


GLASSBORO PUBLIC SCHOOLS
GLASSBORO, NEW JERSEY

TO: Mark Silverstein
FROM: Walter Pudelko 
DATE: July 16, 2015
RE: Agenda Items for July 22, 2015 Operations Agenda

Issuance of School District Bonds

Recommend that the Board of Education adopt the Resolution pertaining to the issuance, sale, and award of the school district's bonds.

WSP/b

Attachment

12:30:12 p.m. EDST	Upcoming Calendar	Overview	Compare	Summary
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Bid Results

**Glassboro Boro BOE
\$23,647,000 School Bonds, Series 2015**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest NIC. Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	NIC
<input checked="" type="checkbox"/> Reoffering	UBS Financial Services Inc.	3.372703
<input type="checkbox"/>	Bank of America Merrill Lynch	3.376696
<input type="checkbox"/>	Jefferies LLC	3.452526
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	3.712930

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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**THE BOARD OF EDUCATION OF THE BOROUGH OF GLASSBORO,
IN THE COUNTY OF GLOUCESTER, NEW JERSEY**

RESOLUTION

**RESOLUTION OF THE BOARD OF EDUCATION OF THE
BOROUGH OF GLASSBORO, IN THE COUNTY OF
GLOUCESTER, NEW JERSEY, CONFIRMING THE
ISSUANCE, SALE AND AWARD OF THE SCHOOL
DISTRICT'S BONDS; PRESCRIBING THE FORM OF SAID
BONDS; SETTING FORTH CERTAIN COVENANTS AS TO
THE USE OF THE PROCEEDS OF SAID BONDS; AND
TAKING CERTAIN ACTIONS RELATED THERETO**

BACKGROUND

WHEREAS, pursuant to Chapter 24 of Title 18A of the New Jersey Statutes, as amended and supplemented, *N.J.S.A.* 18A:24-1 *et seq.* ("School Bond Law"), and by virtue of two (2) proposals (collectively, the "Proposal") adopted by The Board of Education of the Borough of Glassboro, in the County of Gloucester, New Jersey ("Board" when referring to the governing body and "School District" when referring to the legal entity governed by the Board), on January 7, 2015 and approved by the voters of the School District at the special election held on March 10, 2015, the School District is authorized to issue school bonds in the aggregate principal amount of up to \$23,647,000 to finance the capital improvements set forth in the Proposal ("Project"); and

WHEREAS, pursuant to a resolution duly adopted by the Board on May 27, 2015 ("Authorizing Resolution"), the Board authorized, *inter alia*, the issuance and sale of up to \$23,647,000 aggregate principal amount of School Bonds, Series 2015 ("Bonds"), of the School District to permanently finance the costs of the Project; and

WHEREAS, pursuant to the Authorizing Resolution:

(i) A notice of sale and summary notice of sale relating to the Bonds (collectively, the "Notices of Sale") were published in The Bond Buyer and The South Jersey Times, respectively, on July 7, 2015, in accordance with Section 36 of the School Bond Law, *N.J.S.A. 18A:24-36*; and

(ii) A Preliminary Official Statement, dated July 7, 2015 ("Preliminary Official Statement"), for the purchase of the Bonds was prepared in connection with the Bonds and distributed to prospective underwriters of the Bonds and others having an interest therein; and

WHEREAS, it is the intent of the Board hereby to approve, ratify and confirm the issuance, sale and award of the Bonds and certain actions heretofore taken by or on the behalf of the School District in connection with the sale of the Bonds, and to make certain related determinations and authorizations in connection with the settlement of such sale.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE BOROUGH OF GLASSBORO, IN THE COUNTY OF GLOUCESTER, NEW JERSEY, PURSUANT TO THE SCHOOL BOND LAW, AS FOLLOWS:

Section 1. Pursuant to the Authorizing Resolution, the issuance and sale of the Bonds for the Project are hereby ratified and confirmed.

