

STATE OF ALABAMA

COUNTY OF WINSTON

The minutes of the Winston County Board of Education in regular session on
February 16, 2012 at 7:00 a.m., in the Superintendent's Office, Double Springs, AL.

A. The meeting was called to order by the President, and the roll was called with the following results:

Present: Larry Yancey, President

Joey Boteler
Greg Batchelor
Ralph E. Williams
Joe Laseter

Absent:

B. An Invocation was given by Joey Boteler

C. The President stated that due notice of the date, time, place and purposes of this meeting had been posted at least five days prior to this meeting at the Board's offices and the Winston County Courthouse and that further notice had been given to all members of the Board and that each member had signed a waiver of notice, waiving any and all irregularities, if any, in said notice, and any other or further notice of said meeting. On motion duly made, seconded, and unanimously adopted, the Notice of Public Meeting and the Waiver of Notice signed by each member was ordered inserted in the minutes of this meeting at the end thereof.

D. The Agenda was approved.

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1. The following resolution was introduced in writing and its immediate adoption moved by Ralph Williams and seconded by Joe Laseter and the resolution was read in full and considered by the Board:

**A RESOLUTION APPROVING PRELIMINARY ACTION
AND AN OFFICIAL STATEMENT WITH RESPECT TO
THE ISSUANCE OF \$1,875,000 SPECIAL TAX SCHOOL
WARRANTS, SERIES 2012, DATED FEBRUARY 1, 2012**

BE IT RESOLVED BY THE COUNTY BOARD OF EDUCATION OF WINSTON COUNTY (the "Board") as follows:

Section 1. All actions heretofore taken by the Board and its officers, agents and employees in connection with the issuance and sale of \$1,875,000 principal amount of Special Tax School Warrants, Series 2012, dated February 1, 2012 (the "Warrants"), including the filing of all required State Forms with the Alabama Department of Education, are hereby approved, authorized and ratified.

Section 2. The final Official Statement and Preliminary Official Statement with respect to the Warrants presented to and considered at this meeting are hereby approved, authorized and ratified. The Board does hereby find and determine that the final Official Statement and Preliminary Official Statement are correct and do not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The delivery of copies of the Preliminary Official Statement to prospective purchasers of the Warrants by Joe Jolly & Co., Inc. is hereby approved, authorized and ratified. The delivery of the final Official Statement to purchasers of the Warrants by Joe Jolly & Co., Inc. is hereby ratified and approved.

Section 3. The Secretary of the Board is hereby directed to file in the permanent records of the Board copies of the Preliminary and final Official Statements approved by this resolution.

Adopted this ____ day of February, 2012.

SEAL

President

Attest: _____
Secretary

_____ seconded the motion to adopt the foregoing resolution, and upon the question being put and the roll called, the vote was recorded as follows:

Ayes: Larry Yancey, President
 Joe Laseter
 Joey Boteler
 Greg Batchelor
 Ralph E. Williams

Nays: None

The President thereupon declared said resolution carried and adopted, and as evidence thereof he signed the same.

2. The following resolution was introduced in writing and its immediate adoption moved by Greg Batchelor and seconded by Joey Boteler and the resolution was read in full and considered by the Board:

A RESOLUTION AUTHORIZING \$1,875,000 PRINCIPAL AMOUNT OF SPECIAL TAX SCHOOL WARRANTS, SERIES 2012, DATED FEBRUARY 1, 2012, AND MAKING PROVISION FOR THE PAYMENT THEREOF

BE IT RESOLVED BY THE COUNTY BOARD OF EDUCATION OF WINSTON COUNTY, ALABAMA, as follows:

Section 1. Definitions and Use of Phrases. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations herein:

"Authorized Denominations" means with respect to all Warrants the amount of \$5,000 and any integral multiple thereof for each maturity.

"Beneficial Owner" shall have the meaning set forth in Section 6.

"Board" means the County Board of Education of Winston County, Alabama, and any successor to its functions.

"Book-Entry System" means a book-entry only system of evidence of purchase and transfer of beneficial ownership interests in the Warrants.

"Code" means the Internal Revenue Code of 1986, as amended.

"County" means Winston County, Alabama, and any successor to its functions.

"County Resolution" means the resolution adopted by the governing body of the County on July 29, 1992, as thereafter ratified and amended by a resolution and order adopted by the governing body of the County on July 13, 1998, December 14, 1998, October 29, 2007 and on February __, 2012, and as it may hereafter be amended, providing for the levy, collection and distribution of the Special Tax.

"Depository" means (1) Synovus Bank, Birmingham, Alabama, the bank designated by the Board as the depository for the Warrant Fund and the Depository and registrar for the Warrants, and (2) any successor bank designated as such depository, Depository and registrar pursuant to Section 15 hereof.

"Direct Participant" or "Direct Participants" means securities brokers and dealers, banks, trust companies, clearing corporations and other financial institutions which have access to the Book-Entry System.

"Eligible Certificates" means interest bearing certificates of deposit issued by any bank organized under the laws of the United States of America or of any state thereof, provided that either (1) the issuing bank has capital, surplus and undivided profits of not less than \$50,000,000 at the time of issuance of such certificates, or (2) the issuing bank collaterally secures such certificates by depositing and pledging with a federal reserve bank Government Obligations having a market value (exclusive of accrued interest) not less than the face amount of such certificates.

"Enabling Law" means Act No. 2011-631 adopted at the 2011 Regular Session of the Alabama Legislature (codified as Section 16-13-300 et seq. of the CODE OF ALABAMA 1975, as amended).

"Fiscal Year" means the period commencing each October 1 and ending on the then next succeeding September 30.

"Government Obligations" means direct general obligations of the United States of America or any securities on which the payment of the principal and interest are unconditionally guaranteed by the United States of America.

"Indirect Participant" or "Indirect Participants" means securities brokers and dealers, banks, trust companies, clearing corporations and other financial institutions for which the Securities Depository holds Warrants as securities depository through a Direct Participant.

"Letter of Representation" shall mean and include (1) the Letter of Representation with respect to the Warrants, and (2) any other or subsequent agreement by whatever name or identification with respect to the Warrants among said parties from time to time in effect.

"Outstanding" when used with respect to Warrants shall mean, as of the date of determination, all Warrants theretofore authenticated and delivered under this Resolution, except (1) Warrants theretofore canceled by the Depository or delivered to the Depository for cancellation; and (2) Warrants for whose payment or redemption money in the necessary amount has been theretofore deposited with the Depository in trust for the Holders thereof, provided that, if such warrants are to be redeemed, notice of such redemption has been duly given pursuant to this Resolution or provision therefor satisfactory to the Depository has been made; and (3) Warrants for the payment of which provisions have been made in accordance with Section 16; and (4) Warrants in exchange for or in lieu of which other warrants have been authenticated and delivered under this Resolution.

"Record Date" means, with respect to the Warrants, that date which is 15 calendar days before any date on which interest is due and payable on the Warrants.

"Securities Depository" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and the successors and assigns

thereof, and any substitute securities depository therefor that maintains a Book-Entry System for the Warrants.

"Securities Depository Nominee" means the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the warrant register the Warrants to be delivered to such Securities Depository during a period in which the Warrants are held pursuant to the Book-Entry System.

