

RESOLUTION

A RESOLUTION OF THE BOARD OF EDUCATION OF THE DOUGLAS COUNTY SCHOOL DISTRICT, NUMBER RE1, AUTHORIZING THE REFUNDING IN WHOLE OF CERTAIN OUTSTANDING 2003 CERTIFICATES OF PARTICIPATION FROM AVAILABLE MONEYS OF THE DISTRICT AND THE PURCHASE OF THE LEASED PROPERTY RELATED THERETO.

WHEREAS, Douglas County School District, Number Re1, Douglas and Elbert Counties, Colorado (the "District"), is a duly and regularly created, organized and existing school district, existing as such under and by virtue of the Constitution and laws of the State of Colorado; and

WHEREAS, there is currently outstanding \$1,695,000 aggregate principal amount of certain Certificates of Participation, Series 2003 (the "2003 Certificates"); and

WHEREAS, the 2003 Certificates represent the assignments of the right to receive certain revenues pursuant to a Lease Purchase Agreement, dated as of October 1, 2003 (the "Lease") between the District and Douglas County School District Finance Corporation, a Colorado nonprofit corporation (the "Corporation"); and

WHEREAS, the 2003 Certificates were executed and delivered pursuant to a Mortgage and Indenture of Trust, dated as of October 1, 2003 (the "Indenture") between the Corporation and UMB Bank, n.a (the "Trustee"), as successor trustee to The Bank of Cherry Creek, a Branch of Western National Bank; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease and the Indenture; and

WHEREAS, the District has the option under the Lease to purchase all the Leased Property (consisting of the Larkspur Elementary School building and the Sedalia Elementary School building, and the land on which each building is constructed) from the Corporation by paying the Purchase Option Price; and

WHEREAS, the Purchase Option Price is the amount required to discharge the Indenture, which includes the payment or defeasance in whole of all outstanding 2003 Certificates and the payment of all fees and expenses of the Trustee; and

WHEREAS, the outstanding 2003 Certificates are subject to redemption, at the option of the District, in whole or in part, on December 15, 2013 or on any date thereafter, upon payment of the principal amount so redeemed and accrued interest to the redemption date without a premium; and

WHEREAS, the District currently has sufficient available moneys to exercise its option to redeem all the outstanding 2003 Certificates in whole and to pay the Purchase Option Price; and

WHEREAS, the Board has determined, and hereby declares that it is advantageous and favorable to the District and its inhabitants that the District exercise its option to purchase the Leased Property and refund all outstanding 2003 Certificates from available moneys of the District on the earliest practicable redemption date.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF DOUGLAS COUNTY SCHOOL DISTRICT, NUMBER RE1, DOUGLAS AND ELBERT COUNTIES, COLORADO, THAT:

Section 1. Finding of Best Interest. The Board hereby finds and determines, pursuant to the Constitution and the laws of the State of Colorado, that the purchase of the Leased Property and refunding in whole of the outstanding 2003 Certificates in connection therewith, with available moneys of the District, is in the best interests of the inhabitants of the District and the Board hereby authorizes and approves the same.

Section 2. Exercise of Option; Direction to Trustee. In accordance with the terms and provisions of the Lease and the Indenture, the District hereby elects and declares it intent to exercise its option to purchase all the Leased Property by payment of the Purchase Option Price and to refund and redeem all outstanding 2003 Certificates on the earliest practicable redemption date. The Chief Financial Officer of the District is hereby authorized to establish the earliest practicable date on which the District shall exercise its Purchase Option and refund all the outstanding 2003 Certificates (the "Redemption Date"). Upon the establishment of the Redemption Date, the Chief Financial Officer or her designee shall provide written notice to the Trustee of the District's intention to exercise its option to purchase the Leased Property by payment of the applicable Purchase Option Price on the Redemption Date, all in accordance with the provisions of the Lease.

The District hereby irrevocably instructs the Trustee to give notice of refunding and defeasance to the owners of the outstanding 2003 Certificates in accordance with the terms and provisions of the Indenture.

The District shall cause a material event notice relating to the refunding of the 2003 Certificates to be provided pursuant to Rule 15c2-12, as amended, promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Section 3. Deposit of Available Moneys; Conveyance of Leased Property. The Board hereby authorizes and directs the Chief Financial Officer or her designee to remit the Purchase Option Price to the Trustee on the Redemption Date to effect the purchase of the Leased Property and the redemption of all outstanding 2003 Certificates. The Board hereby authorizes the Superintendent, Chief Financial Officer and the officers and employees of the District to take such other actions, including without limitation the execution and delivery of any required notices, documents, certificates, or instruments, necessary or appropriate to effect the redemption in full of the 2003 Certificates on the Redemption Date and to effect the conveyance of the Leased Property to the District in accordance with the terms and provisions of the Lease and the Indenture.

Section 4 Ratification and Approval of Prior Action. All actions heretofore taken by the officers of the District and the members of the Board, consistent with the provisions of

this Resolution, relating to the purchase of the Leased Property and the refunding in whole of the 2003 Certificates, are hereby ratified, approved, and confirmed.

Section 5. Severability. If any one or more sections, sentences, clauses or parts of this resolution shall for any reason be held invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this resolution, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this resolution so held unconstitutional or invalid, and the inapplicability and invalidity of any section, sentence, clause or part of this resolution in any one or more instances shall not affect or prejudice in any way the applicability and validity of this resolution in any other instances.

Section 6. Repealer. All bylaws, orders, and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, or resolution, or part thereof, heretofore repealed.

Section 7. Interpretation. This resolution shall be so interpreted and construed as to effectuate its general purpose.

Section 8. Effective Date. This resolution shall be in full force and effect upon its passage and adoption.

PASSED, ADOPTED AND APPROVED this February 18, 2014.

DOUGLAS COUNTY SCHOOL DISTRICT,
NUMBER RE1, DOUGLAS AND ELBERT
COUNTIES, COLORADO

By: 

President, Board of Education

(SEAL)

ATTEST:



Secretary of the Board of Education