

AGENDA
WEAKLEY COUNTY LEGISLATIVE BODY
REGULAR MEETING - NOVEMBER 17, 2003

CALL TO ORDER - 6:00 p.m.

INVOCATION

PLEDGE TO THE FLAG

ROLL CALL

APPROVAL OF THE MINUTES OF SEPTEMBER 15, 2003 MEETING

SPECIAL RECOGNITION:

Gleason Girls Golf Team

Jeff Washburn, Administrator of Weakley County Ambulance Service, who has resigned

REPORTS:

Trustee's Report

General Fund Report

Highway Department Report

School Department Report

Solid Waste Report

Finance, Ways and Means Committee Report - Dick Phebus, Chairman

Financial Management Report - Roger Stewart, Chairman

Health, Education and Welfare Report - Jimmy Westbrook, Chairman

Personnel Committee Report - John Salmon, Chairman

Public Safety Committee - Tommy Hunt, Chairman

Public Works Committee Report - David Rook, Chairman

Nursing Home Committee Report - Mac Buckley Chairman, David McBride, Administrator

Agricultural Extension Service Report - Jeff Lannom, Extension Director

Chamber of Commerce Report - Suzy German, Director

UNFINISHED BUSINESS:

NEW BUSINESS:

RESOLUTION NO. 2004-07 - RESOLUTION WITHDRAWN

RESOLUTION NO. 2004-08 - Resolution Authorizing Budget Amendments to the General Purpose School Fund for the Fiscal Year Ending June 30, 2004.

RESOLUTION NO. 2004-09 - Resolution to Establish an Occupational Safety and Health Program, Devise Rules and Regulations, and to Provide for a Director and the Implementation of Such Program.

RESOLUTION NO. 2004-10 - Resolution to Approve Contract with the State Department of Transportation. State Project and Federal Project BR-STP-124(3) State Route 124; Bridge & Approaches Over Manus Creek @ L.M. 6.84.

RESOLUTION NO. 2004-11 - General Fund Resolution - Juvenile Court Grant

RESOLUTION NO. 2004-12 - General Fund Resolution - Weakley County Emergency Management Grant

RESOLUTION NO. 2004-13 - General Fund Resolution - Trustee's Office

RESOLUTION NO. 2004-14 - Resolution Authorizing the Execution, Terms, Issuance, Sale and Payment of not to Exceed \$17,300,000 School Refunding Bonds, Series 2003, of Weakley County, Tennessee and Providing the Details Thereof.

RESOLUTION NO. 2004-15 - General Purpose School Resolution

RESOLUTION NO. 2004-16 - Resolution to Amend Resolution 2003-27, Pertaining to Regulation of Health and Safety Standards of Residential and NonResidential Properties.

WEAKLEY COUNTY LEGISLATIVE BODY MEETING

NOVEMBER 17, 2003

The Weakley County Legislative Body met in regular session on November 17, 2003 at the Weakley County Commission Room. County Mayor Ron Gifford called the meeting to order at 6:00 p.m.

Commissioner McAlpin gave the invocation.

All members present gave the Pledge to the Flag.

County Clerk, Pat Scarbrough, called roll with 17 present, and one member, Julia Rich, absent.

County Mayor Gifford called for any additions or corrections to the September 15, 2003 minutes. Commissioner Buckley made the motion to approve and Commissioner Page placed a second. A voice vote was taken with the ayes carrying and none opposed. The Minutes from the September 15, 2003 meeting were approved.

SPECIAL REGOGNITION:

County Mayor Gifford recognized the Gleason Girls Golf Team. They placed first in the District and the Regional during the 2002 Season. For the 2003 season they won first place in the district and regional. At the District Level, as individuals, Ellen Owen, 1st place, Christy Newsom, 2nd place and Megan Sullivan won 3rd place at the District Level. At the Regional Level, Ellen Owen won 1st place, and Megan Sullivan won 2nd place. Also Kurt Rogers from Gleason won 1st place, in District and had a tie score of 70 with the top player of the Regional and went on to the State Competition.

County Mayor Gifford recognized Jeff Washburn, Administrator of the Weakley County Ambulance Service. Mr. Jeff Washburn was commended for his twenty years of service and presented with a Plaque in appreciation for his dedication and hard work as the Weakley County Ambulance Service Administrator. Mr. Washburn commented that he had enjoyed serving the County for the past twenty years and that he had tried to spend the money wisely and safe guard the interest of the taxpayers of this County. Commissioner Wright and Commissioner Westbrook complimented Mr. Washburn on a job well done.

County Mayor Gifford introduced the New Administrator, Mr. Ben Hearn, from Haywood County. Mr. Hearn will be living in Greenfield.

REPORTS:

Each of the Commission members received in their packets the Trustee's Report, General Fund Report, Highway Department Report, School Department Report and the Solid Waste Report. The County Mayor called for any questions or clarifications on these reports. The County Mayor called for any standing committee reports, there being none the County Mayor commented that the Nursing Home Report, the Agricultural Extension Service Report and a Chamber of Commerce Report were also included in the packets. The Emergency Management and 911 Communications Report was also before each of the Commissioners. The County Mayor called for a motion to accept the Reports. Commissioner Salmon made the motion and Commissioner Jones placed a second. The County Clerk called the roll with 17 ayes and one absent. The Reports were accepted.

UNFINISHED BUSINESS:

There was not any unfinished business. The County Mayor moved to the next item on the agenda.

NEW BUSINESS:

RESOLUTION NO. 2004-07: This resolution had been withdrawn from the agenda.

RESOLUTION NO. 2004-08: Resolution Authorizing Budget Amendments to the General Purpose School Fund for the fiscal Year Ending June 30, 2004.

County Mayor Gifford called for Commissioner Westbrook to give the Health, Education and Welfare Report and he commented that it passed his committee six to none. Commissioner Phebus gave the Finance Ways and Means Report and he commented that this resolution also passed his committee. Commissioner Jones made the motion to place the resolution on the floor and Commissioner Buckley placed a second. Discussion was called and the question. County Clerk Scarbrough called the roll with 17 ayes and one absent. The Motion carried.

RESOLUTION NO. 2004-09: Resolution to Establish an Occupational Safety and Health Program, Devise Rules and Regulations, and to Provide for a Director and the Implementation of Such Program.

Commissioner Westbrook gave the Health Education and Welfare Report and this passed his committee six to none. Commissioner Phebus gave the Finance Ways and Means Report and this Resolution also passed his committee. Commissioner Stewart made a motion to place the Resolution on the Floor and Commissioner Owen placed a second. Discussion was called and Commissioner Rook questioned if this was a full-time position and County Mayor Gifford commented that it was not a full-time position. County Mayor Gifford commented that the county is required to have such a director in place. Question was called and the County Clerk called the Roll with 17 ayes and one absent. The Motion carried.

RESOLUTION NO. 2004-10: Resolution to Approve Contract with the State Department of Transportation. State Project and Federal Project BR-STP-124 (3) State Route 124; Bridge and Approaches Over Manus Creek at L.M. 6.84.

Commissioner Rook commented that the Public Works Committee did not vote on this resolution. County Mayor Gifford called for a motion to place the resolution on the floor. Commissioner Westbrook commented that there were not two sponsors on this resolution. A motion was not made and no Action was taken.

RESOLUTION NO. 2004-11: General Fund Resolution – Juvenile Court Grant.

Commissioner Vincent gave the Public Safety Committee Report and it passed his committee. Commissioner Phebus gave the Finance Ways and Means Committee Report and it passed his committee unanimously. Commissioner Stewart made the motion to place the resolution on the floor and Commissioner Hunt placed a second. Discussion was called. Keith Jones, Juvenile Officer, commented that this is straight grant money from the State, the Resolution contains that when the funding ceases the position will also cease. Question was called and the County Clerk called the Roll with 15 ayes, one nay and one absent the motion carried.

RESOLUTION NO. 2004-12: General Fund Resolution – Weakley County
Emergency Management Grant.

Commissioner Vincent gave the Public Safety Committee Report and it passed his Committee five to one. Commissioner Phebus gave the Finance Ways and Means Report and it passed his committee unanimously. Commissioner Phebus made the motion to place the resolution on the floor and Commissioner Hunt placed a second. Discussion was called and the question. The County Clerk called the roll with 17 ayes and one absent, the Motion carried.

RESOLUTION NO. 2004-13: General Fund Resolution – Trustee's Office.

Commissioner Phebus gave the Finance Ways and Means Report and he commented that this passed his committee 4 to 2. Commissioner Baltz made a motion to place the resolution on the floor and Commissioner Jones placed a second. Discussion was called. Commissioner McAlpin questioned the need for more money, when one deputy is leaving and you are replacing with another deputy. Trustee Donald Doster explained that the deputy leaving, is expecting a baby in February and has sick days and vacation time built up to be paid into June 2004. This deputy will not be returning after the birth of her child. The money requested is to replace this deputy and start training a person for this position. The salary requested is \$1000 less for a year's salary than the current salary for this position. Trustee Doster further commented on the fees and commissions collected in his office and he will still turn over to the County over \$175,000 over and above the cost of the office. More discussion followed from Commissioner Owen, Commissioner Salmon and Commissioner Vincent. The question was called. The County Clerk, Pat Scarbrough, called the Roll with 12 ayes, 5 nays and one absent. The Motion carried.

RESOLUTION NO. 2004-14: Resolution Authorizing the Execution, Terms, Issuance, Sale and Payment of not to Exceed \$17,300,000 School Refunding Bonds, Series 2003, of Weakley County, Tennessee and Providing the Details Thereof.

Commissioner Phebus gave the Finance Ways and Means Committee Report. Commissioner Phebus gave a brief statement. This deals with the 1995-96 School Bond Issue. The 1995 School Bond Issue has previously been refunded and the discussion was on the balance of this issue and the balance of the 1996 issue. Some of those coupons carried in excess of five percent, due to the market conditions now, this is a favorable time to consider issuing some refunding of bonds at a lower rate. This resolution will authorize the issuance of an amount not to exceed 17.3 million and cover the outstanding bonds we have at 16.05 million. Actually issuing an additional 1.165 million in bond principal, the savings will come in at a lower interest rate savings on the life of the bond issue of approximately \$642,000 at 3.73 percent. One factor was that these are advanced refunding issues, therefore assuming they are approved we could not go back in the market at a later time and refinance them again. With this being said Commissioner Phebus commented that this passed his committee unanimously. Commissioner Westbrook made a motion to adopt this resolution and Commissioner Owen placed a second. Discussion was called. Commissioner Page questioned how the savings were projected? Commissioner Phebus commented that the projected rates were anywhere from two percent beginning this coming year and the final year goes up to 4 percent in 2016, whereas the bond are current issues are anywhere from 4.7 to 5.4 percent. The maturity is for 2016 and remains the same. Commissioner Phebus commented that the total cost of the issuance was \$214,000. The Bond closing is scheduled for December 17, 2003 and is an estimated time for the closing.