"2007 Authorizing Resolution" means that certain resolution adopted by the Board on October 23, 2007, authorizing the issuance of the Series 2007 Warrants.

"Series 2007 Warrants" means the Board's Special Tax School Warrants, Series 2007, dated October 1, 2007.

"Series 1998 Warrants" means the Board's Special Tax School Warrants, Series 1998, dated July 1, 1998.

"1998 Authorizing Resolution" means that certain resolution adopted by the Board on June 25, 1998, authorizing the issuance of the Series 1998 Warrants.

"1998-B Authorizing Resolution" means that certain resolution adopted by the Board on December 10, 1998, authorizing the issuance of the Series 1998-B Warrants.

"Series 1998-B Warrants" means the Board's Special Tax School Warrants, Series 1998-B, dated December 1, 1998.

"Special Tax" means the special privilege license tax (commonly called a sales tax), remaining after deduction of the costs of collection and disbursement, levied in Winston County pursuant to the Special Tax Act and the County Resolution or any tax that may be levied in lieu of or in substitution for said privilege license tax.

"Special Tax Act" means Section 40-12-4 of the Code of Alabama 1975, as amended.

"Warrant Fund" means the fund established pursuant to Section 12 hereof.

"Warrants" means the Special Tax School Warrants, Series 2012, dated February 1, 2012, authorized to be issued pursuant to the provisions of this resolution.

The definitions set forth in this Section shall be deemed applicable whether the words defined are herein used in the singular or the plural. "Herein," "hereof," "hereunder" and other equivalent words refer to this resolution as an entirety and not solely to the particular portion thereof in which any such word is used. Wherever used herein, any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. Findings of Fact and Representations. The Board, upon evidence duly presented to and considered by it, does hereby find, determine and represent as follows:

(a) Pursuant to the Special Tax Act and the County Resolution, the governing body of the County is levying the Special Tax in the County. The Board's portion of the proceeds of the Special Tax is being paid over to the Chief School Financial Officer.

(b) Pursuant to the Constitution and laws of the State of Alabama, including particularly the provisions of the Enabling Law, the Board is authorized to issue interest-bearing tax anticipation warrants, payable out of its portion of the proceeds of the Special Tax, for the governmental purpose of paying the costs of capital improvement, capital construction and maintenance purposes or to refund any warrants issued for such purpose; provided, however, that warrants issued under the Enabling Law shall not be general obligations of the Board.

(c) It is necessary and in the interest of public education in the County for the Board to issue the Warrants in order to (1) currently refund and redeem the Series 1998 Warrants on or about March 26, 2012, (2) currently refund and redeem the Series 1998-B Warrants on or about March 26, 2012 and (3) pay issuance expenses.

(d) As of the date hereof, the Board's portion of the Special Tax has not been obligated, assigned, or pledged to the payment or for the benefit of any bonds, notes, warrants or other obligations of the Board, except for the outstanding Series 2007 Warrants, Series 1998 Warrants and Series 1998-B Warrants. The prior pledge of the Special Tax to the Series 2007 Warrants, the Series 1998 Warrants and the Series 1998-B Warrants is hereby ratified, confirmed and approved.

(e) Following the issuance of the Series 2012 Warrants, and the current refunding and redemption of the outstanding Series 1998 Warrants and Series 1998-B Warrants, the Board shall have no other outstanding indebtedness payable from the Special Tax but for the Series 2012 Warrants and the Series 2007 Warrants.

(f) The Board has filed an application for approval of the Warrants herein authorized to be issued with the State Department of Education and has received approval for the issuance of the Warrants.

(g) The Board is not in default under the provisions of the 2007 Authorizing Resolution, the 1998 Authorizing Resolution, or the 1998-B Authorizing Resolution, and no defaults are imminent.

Section 3. Authorization of Warrants. Pursuant to the authority contained in the applicable provisions of the laws of Alabama, including particularly the Enabling Law, there is hereby authorized to be issued a series of warrants in the aggregate principal amount of \$1,875,000 for the purposes set forth in Section 2(d).

Section 4. Description of the Warrants. The Warrants shall be designated "Special Tax School Warrants, Series 2012," shall be in fully registered form, without coupons, shall be in the Authorized Denominations, shall be numbered for identification as determined by the Depository and shall be dated February 1, 2012. The Warrants shall initially be issued pursuant to a Book-Entry System. The Warrants shall mature on December 1 in the following years and in the following principal amounts and shall bear interest from their date until their respective

maturities or prior mandatory redemption at the applicable per annum rates of interest for all Warrants maturing in such year, as set forth in the following schedule:

<u>Year of Maturity</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate</u>
2012	\$135,000	1.00%
2013	265,000	2.00
2014	265,000	1.25
2015	275,000	1.75
2016	275,000	2.00
2017	280,000	1.75
2019	380,000	2.00

Interest on the Warrants shall be payable on June 1 and December 1 in each year, first interest payable on June 1, 2012. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on the Warrants shall be payable at the rate of 2% per annum or the maximum rate permitted by law, whichever is less. Subject to the requirements of the Book-Entry System described in Section 6 hereof, the principal of and premium (if any) on the Warrants shall be payable only upon presentation and surrender of the Warrants at the designated office of the Depository. Interest on each Warrant shall be remitted pursuant to the provisions of the Book-Entry System and if such system is not in place, then interest shall be paid by the Depository to the then registered owner of that Warrant at the address thereof shown on the registration books of the Depository pertaining to the Warrants. The principal of, premium (if any) and interest on the Warrants shall be payable in lawful money of the United States of America without deduction for exchange, fees or expenses.

Section 5. Redemption Provisions.

(a) Optional Redemption.

The Warrants are not subject to prior optional redemption.

(b) Mandatory Redemption

The Warrants with a stated maturity on December 1, 2019 (the "2019 Term Warrants") are required to be redeemed on December 1, 2018 in the principal amount of \$285,000. The remainder of the 2019 Term Warrants in principal amount of \$95,000 will mature on December 1, 2019.

If the Book-Entry System is in effect, then redemption shall be made as herein described under the Book-Entry Only System and in accordance with the provisions of the Letter of Representation and Section 6 of the Authorizing Resolution. In the event that less than all of the principal of the Warrants of a maturity is to be redeemed while the Book-Entry System is not in

effect, then the Depository shall assign a number to each \$5,000 principal portion of all of the Warrants of such maturity and shall, by process of random selection based upon such numbers, select the principal portion of Warrants of such maturity to be redeemed. If the Book-Entry System is not in effect, then notice of any intended redemption shall be given by United States registered or certified mail not less than 30 days prior to the proposed redemption date to the registered owner of each Warrant, all or a portion of the principal of which is to be redeemed, at the address thereof as it last appears on the registration books of the Depository pertaining to the Warrants. Notice having been so given and payment of the redemption price duly made or provided, Warrants (or portions thereof) so called for redemption shall cease to bear interest from and after the redemption date unless default is made in the payment of the redemption price.