Section 2. The Bonds shall be dated their date of delivery, with interest payable thereon semi-annually on January 15 and July 15, commencing January 15, 2016, of each year until maturity or earlier redemption.

Section 3. The publication of the Notices of Sale in The Bond Buyer and The South Jersey Times are each hereby ratified, confirmed, approved and adopted.

Section 4. The preparation of the Preliminary Official Statement and the distribution thereof are hereby ratified, confirmed, approved and adopted.

Section 5. The award of the Bonds by the Business Administrator/Board Secretary to the entity submitting a proposal most beneficial to the School District ("Underwriter") on the terms set forth in the Certificate of Determination and Award, a copy of which is attached hereto and made a part hereof as Exhibit "A", is hereby ratified, confirmed, approved and adopted.

Section 6. The President of the Board, Vice President of the Board, Superintendent of Schools and Business Administrator/Board Secretary are each hereby authorized to approve any amendments or supplements to, and to execute the Official Statement, dated July 14, 2015 in final form. The distribution thereof by the Underwriter to investors and others is hereby authorized and directed.

Section 7. A form of the Bonds, attached hereto and made a part hereof as Exhibit "B", is hereby approved and adopted.

Section 8. All actions heretofore taken and documents prepared or executed by or on behalf of the School District by the President of the Board, Vice President of the Board, Superintendent of Schools, Business Administrator/Board Secretary or by the School District's professional advisors in connection with the issuance, sale and award of the Bonds are hereby ratified, confirmed, approved and adopted.

Section 9. The President of the Board, Vice President of the Board, Superintendent of Schools and the Business Administrator/Board Secretary are each hereby authorized to determine all matters and execute all documents and instruments in connection with the Bonds not determined or otherwise directed to be executed by the School Bond Law, the Authorizing Resolution or by this resolution, and the signatures of the President of the Board, Vice President of the Board, Superintendent of Schools or the Business Administrator/Board Secretary on such documents or instruments shall be conclusive as to such determinations.

Section 10. All resolutions, or parts thereof, inconsistent with this Resolution or with the Authorizing Resolution, are hereby rescinded and repealed to the extent of any such inconsistency.

Section 11. This Resolution shall take effect immediately upon adoption this 22nd day of July, 2015.

Exhibit "A"

\$23,647,000
THE BOARD OF EDUCATION OF THE BOROUGH OF GLASSBORO,
IN THE COUNTY OF GLOUCESTER, NEW JERSEY
SCHOOL BONDS, SERIES 2015

CERTIFICATE OF DETERMINATION AND AWARD

The undersigned, Business Administrator/Secretary of The Board of Education of the Borough of Glassboro, in the County of Gloucester, New Jersey ("Board" when referring to the governing body and "School District" when referring to the legal entity governed by the Board), hereby certifies as follows:

1. Pursuant to: (i) a resolution of the Board adopted on May 27, 2015 ("Resolution"); and (ii) the School Bond Law, *N.J.S.A. 18A:24-1 et seq.*, as amended and supplemented, I have determined to award the School District's School Bonds, Series 2015 ("Bonds"), in accordance with the terms of the Notice of Sale for the Bonds ("Notice of Sale") relating to the purchase of the Bonds and other such terms with respect to the issuance of the Bonds as may be set forth in the accepted proposal described below.

2. On July 14, 2015, immediately after 11:00 A.M., local prevailing time, electronic bids submitted via PARITY for the purchase of the Bonds were publicly announced, each of such electronic bids having been found to be accompanied by either: (i) a direct wire transfer of funds into the appropriate account of the School District in the amount of \$472,940 received prior to the sale of the Bonds, or (ii) a certified, cashier's or treasurer's check drawn to the order of the School District in the amount of \$472,940.

3. The proposal attached hereto as Schedule "A" and made a part hereof ("Accepted Proposal") was determined to conform to the terms of the offering of the Bonds as set forth in the

Notice of Sale and, on the basis of the lowest net interest cost and other factors set forth in the Notice of Sale, was determined to be the highest responsible proposal conforming to such terms of offering. Said proposal was therefore accepted.