Commissioner Westbrook commented that on Section 20 little letter (a) second paragraph, the sixth line that the Chairman of the Finance Ways and Means be

changed to the County Mayor. A motion to amend was made by Commissioner Westbrook and Commissioner Jones placed a second. Discussion was called and the question. The County Clerk called the roll on the amendment, with 17 ayes and one absent. The amendment passed and the Commission was back to the Original Motion as amended for discussion. Commissioner Westbrook made a motion for a second amendment on the signature page to add an approval line for the County Mayor's Signature. Commissioner Stewart placed the second. Discussion was called and the question. County Clerk Scarbrough called the roll on the second amendment. The second amendment carried with 17 ayes and one absent. The Commission was back to the original motion as amended twice. Discussion and the question were called. The County Clerk called the Roll with 17 ayes and one absent. The Motion as amended twice carried.

RESOLUTION NO. 2004-15: General Purpose School Resolution.

Commissioner Westbrook gave the Committee Report from Health, Education and Welfare and he commented that this resolution was tabled in committee. Commissioner Phebus gave the Finance Ways and Means Committee Report and he commented that this resolution was not considered since it was tabled in the Health, Education and Welfare Committee. Since there was not any members of the School Board present to discuss this resolution, a motion was not made to place this resolution on the floor. No action was taken on this resolution.

RESOLUTION NO. 2004-16: Resolution to Amend Resolution 2003-27, Pertaining to Regulation of Health and Safety Standards of Residential and Nonresidential Properties.

Committee Report from Commissioner Westbrook, Health, Education and Welfare was given and this resolution passed his committee six to none. Commissioner Salmon gave the standing committee report from Public Safety Standards and it passed their committee and he recommended the resolution to the Commission. Commissioner Hunt made the motion to place the resolution on the floor and Commissioner Page placed a second. Discussion was called. Commissioner Westbrook pointed out some housekeeping rules, the first word should be Recommended and then under the Resolve section should be Section IV (Roman Numeral), on the same line, standard is in there twice and only should be once. Question was called and the County Clerk called the Roll with 17 ayes and one absent the motion carried.

County Mayor called for any further business to come before the Commission. Commissioner Barner questioned about selling property for back taxes, and County Attorney Neese commented that the County is on tract and current. County Attorney Neese stated that he has default judgments on the last and most recent year for delinquent taxes.

County Mayor called for any other business to come before the commission. Commissioner Westbrook complimented Mrs. Nanney on the cleanliness of the Restrooms. On that note, County Mayor Gifford commented that we had a resignation and a new employee has been hired that seems to be pleasing the employees of the Courthouse.

County Mayor recognized Mrs. Doris Nanney on 43 years of service to the County.

Commissioner Sinclair commented on an article in the Jackson Sun that stated there are twenty-two bridges in West Tennessee that are unsafe, twelve of which are located in Weakley County. These bridges are graded on a grading system. Ronnie Wade travels West Tennessee and commented that Weakley County has

some the best bridges that he travels on in West Tennessee. Director Kermit Hopper explained the grading system. Director Hopper explained that the State was on the wrong road and the County was given a lot of bad press that was not due to the County. The statements made in the Jackson Sun and the Tennessean were supposed to be retracted and corrected to show the correct information to the public. The bridges discussed was not in Weakley County and the bridges on the list were fixed and the reports in the mail the day this information came out in the paper.

MISCELLANEOUS ANNOUNCEMENTS AND STATEMENTS:

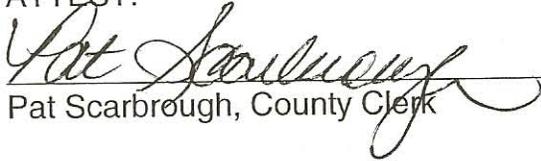
There were not any miscellaneous announcements or statement to come before the Commission and the County Mayor moved to the next item on the Agenda.

ELECTION OF NOTARIES PUBLIC:

Commissioner Rook made a motion to approve the Notaries Public List and Commissioner Wright placed a second. A voice vote was called and the ayes carried with none opposed. The Notaries Public List was approved.

County Mayor called for a motion to adjourn and Commissioner Vincent made the motion and Commissioner Westbrook placed a second. A voice vote was taken with the ayes carrying and the Weakley County Legislative Body Adjourned at 7:02 p.m.

ATTEST:


Pat Scarbrough, County Clerk

RESOLUTION NO. 2004-14

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$17,300,000 SCHOOL REFUNDING BONDS, SERIES 2003, OF WEAKLEY COUNTY, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, pursuant to a resolution adopted by the Board of Commissioners (the "Board") of Weakley County, Tennessee (the "County"), there have been authorized and issued those certain \$9,950,000 School Bonds, Series 1995, dated July 1, 1995 (the "Series 1995 Bonds");

WHEREAS, pursuant to a resolution adopted by the Board of the County there have been authorized and issued those certain \$16,950,000 School Bonds, Series 1996, dated January 1, 1996 (the "Series 1996 Bonds");

WHEREAS, the County is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), to issue and sell refunding bonds for the purpose of refunding bonds previously authorized and issued in advance of the maturity or redemption date of such bonds and to pay costs incident to the issuance and sale of the refunding bonds;

WHEREAS, the advance refunding of all or a portion of the Series 1995 Bonds and the Series 1996 Bonds (collectively, the "Refunded Bonds"), will cause a reduction of debt service payable by the County over the term of the Refunded Bonds, thereby effecting a cost savings and improving the management of the finances of the County;

WHEREAS, the plan of refunding of the Refunded Bonds, a computation of projected cost savings, and a request that the County be permitted to sell the refunding bonds at a private negotiated sale have been submitted to the State Director of Local Finance for review as required by Sections 9-21-903, and 9-21-910, respectively, Tennessee Code Annotated, as amended, and a report on the plan of refunding has been issued by such Director of Local Finance;

WHEREAS, it is necessary to appoint an escrow agent for the purpose of ensuring the payment of the principal of and interest on the Refunded Bonds, and to provide for the execution of an escrow agreement between the County and said escrow agent so as to best provide for the payment of the principal of and interest on the Refunded Bonds;

WHEREAS, it is necessary to make provisions for the redemption in advance of the maturity of the Refunded Bonds;

WHEREAS, it is necessary to authorize the form of, terms, and execution of, an agreement for the purchase of the refunding bonds (the "Bond Purchase Agreement"), to be entered into by and between the County and Banc of America Securities LLC, Charlotte, North Carolina (the "Underwriter"), in connection with the purchase of the refunding bonds;

WHEREAS, it is necessary to authorize an official statement in connection with the issuance of said refunding bonds; and,

WHEREAS, the Board finds that it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of not to exceed \$17,300,000 School Refunding Bonds, Series 2003 (the "Bonds");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF WEAKLEY COUNTY, TENNESSEE, AS FOLLOWS:

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" means Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Authorized Representative of the County" means the then County Mayor, the then Chairman of the Finance, Ways and Means Committee, the then County Clerk, or the then County Trustee of the County, authorized by resolution or by law to act on behalf of and bind the County.

"Board" means the Board of Commissioners of the County.

"Bond" means individually, or "Bonds" means collectively, the School Refunding Bonds, Series 2003, of the County authorized by this Resolution of the Board.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated the date of the sale of the Bonds, between the County and the Underwriter.

"Chairman of the Finance, Ways and Means Committee" means the duly elected, qualified, and acting Chairman of the Finance, Ways and Means Committee, who is also a duly elected, qualified, and acting Commissioner of the County.

"Closing Date" means the date of delivery and payment of the Bonds (or any temporary Bonds as authorized by Section 12 hereof pending the preparation and delivery of the definitive Bonds).

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or affect the Bonds.

"Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by the County and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"County Attorney" means the duly appointed County Attorney of the County, or his or her successors.

"County Clerk" means the duly elected, qualified, and acting County Clerk of the County, or his or her successors.

"County Mayor" means the duly elected, qualified, and acting County Mayor of the County, or his or her successors.

"County Trustee" means the duly elected, qualified, and acting County Trustee of the County, or his or her successors.

"DTC" means The Depository Trust Company, New York, New York.

"Escrow Agent" means SunTrust Bank, Nashville, Tennessee, escrow agent under the Escrow Agreement.

"Escrow Agreement" means that certain Escrow Agreement between the County and the Escrow Agent in substantially the form attached hereto as Exhibit "C" with such changes and revisions as may be deemed necessary by the Authorized Representatives of the County executing the Escrow Agreement.

"Government Obligations" means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of Federal agencies to the extent unconditionally guaranteed by the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

"Interest Payment Date" means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

"Outstanding," "Bonds Outstanding," or "Outstanding Bonds" means, as of a particular date, all Bonds issued and delivered under this Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the County at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the County for the benefit of the Owner thereof; (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered pursuant to this Resolution, unless proof satisfactory to the County is presented that any Bond, for which a Bond in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the Bond in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed Outstanding; and, (4) any Bond deemed paid under the provisions of this Resolution, except that any such Bond shall be considered Outstanding until the maturity thereof only for the purposes of being exchanged, transferred, or registered.

"Owner", "Bondholder", or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then Outstanding Bond or Bonds.

"Person" means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

"Principal Payment Date" means such date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

"Refunded Bonds" means collectively, the County's \$9,950,000 School Bonds, Series 1995, dated July 1, 1995, maturing May 1, 2006 through May 1, 2010, inclusive, and the County's \$16,950,000 School Bonds, Series 1996, dated January 1, 1996, maturing May 1, 2006 through May 1, 2016, inclusive.

"Registration Agent" means SunTrust Bank, Nashville, Tennessee, or its successor, or successors hereafter appointed in the manner provided in this Resolution.