Section 6. Issuance of Warrants

(a) Book-Entry System

(i) The Warrants shall be issued pursuant to a Book-Entry System administered by the Securities Depository with no physical distribution of any Warrant to any person. One Warrant for each maturity will be issued, registered in the name of the Securities Depository Nominee, and immobilized in the custody of the Securities Depository. Beneficial ownership interests in Warrants held by the Securities Depository may be purchased by or through Direct Participants. The holders of these beneficial ownership interests in such Warrants are referred to as the "Beneficial Owners." The Beneficial Owners will not receive certificated warrants representing their beneficial ownership interests. Ownership of the interests in Warrants in Authorized Denominations will be evidenced on the records of the Securities Depository and the Direct Participants and Indirect Participants pursuant to rules and procedures established by the Securities Depository. During a period in which the Book-Entry System is in effect for the Warrants the Board and the Depository shall treat the Securities Depository or the Securities Depository Nominee as the only registered owner of such Warrants for all purposes under this Resolution, including, without limitation, receipt of all principal of, premium (if any) and interest on the Warrants, receipt of notices, voting, and requesting or directing the Depository or Board to take or not to take, or consenting to, certain actions under this Resolution. In the event the Securities Depository or the Securities Depository Nominee assigns its rights to consent or vote under this Resolution to any Direct Participant or Indirect Participant, the Board and the Depository shall treat such assignee or assignees as the only registered owner or owners of the Warrants for the purpose of exercising such rights so assigned.

(ii) During a period in which the Book-Entry System is in effect for the Warrants, payments of principal, interest, and redemption premium, if any, with respect to such Warrants will be paid by the Depository directly to the Securities Depository, or the Securities Depository Nominee, as Holder, and as provided in the Letter of Representation; provided, that payment of the principal of (and premium, if any, on) such Warrants due at final maturity or upon redemption in whole of any of such Warrants shall be made only upon surrender thereof at the designated corporate office of the Depository. The Securities Depository and the Direct Participants and the Indirect Participants shall

be responsible for the disbursement of such payments to the Beneficial Owners. All such payments to the Securities Depository or the Securities Depository Nominee, as Holder, of principal of, premium (if any) and interest on such Warrants on behalf of the Board or the Depository shall be valid and effectual to satisfy and discharge the liability of the Board and the Depository to the extent of the amounts so paid, and the Board and the Depository shall not be responsible or liable for payment to any Beneficial Owner by the Securities Depository or by any Direct Participant or by any Indirect Participant, or for sending transaction statements or for maintaining, supervising or reviewing records maintained by the Securities Depository or Direct Participants or Indirect Direct Participants.

(iii) Transfers of ownership interests in the Warrants by the Beneficial Owners thereof, and conveyance of notices and other communications by the Securities Depository to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners of the Warrants, will be governed by arrangements among the Securities Depository, Direct Participants, Indirect Participants and the Beneficial Owners, subject to any statutory and regulatory requirements as may be in effect from time to time. For every transfer and exchange of beneficial ownership in such Warrants, the Beneficial Owners may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

(iv) Redemption notices respecting Warrants held by the Securities Depository shall be sent to the Securities Depository Nominee by the Depository and redemption of Warrants shall be effected as provided in Section 5 and Section 7.

(v) In the event that the Securities Depository ceases to act as the securities depository for the Warrants, the Board shall discontinue the Book-Entry System for such Warrants. If the Board fails to appoint another qualified securities depository to replace the then acting Securities Depository, the Board will cause the Depository to authenticate and deliver fully registered certificated Warrants to each Beneficial Owner in evidence of the ownership interests thereof. If the Book-Entry System is discontinued for the Warrants, payments to, and transfers of Warrants by, the Beneficial Owners shall be governed by the provisions set forth in this Authorizing Resolution with respect thereto.

(vi) The Board may enter into a custody agreement with any bank or trust company serving as custodian (which may be the Depository serving in the capacity of custodian) to provide for a Book-Entry System or similar method for the registration and transfer of the Warrants.

(vii) During a period in which the Book-Entry System is in effect for the Warrants in accordance herewith, the provisions of this Resolution and such Warrants shall be construed in accordance with the Letter of Representation and to give full effect to such Book-Entry System.

(viii) The Beneficial Owners of all the Warrants, by their acquisition of any beneficial interest in a Warrant or Warrants, and the Securities Depository, the Securities Depository Nominee, and all Direct Participants and all Indirect Participants, severally agree that the Board and the Depository shall not have any responsibility or obligation to any Direct Participant or any Indirect Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by the Securities Depository or any Direct Participant or any Indirect Participant; (2) the payment by the Securities Depository or any Direct Participant or any Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of, premium (if any) and interest on the Warrants; (3) the delivery or timeliness of delivery by the Securities Depository or any Direct Participant or any Indirect Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Resolution to be given to Beneficial Owners; or (4) any consent given or other action taken by the Securities Depository, or the Securities Depository Nominee, as owner.

(ix) In Release No. 34-47978; File No. SR-DTC-2003-02, the SEC approved DTC's Rule change clarifying that only DTC Participants with a position in that issue can request withdrawal of those securities from DTC. The Board has no legal or beneficial interest in securities held by Participants at DTC and therefore the Board has no basis to request the withdrawal of those securities.

(b) Discontinuation of Book-Entry System; Registration, Transfer, and Exchange of Warrants; Replacement of Mutilated, Lost, Destroyed or Stolen Warrants.

(i) The Securities Depository may determine to discontinue the Book-Entry System with respect to the Warrants at any time upon notice to the Board and the Depository and upon discharge of its responsibilities with respect thereto under applicable law. Upon such notice and compliance with law the Book-Entry System for the Warrants will be discontinued unless a successor securities depository is appointed by the Board.

(ii) In the event the Book-Entry System for the Warrants is discontinued, Warrants in certificated form in Authorized Denominations will be physically distributed to the Beneficial Owners thereof and such Warrants will be registered in the names of the owners thereof on the Warrant Register, the Depository will make payments of principal of, premium (if any) and interest on such Warrants to the registered owners thereof as provided in the Warrants and this Authorizing Resolution, and the following provisions with respect to registration, transfer and exchange of such Warrants by the registered owners thereof shall apply:

(1) Upon surrender for transfer of any Warrant at the designated corporate office of the Warrant Registrar, the Board shall execute, and the Depository shall authenticate, register and deliver, in the name of the designated transferee or transferees, one or more new Warrants of the same series, of any Authorized Denominations and in a principal amount equal to the unpaid or unredeemed portion of the principal of the Warrant so presented.

(2) If and to the extent so provided with respect to the Warrants, at the option of the Holder, Warrants of such series may be exchanged for other Warrants of the same series, of any Authorized Denominations and of a like aggregate principal amount, upon surrender of the Warrants to be exchanged at the designated corporate office of the Warrant Registrar. Whenever any Warrants are so surrendered for exchange, the Board shall execute, and the Depository shall authenticate, register and deliver, the Warrants which the Holder making the exchange is entitled to receive.

(3) All Warrants surrendered upon any exchange or transfer provided for in this Authorizing Resolution shall be cancelled.

(4) All Warrants issued upon any transfer or exchange of Warrants shall be the valid obligations of the Board and be entitled to the same security and benefits under this Authorizing Resolution as the Warrants surrendered upon such transfer or exchange.

(5) Every Warrant presented or surrendered for transfer or exchange shall (if so required by the Board or the Warrant Registrar) be duly endorsed or be accompanied by a written instrument of transfer in form satisfactory to the Board and the Warrant Registrar duly executed by the Holder thereof or his attorney duly authorized in writing.

