in full compliance with the Constitution and laws of the State and pursuant to the Resolution.

This Bond is issued pursuant to NRS 350.087 to 350.095, inclusive (the "Project Act"), NRS 350.500 to 350.720 (the "Bond Act"), to the extent not inconsistent with the Bond Act, NRS Chapter 348, and the Resolution. Pursuant to the Resolution, each owner from time to time of this Bond by its purchase hereof does hereby agree that such recital is conclusive evidence of the validity of this Bond and the regularity of its issuance.

The principal of and interest on this Bond (the "Bond Requirements") shall be payable from any moneys of the District legally available for the purpose of making such payment and the full faith and credit of the District are hereby irrevocably pledged for making such payment. Provision for the payment of this Bond shall be made as provided in the Bond Act, provided, however, that any ad valorem taxes levied for the purpose of paying the Bond Requirements are subject to the limitations contained in the Constitution and the statutes of the State, including, without limitation, the limitations on ad valorem taxes contained in NRS 387.195(1) and 361.453. The District is not authorized to levy ad valorem taxes to pay the

principal of or interest on this Bond which are exempt from the limitations of any such statutes, but the District has covenanted in the Resolution to make sufficient provision annually in its budget to pay the Bond Requirements when due.

The District covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and will perform all of the covenants of the Resolution.

The obligations of the District under the Resolution may be discharged prior to the final maturity of this Bond upon the making of provisions for the payment of this Bond on the terms and conditions set forth in the Resolution.

No recourse shall be had for the payment of the Bond Requirements or for any claim based thereon or otherwise upon the Resolution or any other instrument relating thereto against any individual member of the Board, or any officer or other agent of the Board or the District, past, present, or future, either directly or indirectly through the Board or the District or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

It is hereby certified, recited, declared and warranted that all actions required to be taken prior to the issuance hereof have been had and taken by the District; and that the principal of this Bond, when added to other District indebtedness, does not exceed the limits on indebtedness of the District provided in the Constitution and statutes of the State.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the registration panel appended hereto.

IN WITNESS WHEREOF, the Board of Trustees of the Nye County School District, has caused this Bond to be executed in the name and on behalf of the District with the manual or facsimile signature of the President of the Board, and the manual or facsimile signature of the Treasurer of the District and to be attested, signed and executed with the manual or facsimile signature of its Clerk of the District, and has caused the seal of the District to be affixed hereon, all as of the date of delivery hereof.

NYE COUNTY SCHOOL DISTRICT

(manual or facsimile signature)_____

President

(manual or facsimile signature)_____

County Treasurer, ex officio

Treasurer of the District

(SEAL)

Attest:

(manual or facsimile signature)_____

Clerk of the District

(Form of Schedule I)

The principal of this Bond is payable in installments on the following dates and in the following amounts:

<u>Payment Date</u>	Principal Amount <u>Due</u>	Interest Amount <u>Due</u>	Total <u>Payment</u>
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(End of Form of Schedule I)

PROVISION FOR REGISTRATION AS TO PRINCIPAL AND INTEREST

This Bond must be registered as to both principal and interest on the registration records for the Bond, kept by the District’s Chief Operating Officer, or a successor paying agent, as Registrar. After registration as to both principal and interest, the Registrar shall note such registration on such registration records and in the registration blank below, and the principal and interest on this Bond shall be paid to such registered owner. This Bond may be transferred by the registered owner or his legal representative only upon a duly executed assignment in form satisfactory to the Registrar, such transfer to be made on said registration records and endorsed hereon.

Every privilege, registration, and transfer shall be exercised only in accordance with the authorizing Resolution and such reasonable rules and regulations as the Registrar may prescribe.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Registrar</u>
_____, 2018	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Signature Guarantee:

Name and address of transferee:

Social Security or other tax
identification number of
transferee:

Bond: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever. Signature(s) must be guaranteed by an eligible guarantor institution as defined in 17 CFR Section 240.17Ad-15(a)(2).