"Resolution" means this Resolution, as supplemented and amended.

"State" means the State of Tennessee.

"Underwriter" means Banc of America Securities LLC, Charlotte, North Carolina.

Section 3. Authorization. There is hereby authorized to be issued school refunding bonds of the County in the aggregate principal amount of not to exceed \$17,300,000, or such lesser aggregate amount as may be determined by the Authorized Representatives of the County executing the Bonds, the proceeds of the sale thereof to be used for the purpose of providing funds:

- (a) to pay, on their respective due dates, interest on the Refunded Bonds;
- (b) to redeem on May 1, 2005, the outstanding principal of the Series 1995 Bonds maturing May 1, 2006 through May 1, 2010, inclusive;
- (c) to redeem on May 1, 2005, the outstanding principal of the Series 1996 Bonds maturing May 1, 2006 through May 1, 2016, inclusive; and,
- (d) to pay costs incident to the issuance and sale of the Bonds,

No Bonds may be issued under the provisions of this Resolution except in accordance herewith. The Board hereby finds that it is advantageous to the County to issue the Bonds and that the issuance of the Bonds will effect a cost savings to the County.

Section 4. Form of Bonds; Execution. (a) The Bonds are issuable only as fully registered bonds, without coupons, in denominations of \$5,000, or any integral multiple thereof (but no single Bond shall represent installments of principal maturing on more than one date). All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit "A" attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the County. The Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the County with the manual or facsimile signature of the County Mayor and attested with the manual or facsimile signature of the County Clerk, and with the official seal, or a facsimile thereof, of the County impressed or imprinted thereon. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of an officer of the Registration Agent on the certificate set forth on the Bonds.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the County to sign such Bond, although on the date of the adoption by the County of this Resolution, such individuals may not have been such officers.

Section 5. Terms, Payment, and Certain Other Provisions of the Bonds. (a) The Bonds shall be designated "School Refunding Bonds, Series 2003". Each Bond shall be dated as of December 1, 2003, or such other date as the Authorized Representatives of the County executing the Bonds shall determine; shall be sold at a price of not less than ninety-eight percent (98%) of par value thereof plus accrued interest to the delivery date thereof; shall bear interest from the date thereof at a rate or rates to be hereafter determined by the officials of the County executing the Bonds when said Bonds are sold, but not exceeding 4.50% per annum, such interest being payable semiannually on the first day of May and November of each year, commencing May 1, 2004; and, shall mature serially on the first day of May in the years and in the aggregate principal amounts set forth below; provided, however, that the

County Mayor and the County Clerk are hereby authorized to make such adjustments in principal amounts maturing within each maturity as are necessary to maximize the cost savings resulting from the refunding of the Refunded Bonds, including a reduction in the aggregate principal amount of such Bonds:

<u>Year</u>	<u>Principal Amount</u>
2004	\$ 175,000
2005	190,000
2006	1,375,000
2007	1,465,000
2008	1,480,000
2009	1,540,000
2010	1,635,000
2011	1,010,000
2012	1,110,000
2013	1,235,000
2014	1,755,000
2015	1,870,000
2016	2,460,000

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest.

The principal of, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

(b) Interest on the Bonds shall be payable by check or other form of draft of the Registration Agent, deposited by the Registration Agent in the United States mail, first class postage prepaid, in sealed envelopes addressed to the Owners of such Bonds, as of the applicable Interest Payment Date at their respective addresses as shown on the registration books of the County maintained by the Registration Agent as of the close of business on the fifteenth (15th) calendar day of the month next preceding the applicable Interest Payment Date (the "Regular Record Date"). The principal or redemption price, if any, of all Bonds shall be payable upon presentation and surrender of such Bonds at the corporate trust office of the Registration Agent. All payments of the principal of, premium, if any, and interest on, the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

(c) Any interest on any Bond which is payable but is not punctually paid or duly provided for on any Interest Payment Date on which interest is due (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by check or other form of draft of the Registration Agent to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) calendar days after the receipt by the Registration Agent of the notice

of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) calendar days prior to the date of the proposed payment to the Owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) calendar days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Owner at the address thereof as it appears in the registration books of the County maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any Owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on, the Bonds when due.

(d) The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global Bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this Section, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The County may discontinue use of DTC as depository for the Bonds at any time upon determination by the County that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the County that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,
- (iii) any Person, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the County of the use of DTC (or substitute depository or its successor).

(e) The Registration Agent is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including, but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. The Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this subsection (e) of this Section 5.

Section 6. Redemption. (a) The Bonds maturing May 1, 2004, through May 1, 2013, are not subject to redemption prior to maturity. The Bonds maturing on and after May 1, 2014, are subject to redemption prior to maturity on May 1, 2013, and at any time thereafter, at the option of the County, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par, plus accrued interest to the date fixed for redemption.

(b) Notice of intended redemption shall be given by the Registration Agent on behalf of the County to the Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption. Each such notice of redemption shall state: (1) the redemption date; (2) the redemption price; (3) if less than all Outstanding Bonds are to be redeemed, the registered number and

the CUSIP number printed on the Bonds (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date provided sufficient funds are available on such redemption date to fully pay the redemption price of and the interest on the Bonds called for redemption; and, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registration Agent. Neither failure to mail any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which notice was correctly given.

(c) If notice of redemption shall have been given in the manner and under the conditions provided herein and if on the date so designated for redemption the Registration Agent shall hold sufficient monies to pay the redemption price of, and interest to the redemption date on, the Bonds to be redeemed as provided in this Resolution, then: (1) the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date; (2) interest on the Bonds so called for redemption shall cease to accrue; and, (3) such Bonds shall no longer be Outstanding or secured by, or be entitled to, the benefits of this Resolution, except to receive payment of the redemption price thereof and interest thereon from monies then held by the Registration Agent.

(d) Prior to any redemption date, the County shall deposit with the Registration Agent an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

(e) If on the redemption date, monies for the redemption of all Bonds or portions thereof to be redeemed, together with interest thereon to the redemption date, shall not be held by the Registration Agent so as to be available therefor on such date, the Bonds or portions thereof so called for redemption shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Resolution.

(f) In case any Bond is of a denomination larger than Five Thousand Dollars (\$5,000), a portion of such Bond - Five Thousand Dollars (\$5,000) or any integral multiple thereof - may be redeemed, but Bonds shall be redeemed only in the principal amount of Five Thousand Dollars (\$5,000) or any integral multiple thereof. In selecting Bonds for redemption, the County shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by Five Thousand Dollars (\$5,000). If part but not all of a Bond shall be selected for redemption, the Owner thereof or his, her, or its legal representative shall present and surrender such Bond to the Registration Agent for payment of the principal amount thereof so called for redemption and the premium, if any, on such principal amount thereof so called for redemption, and the County shall execute and the Registration Agent shall authenticate and deliver to such Owner or legal representative, without charge therefor, for the unredeemed portion of the Bond surrendered, a Bond or Bonds of the same maturity, bearing the same interest rate, and of authorized denomination or denominations.

Section 7. Negotiability of Bonds. All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 8. Registration Books and Bond Registrar. (a) The County hereby appoints SunTrust Bank, Nashville, Tennessee, as bond registrar and paying agent (the "Registration Agent") with respect to the Bonds and authorizes the Registration Agent so long as any of the Bonds shall remain Outstanding, to maintain at the corporate trust office of the Registration Agent in Nashville,

Tennessee, books for the registration and transfer of the Bonds on behalf of the County. The Registration Agent shall register in such books and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond entitled to registration or transfer and to authenticate and deliver the Bonds either at original issuance, upon transfer, or as otherwise directed by the County. The Registration Agent is authorized to make all payments of principal, interest, and redemption premium, if any, with respect to the Bonds.

(b) The Registration Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by a written instrument of acceptance executed and delivered to the County Clerk prior to or on the Closing Date.

Section 9. Exchange of Bonds. Bonds upon surrender thereof at the corporate trust office of the Registration Agent, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 10. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Registration Agent at the principal trust office of the Registration Agent, upon the surrender for cancellation thereof at the corporate trust office of the Registration Agent, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Registration Agent shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The County and the Registration Agent may deem and treat the Person in whose name any Bond shall be registered upon the registration books maintained by the Registration Agent as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the County or the Registration Agent upon such Bond to the extent of the sum or sums so paid. Neither the County nor the Registration Agent shall be affected by any notice to the contrary.

Section 11. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging or transferring Bonds is exercised, the County shall execute, and the Registration Agent shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the County and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, and other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(b) Neither the County nor the Registration Agent shall be obligated to exchange or transfer any Bond during the period from the Regular Record Date through the next succeeding Interest Payment Date, or after the first mailing of any notice of redemption or with respect to any Bond, after such Bond has been called for redemption.

Section 12. Authorization and Preparation of Temporary Bonds. (a) Without unreasonable delay after the sale thereof, the County shall cause definitive Bonds to be prepared, executed, and

delivered to the purchaser or purchasers thereof, which Bonds shall be fully engraved (as that term is customarily used) or lithographed or printed on steel engraved borders, or, if acceptable to the purchaser or purchasers of such Bonds (such acceptance to be conclusively evidenced by the acceptance of such Bonds by such purchaser or purchasers), such definitive Bonds may be typewritten, printed, photocopied, or any combination of the foregoing. Until such definitive Bonds are ready for delivery, there may be executed and delivered by the County, and upon the request of an Authorized Representative of the County, the Registration Agent shall also authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary typewritten, printed, engraved, lithographed, or photocopied Bonds, or Bonds having any combination of the foregoing, as prepared and executed by the County, which temporary Bonds shall be substantially of the tenor of such definitive Bonds but with such appropriate omissions, insertions, and variations as may be required.

(b) Until definitive Bonds are ready for delivery, any temporary Bond may be exchanged at the corporate trust office of the Registration Agent, without charge to the Owner, for an equal aggregate principal amount of temporary Bonds of like tenor, of the same maturity and bearing interest at the same rate.

(c) When and after definitive Bonds are ready for delivery, the Registration Agent, upon surrender to the Registration Agent at the corporate trust office of the Registration Agent of a temporary Bond or Bonds, shall cancel such temporary Bond or Bonds and deliver in exchange therefor, without charge to such Owner, a definitive Bond or Bonds in an equal aggregate principal amount, and having the same maturity or maturities, interest rate or rates, and registration and redemption provisions as the temporary Bond or Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security of this Resolution as the definitive Bonds to be issued under this Resolution.