(6) No charge shall be made to the Holder for any transfer or exchange of Warrants, but the Board may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Warrants.

(7) The Depository shall not be required to transfer or exchange any Warrant during the period between the Record Date and the then next succeeding interest payment date; and, in the event that any Warrant (or any part thereof) is duly called for redemption, the Depository shall not be required to transfer or exchange any such Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption.

(8) If (i) any mutilated Warrant is surrendered to the Depository, or the Board and the Depository receive evidence to their satisfaction of the destruction, loss or theft of any Warrant, and (ii) there is delivered to the Board and the Depository such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Board or the Depository that such Warrant has been acquired by a bona fide purchaser, the Board shall execute and the Depository shall authenticate, register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Warrant, a new Warrant of the same series and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(9) Upon the issuance of any new Warrant under this Section, the Board may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

(10) Every new Warrant issued pursuant to this Section in lieu of any destroyed, lost or stolen Warrant shall constitute an original additional contractual obligation of the Board, whether or not the destroyed, lost or stolen Warrant shall be at any time enforceable by anyone.

(11) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Warrants.

Section 7. Redemption of Warrants.

(a) General Applicability of Section.

(i) Warrants shall be redeemable in accordance with their terms, Section 5 of this Resolution and in accordance with this Section.

(ii) Each series of the warrants may be redeemed prior to maturity as provided therein without requirement that the Board exercise its option to redeem any or all of the other series of Warrants.

(iii) Notwithstanding anything herein to the contrary, during a period in which the Book-Entry System is in effect for the Warrants, the provisions of this section shall be construed in accordance with the Letter of Representation and to give full effect to such Book-Entry System.

(b) Selection of Warrants to Be Redeemed.

(i) If less than all of the Outstanding Warrants of any series are to be redeemed during a period in which the Book-Entry System is in effect for the Warrants, the Board shall designate the order and amount of maturities of the Warrants (or portions thereof) to be redeemed not less than 45 nor more than 60 days prior to the redemption date from the Outstanding Warrants which have not previously been called for redemption, and, in accordance with the Letter of Representation, the Securities Depository may determine the amount of the interest of each Direct Participant in those Warrants to be redeemed, on the basis of the smallest Authorized Denomination of such Warrants, by lot or by such other method as the Securities Depository shall deem fair and appropriate.

(ii) If less than all of the Outstanding Warrants of any series are to be redeemed during a period in which the Book-Entry System is not in effect for the Warrants, the Board shall designate the order and amount of maturities of the Warrants

(or portions thereof) to be redeemed not less than 45 nor more than 60 days prior to the redemption date from the Outstanding Warrants which have not previously been called for redemption, on the basis of the smallest Authorized Denomination of such Warrants, and the Depository shall select, by lot or by such method as the Depository shall deem fair and appropriate, the order and amount of Warrants to be redeemed within a maturity. The Board and the Depository shall so select Warrants for redemption in such manner so as to assure that after such redemption no Holder shall retain Warrants in an aggregate amount less than an Authorized Denomination.

(iii) For all purposes of this Resolution, unless the context otherwise requires, all provisions relating to the redemption of Warrants shall relate, in the case of any Warrant redeemed or to be redeemed only in part, to the portion of the principal of such Warrant which has been or is to be redeemed.

(c) Notice of Redemption.

(i) Notice of any intended redemption shall be given by the Depository to the Holder of each Warrant, all or a portion of the principal of which is to be redeemed, not less than 30 days prior to the proposed redemption date, by United States registered or certified mail (first class, postage prepaid), at the address of such Holder appearing in the Warrant Register, or, if the Securities Depository or Securities Depository Nominee is the Holder, at the times and in the manner as provided in the Letter of Representation; provided, however, any Holder may waive the requirement of notice as to the redemption (in whole or in part) of the Warrant or Warrants thereof. During a period in which the Book-Entry System is in effect for any series of Warrants, notice of any intended redemption may also be given to each Beneficial Owner, all or portion of the interest of which in such Warrants is to be redeemed, by the Direct Participants and, where appropriate, by the Indirect Participants, pursuant to arrangements among said parties, subject to statutory and regulatory requirements in effect from time to time; provided, however, any Beneficial Owner may waive the requirement of notice as to the redemption of the interest thereof in the Warrants.

(ii) All notices of redemption shall state:

(1) the redemption date,

(2) the redemption price,

(3) the principal amount of Warrants to be redeemed, and, if less than all Outstanding Warrants of any series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Warrants to be redeemed,

(4) that on the redemption date the redemption price of each of the Warrants to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said date, and

(5) the place or places where the Warrants of each series to be redeemed are to be surrendered for payment of the redemption price.

(d) Payment of Redemption Price.

Prior to any redemption date, the Board shall deposit or cause to be deposited with the Depository an amount of money sufficient to pay the redemption price of all the Warrants which are to be redeemed on that date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price.

(e) Warrants Payable on Redemption Date.

(i) Notice of redemption having been given as aforesaid, the Warrants so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Board shall default in the payment of the redemption price) such Warrants shall cease to bear interest. Upon presentation of any such Warrant for redemption, such Warrant shall be paid by the Board at the redemption price. Installments of interest due on or prior to the redemption date shall be payable to the Holders of the Warrants according to the terms of such Warrants and the provisions of this Resolution.

(ii) If any Warrant called for redemption shall not be so paid upon surrender thereof for redemption, the principal of the Warrant to be so redeemed shall, until paid, continue to bear interest from the redemption date at the rate prescribed in such Warrant.

(f) Warrants Redeemed in Part.

(i) During a period in which the Book-Entry System is in effect for the Warrants, the recordation and evidence of any reduction in the aggregate principal amount of the Warrants of any series as a result of the redemption of a portion thereof shall be made in accordance with the Letter of Representation and the rules and procedures of the Securities Depository with respect thereto from time to time in effect.

(ii) During a period in which the Book-Entry System is not in effect for the Warrants, unless otherwise provided herein, any Warrant which is to be redeemed only in part shall be surrendered at the designated corporate office of the Depository (with, if the Board or the Depository requires, due endorsement by, or a written instrument of assignment or transfer in form satisfactory to the Board and the Depository duly executed by the Holder thereof or his attorney duly authorized in writing) and the Board shall execute and the Depository shall authenticate and deliver to the Holder of such Warrant, without service charge, a new Warrant or Warrants of any Authorized Denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Warrant so surrendered.

2007, dated October 1, 2007 (the "Series 2007 Warrants"), solely out of the Board's portion of the special privilege license tax levied in Winston County, Alabama, pursuant to Section 40-12-4 of the Code of Alabama 1975, as amended and resolutions duly adopted by the governing body of the County, or any taxes that may be levied in lieu thereof or in substitution therefor (the "Special Tax").

The Warrants are initially issued in Authorized Denominations pursuant to a Book-Entry System to be administered by the Securities Depository and registered in the name of and held by the Securities Depository Nominee, all as more particularly provided in the Authorizing Resolution. In the event the Book-Entry System for the Warrants is discontinued, Warrants in certificated form in Authorized Denominations will be physically distributed to the Beneficial Owners thereof, the Warrants will be registered in the names of the owners thereof on the registration books of the Depository pertaining thereto, the Depository shall make payments of principal of, premium (if any) and interest on the Warrants to the registered owners thereof as provided in the Warrants and the Authorizing Resolution, and the provisions of this warrant and of the Authorizing Resolution with respect to registration, transfer and exchange of warrants by the registered owners thereof shall apply.