4. The remaining proposals received, copies of which are attached hereto as Schedule "B" and made a part hereof ("Rejected Proposals"), were rejected.

5. The Bonds are dated and shall bear interest from July 28, 2015, payable semiannually on January 15 and July 15, commencing January 15, 2016, in each year until maturity or earlier redemption at the rate per annum stated in the Accepted Proposal.

6. The check or wire transfer of funds, as applicable, in the amount of \$472,940 accompanying the Accepted Proposal was collected and the proceeds thereof deposited in an appropriate account of the School District pending settlement for the Bonds.

7. The check or wire transfer of funds, as applicable, in the amount of \$472,940 accompanying the Rejected Proposals were returned via wire transfer by the School District.

8. Settlement for the Bonds is scheduled to take place on or about July 28, 2015, or on such other date as the School District and the purchaser shall mutually agree, at the offices of Parker McCay P.A., the School District's Bond Counsel, 9000 Midlantic Drive, Suite 300, New Jersey or at such other place as shall be agreed upon by the School District and the purchaser.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of July, 2015.

**THE BOARD OF EDUCATION OF THE BOROUGH
OF GLASSBORO, IN THE COUNTY OF
GLOUCESTER, NEW JERSEY**

By: 

WALTER S. PUDELKO, III,
Business Administrator/Board Secretary

Schedule "A"
Accepted Proposal

Upcoming Calendar | Overview | Result | Excel

UBS Financial Services Inc. - New York , NY's Bid



**Glassboro Boro BOE
\$23,647,000 School Bonds, Series 2015**

For the aggregate principal amount of \$23,647,000.00, we will pay you \$23,647,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
07/15/2016	945M	3.0000
07/15/2017	950M	3.0000
07/15/2018	965M	3.0000
07/15/2019	980M	3.0000
07/15/2020	995M	3.0000
07/15/2021	1,020M	3.0000
07/15/2022	1,040M	3.0000
07/15/2023	1,065M	3.0000
07/15/2024	1,095M	3.0000
07/15/2025	1,125M	3.0000
07/15/2026	1,155M	3.0000
07/15/2027	1,195M	3.0000
07/15/2028	1,230M	3.1250
07/15/2029	1,270M	3.2500
07/15/2030	1,315M	3.5000
07/15/2031	1,360M	3.5000
07/15/2032	1,405M	3.5000
07/15/2033	1,460M	3.6250
07/15/2034	1,510M	3.7500
07/15/2035	1,567M	3.7500

Total Interest Cost: \$9,082,725.21
 Discount: \$0.00
 Net Interest Cost: \$9,082,725.21
 NIC: 3.372703
 Time Last Bid Received On: 07/14/2015 10:57:14 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: UBS Financial Services Inc., New York , NY
 Contact: Jerry Orellana
 Title: Director
 Telephone: 212-373-6466
 Fax:

Issuer Name: Board of Education of the Borough of Glassboro

Company Name: _____

Schedule "B"
Rejected Proposals

Upcoming Calendar | Overview | Result | Excel

Bank of America Merrill Lynch - New York , NY's Bid
Glassboro Boro BOE
\$23,647,000 School Bonds, Series 2015



For the aggregate principal amount of \$23,647,000.00, we will pay you \$23,647,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
07/15/2016	945M	3.2500
07/15/2017	950M	3.2500
07/15/2018	965M	3.2500
07/15/2019	980M	3.2500
07/15/2020	995M	3.2500
07/15/2021	1,020M	3.2500
07/15/2022	1,040M	3.2500
07/15/2023	1,065M	3.2500
07/15/2024	1,095M	3.2500
07/15/2025	1,125M	3.2500
07/15/2026	1,155M	3.2500
07/15/2027	1,195M	3.2500
07/15/2028	1,230M	3.2500
07/15/2029	1,270M	3.2500
07/15/2030	1,315M	3.2500
07/15/2031	1,360M	3.3750
07/15/2032	1,405M	3.5000
07/15/2033	1,460M	3.5000
07/15/2034	1,510M	3.5000
07/15/2035	1,567M	3.6250