(d) Interest on temporary Bonds, when due and payable, if the definitive Bonds shall not be ready for exchange, shall be paid on presentation of such temporary Bonds and notation of such payment shall be endorsed thereon.

(e) All temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall forthwith be cancelled.

Section 13. Mutilated, Lost, Stolen, or Destroyed Bonds. (a) In the event any Bond is mutilated, lost, stolen, or destroyed, the County may execute, and upon the request of an Authorized Representative of the County the Registration Agent shall deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the County and the Registration Agent: (1) such security or indemnity as may be required by an Authorized Representative of the County to save the County and the Registration Agent harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, an Authorized Representative of the County and the Registration Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the County and the Registration Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, an Authorized Representative of the County may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys fees, incurred by the County and the Registration Agent in connection therewith, as well as a sum sufficient to defray any tax or other governmental charge that may be

imposed in relation thereto and shall furnish to the County and the Registration Agent such security or indemnity as an Authorized Representative of the County and the Registration Agent may require to save the County and the Registration Agent harmless and evidence to the satisfaction of an Authorized Representative of the County and the Registration Agent, of the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the County (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 14. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Registration Agent, shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Registration Agent. Such executed certificate of authentication by the Registration Agent upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution as of the date of authentication. The certificate of authentication of the Registration Agent on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Registration Agent, but it shall not be necessary that the same officer sign and date the certificate of authentication on all Bonds that may be issued hereunder.

Section 15. Permitted Acts and Functions of Registration Agent. The Registration Agent may become the Owner of any Bonds, with the same rights as it would have if it were not a Registration Agent.

Section 16. Resignation or Removal of the Registration Agent and Appointment of Successors. (a) The Registration Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) calendar days' written notice to the County Clerk; provided, however, until a successor Registration Agent is appointed the Registration Agent shall continue to carry out the duties and obligations of the Registration Agent created by this Resolution. The Registration Agent may be removed at any time by resolution of the County filed with such Registration Agent. Any successor Registration Agent shall be appointed by resolution of the County, shall be a trust company or a bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Thirty Million Dollars (\$30,000,000), and be willing and able to accept the office of Registration Agent on reasonable and customary terms, and shall be authorized by law to perform all the duties imposed upon it by this Resolution.

(b) In the event of the resignation or removal of the Registration Agent, such Registration Agent shall pay over, assign, and deliver any monies held by it as Registration Agent, and all registration books and records held by it to its successor, or if there be no successor then appointed, to the County Clerk until such successor be appointed.

Section 17. Merger or Consolidation of Registration Agent. Any corporation or association into which the Registration Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or

transfer to which it is a party shall be and become successor Registration Agent hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding.

Section 18. Source of Payment and Security. The Bonds, including the principal thereof, the premium, if any, and the interest thereon, shall be payable from funds of the County legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the County without limitation as to time, rate, or amount. Said Bonds shall be a direct general obligation of the County, for which the punctual payment of the principal of, premium, if any, and interest on, the Bonds the full faith and credit of the County is hereby irrevocably pledged.

Section 19. Levy of Taxes. For the purpose of providing for the payment of the principal of, and interest on, the Bonds, there shall be levied in each year in which such Bonds shall be outstanding a direct tax on all taxable property in the County, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said County, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the County is required by law and shall and does hereby pledge to levy such tax. Principal, premium, if any, and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the general fund or other available funds of the County, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected.

Section 20. Sale of Bonds. (a) Under and pursuant to the provisions of the Act and this Resolution, the execution, issuance, sale, and delivery to the Underwriter of the Bonds, in consideration of payment therefor, at a price not less than 98% of the aggregate principal amount of the Bonds in accordance with the provisions of the Bond Purchase Agreement and this Resolution, is approved.

The County Mayor, in consultation with the Underwriter is authorized, prior to the sale of the Bonds and the execution of the Bond Purchase Agreement, to make such changes in the structuring of the terms of the Bonds as the County Mayor shall deem necessary to provide for the most efficient refunding of the Refunded Bonds, as may be in the best interests of the County. In this regard, the County Mayor, in consultation with the Underwriter is authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein and to make adjustments to the maturity schedule set forth in Section 5 hereof, to change the redemption provisions set forth in Section 6 hereof; provided, however, that no redemption premium shall be greater than two percent (2%), and to obtain bond insurance and to pay the applicable premium thereon, all in connection with the structural changes authorized herein.

(b) The form, content, and provisions of the Bond Purchase Agreement as presented to this meeting of the Board and attached hereto as Exhibit "B," are in all particulars approved, and the County Mayor and the County Clerk are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Bond Purchase Agreement in the name, and on behalf of the County.

The Bond Purchase Agreement is to be in substantially the form now before this meeting of the Board, or with such changes therein as shall be approved by the County Mayor and County Clerk executing the same, their execution thereof to constitute conclusive evidence of the approval of any and all such changes or revisions.

The Authorized Representatives of the County are hereby authorized, empowered, and directed, from and after the execution and delivery of the Bond Purchase Agreement to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and comply with, the provisions of said Bond Purchase Agreement, as executed and delivered.

Section 21. Approval of Preliminary Official Statement and Official Statement. (a) The County Mayor is hereby authorized to cause to be prepared and distributed by the Underwriter, a Preliminary Official Statement in connection with the sale of the Bonds in such form and containing such information as the County Mayor shall determine appropriate and consistent with the terms of this Resolution and to deem the Preliminary Official Statement final for the purpose of Securities and Exchange Commission Rule 15c(2)(12).

(b) The Board hereby authorizes an Official Statement of the County substantially in the form of the Preliminary Official Statement relating to the Bonds, with such modifications thereto as the County Mayor and the County Clerk approve. The County Mayor is hereby authorized and directed to execute copies of said Official Statement and to deliver said Official Statement to the Underwriter, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the Board hereby consents to the lawful use of said Official Statement and the information contained therein in connection with the sale of the Bonds by the Underwriter.

Section 22. Disposition of Bond Proceeds and Other Funds. The proceeds of the sale of the Bonds together with certain other funds shall be used and applied as follows:

(a) All accrued interest shall be used to pay interest on the Bonds on the first Interest Payment Date following delivery of the Bonds.

(b) Such amount as is necessary from the principal proceeds, and premium received, if any, from the sale of the Bonds shall be deposited with the Escrow Agent under the Escrow Agreement to be invested as set forth therein to provide for the payment of principal of and interest on the Refunded Bonds.

(c) Any amounts remaining from the principal proceeds of the sale of the Bonds shall be used for the purpose of paying the costs incurred in connection with the issuance of the Bonds.

Section 23. Escrow Agreement; Appointment of Escrow Agent. The Escrow Agreement between the County and the Escrow Agent in the form hereto attached as Exhibit "C" is hereby approved, and the County Mayor and County Clerk are hereby authorized and directed to execute such Escrow Agreement, in substantially such form with such changes as may be approved by the County Mayor and the County Clerk, their execution of such Escrow Agreement to be conclusive evidence of their approval of such changes, and to make provision for the execution of such Escrow Agreement by the appropriate officials of the Escrow Agent. SunTrust Bank, Nashville, Tennessee, is hereby appointed as Escrow Agent under the Escrow Agreement.

Section 24. Redemption of Refunded Bonds. Upon the issuance of the Bonds, the Series 1995 Bonds maturing May 1, 2006 through May 1, 2010, and the Series 1996 Bonds maturing May 1, 2006 through May 1, 2016, are hereby called for redemption on May 1, 2005; provided, however, that in the event the Bonds are not issued and delivered such call for redemption shall be of no further force and effect. Notice of call for redemption shall be given in the manner required as set forth in the respective resolutions authorizing the issuance of the Refunded Bonds.

Section 25. Notice of Refunding. The County shall give notice of refunding in accordance with the provisions of Section 9-21-912 of the Act and shall comply with the provisions thereof.

Section 26. Non-Arbitrage Certification. The County certifies and covenants with the Owners of the Bonds that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The County reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when, and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The County covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the County represents that in the event it shall be required by Section 148(f) of the Code to pay "Rebatable Arbitrage," as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owners of the Bonds for purposes of federal income taxation.

Section 27. Continuing Disclosure. The County hereby covenants and agrees that it will comply with and carry out, all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the County to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

Section 28. Defeasance of Bonds. (a) If the County shall pay or cause to be paid to the Owners of all Outstanding Bonds the principal thereof and the interest thereon, at the times and in the manner stipulated therein and in the Resolution, then the pledge of the full faith and credit of the County and the unlimited taxing power of the County, or any and all other rights granted or created under this Resolution for the benefit of the Owner of the Bonds so paid, shall be released, discharged, and satisfied. In such event, the Registration Agent shall pay or deliver to the County Clerk all monies or securities held by the Registration Agent pursuant to this Resolution which are not required for the payment or redemption of such Bonds not theretofore surrendered for such payment or redemption. If the County shall not pay or cause to be paid, at the same time, all Bonds then Outstanding, then the Registration Agent shall not, except as may herein be otherwise expressly provided, return those monies and securities which are held under this Resolution for the benefit of the Owners of the Bonds then Outstanding not so paid or caused to be paid.

(b) Any Outstanding Bond shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning of, and with the effect expressed in, subsection (a) of this Section if: (1) there shall have been set aside by the County for the benefit of the Owner of such Outstanding Bond sufficient monies or Government Obligations, or a combination of both monies and Government Obligations, determined in accordance with subsection (c) of this Section, to pay the principal of, or redemption price of, the Bond when due, and all interest accruing on such Bond until the payment of such principal or redemption price; (2) provision shall have been made for the payment of all fees and expenses of the Registration Agent with respect to the Bonds; and, (3) all other payments required to be made under this Resolution with respect to the Bonds shall have been made or satisfactory provision made therefor.