In the resolutions of the Board authorizing the issuance of the Warrants and the Series 2007 Warrants, the Board has reserved the right to issue additional obligations payable from and secured by a pledge of Board's portion of the proceeds of the Special Tax on a parity with the pledge made in said resolution for the benefit of the Warrants and the pledge thereof heretofore made for the benefit of the said Series 2007 Warrants, subject, however, to the terms, conditions and limitations set forth in said resolutions.

The Warrants are not subject to prior optional redemption.

The Warrants with a stated maturity on December 1, 2019 (the "2019 Term Warrants") are required to be mandatorily redeemed on December 1, 2018 in the principal amount of \$285,000 at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon without premium or penalty. The remainder of the 2019 Term Warrants in principal amount of \$95,000 will mature on December 1, 2019.

Any redemption shall be made in the manner, upon the notice, and on the terms and conditions provided in the Authorizing Resolution. If less than all of the Warrants are to be redeemed during a period in which the Book-Entry System is in effect for the Warrants, in accordance with the Letter of Representation, the Securities Depository may determine the amount of the interest of each Direct Participant in those of such Warrants to be redeemed, on the basis of the smallest Authorized Denomination of such Warrants, by lot or by such other method as the Securities Depository shall deem fair and appropriate. If less than all the Warrants are to be redeemed during a period in which the Book-Entry System is not in effect for the Warrants, the Board shall designate the Warrants (or portions thereof) to be redeemed not less than 45 nor more than 60 days prior to the redemption date on the basis of the smallest Authorized Denomination of such Warrants, and the Depository shall select, by lot or by such method as the Depository shall deem fair and appropriate, the order and amount of the Warrants to be redeemed within a maturity. The Board and the Depository shall so select such Warrants for redemption in

such manner so as to assure that after such redemption no Holder shall retain Warrants in an aggregate amount less than an Authorized Denomination.

Provision is made in the resolution of the Board authorizing the issuance of the Warrants for the replacement of any Warrant which shall be or become mutilated, lost, stolen or destroyed by the issuance, authentication and registration of a new Warrant of like tenor, subject, however, to the terms, conditions and limitations contained in the aforesaid resolution with respect thereto.

The Depository shall not be required to transfer or exchange any Warrant during the period of fifteen (15) days next preceding any June 1 or December 1; and in the event that any Warrant (or any portion thereof) is duly called for redemption, the Depository shall not be required to register or transfer any such Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption. No charge shall be made for the privilege of transfer, but the owner of any Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

The Depository and any successor thereto has been designated as Depository and as registrar for and with respect to the Warrants.

It is hereby certified that all requirements of the Constitution and laws of the State of Alabama relating to the authorization and issuance hereof or to the authorization and levy of the Special Tax have been duly complied with and that this warrant is within every limit prescribed thereby.

IN WITNESS WHEREOF, the County Board of Education of Winston County, Alabama, has caused this warrant to be manually executed in its name and on its behalf by its President, its seal to be imprinted hereon, and said seal and this warrant to be attested by its Secretary, who has manually signed this warrant, and has caused this warrant to be dated February 1, 2012.

**COUNTY BOARD OF EDUCATION OF
WINSTON COUNTY, ALABAMA**

By _____
President

SEAL

Attest: _____
Secretary

AUTHENTICATION AND REGISTRATION DATE:

AUTHENTICATION AND REGISTRATION CERTIFICATE

This warrant is hereby authenticated and was registered in the name of the above-registered owner on the Authentication and Registration Date specified above.

SYNOVUS BANK

By _____
Its Authorized Officer

ASSIGNMENT

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Depository.

Dated this ____ day of _____, ____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank, Trust Company or Firm)

By _____
(Authorized Officer)

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

Section 9. Execution of Warrants. The Warrants shall be executed in the name of and on behalf of the Board with the manual signature of the President, shall be sealed with the seal of the Board imprinted thereon, and said seal and said Warrants shall be manually attested by the Secretary of the Board. All Warrants bearing the signature of officers in office on the date of signing thereof shall be valid and binding obligations, notwithstanding that before the delivery and payment therefor, such officers whose signatures appear thereon shall have ceased to be officers of the Board. The Depository is hereby directed to execute the Authentication and Registration Certificate appearing on each Warrant. No Warrant issued hereunder shall be the valid and binding obligation of the Board unless said Authentication and Registration Certificate shall have been executed as provided herein.

Section 10. Payment at Par. The Depository, by acceptance of its duties hereunder, shall be construed to have agreed thereby with the registered owners from time to time of the Warrants that it will make all remittances of principal of, premium (if any) and interest on the Warrants out of money supplied by the Board for such purpose in bankable funds at par and without deduction for exchange, fees or expenses. The Board hereby covenants and agrees with the registered owners of the Warrants and with the Depository that it will pay all charges for exchange, fees or expenses which may be incurred by such Depository in the making of remittances in bankable funds at par.

Section 11. Source of Payment and Pledge of Board's Portion of Special Tax. The Warrants do not constitute general obligations of the Board. The principal of, premium (if any) and interest on the Warrants shall be payable, on an equal and proportionate basis and parity of lien with the Series 2007 Warrants, solely out of the Board's portion of the proceeds of the Special Tax. There is hereby irrevocably pledged for payment of the principal of, premium (if any) and interest on the Series 2007 Warrants and the Warrants so much as may be necessary for said purposes from the Board's portion of the proceeds of the Special Tax. The Board represents and agrees that the Series 2007 Warrants and the Warrants shall constitute preferred claims against the Board's portion of the proceeds of the Special Tax, and shall have preference over claims for salaries or other operating expenses, or any other purpose; and that, except as provided in Section 16 of the 2007 Authorizing Resolution and in Section 17 hereof with respect to Parity Obligations (as defined in Section 17 hereof), said pledge will be prior and superior to any pledge or agreement respecting the Board's portion of the proceeds of the Special Tax for the benefit of or with respect to any securities that may hereafter be issued or any contract that may hereafter be made, or any charge or use to which the Board's portion of the Special Tax is authorized to be devoted. The Board estimates and finds that the amount of the Special Tax which will accrue to the Board during each successive Fiscal Year of the Board hereafter will be more than sufficient to pay the principal of and interest on the Series 2007 Warrants and the Warrants as such principal and interest matures and comes due, or is subject to mandatory redemption.

Section 12. Warrant Fund. There is hereby created a special trust fund which shall be designated the "Warrant Fund," shall be held by the Depository and shall be continued until the principal of and interest on the Warrants shall have been paid in full or provision for such payment shall have been duly made as provided herein. Money in the Warrant Fund shall be used solely for the payment of principal of, premium (if any) and interest on the Warrants as the same become due.