Total Interest Cost: \$9,093,479.07
 Discount: \$0.00
 Net Interest Cost: \$9,093,479.07
 NIC: 3.376696
 Time Last Bid Received On: 07/14/2015 10:50:45 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Bank of America Merrill Lynch, New York , NY
 Contact: Brendan Troy
 Title: Managing Director
 Telephone: 212-449-5081
 Fax: 212-553-2042

Issuer Name: Board of Education of the Borough of Glassboro Company Name: _____

Upcoming Calendar | Overview | Result | Excel

Jefferies LLC - New York , NY's Bid



**Glassboro Boro BOE
\$23,647,000 School Bonds, Series 2015**

For the aggregate principal amount of \$23,647,000.00, we will pay you \$23,647,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
07/15/2016	945M	3.0000
07/15/2017	950M	3.0000
07/15/2018	965M	3.0000
07/15/2019	980M	3.0000
07/15/2020	995M	3.0000
07/15/2021	1,020M	3.0000
07/15/2022	1,040M	3.0000
07/15/2023	1,065M	3.0000
07/15/2024	1,095M	3.0000
07/15/2025	1,125M	3.0000
07/15/2026	1,155M	3.0000
07/15/2027	1,195M	3.1250
07/15/2028	1,230M	3.2500
07/15/2029	1,270M	3.3750
07/15/2030	1,315M	3.3750
07/15/2031	1,360M	3.5000
07/15/2032	1,405M	3.6250
07/15/2033	1,460M	3.6250
07/15/2034	1,510M	4.0000
07/15/2035	1,567M	4.0000

Total Interest Cost: \$9,297,689.07
 Discount: \$0.00
 Net Interest Cost: \$9,297,689.07
 NIC: 3.452526
 Time Last Bid Received On: 07/14/2015 10:47:48 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Jefferies LLC, New York , NY
 Contact: Kurt Ahrens
 Title:
 Telephone: 212-336-7154
 Fax:

Issuer Name: Board of Education of the Borough of Glassboro Company Name: _____

Upcoming Calendar | Overview | Result | Excel

Robert W. Baird & Co., Inc. - Red Bank , NJ's Bid



**Glassboro Boro BOE
\$23,647,000 School Bonds, Series 2015**

For the aggregate principal amount of \$23,647,000.00, we will pay you \$23,647,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
07/15/2016	945M	3.0000
07/15/2017	950M	3.0000
07/15/2018	965M	3.0000
07/15/2019	980M	3.0000
07/15/2020	995M	3.0000
07/15/2021	1,020M	3.0000
07/15/2022	1,040M	3.0000
07/15/2023	1,065M	3.0000
07/15/2024	1,095M	3.0000
07/15/2025	1,125M	3.0000
07/15/2026	1,155M	3.1250
07/15/2027	1,195M	3.3750
07/15/2028	1,230M	4.0000
07/15/2029	1,270M	4.0000
07/15/2030	1,315M	4.0000
07/15/2031	1,360M	4.0000
07/15/2032	1,405M	4.0000
07/15/2033	1,460M	4.0000
07/15/2034	1,510M	4.0000
07/15/2035	1,567M	4.0000

Total Interest Cost: \$9,998,960.24
 Discount: \$0.00
 Net Interest Cost: \$9,998,960.24
 NIC: 3.712930
 Time Last Bid Received On: 07/14/2015 10:36:15 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Robert W. Baird & Co., Inc., Red Bank , NJ
 Contact: charles massaro
 Title: director
 Telephone: 732-576-4410
 Fax: 732-576-4420

Issuer Name: Board of Education of the Borough of Glassboro Company Name: _____

Exhibit "B"

Registered
R-1

Registered
\$945,000

UNITED STATES OF AMERICA

**THE BOARD OF EDUCATION OF THE BOROUGH OF GLASSBORO,
IN THE COUNTY OF GLOUCESTER, NEW JERSEY
SCHOOL BONDS, SERIES 2015**

<u>CUSIP</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE PER ANNUM</u>	<u>ORIGINAL ISSUANCE DATE</u>
	July 15, 2016	3.000%	July 28, 2015

Registered Owner: Cede & Co.