(c) For purposes of subsection (b) of this Section, sufficient monies shall be deemed to have been set aside by the County to pay the principal of an Outstanding Bond when due, or to redeem such Outstanding Bond at the earliest possible redemption date thereof, and to pay, when due, all interest accruing on such Bond until the payment of such principal or redemption price, as applicable, only if there shall be on deposit with the County or its designee, for the benefit of the Owner of such Bond, and available for such purposes, an amount of cash (collateralized by Government Obligations) and/or aggregate principal amount of Government Obligations, maturing or redeemable at the option of the holder thereof not later than the date or dates the proceeds of such Government Obligations are required for the principal, premium, if any, and interest payments hereinafter mentioned in this sentence, which, together with the income earned on such Government Obligations until the maturity date or the earliest possible redemption date, as applicable, of such Bond, shall be sufficient to pay, when and as due, the principal of, and the premium, if any, and interest on, such Bond prior to and on such maturity date or such earliest possible redemption date, as applicable.

(d) Upon the defeasance of any Outstanding Bond in accordance with this Section, the County or its designee, as applicable, shall hold in trust, for the benefit of the Owner of such Bond all such cash or Government Obligations or combination of both cash and Government Obligations, and except as herein provided shall make no other or different investment of such cash or Government Obligations, or combination of both cash and Government Obligations, provided, subject to the provisions of this Section, that amount in excess of those necessary to pay such Outstanding Bonds may be applied at the discretion of the County.

(e) Anything herein contained to the contrary notwithstanding, no defeasance of the Bonds, or any thereof, shall be made unless, in the opinion of Bond Counsel, such defeasance would not cause the Bonds, or any thereof, to be "arbitrage bonds," or an "arbitrage bond," as applicable, within the meaning of applicable provisions of the Code or render the interest on the Bonds, or any thereof, subject to inclusion in the gross income of the Owners thereof for federal income tax purposes.

Section 29. Resolution a Contract; Amendments. The provisions of this Resolution shall constitute a contract between the County and the Owners of the Bonds and after the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution which would impair the rights of the Owners shall be made in any manner, until such time as all installments of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all then Outstanding Bonds has been obtained; provided, however, that the County is hereby authorized to make such amendments to this Resolution as will not impair the rights of Bondholders. The laws of the State of Tennessee shall govern this Resolution.

Section 30. Remedies. Any Owner of the Bonds shall have such remedies as provided by Title 9, Chapter 21, Section 216, Tennessee Code Annotated, as amended.

Section 31. Failure to Present Bonds. (a) In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Registration Agent for the benefit of the Owner thereof, all liability of the County to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Registration Agent shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under this Resolution or on, or with respect to, said Bond.

(b) If any Bond shall not be presented for payment within a period of five years following the date when such Bond becomes due, whether by maturity or otherwise, the Registration Agent shall, subject to the provisions of any applicable escheat or other similar law, pay to the official of the County designated by law as the custodian of such funds, any monies then held by the Registration Agent for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the County.

Section 32. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or the due date for the payment of interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Registration Agent are authorized by law to close, then the payment of the interest on, or the principal of such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Registration Agent are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 33. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for federal income tax purposes.

Section 34. Miscellaneous Acts. The County Mayor, the Chairman of the Finance, Ways and Means Committee, the County Clerk, the County Trustee, and the County Attorney, and all other appropriate officials of the County, are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including but not limited to arbitrage certifications and financial advisory agreements, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds and for the redemption of the Refunded Bonds.

Section 35. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the County contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the County and not of any officer, director, or employee of the County in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the County or against any official or individual executing the Bonds.

Section 36. Partial Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment hereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment hereto, but this Resolution, and the exhibits and attachments hereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, as the case may be.

Section 37. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or enforceability of such section, paragraph, or provision shall not affect any of the remaining provisions hereof.

Section 38. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the County requiring it.

Pursuant to the Rules of the County Commission, this Resolution is Sponsored by the Following Members of the Weakley County Board of County Commissioners:

Sponsored By:
James Westbrook

Sponsored By:
C. Bill Owen

Acknowledged and Approved:
C. Bill Owen
Chairman, Finance, Ways and Means Committee

Motion made by Commissioners Westbrook that the foregoing resolution be adopted: Motion seconded by Commissioner Owen.

Upon being put to a roll call vote, Motion carried by a vote of 17

Yeas, 0 Nays, 0 Passed and 1 Absent.

Attested:
Pat Scarbrough
Pat Scarbrough, County Clerk

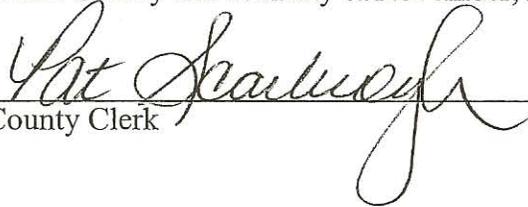
Ron Gifford
Ron Gifford, County Mayor

Approved and adopted this 17th day of November, 2003.

STATE OF TENNESSEE
COUNTY OF WEAKLEY

I, Pat Scarbrough, hereby certify that I am the duly qualified and acting County Clerk of Weakley County, Tennessee (the "County"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Commissioners (the "Board") of said County held on November 17, 2003; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct and complete transcript from said original record insofar as said original record relates, to, among other matters, the authorization, issuance, and sale of not to exceed \$17,300,000 School Refunding Bonds, Series 2003, of said County; (4) that the actions by said Board including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purposes; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said County this 17th day of November, 2003.


County Clerk

(SEAL)

FORM OF BOND

EXHIBIT "A"

Registered
No. _____

Registered
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
WEAKLEY COUNTY
SCHOOL REFUNDING BOND,
SERIES 2003

Interest Rate: Maturity Date: Dated Date: CUSIP:
December 1, 2003

Registered Owner: CEDE & CO.

Principal Amount:

WEAKLEY COUNTY, TENNESSEE (the "County"), a lawfully organized and existing public corporation, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, upon the presentation and surrender hereof at the corporate trust office of SunTrust Bank, Nashville, Tennessee, or its successor as paying agent and registration agent (the "Registration Agent"), the Principal Amount identified above, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay interest on said Principal Amount from the date hereof, or such later date as to which interest has been paid, semiannually on May 1 and November 1 of each year (the "Interest Payment Date"), commencing May 1, 2004, to said Registered Owner hereof by check or other form of draft of the Registration Agent mailed to the Registered Owner at the address shown on the registration books of the County, maintained by the Registration Agent, as of the close of business on the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date, in like coin or currency at the Interest Rate per annum set forth above until payment of said Principal Amount. Provided, however, that should the County default in the payment of interest on such Interest Payment Date, such defaulted interest ("Defaulted Interest") shall be payable to the person in whose name this Bond is registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest established by notice mailed by the Registration Agent on behalf of the County not less than ten (10) calendar days preceding such Special Record Date by first class mail, postage prepaid, to the Registered Owner hereof at the address thereof as it appears on the registration books of the County maintained by the Registration Agent as of the date of such notice, which notice shall identify the proposed payment of such Defaulted Interest and the Special Record Date therefor.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this Bond under applicable law, any such excess shall, to the extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This Bond is authorized and issued pursuant to and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides

that this Bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except inheritance, transfer, and estate taxes, and except as otherwise provided in said Code.

This Bond is one of a series of bonds known as "School Refunding Bonds, Series 2003" (the "Bonds"), issued by the County in the aggregate principal amount of \$_____. The Bonds, which are issued for the purpose of providing funds (i) to pay interest to the redemption date and to redeem on May 1, 2005, the principal of those certain School Bonds, Series 1995, dated July 1, 1995, issued in the original principal amount of \$9,950,000, maturing May 1, 2006 through May 1, 2010, inclusive, (ii) to pay interest to the redemption date and to redeem on May 1, 2005, the outstanding principal of those certain School Bonds, Series 1996, dated January 1, 1996, issued in the original principal amount of \$16,950,000, maturing May 1, 2006 through May 1, 2016, inclusive, and (iii) to pay costs incident to the issuance and sale of the Bonds, are authorized by appropriate resolutions of the Board of Commissioners and particularly that certain Resolution of the Board of Commissioners, adopted on November 17, 2003, entitled "Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$17,300,000 School Refunding Bonds, Series 2003, of Weakley County, Tennessee, and Providing the Details Thereof", as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution as so amended or supplemented, being herein called the "Resolution"), and are issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"). Copies of said Resolution are on file at the office of the County Clerk of the County, and reference is hereby made to said Resolution and the Act, for a more complete statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the County, and the rights of the Registered Owner hereof.

This Bond is payable from funds of the County legally available therefor and to the extent necessary from ad valorem taxes to be levied on all taxable property within the County without limitation as to time, rate, or amount. For the prompt payment of this Bond, including principal, premium, if any, and interest, as the same shall become due, the full faith, and credit of the County is hereby irrevocably pledged.

Subject to the provisions for registration and transfer contained herein and in the Resolution, this Bond is transferable by the Registered Owner hereof in person or by his, her, or its attorney or legal representative at the corporate trust office of the Registration Agent, but only in the manner and subject to the limitations and conditions provided in the Resolution and upon surrender and cancellation of this Bond. Upon any such transfer, the County shall execute and the Registration Agent shall authenticate and deliver in exchange for this Bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of Bonds, whether temporary or definitive, the County and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The County and the Registration Agent, and any other person, may treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment hereof, and for all other purposes, and shall not be affected by any notice to the contrary, whether this Bond be overdue or not.

The County and the Registration Agent may deem and treat the person or entity in whose name this Bond is registered as the absolute owner hereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and interest on, this Bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge

the liability upon this Bond to the extent of the sum or sums so paid, and neither the County nor the Registration Agent shall be affected by any notice to the contrary.

The Bonds are issuable only as fully registered Bonds, without coupons, in the denomination of \$5,000 or any authorized integral multiple thereof. At the principal corporate trust office of the Registration Agent, in the manner and subject to the limitations, conditions, and charges provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this paragraph, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The County may discontinue use of DTC as depository for the Bonds at any time upon determination by the County that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the County that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,
- (iii) any Person, as defined in the Resolution, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the County of the use of DTC (or substitute depository or its successor).

The Bonds maturing May 1, 2004, through May 1, 2013, are not subject to redemption prior to maturity. The Bonds maturing on and after May 1, 2014, are subject to redemption prior to maturity on May 1, 2013, and at any time thereafter, at the option of the County, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given by the Registration Agent on behalf of the County to the Registered Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption.

This Bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such Bond. This Bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this Bond in order to make this Bond a legal, valid, and binding obligation of the County, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this Bond and the issue of which it is a part, together with all other indebtedness of the County, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, WEAKLEY COUNTY, TENNESSEE, by its Board of Commissioners has caused this Bond to be executed by the manual or facsimile signature of the County Mayor and attested by the manual or facsimile signature of the County Clerk, to have its official seal, or a facsimile thereof, to be impressed or imprinted hereon, all as of December 1, 2003.


COUNTY MAYOR

(SEAL)

ATTEST:


COUNTY CLERK

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the provisions of the within mentioned Resolution and is one of the School Refunding Bonds, Series 2003, of Weakley County, Tennessee.

SUNTRUST BANK, Nashville, Tennessee,
as Registration Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and do(es) hereby irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Registration Agent, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED:

SIGNATURE:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT "B"

WEAKLEY COUNTY, TENNESSEE

AND

BANC OF AMERICA SECURITIES LLC
Charlotte, North Carolina

BOND PURCHASE AGREEMENT

Dated: _____, 2003

BOND PURCHASE AGREEMENT

WEAKLEY COUNTY, TENNESSEE
\$ _____ SCHOOL REFUNDING BONDS, SERIES 2003

THIS BOND PURCHASE AGREEMENT (the "Bond Purchase Agreement"), dated _____, 2003, by and between WEAKLEY COUNTY, TENNESSEE (the "County"), and BANC OF AMERICA SECURITIES LLC, as underwriter (the "Underwriter"), a limited liability company and licensed municipal securities dealer and underwriter.

Section 1. Background.

1.1 The County will issue its \$ _____ School Refunding Bonds, Series 2003, dated December 1, 2003 (the "Refunding Bonds"), for the purpose of providing funds (i) to pay interest to the redemption date and to redeem on May 1, 2005, the principal of those certain School Bonds, Series 1995, dated July 1, 1995, issued in the original principal amount of \$9,950,000, maturing May 1, 2006 through May 1, 2010, inclusive, (ii) to pay interest to the redemption date and to redeem on May 1, 2005, the outstanding principal of those certain School Bonds, Series 1996, dated January 1, 1996, issued in the original principal amount of \$16,950,000, maturing May 1, 2006 through May 1, 2016, inclusive, and (iii) to pay costs incident to the issuance and sale of the Refunding Bonds.

The Refunding Bonds are issued pursuant to that certain resolution adopted by the Board of Commissioners of the County on November 17, 2003 (the "Resolution"), and will be sold to the Underwriter on an all or none basis.

In accordance with the Resolution, the proceeds of the Bonds, excluding amounts to pay issuance expenses, will be paid in trust to SunTrust Bank, Nashville, Tennessee (the "Escrow Agent"), to be deposited to a fund for the purposes set forth above, to be held and administered pursuant to the terms of an escrow agreement (the "Escrow Agreement"), between the County and the Escrow Agent, and will be used by the Escrow Agent to purchase direct obligations of the United States of America (the "Government Securities"). The maturing principal and interest payments from the Government Securities will be sufficient to provide for payment until maturity or redemption, as applicable, of the principal of and interest on the bonds being refunded. Neither the principal of nor the interest on the Government Securities will be available for payment of the Refunding Bonds.

1.2 The Refunding Bonds shall be in substantially the form set forth in the Resolution; shall be issuable as fully registered bonds, in the denomination of \$5,000, or any integral multiple thereof; shall be dated December 1, 2003; shall bear interest from such date payable semiannually on May 1 and November 1 of each year, with the first interest payment to be made on May 1, 2004; shall bear interest at the rates and shall mature on the first day of May in the years and in the principal amounts set forth below:

<u>Year</u>	<u>Refunding Bonds</u> <u>Principal Amount</u>	<u>Interest Rate</u>
2004	\$	%
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		

1.3 The Refunding Bonds maturing May 1, 2004, through May 1, 2013, are not subject to redemption prior to maturity. The Refunding Bonds maturing on and after May 1, 2014, are subject to redemption prior to maturity on May 1, 2013, and at any time thereafter, at the option of the County, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par plus accrued interest to the date fixed for redemption.

1.4 The Refunding Bonds are payable as to both principal and interest from funds of the County legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the County, without limitation as to time, rate, or amount and for which the punctual payment of the principal of and interest on the Refunding Bonds, the full faith and credit of the County is irrevocably pledged.

1.5 The County acknowledges that the Underwriter will make a public offering of the Refunding Bonds in reliance upon the representations and covenants set forth in this Bond Purchase Agreement.

The Preliminary Official Statement of the County (the "Preliminary Official Statement") and a final Official Statement (the "Final Official Statement") will be delivered by the County to the Underwriter pursuant to the provisions of this Bond Purchase Agreement. The Preliminary Official Statement and the Final Official Statement, in each case are collectively referred to herein as the "Official Statement."

The County hereby authorizes the use of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Refunding Bonds and consents to the use by the Underwriter, prior to the date hereof, of the Preliminary Official Statement in connection with the public offering and sale of the Refunding Bonds.

Section 2. Representations and Warranties of the County.

The County represents and warrants to the Underwriter (which representations and warranties will survive the purchase and delivery of the Refunding Bonds) that:

2.1 The County is a public corporation duly organized and validly existing under the laws of the State of Tennessee, and is authorized and empowered by the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as the same may be from time to time supplemented and amended (the "Act"), and its organizational documents to enter into the transactions contemplated by this Bond Purchase Agreement and to carry out its obligations hereunder.

2.2 The County has complied with the provisions of the Act and its organizational documents and has full power and authority to issue and sell the Refunding Bonds as provided herein and in the Resolution and has full power and authority to enter into and has duly authorized the execution and delivery of the Resolution, the Escrow Agreement, and this Bond Purchase Agreement.

2.3 The Resolution duly adopted by the County and still in force and effect authorizes (i) the execution, delivery, and due performance of this Bond Purchase Agreement, the Escrow Agreement, and the Refunding Bonds, and (ii) the taking of any and all action as may be required on the part of the County to carry out, give effect to and consummate the transactions contemplated by this Bond Purchase Agreement.

2.4 This Bond Purchase Agreement upon its effective date, will, assuming due execution by the Underwriter, constitute a legal, valid, and binding obligation of the County in accordance with its terms.

2.5 Assuming due authentication by SunTrust Bank, Nashville, Tennessee (the "Registration Agent"), the Refunding Bonds, when issued, delivered, and paid for as provided in this Bond Purchase Agreement are the valid and binding obligations of the County enforceable in accordance with and entitled to the benefits and security of the Resolution and the other security therefor.

2.6 The County will undertake, pursuant to the Resolution and a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), dated the date of delivery of the Refunding Bonds, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Official Statement.

2.7 There is no action, suit, proceeding, or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the County, threatened against or affecting the County (or, to the knowledge of the County, any basis therefor) wherein an unfavorable decision, ruling, or finding would adversely affect (i) the transactions contemplated by this Bond Purchase Agreement or the validity of the Refunding Bonds, the Resolution, this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate, or any agreement or instrument to which the County is a party and which is used or contemplated for use in the completion of the transactions contemplated hereby or (ii) the exclusion of interest on the Refunding Bonds from gross income of the holders thereof for federal income tax purposes.

2.8 The execution and delivery of this Bond Purchase Agreement, the Refunding Bonds, the Resolution, the Escrow Agreement, the Continuing Disclosure Certificate, and the other agreements contemplated hereby and the County's compliance with the provisions thereof will not conflict with or constitute on the part of the County a breach of or a default under any existing agreement, indenture, mortgage, lease, or other instrument to which the County is subject or by which it is or may be bound or, to the best knowledge of the County, any law, regulation, order, or decree applicable to the County, of any court, regulatory body or administrative body having jurisdiction over the County or its Refunding Bonds.

2.9 Any certificate signed by an authorized officer of the County delivered to any other party hereto shall be deemed a representation and warranty by the County to any such party as to the statements made by the County herein.

2.10 No further approval, consent, authorization or order of, or filing, registration or declaration with, or withholding of objection on the part of, any court or regulatory body, federal, state or local, is required in connection with (i) the issuance and delivery of the Refunding Bonds by the County, (ii) the execution or delivery of or compliance by the County with the terms and conditions of this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate, the Resolution, or the Refunding Bonds, or (iii) the consummation by the County of the transactions set forth in the manner and under the terms and conditions as provided herein and therein, except such as may be required under the Blue Sky or other securities laws or regulations of any jurisdiction in connection with the offer and sale of the Refunding Bonds by the Underwriter.

2.11 (a) Within seven business days of the date hereof and in sufficient time to accompany any confirmation that requests payment for Refunding Bonds from any customer of the Underwriter, the County will furnish or cause to be furnished to the Underwriter, copies of the Final Official Statement in such quantity as shall be requested by the Underwriter as sufficient to comply with the Underwriter's obligations under Rule 15c2-12(b)(4) of the regulations promulgated by the Securities and Exchange Commission (the "Commission") and the rules of the Municipal Securities Rulemaking Board.

(b) Before amending or supplementing the Official Statement, the County will furnish to the Underwriter a copy of each such proposed amendment or supplement and will receive the consent of the Underwriter, if requested, thereto. No amendment or supplement to the Official Statement will

contain material information substantially different from that contained in the Official Statement on the date it was issued which is unsatisfactory in form or substance to the Underwriter.

(c) If, during the period during which the Underwriter is required to deliver copies of the Final Official Statement to potential customers under Rule 15c2-12(b)(4) of the regulations promulgated by the Commission, any event or condition occurs which might or could cause the Official Statement, as then supplemented or amended, with respect to the information and descriptions contained or to be contained therein regarding the County or the Resolution, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of circumstances under which they were made, not misleading, the County shall notify the Underwriter thereof and if, in the opinion of the Underwriter, such event or condition requires the preparation and publication of an amendment or supplement to the Official Statement, the County will cooperate in the preparation of either amendments to the Official Statement or supplemental information so that the statements in the Official Statement as so amended or supplemented will not contain any untrue statement of 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. Any such amendment or supplement must be with the approval of Bond Counsel.

2.12 The County will apply the proceeds from the sale of the Refunding Bonds as provided in and subject to all the terms of the Resolution and will observe all covenants of County in such Resolution.

2.13 The County will not take any action or permit any action to be taken on its behalf, or cause or permit any circumstances within its control to arise or continue, if such action or circumstances will adversely affect the exclusion from gross income of the interest on the Refunding Bonds for federal tax purposes.