The amount received as accrued interest on the Warrants shall be deposited in the Warrant Fund. In addition, the Board shall pay or cause to be paid into the Warrant Fund on a parity of lien with the payments required by Section 11 of the 2007 Authorizing Resolution from the Board's portion of the proceeds of the Special Tax the following amounts on or before the following dates:

(a) On or before March 25, 2012, and on or before the 25th day of each month thereafter, to and including May 25, 2012, one-third (1/3rd) of the interest coming due on the Warrants on the first interest payment date of June 1, 2012;

(b) On or before June 25, 2012 and or before the 25th day of each month thereafter, to and including November 25, 2019, one-sixth (1/6th) of the interest coming due on the Warrants on the next ensuing interest payment date; and

(c) On or before March 25, 2012, and on or before the 25th day of each month thereafter, to and including November 25, 2012, one-ninth (1/9th) of the principal maturing on the Warrants on the first principal payment date of December 1, 2012.

(d) On or before December 25, 2012, and on or before the 25th day of each month thereafter, to and including November 25, 2019, one-twelfth (1/12th) of the principal maturing or subject to mandatory redemption on the Warrants on the next ensuing principal payment or mandatory redemption date.

The Board and the Depository shall cause all amounts deposited in the Warrant Fund to be applied to the payment of principal of or interest on the Warrants within thirteen months from the date of such deposit and shall cause all income and profits received from the investment of money in the Warrant Fund to be applied to the payment of principal of or interest on the Warrants within twelve months from the date of receipt of such income or profits. Income and profits received from any investment of money in the Warrant Fund shall be credited against the deposits required to be made therein.

If on any principal or interest payment date the balance in the Warrant Fund is insufficient to pay the principal of and interest on the Warrants due and payable on such date, the Board shall forthwith pay any such deficiency into the Warrant Fund from the Board's portion of the proceeds of the Special Tax.

Whenever during any calendar month the Board shall have made the payments required to be paid into the Warrant Fund during such calendar month and by Section 11 of the 2007 Authorizing Resolution, the Board may use any of the remaining proceeds of the Special Tax received by it during the same calendar month for any purpose for which the Special Tax was levied; provided that if the amounts required to be paid into the Warrant Fund herein or by Section 11 of the 2007 Authorizing Resolution during any preceding calendar month shall not have been paid therein, then before using any of such remaining proceeds of the Special Tax as aforesaid, the Board shall cause to be paid therefrom such amount or amounts as may be necessary to make up any deficiency which may then exist in the Warrant Fund or the 2007 Warrant Fund.

Section 13. Security for Warrant Fund. The money at any time on deposit in the Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which said Fund was created. The Depository shall at all times keep the money on deposit with it in said Fund continuously secured for the benefit of the Board and the registered owners from time to time of the Warrants either

(a) by holding on deposit as collateral security Government Obligations having market value (exclusive of accrued interest) not less than the amount of money on deposit in said Fund, or

(b) if the furnishing of security in the manner provided in the foregoing clause (a) is not permitted by the then applicable laws and regulations, then in such manner as may be required or permitted by the applicable State and federal laws and regulations respecting the security for or granting a preference in the case of the deposit of public trust funds;

provided, however, that it shall not be necessary for the Depository so to secure any portion of the money on deposit in the Warrant Fund that (i) may be insured by the Federal Deposit Insurance Corporation or by any agency of the United States of America that may succeed to its functions or (ii) that may be invested as provided in Section 14 hereof.

Section 14. Investment of Money in Warrant Fund. The Board may cause any money on deposit in the Warrant Fund not then needed for the payment of principal of, premium (if any) or interest on the Warrants to be invested or reinvested by the Depository in Government Obligations, in money market funds of the Depository customarily utilized for the investment of public funds and invested solely in Government Obligations or in Eligible Certificates. All investments shall be held by or under control of the Depository for the credit of the Warrant Fund and all interest accruing thereon and any profits realized therefrom shall be credited to the Warrant Fund, and any losses resulting from liquidation of investments shall be charged to the Warrant Fund. The Depository shall sell and reduce to cash a sufficient portion of the investments whenever the cash balance in the Warrant Fund is insufficient to pay the current interest and principal requirements on the Warrants.

Section 15. Designation of Depository. The Board hereby designates Synovus Bank, a Georgia banking corporation with a designated corporate trust office in Birmingham, Alabama, as depository, paying agent and warrant registrar for and with respect to the Warrants. In the event said Bank should refuse or cease to act as Depository or should become incapable of so acting, then the Board may at any time and from time to time designate as depository, paying agent and warrant registrar for the Warrants any other banking institution which has an office in the State of Alabama, which is a member of the Federal Deposit Insurance Corporation, and which is qualified to serve as depository, paying agent and warrant registrar for and with respect to the Warrants.

Section 16. Provision for Payment of Warrants; Termination of Pledge of Board's Portion of Special Tax. The Warrants shall be deemed fully paid and no longer outstanding for purposes of this resolution if:

(a) the Board shall have filed with the Depository a fully executed copy of an irrevocable trust agreement between the Board and a banking institution with an office in the State of Alabama, making provision for the retirement of the Warrants by creating for that purpose a trust fund sufficient to provide for payment and retirement of the Warrants then outstanding (including payment of the interest that will accrue thereon until and on the dates the Warrants are respectively retired, as such interest becomes due and payable, and the premium, if any, required to be paid upon the redemption of the Warrants, if any, being redeemed), either by redemption prior to their respective maturities, by payment at their respective maturities, or by

payment of part thereof at their respective maturities and redemption of the remainder prior to their respective maturities, which trust fund shall consist of (i) Government Obligations which are not subject to redemption prior to their respective maturities at the option of the issuer and which, if the principal thereof and the interest therein are paid at their respective maturities, will produce funds sufficient to provide for payment and retirement of such Warrants; or (ii) both cash and such Government Obligations (as described in (i) above) which together will produce funds sufficient for such purpose, or (iii) cash sufficient for such purpose; and

(b) such notice as is required hereunder for the redemption of those Warrants (if any) that, according to such trust agreement, are to be redeemed prior to their respective maturities has been given or provisions satisfactory to the Depository have been made for the giving of such notice.

Any money on deposit in the Warrant Fund (to the extent that such money is not required for the payment of the principal of, premium (if any) and interest on the Warrants previously becoming due or payable, or is not otherwise unavailable for the following use) may at the direction of the Board be transferred to and constitute a part of the trust fund created pursuant to the aforesaid trust agreement provided for the retirement of the Warrants.

When the Warrants have been paid in full, or shall be deemed paid within the meaning of this Section, the pledge of the Board's portion of the proceeds of the Special Tax to the payment of the Warrants shall be terminated and released.

Section 17. Authorization of Parity Obligations; Subsequent Pledge of Board's Portion of Special Tax. So long as the Board is not in default hereunder, the Board may from time to time issue warrants or other obligations (herein called "Parity Obligations") for any lawful purpose, without limit as to aggregate principal amount, payable from and secured by a pledge of the Board's portion of the proceeds of the Special Tax equally and ratably with the Series 2007 Warrants and the Warrants, upon satisfaction of the following conditions:

(a) The Board shall have adopted a resolution or resolutions reciting that the Board is not at the time in default hereunder and that no such default is imminent; authorizing the issuance, execution, sale and delivery of such Parity Obligations; and setting forth the date thereof, an appropriate series designation, the date or dates of maturity (which must be on December 1 in any year in which the Parity Obligations are made payable), the rate or rates of interest and the dates of payment thereof (which must be on June 1 and December 1), the maximum aggregate principal amount of such Parity Obligations, the redemption provisions, if any, the text of the form of the Parity Obligations, and a brief description of the facilities, if any, that will be constructed or acquired with the proceeds thereof. Any such resolution or resolutions may contain any other or additional statements, provisions, covenants and agreements which the Board shall elect to include therein.