PREPAYMENT PANEL

Principal of this Bond has been prepaid on the date indicated below:

<u>Date of Prepayment</u>	<u>Amount Prepaid</u>	<u>Signature of Paying Agent</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Section 22. Delivery of Bond. Upon receipt of the purchase price of the Bond from the Purchaser, the District shall deliver the Bond to the Purchaser. The proceeds received from the sale of the Bond shall be used to pay the cost of the Project.

Section 23. Use of Bond Proceeds. Upon the issuance of the Bond, the District shall cause the proceeds of the Bond to be deposited into an account designated as the “Nye County School District, Nevada, General Obligation (Limited Tax) Medium-Term Bond, Series 2018 Acquisition Account” (the “Acquisition Account”) to be used solely for the purpose of the cost of the Project, including costs of issuance of the Bond. The District, with the proceeds derived from the sale of the Bond, shall proceed to complete the Project without delay and with due diligence to the best of the District’s ability, as hereinabove provided. A contract or contracts for the acquisition of the Project shall be let as soon as practicable after the delivery of any Bond except to the extent theretofore let, if theretofore let. Any proceeds of the Bond remaining after payment of the cost of the Project, including the payment of the cost of issuance of the Bond, shall be deposited into the Medium-Term Debt Service Account to be used to pay, when due, the principal of and interest on the Bond.

Section 24. Use of Investment Gain. Pursuant to NRS 350.658, any gain from any investment and any reinvestment of any proceeds of the Bond shall be deposited promptly upon the receipt of such gain at any time or from time to time into the Acquisition Account to defray, in part, the cost of the Project or, if adequate provision has been made for the Project, into the Medium-Term Debt Service Account for the respective payment of the principal of or interest on the Bond or any combination thereof.

Section 25. Purchaser Not Responsible. The validity of the Bond shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the Project, or any part thereof, or to the completion of the Project. The Purchaser and any subsequent owner of the Bond shall in no manner be responsible for the application or disposal by the District or by any of its officers, agents and employees of the moneys derived from the sale of the Bond or of any other moneys herein designated.

Section 26. Protective Covenants. The District covenants and agrees with each and every owner from time to time of the Bond that the Project shall be completed without delay, and the District will make the principal and interest payments on the Bond at the place, on the dates and in the manner specified according to the true intent and meaning hereof. The Chief Operating Officer shall use any Bond proceeds credited to the Acquisition Account, without further order or warrant, to pay the Bond Requirements of the Bond as the same become due whenever and to the extent moneys otherwise available therefor are insufficient for that purpose, unless such Bond proceeds shall be needed to defray obligations accrued and to accrue under any contracts then existing and relating to the Project. The Chief Operating Officer shall promptly notify the Board of any such use.

Section 27. Tax Covenant. The covenants for the benefit of the registered owners of the Bond that it will not take any action or omit to take any action with respect to the Bond, the proceeds thereof, or the Project financed with the proceeds of the Bond if such action or omission (i) would cause the interest on the Bond to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), or (ii) would cause interest on the Bond to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing corporate alternative minimum taxable income for taxable years of corporations beginning before January 1, 2018. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bond until the date on which all obligations of the District in fulfilling the above covenant under the Tax Code have been met.

Section 28. State Tax Exemption. Pursuant to NRS 350.710, the Bond, its transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of NRS Chapter 375A and the tax on generation skipping transfers imposed pursuant to the provisions of NRS Chapter 375B.

Section 29. Designation as Bank Qualified. The District hereby delegates to the Chief Operating Officer, or in his absence, the Superintendent, the designation of the Bond as a qualified tax-exempt obligation for purposes of and within the meaning of Section 265(b)(3)(B) of the Tax Code.

Section 30. Defeasance. When all Bond Requirements have been duly paid, all obligations hereunder shall thereby be discharged and the Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. There shall be deemed to be such due payment when the District has placed in escrow or in trust with a trust bank located within or without the State an amount sufficient (including the known minimum yield available for such purpose from bills, certificates of indebtedness, bonds, notes or similar securities which are direct obligations of, or the principal of and interest on which are unconditionally guaranteed by the United States (“Federal Securities”) in which such amount may be initially invested wholly or in part) to meet all Bond Requirements as the same become due. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed in accordance with a schedule established and agreed upon between the District and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule. For the purpose of this Section, “Federal Securities” shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof.