Total Principal Amount: Nine Hundred Forty-Five Thousand Dollars (\$945,000)

The Board of Education of the Borough of Glassboro, in the County of Gloucester, New Jersey ("Board" when referring to the governing body and "School District" when referring to the legal entity governed by the Board), for value received, hereby promises to pay to the Registered Owner hereof, or registered assigns, on the Maturity Date specified above, upon the surrender hereof, the Principal Amount hereof, and to pay interest on such Principal Amount from the Original Issuance Date at the Interest Rate Per Annum specified above, computed upon the basis of a 360-day year consisting of twelve 30-day months semi-annually on January 15 and July 15 ("Interest Payment Dates"), commencing January 15, 2016, in each year until maturity or earlier redemption ("Bond").

Principal of this Bond is payable upon presentation and surrender hereof by the Registered Owner, or registered assigns, at the offices of the School District, or its hereinafter designated paying agent, if any. Interest on this Bond is payable by check or draft mailed to the Registered Owner of record hereof as of the first (1st) day of the calendar month containing an Interest Payment Date at the address of such Registered Owner appearing on the registration books maintained by the School District, or its hereinafter designated paying agent, if any, for such purpose in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

This Bond is not transferable as to principal or interest except to an authorized nominee of The Depository Trust Company ("DTC"). DTC shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants are responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers.

This Bond is one of an authorized issue of \$23,647,000, aggregate principal amount, The Board of Education of the Borough of Glassboro, in the County of Gloucester, New Jersey, School Bonds, Series 2015 ("Bonds"), which are of like tenor except as to maturity dates, interest rates, redemption provisions and denominations, issued in accordance with: (i) the provisions of the School Bond Law, *N.J.S.A. 18A:24-1 et seq.*, as amended and supplemented; and (ii) a resolution adopted by the Board on May 27, 2015 ("Resolution"). The Bonds are authorized pursuant to two

(2) proposals adopted by the Board on January 7, 2015 and approved by the legal voters of the School District at a special election held on March 10, 2015.

The full faith and credit of the School District are irrevocably pledged for the timely payment of principal of and interest on the Bonds, including the power and obligation to levy *ad valorem* taxes on all taxable real property within the School District without limitation as to rate or amount.

REFERENCE IS HEREBY MADE TO FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE, WHICH PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH IN THIS PLACE.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed, and that the issue of the Bonds of which this is one, together with all other indebtedness of the School District, is within every debt and other limit prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, the School District has caused this Bond to be executed by the manual signature of its Board President and its official corporate seal to be imprinted hereon, duly attested by the manual signature of the Business Administrator/Board Secretary, all as of the Original Issuance Date set forth above.

**THE BOARD OF EDUCATION OF THE BOROUGH
OF GLASSBORO, IN THE COUNTY OF
GLOUCESTER, NEW JERSEY**

By: _____
PETER J. CALVO, Board President

[SEAL]

Attest:

WALTER S. PUDELKO, III,
Business Administrator/Board Secretary

\$23,647,000
THE BOARD OF EDUCATION OF THE BOROUGH OF GLASSBORO,
IN THE COUNTY OF GLOUCESTER, NEW JERSEY
SCHOOL BONDS, SERIES 2015

The Bonds are general obligations of the School District and neither the credit nor the taxing power of the County of Gloucester, the State of New Jersey or any other political subdivision thereof is pledged to pay the principal of and interest on the Bonds.