(b) The Board shall have filed with the Depository a certificate by its Secretary and the Chief School Financial Officer demonstrating that the Special Tax proceeds received by the Board during the fiscal year next preceding the issuance of such

Parity Obligations are not less than 1.50 times the maximum amount payable annually in the then current or any succeeding Fiscal Year of the Board as principal of and interest on the Series 2007 Warrants, the Warrants, the Parity Obligations (if any) then outstanding, and the Parity Obligations proposed to be issued.

(c) The Board shall have filed with its Secretary and with the Depository the opinion of nationally recognized bond counsel that the Parity Obligations proposed to be issued, when issued, will be secured by a valid pledge of the Board's portion of the proceeds of the Special Tax on a parity of lien with the pledge thereof herein made for the benefit of the Series 2007 Warrants and the Warrants.

Except as provided in this Section for the issuance of Parity Obligations, the Board does hereby covenant and agree that the Board's portion of the proceeds of the Special Tax shall not hereafter be pledged by it to the payment of any other obligation or obligations of the Board unless such pledge is made subject to and subordinate in all respects to the pledge herein made for the benefit of the Series 2007 Warrants and the Warrants.

Section 18. Delivery of Warrants and Closing Papers. The President and the Secretary of the Board, or either of them, are hereby authorized and directed (a) to deliver the Warrants to the Underwriter upon payment of the purchase price therefor and (b) to execute and deliver to the attorneys approving the legality of the Warrants such papers containing such representations as shall be necessary or desirable to demonstrate the validity of the Warrants, the levy of the Special Tax and the pledge of the Board's portion of the proceeds of the Special Tax to the payment of the Warrants, the absence of any pending or threatened litigation with respect thereto, the exclusion of interest on the Warrants from gross income under Section 103 of the Code (hereinafter defined) for federal income taxation, and the exemption of said interest from Alabama income taxation. The Chief School Financial Officer shall give a receipt for the purchase price of the Warrants, which receipt shall be full acquittal to the purchaser thereof, and said purchaser shall not be required to see to or be responsible for the application of the proceeds of the Warrants.

Section 19. Use of Proceeds of the Warrants. The proceeds derived from the sale of the Warrants shall be applied by the Depository as follows:

(a) \$1,161,320.25 shall be deposited in the Series 1998 Warrant Fund, along with the amount of \$17,066.97 already on deposit therein, and applied in the combined amount of \$1,178,387.22 to the redemption and current refunding of the Series 1998 Warrants on or about March 26, 2012.

(b) \$641,966.63 shall be deposited in the Series 1998-B Warrant Fund, along with the amount of \$8,147.78 already on deposit therein, and applied in the combined amount of \$650,114.41 to the redemption and current refunding of the Series 1998-B Warrants on or about March 26, 2012.

(c) \$32,522.97 shall be deposited in the Warrant Fund and used to pay issuance expenses as set forth on Exhibit A attached hereto and incorporated herein by reference. Any

principal proceeds remaining after the payment of all issuance expenses shall remain in the Warrant Fund and be applied by the Depository to the first interest payment due June 1, 2012.

Section 20. Expenses of Collection if Warrants Not Paid at Maturity. The Board hereby covenants and agrees that if the principal of, premium (if any) and interest on the Warrants are not paid promptly as such principal, premium (if any) and interest matures and comes due, it will pay to the registered owners from time to time of the Warrants all expenses incident to the collection of any unpaid portion thereof, including reasonable attorney's fees. To the extent permitted by applicable law, the Warrants will bear interest at the rate of two percent (2%) per annum from and after the respective maturity or due dates thereof, if not then paid or the maximum rate permitted by law, whichever is less.

Section 21. Covenants With Respect to Federal Tax Exclusion for Interest. The Board recognizes that the Warrants are being sold on the basis that the interest payable on the Warrants is excludable from gross income of the registered owners thereof for federal income taxation under Section 103 of the Code. The Board hereby covenants and agrees with the registered owners from time to time of the Warrants that:

(a) the proceeds of the Warrants will be used solely for the governmental purposes for which the Warrants were issued;

(b) none of the proceeds of the Warrants will be applied for any "private business use" nor will any part of the proceeds of the Warrants be used (directly or indirectly) to make or finance loans to persons other than a governmental unit;

(c) the payment of the principal of or interest on the Warrants will not be (under the terms of the Warrants or any underlying arrangements) directly or indirectly (i) secured in any way by any interest in property used or to be used for a "private business use" or payments in respect of such property or (ii) derived from payments (whether or not to the Board) in respect of property, or borrowed money, used or to be used for a "private business use";

(d) the proceeds of the Warrants shall not be used or applied by it, and the taxes or other revenues of the Board shall not be accumulated in the Warrant Fund in such a manner, and no investment thereof shall be made, as to cause any of the Warrants to be or become "arbitrage bonds," as that term is defined in Section 148 of the Code;

(e) the Board will comply with the requirements of Section 148(f) of the Code with respect to any required rebate to the United States; and

(f) the Board will make no use of the proceeds of the Warrants that would cause the Warrants to be "federally guaranteed" under Section 149(b) of the Code, and the payment of the principal of and interest on the Warrants shall not be (directly or indirectly) "federally guaranteed" (in whole or in part) as described in said Section, except as otherwise permitted in said Section.

(g) the Warrants are designated as "qualified tax-exempt obligations" for the purposes of paragraph (3) of subsection (b) of Section 265 of the Code. The Board hereby represents and certifies that it has no subordinate entities which have authority to issue "tax-exempt obligations" and the Board does not anticipate that it will create any new such "subordinate entities" during calendar year 2012. The Board does hereby represent it has not issued in the aggregate more than \$10,000,000 of "tax-exempt obligations" during calendar year 2012. The Board does hereby further represent that it reasonably anticipates that the aggregate amount of "qualified tax-exempt obligations" and "tax-exempt obligations" which will be issued by the Board during calendar year 2012 will not exceed \$10,000,000.

The Board hereby further covenants and agrees with the registered owners of the Warrants that, to the extent permitted by law, it will not take any action, or omit to take any action, with respect to the Warrants that would cause the interest on the Warrants not to be and remain excludable from gross income pursuant to the provisions of Section 103 of the Code. The President and the Secretary are authorized and directed to execute a Non-Arbitrage Certificate and to execute and file with the United States Treasury Department its Form 8038-G.

The terms used in this Section in quotation marks shall have the definitions and meanings provided by the Code.

Section 22. Continuing Disclosure Undertaking.