Section 3. Representations and Warranties of the Underwriter.

3.1 The Underwriter has received all information with respect to the County necessary in order to purchase and market the Refunding Bonds.

3.2. The Resolution, the Refunding Bonds, the Official Statement, and this Bond Purchase Agreement have been reviewed by the Underwriter and contain the terms agreed to by the Underwriter.

3.3 The Underwriter has made its own independent investigation and evaluation of the financial position of the County, or has caused such investigation and evaluation of the County to be made by persons it deems competent to do so.

Section 4. Purchase, Sale, and Closing.

4.1 Subject to the terms and conditions herein set forth, the County agrees to sell to the Underwriter and the Underwriter agrees to purchase from the County all of the Refunding Bonds, if any of the Refunding Bonds are so sold and purchased, in the aggregate principal amount of _____ Dollars (\$ _____), at a purchase price of _____ Dollars (\$ _____), consisting of the par amount of the Refunding Bonds, less Underwriter's discount in the amount of \$ _____, less original issue discount in the amount of \$ _____, plus original issue premium in the amount of \$ _____, plus accrued interest to and through one day prior to the date of Closing. The closing for the Refunding Bonds (the "Closing") will be held at the offices of Stokes Bartholomew Evans & Petree, P.A., Nashville, Tennessee, at 10:00 o'clock a.m., local time, _____, 2003 (the "Closing Date"), or at such later date or time or such other location as may be agreed on by an appropriate officer of the County, the Registration Agent, and the Underwriter. Payment for the Refunding Bonds shall be made in a manner satisfactory to the County and the

Underwriter at the location of the Closing in immediately available funds (unless agreed upon otherwise by the Underwriter) against delivery to the Underwriter of the Refunding Bonds purchased thereby. The Refunding Bonds will be delivered at the Closing to the Underwriter (or at such other location as directed by the Underwriter) in such form as the Underwriter shall specify. Payment of costs incident to the issuance and sale of the Refunding Bonds, including the fee of Bond Counsel, shall be payable by the County from proceeds of the Refunding Bonds.

4.2 The Underwriter's obligations to pay for the Refunding Bonds and the obligations of the County to issue the Refunding Bonds are subject to the fulfillment of the following conditions at or before the Closing:

(a) The County's representations hereunder and in the Official Statement are true as of the Closing Date.

(b) The Resolution shall be in full force and effect as described in the Official Statement and shall not have been amended or modified in any way which would adversely affect the Refunding Bonds or the rights of any of the registered owners thereof, except as may have been agreed to in writing by the Underwriter and there shall have been no material adverse change in the properties, business (financial or otherwise), or results of the operations of the County since the date of the Official Statement.

(c) The County shall not have defaulted in any of its respective covenants hereunder.

(d) The Refunding Bonds, the Continuing Disclosure Certificate, the Escrow Agreement, and the Resolution, shall have been duly authorized, executed, and delivered in the form heretofore approved by the Underwriter with only such changes therein as the Underwriter and the other parties thereto shall mutually agree upon.

(e) The Underwriter shall have received or approved:

(i) an opinion of Bond Counsel, dated as of the Closing, in form and substance satisfactory to the Underwriter;

(ii) an opinion of counsel to the County, dated as of the Closing, in form and substance satisfactory to the Underwriter;

(iii) an executed Continuing Disclosure Certificate;

(iv) an executed Escrow Agreement;

(v) an executed Official Statement;

(vi) a verification report satisfactory to the Underwriter;

(vii) a true or specimen copy of the Certificate as to Arbitrage and Other Tax Matters signed by the County Mayor of the County, the Resolution, and the Refunding Bonds;

(viii) written evidence satisfactory to the Underwriter that the Refunding Bonds have been rated "_____" by Moody's Investors Service; and,

(ix) a copy of the Municipal Bond Insurance Policy issued by _____, together with a closing certificate of the insurer and an opinion of counsel to the insurer (if applicable).

(f) As of the Closing Date there shall not be any litigation or proceeding pending or threatened challenging the validity of this Bond Purchase Agreement, the Resolution, the Continuing Disclosure Certificate, the Escrow Agreement, the Refunding Bonds, or any other attendant documents, impairing the ability of the County to pay the Refunding Bonds, or seeking to enjoin any of the transactions referred to therein, and the Underwriter shall have received a certificate or certificates to this effect.

(g) Between the date hereof and the Closing, legislation shall not have been enacted by the Congress or be actively considered for enactment by the Congress or be actively considered for enactment by either House of Congress, or recommended to the Congress for passage by the President of the United States, or introduced and favorably reported for passage to either House of the Congress by any Committee of such House to whom such legislation has been referred for consideration, nor a decision rendered by a court of the Tax Court of the United States, nor any order, ruling, regulation or official statement made by the United States Treasury Department of the Internal Revenue Service, with the purpose or effect of imposing Federal income taxation upon revenues or other income of the character derived by the County under the Resolution or upon the interest to be paid on the Refunding Bonds or on bonds of the general character of the Refunding Bonds.

(h) Between the date hereof and the Closing, legislation shall not have been enacted by the Congress, or recommended to the Congress for passage by the President of the United States, or be introduced or favorably reported for passage to either House of the Congress and neither a decision, order or decree of a court of competent jurisdiction, nor an order, ruling, regulation or official statement of or on behalf of, or "no action" letter written by the staff of, the Commission shall have been rendered or made, with the purpose or effect that the issuance, offering, or sale of the Refunding Bonds or obligations of the general character of the Refunding Bonds as contemplated hereby, is or would be in violation of any provision of the Securities Act or the Trust Indenture Act or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of the Refunding Bonds as contemplated hereby or by the Official Statement or of obligations of the general character of the Refunding Bonds.

(i) None of the following shall have occurred: (i) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in the Refunding Bonds or similar obligations by any governmental authority or by any national securities exchange or such trading shall have been suspended; (ii) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Refunding Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, broker or dealers; (iii) a general banking moratorium shall have been declared by Federal, New York or Tennessee authorities; or (iv) a war involving the United States of America shall have been declared or be continuing, or any other national or international calamity or crisis shall have occurred or be continuing, the effect of which, in the judgment of the Underwriter, would adversely affect the market price of the Refunding Bonds, or otherwise make it impracticable to deliver the Refunding Bonds.

(j) No event shall have occurred or fact exist that, in the judgment of the Underwriter, makes untrue, incorrect or inaccurate, in any material respect as of the time the same purports to speak, any statement or information contained in the Official Statement, or which is not reflected in the Official Statement but should be reflected therein as of the time and

for the purpose for which the Official Statement is to be used in order to make the statements and information contained therein not misleading in any material respect as of such time.

(k) The Underwriter shall have received such additional certificates and other documents as it may reasonably request to evidence performance of or compliance with the provisions of this Bond Purchase Agreement and the transactions contemplated hereby, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

(l) Any state blue sky or securities commission shall have withheld registration, exemption, or clearance of the offering and, in the opinion of the Underwriter, the market for the Refunding Bonds is adversely affected thereby.

If any of the conditions specified in the preceding provisions of this Section 4 shall have not been fulfilled when and as required by this Bond Purchase Agreement, this Bond Purchase Agreement and the Underwriter's obligations hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing. Any such termination shall be without liability on the Underwriter's part.

Section 5. Miscellaneous.

5.1 No omission or delay by the Underwriter or the County in exercising any right or power under this Bond Purchase Agreement will impair such right or power or be construed to be a waiver of any default or an acquiescence therein, any single or partial exercise of any such right or power will not preclude any other or further exercise thereof or the exercise of any other right, and no waiver will be valid unless in writing and signed by the Underwriter or, if a waiver of default is properly waivable by the County, then signed by the County and the Underwriter and then only to the extent specified. All remedies herein and by law afforded will be cumulative and will be available to the Underwriter and the County until the Refunding Bonds are paid.

5.2 This Bond Purchase Agreement and the rights and obligations of the parties hereunder shall not be assigned nor shall this Bond Purchase Agreement be amended without the written consent of the Underwriter and the County.

5.3 A written notice required or permitted by this Bond Purchase Agreement may be delivered by depositing it in the United States mail, postage prepaid, or by telegraph, charges prepaid, as follows:

If to the County:

Ms. Shawn Francisco
Weakley County Director of Finance
8319 Highway 22, Suite B
Dresden, Tennessee 38225

If to the Underwriter:

Banc of America Securities LLC
121 W. Trade Street, 12th Floor
NC1-005-12-01
Charlotte, North Carolina 28255
Attention: Greg Fawcett

5.4 This Bond Purchase Agreement has been executed and delivered in the State of Tennessee and it is the intention of the parties hereto that such document shall be governed by and construed in accordance with the laws of such State.

5.5 All representations, warranties, and agreements of the County shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive delivery of the Refunding Bonds to the Underwriter.

5.6 This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

5.7 The officers of the County shall not be personally liable for any amounts, costs, losses, damages, or liabilities caused or incurred by the County, the Underwriter, or the owners of the Refunding Bonds, this Bond Purchase Agreement, the Escrow Agreement, the Resolution, or any other document or certification whatsoever, or for the payment of any other sum or the performance of any obligation or covenant under any of the above.

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed in their names and on their behalf as follows:

(SEAL)

WEAKLEY COUNTY, TENNESSEE

By: 
County Mayor

ATTEST:

By: 
County Clerk

BANC OF AMERICA SECURITIES LLC

By: _____

Its: _____

FORM OF ESCROW AGREEMENT

EXHIBIT "C"

ESCROW AGREEMENT

This Escrow Agreement (the "Escrow Agreement"), dated as of December _____, 2003, between SUNTRUST BANK, Nashville, Tennessee (the "Escrow Agent"), and WEAKLEY COUNTY, TENNESSEE (the "County").