The School District may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment thereof, and for all other purposes whatsoever, and shall not be affected by any notice to the contrary.

The School District has covenanted in the Resolution that it will not make any use of the proceeds of the Bonds or do or suffer any other action that would cause this Bond to be an "arbitrage bond" as such term is defined in Section 148 of the Internal Revenue Code of 1986, as amended ("Code"), and applicable regulations thereunder, or that would otherwise cause the interest on the Bonds not to be exempt from federal income taxation under the Code.

No covenant or agreement contained in this Bond or the Resolution referred to above shall be deemed to be a covenant or agreement of any official, agent, or employee of the School District in his/her individual capacity and no official executing this Bond shall be liable personally on this Bond or be subject to any personal liability by reason of the issuance of this Bond.

The School District, solely for the convenience of the owners of the Bonds, has caused CUSIP (Committee on Uniform Security Identification Procedures) numbers to be printed on the Bonds. No representation is made as to the accuracy of said numbers as printed on the Bonds and the School District shall have no liability of any sort with respect thereto.

The School District has *not* designated the Bonds as "qualified tax-exempt obligations" as defined in and for purpose of Section 265(b)(3) of the Code.

REDEMPTION PROVISIONS

The Bonds maturing on and after July 15, 2026 are subject to redemption prior to their stated maturity dates at the option of the School District, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the School District shall determine and within any such maturity by lot) on any date on or after July 15, 2025 at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

Notice of redemption shall be given by mailing first class mail in a sealed envelope with postage pre-paid not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the owner of every Bond of which all or a portion is to be redeemed at his or her last address, if any, appearing on the registration books of the School District. So long as the Bonds are issued in book-entry-only form, all notices of redemption will be sent only to DTC, the securities depository for the Bonds or any successor depository, and will not be sent to the beneficial owners of the Bonds. Failure of an owner of the Bonds to receive such notice or of DTC

to advise any participant or any failure of a participant to notify any beneficial owner of the Bonds shall not affect the validity of any proceedings for the redemption of Bonds. Such notice shall specify: (i) the series and maturity of the Bonds to be redeemed; (ii) the redemption date and the place or places where amounts that are due and payable upon such redemption will be payable; (iii) if less than all of the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of the Bonds to be redeemed; (iv) in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (v) that on the redemption date there shall become due and payable with respect to each Bond or portion thereof to be redeemed the redemption price; and (vi) that from and after the redemption date, interest on such Bonds or portion thereof to be redeemed shall cease to accrue and be payable.

SCHOOL BOND RESERVE ACT

Payment of this obligation is secured under the provisions of the New Jersey School Bond Reserve Act in accordance with which an amount equal to 1% of the aggregate outstanding bonded indebtedness (but not to exceed the moneys available in the fund) of New Jersey counties, municipalities and school districts for school purposes for all such indebtedness issue on and after July 1, 2003 within the State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payments of principal and interest due on such bonds in the event of the inability of the issuer to make payment.

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy ("Policy") with respect to the scheduled payments due of principal of and interest on this Bond to the School District. Said Policy is on file and available for inspection at the principal office of the School District and a copy thereof may be obtained from BAM or the School District. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents to the subrogation and all other rights of BAM as more fully set forth in the Policy.

[Remainder of Page Intentionally Left Blank.]

ASSIGNMENT

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

Dated: _____

Signature Guarantee

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank, trust company, national association or other banking institution incorporated under the laws of the United States or a state of the United States.

Signature: _____
NOTICE: The signature on this Assignment must correspond with a name that appears upon the face of the within Bond in particular, without alteration, enlargement or any change whatsoever.

The School District will be required to register a Bond in the name of a transferee only if provided with the information requested below. The transferee (or his or her designated representative) should provide as much of the information requested below as is applicable to him or her prior to submitting this Bond transfer.

Name: _____

Address: _____

Social Security or Employee Identification Number: _____

If a Trust, Name and Address of Trustee: _____