In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission, the Board has agreed to provide, or cause to be provided,

(i) to the Municipal Securities Rulemaking Board ("MSRB"), to each nationally recognized municipal securities information repository (the "NRMSIR") and to the appropriate state information depository, if any, for the State of Alabama ("SID"), annual audited financial information. Such information is expected to be available on or before March 31st of each year for the fiscal year ending on the preceding September 30. The foregoing audited financial statements shall be prepared by the Alabama Department of Examiners of Public Accounts in accordance with generally accepted government auditing standards for financial audits;

(ii) to each NRMSIR, to the SID and to MSRB, notice of the occurrence of any of the following reportable events within ten Business Days of the occurrence with respect to the Warrants (a) principal and interest payments delinquencies, (b) non-payment related defaults, (c) unscheduled draws on debt service reserves reflecting financial difficulties, (d) unscheduled draws on credit enhancements reflecting financial difficulties, (e) substitution of credit or liquidity providers or their failure to perform, (f) adverse tax opinions or events affecting the tax-exempt status of the Warrants, (g) modifications to rights of holders of the Warrants, (h) calls for redemption, (i) defeasances, (j) release, substitution or sale of property securing repayment of the securities, (k) rating changes, if any are then in effect, (l) bankruptcy, insolvency, receivership or similar events, (m) merger, consolidation, acquisition or sale of assets

involving an obligated party, and (n) appointment of a successor or additional trustee or the change of name of a trustee.

(iii) in a timely manner, to each NRMSIR and the SID or to the MSRB notice of a failure by the Board to provide the required annual financial information on or before the date specified in this written continuing disclosure undertaking.

(b) The Board reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Board; provided that, the Board agrees that any such modification will be done in a manner consistent with the Rule.

(c) The Board reserves the right to terminate its obligation to provide financial information and notices of material events, as set forth above, if and when the Board no longer remains an obligated person with respect to the Warrants within the meaning of the Rule.

(d) The Board agrees that this undertaking pursuant to the Rule as set forth above is intended to be for the benefit of the holders (registered owners) of the Warrants and shall be enforceable by such holders; provided that, the holders' rights to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Board's obligations hereunder and any failure by the Board to comply with the provisions of this undertaking shall not be an event of default with respect to the Warrants and shall not subject the Board to money damages in any amount, whether compensatory, penal or otherwise.

(e) The Board agrees that one or more individuals shall be designated as the contact person on behalf of the Board from whom the foregoing information, data and notices can be obtained. The name, address and telephone number of the initial contact person are as follows:

Andrew McCay or successor as Chief School Financial Officer
County Board of Education of Winston County, Alabama
Highway 195, Courthouse Annex
Double Springs AL 35553
Telephone: (205) 489-5018
Facsimile: (205) 489-3203
e-mail: amccay@winstonk12.org

Effective July 1, 2009, The Securities and Exchange Commission (SEC) made two procedural changes to the way in which these annual reports and event notices are filed. They are as follows: (1) the Municipal Securities Rulemaking Board (MSRB) must receive all continuing disclosure filings, and (2) continuing disclosure filings must also be submitted in electronic pdf format to the Electronic Municipal Market Asset (EMMA) system. Rule 15c(2)-12 was further amended by Release No. 34-62184 dated May 26, 2010 and MSRB Notice 2010-32 approved by the SEC on August 19, 2010. The Board will comply with these changes and further agrees to comply with all future SEC regulations, several of which are presently under consideration, which may affect the Board's continuing obligations hereunder.

Section 23. Current Refunding and Redemption of Series 1998 Warrants

The Series 1998 Warrants maturing on December 1, 2012 and thereafter are hereby called for redemption on March 26, 2012, or the earliest date thereafter for which notice may be given (the "Redemption Date"). Synovus Bank, as depository for the Series 1998 Warrants, is hereby directed to take all action necessary to effect the redemption of such Series 1998 Warrants on the Redemption Date. The Board is not in default in the payment of the principal of or interest on any of the Series 1998 Warrants and all of the Series 1998 Warrants now outstanding are to be retired on the Redemption Date. Synovus Bank shall give notice of redemption of the Series 1998 Warrants by United States registered or certified mail not less than thirty (30) days prior to the Redemption Date to the registered owners of the Series 1998 Warrants which are to be redeemed. The Notice shall be in substantially the following form and is hereby ratified and confirmed:

NOTICE OF REDEMPTION

NOTICE IS HEREBY GIVEN that the Special Tax School Warrants, Series 1998, dated July 1, 1998, of the County Board of Education of Winston County, Alabama having stated maturities on December 1, 2012 and thereafter, shall be called for redemption on March 26, 2012 and will become due and payable on such date at a redemption price (expressed as a percentage of principal amount) for each Warrant redeemed equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium or penalty. All such warrants should be surrendered at the designated corporate trust office of Synovus Bank in Birmingham, Alabama and no such Warrants will be paid until so surrendered. All interest on such Warrants so called for redemption will cease to accrue after March 26, 2012, whether or not the Warrants are presented for payment.

**COUNTY BOARD OF EDUCATION
OF WINSTON COUNTY**

By SYNOVUS BANK
Its duly authorized agent

Section 24. Current Refunding and Redemption of Series 1998-B Warrants

The Series 1998-B Warrants maturing on December 1, 2012 and thereafter are hereby called for redemption on March 26, 2012, or the earliest date thereafter for which notice may be given (the "Redemption Date"). Synovus Bank, as depository for the Series 1998-B Warrants, is hereby directed to take all action necessary to effect the redemption of such Series 1998-B Warrants on the Redemption Date. The Board is not in default in the payment of the principal of or interest on any of the Series 1998-B Warrants and all of the Series 1998-B Warrants now outstanding are to be retired on the Redemption Date. Synovus Bank shall give notice of redemption of the Series 1998-B Warrants by United States registered or certified mail not less than thirty (30) days prior to the Redemption Date to the registered owners of the Series 1998-B

Warrants which are to be redeemed. The Notice shall be in substantially the following form and is hereby ratified and confirmed:

NOTICE OF REDEMPTION

NOTICE IS HEREBY GIVEN that the Special Tax School Warrants, Series 1998-B, dated December 1, 1998, of the County Board of Education of Winston County, Alabama having stated maturities on December 1, 2012 and thereafter, shall be called for redemption on March 26, 2012 and will become due and payable on such date at a redemption price for each Warrant redeemed equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium or penalty. All such warrants should be surrendered at the designated corporate trust office of Synovus Bank in Birmingham, Alabama and no such Warrants will be paid until so surrendered. All interest on such Warrants so called for redemption will cease to accrue after March 26, 2012, whether or not the Warrants are presented for payment.

**COUNTY BOARD OF EDUCATION
OF WINSTON COUNTY**

By SYNOVUS BANK
Its duly authorized agent

Section 25. Resolution a Contract. The terms, provisions and covenants set forth in this resolution shall constitute a contract with the registered owners from time to time of the Warrants and shall remain in effect until the principal of, premium (if any) and interest on the Warrants shall have been paid in full.

Section 26. Severability. The provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Adopted this ____ day of February, 2012.

President

SEAL

Attest: _____
Secretary

_____ seconded the motion to adopt the foregoing resolution, and upon the question being put and the roll called, the vote was recorded as follows:

Ayes: Larry Yancey, President
Joey Boteler
Greg Batchelor
Ralph E. Williams
Joe Laseter

Nays: None

The President thereupon declared said resolution carried and adopted, and as evidence thereof he signed the same.

3. There was no Superintendent's Report.

4. A motion was made by Joey Boteler and Seconded by Joe Laseter to adjourn the meeting.

Motion carried.

Sue Reed, Superintendent

Larry Yancey, President

Members