WITNESSETH:

WHEREAS, the County has heretofore issued \$9,950,000 School Bonds, Series 1995, dated July 1, 1995 (the "Series 1995 Bonds"), which Series 1995 Bonds are now outstanding in the principal amount of \$3,955,000, of which the principal amount of \$975,000 matures May 1, 2004 and May 1, 2005, with the remaining \$2,980,000 principal amount maturing May 1, 2006 through May 1, 2010, subject to redemption prior to maturity on May 1, 2005, at par and accrued interest;

WHEREAS, the County has heretofore issued \$16,950,000 School Bonds, Series 1996, dated January 1, 1996 (the "Series 1996 Bonds"), which Series 1996 Bonds are now outstanding in the principal amount of \$14,270,000, of which the principal amount of \$1,205,000 matures May 1, 2004 and May 1, 2005, with the remaining \$13,065,000 principal amount maturing May 1, 2006 through May 1, 2016, subject to redemption prior to maturity on May 1, 2005, at par and accrued interest (the portion of the Series 1995 Bonds and Series 1996 Bonds to be refunded being herein called collectively, the "Refunded Bonds");

WHEREAS, for the purpose of providing funds to pay interest to the date of redemption, to refund the Refunded Bonds, and to pay costs incident to the issuance and sale of the Bonds, the County has pursuant to a resolution adopted on November 17, 2003 (the "Resolution"), authorized the issuance of \$ _____ School Refunding Bonds, Series 2003 (the "Bonds"); and,

WHEREAS, pursuant to the Resolution, the Escrow Agent has been appointed Escrow Agent by the County for the purpose of assuring the payment of the principal of and interest on the Refunded Bonds and the County Mayor and County Clerk of the County have been authorized and directed to execute an escrow agreement with the Escrow Agent substantially in the form of this Escrow Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the County and the Escrow Agent have agreed and hereby agree as follows for the equal and proportionate benefit and security of the owners of the Refunded Bonds:

Section 1. The County will hereafter cause to be deposited with the Escrow Agent for the account of the County from the proceeds of the Bonds the sum of \$ _____, such amounts together with the investment income from all such monies is herein referred to as the Escrow Fund.

Section 2. The County has called for redemption on May 1, 2005 (i) the Series 1995 Bonds, maturing May 1, 2006 through May 1, 2010, inclusive, in the aggregate principal amount of \$2,980,000, and (ii) the Series 1996 Bonds maturing May 1, 2006 through May 1, 2016, inclusive, in the aggregate principal amount of \$13,065,000. Notice of call for redemption with respect to such Refunded Bonds shall be given by the Escrow Agent on behalf of the County to the paying agent bank for such Refunded Bonds by registered or certified mail, which paying agent bank shall give notice to the owners of the Refunded Bonds as required in the respective resolutions authorizing said Refunded Bonds.

Section 3. The Escrow Fund shall be immediately invested in direct obligations of the United States of America ("Investment Securities") in the following manner:

The amount of \$ _____ shall be invested in the Investment Securities described in Exhibit "B" attached hereto at the prices therein stated (which will result in the yield to the County from such Investment Securities being _____% per annum), all as more fully described in Exhibit "B" hereto attached, resulting in an initial cash balance in said fund from such proceeds of \$ _____.

The investment income from the Investment Securities in the Escrow Fund shall be credited to such fund and shall not be reinvested. The Escrow Agent shall not sell or request the redemption of any Investment Security; provided, that Investment Securities in the Escrow Fund may be replaced by the County when and only when (i) the Escrow Agent receives an opinion of counsel of recognized experience in matters under Section 148 of the Internal Revenue Code of 1986, as amended, relating to arbitrage bonds, that such replacement will not cause the Bonds or the Refunded Bonds to be arbitrage bonds, (ii) the Escrow Agent receives a verification report from an independent firm of certified public accountants that the Investment Securities, as substituted, will be sufficient to pay the principal of, interest on, and premium, if any, on the Refunded Bonds and that such substitution is permitted pursuant to the provision hereof, and (iii) such replacement will not reduce the amount of money available to pay principal of, interest, and premium on the Refunded Bonds when due below the amount necessary to make such payment. Any replacement Investment Securities shall be direct obligations of the United States of America. All monies not invested as herein provided shall be held by the Escrow Agent as a demand deposit which deposit (to the extent not insured by the Federal Deposit Insurance Corporation) shall be continuously secured with noncallable direct obligations of the United States of America in an amount having a market value at all times at least equal to the amount of such deposit.

Section 4. No paying agents' fees for the payment of principal of or interest on the Bonds or the Refunded Bonds or registrar's fees or other charges may be paid from the escrowed monies or Investment Securities prior to retirement of all Refunded Bonds and the County agrees that it will pay all such fees from its other legally available funds as such payments become due prior to such retirement.

Section 5. At such time or times as there shall be insufficient funds on hand in the Escrow Fund for the payment of principal, interest, and premium falling due on the Refunded Bonds or for the payment of fees, charges and expenses of the Escrow Agent, the Escrow Agent shall promptly notify the County of such deficiency.

Section 6. The Escrow Agent shall deliver to the Director of Finance and the County Trustee of the County a report of each transaction relating to the Escrow Fund as such transaction occurs, and on or before the first day of August of each year shall deliver to the Director of Finance and the County Trustee a report of the financial condition of the Escrow Fund as of June 30 of such year and an operating statement for the Escrow Fund for the year ending June 30 of such year.

Section 7. The Escrow Agent agrees with the County that the fees of the Escrow Agent throughout the term of this Escrow Agreement shall be the sum of \$ _____ per annum.

Section 8. The Escrow Agent shall without further authorization or direction from the County collect the principal of and interest on the Investment Securities promptly as the same shall fall due and, to the extent that Investment Securities and monies are sufficient for such purpose, shall make timely payments out of the Escrow Fund to the proper paying agent or agents or their successors for the Refunded Bonds, or monies sufficient for the payment of the principal of, premium, and interest on such Refunded Bonds as the same shall become due and payable, all as set out in Exhibit "A" hereof. The payments so forwarded or transferred shall be made in sufficient time to permit the payment of such principal and interest (and premium) by such paying agent or agents without default. The County represents and warrants that the Escrow Fund, if held, invested, and disposed of by the Escrow Agent in accordance with the provisions of this Escrow Agreement, will be sufficient to make the foregoing and all other payments required under this Escrow Agreement. The proper paying agents for the

Refunded Bonds is shown in Exhibit "A". When the aggregate total amount required for the payment of principal of and interest (and premium) on the Refunded Bonds has been paid to the paying agent bank(s) as hereinabove provided, the Escrow Agent shall transfer monies or Investment Securities then held hereunder to the County and this Escrow Agreement shall cease.

Section 9. The Escrow Agent and the County recognize that the owners from time to time of the Refunded Bonds have a beneficial and vested interest in the Investment Securities and monies to be held by the Escrow Agent as herein provided and in the provisions of this Escrow Agreement. It is, therefore, recited, understood, and agreed that this Escrow Agreement shall not be subject to revocation or amendment until its provisions have been fully carried out.

Section 10. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the County or any paying agent of any of its obligations, or to protect any of the County's rights under any bond proceeding or any of the County's other contracts with or franchises or privileges from any state, county, County or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, or for any mistake of fact or law, or for anything which it may do or refrain from doing, except for its negligence or its default in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Refunded Bonds or the Bonds or in any proceedings taken in connection therewith, but they are made solely by the County. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

Section 11. None of the provisions contained in this Escrow Agreement shall require the Escrow Agent to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights or powers hereunder. The Escrow Agent shall be under no liability for interest on any fund or other property received by it hereunder, except as herein expressly provided.

Section 12. The County agrees that it will promptly and without delay remit to the Escrow Agent, within ten calendar days after receipt of its written request, such additional sum or sums of money as may be necessary to assure the payment of the Refunded Bonds and to fully pay and discharge any obligation or obligations or charges, fees or expenses incurred by the Escrow Agent in carrying out any of the duties, terms or provisions of this Escrow Agreement that are in excess of the sums provided for under Section 7 hereof.

Section 13. The Escrow Agent shall hold the Investment Securities and all monies received by it from the collection of principal of and interest on the Investment Securities, and all monies received from the County hereunder, in a special fund and separate trust account wholly segregated from all other funds and investments deposited with the Escrow Agent, and shall never commingle such investments with other monies or investments. Title to such Investment Securities and monies shall remain in the County. Any and all monies remaining after all other disbursements required herein shall be paid to the County.

Section 14. If any provision of this Escrow Agreement shall be held or deemed to be invalid or shall, in fact, be illegal, inoperative, or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatever.

Section 15. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

Section 16. Any notice, request, communication, or other paper shall be sufficiently given and shall be deemed given when delivered or mailed, by registered or certified mail, postage prepaid or sent by telegram as follows:

To the County:

Ms. Shawn Francisco
Weakley County Director of Finance
8319 Highway 22, Suite B
Dresden, Tennessee 38225

To the Escrow Agent:

SunTrust Bank
201 Fourth Avenue North
Nashville, Tennessee 37219
Attention: Corporate Trust Department

The County and the Escrow Agent may designate any further or different addresses to which subsequent notices, requests, communications or other papers shall be sent.

Section 17. This Escrow Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the County has caused this Escrow Agreement to be signed in its name by the County Mayor of the County and attested by the County Clerk, and the official seal of the County to be impressed hereon, and the Escrow Agent has caused this Escrow Agreement to be signed in its corporate name by its duly authorized official and its corporate seal to be impressed hereon, all as of the date first above written.

(SEAL)

WEAKLEY COUNTY, TENNESSEE

By: 
County Mayor

ATTEST:

By: 
County Clerk

SUNTRUST BANK,
as Escrow Agent

By: _____

Title: _____

(SEAL)

EXHIBIT "A"

Escrow Agreement, dated December _____, 2003,
Weakley County, Tennessee
\$9,950,000 School Bonds, Series 1995
dated July 1, 1995

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Called Principal</u>	<u>Total Amount Due</u>
5-1-04				
11-1-04				
5-1-05				

Paying Agent: BNY Trust Company
(successor to NationsBank of Tennessee, N.A.)

EXHIBIT "A" Continued

Escrow Agreement, dated December _____, 2003,
Weakley County, Tennessee
\$16,950,000 School Bonds, Series 1996
dated January 1, 1996

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Called Principal</u>	<u>Total Amount Due</u>
5-1-04				
11-1-04				
5-1-05				

Paying Agent: JP Morgan Trust Company
(successor to First Tennessee Bank National Association)

EXHIBIT "B"

Escrow Agreement, dated December ____, 2003
Weakley County, Tennessee

Investment Securities to be acquired pursuant
to the Escrow Agreement for \$_____

DESCRIPTION OF SECURITIES

Initial Cash Balance = \$_____