Section 31. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Chief Operating Officer of the District shall reasonably determine that it is in the best interests of the District to appoint a successor Registrar or Paying Agent, the Chief Operating Officer may, upon notice mailed to the owner of the Bond at his or her address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent shall take effect until a successor is appointed. It shall not be required that the same institution or person serve as both Registrar and Paying Agent hereunder, but the District shall have the right to have the same institution or person serve as both Registrar and Paying Agent.

Section 32. Delegated Powers. The officers and employees of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

A. The printing of the Bond;

B. The execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia, to:

- i. the signing of the Bond,
- ii. the tenure and identity the officials of the District,
- iii. the assessed valuation of the taxable property in and the indebtedness of the District,
- iv. the rate of General Taxes levied against taxable property in the District,
- v. the exclusion of interest on the Bond from gross income for federal income tax purposes,
- vi. the delivery of the Bond and the receipt of the Bond purchase price,
- vii. the accuracy and completeness of any information provided in connection with the Bond,
- viii. if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bond; and

C. The assembly and dissemination of financial and other information concerning the District and the Bond.

Section 33. Resolution Irrepealable. After the Bond is issued, this Resolution shall constitute an irrevocable contract between the District and the owner of the Bond and this Resolution, if the Bond is in fact issued, shall be and shall remain irrepealable until the Bond, as to all Bond Requirements, shall be fully paid, canceled and discharged as herein provided.

Section 34. Repealer. All resolutions, bylaws and orders, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, bylaw or order, or part hereof, heretofore repealed.

Section 35. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no way effect any remaining provisions of this Resolution.

PASSED AND ADOPTED THIS April 25, 2018.

Attest:

President

Clerk

STATE OF NEVADA)
COUNTY OF NYE) ss.
NYE COUNTY SCHOOL DISTRICT)

I am the duly chosen and qualified Clerk of Nye County School District, Nevada (the "District") and do hereby certify:

1. The foregoing pages are true, perfect and a complete copy of the record of the proceedings of the Board of Trustees (the "Board") of the District, insofar as they concern the adoption by the Board of a resolution (the "Resolution"), a copy of which is therein set forth, had and taken at a lawful meeting of the Board held on April 25, 2018, as recorded in the official record book of the proceedings of the District kept in my office.

2. The members of the Board were present at such meeting and voted on the passage of the Resolution as follows:

Those Voting Aye:

Edna Jean Forsgren
Mike Floyd
Mark Hansen
Pamela Hiler
Lawrence Small
Teresa Stoddard
Tim Sutton

Those Voting Nay:

Those Absent:

3. All members of the Board were given due and proper notice of such meeting.

4. Pursuant to NRS 241.020, i.e., written notice of the meeting was given at least three working days before the meeting, including in the notice the time, place, location, and agenda of the meeting:

a. By giving a copy of the notice to each member of the Board,

b. By posting a copy of the notice at the principal office of the Board, or if there is no principal office, at the building in which the meeting is to be held, the District's website, the State's website, and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Nye County School District Office
Tonopah, Nevada
- (ii) Nye County School District Office
Pahrump, Nevada
- (iii) Pahrump County Complex
Pahrump, Nevada
- (iv) Pahrump Town Office
Pahrump, Nevada
- (v) Pahrump Community Library
Pahrump, Nevada
- (vi) Nye County Courthouse
Pahrump, Nevada
- (vii) Tonopah Public Library
Tonopah, Nevada
- (viii) Tonopah Post Office
Tonopah, Nevada

c. By giving a copy of the notice to each person, if any, who has requested notice of the meetings of the Board in accordance with the provisions of NRS Chapter 241.

5. A copy of such notice as posted and given is attached hereto as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand this April 25, 2018.

Clerk

EXHIBIT "A"

(Attach Copy of Notice of Meeting)