

Carroll Consolidated School Corporation

**EXCERPTS FROM MINUTES OF A MEETING
OF THE BOARD OF SCHOOL TRUSTEES
CARROLL CONSOLIDATED SCHOOL CORPORATION**

A meeting of the Board of School Trustees of Carroll Consolidated School Corporation was held at the School Administration Building, Flora, Indiana, on October 5, 2004 at the hour of 8:00 p.m. (Local Time), pursuant to notice duly given in accordance with the rules of the Board.

The meeting was called to order by the President of the Board of School Trustees.

On call of the roll, the members of the Board of School Trustees were shown to be present or absent as follows:

Present: Sam Zook, Edward Johnson, Barbara Payne, Susan Budreau, and Michael Eikenberry

Absent:

(Among other proceedings had and actions taken were the following:)

John A. Sayers presided over the hearing, welcoming everyone and introducing members of the Board and speakers. He then explained the purpose of the meeting was that under Indiana law whenever a school corporation proposed to construct or renovate a school building at a cost in excess one million dollars it must first hold a public hearing. Notice of this public hearing was published in the Carroll County Comet on September 22 and September 29, 2004. The proof of publication of the notice of the hearing were presented to the meeting.

It was explained that at this hearing all interested people may give testimony and/or ask questions concerning this building project. The purpose of the hearing is two-fold: (1) the first purpose is to inform the public as to the proposed building project; and (2) to allow all interested parties, the taxpayers and the patrons of Carroll Consolidated School Corporation to voice their opinions as to the project and ask questions.

After the purpose of the hearing was explained, the presentations regarding the need for improvements to the Carroll Elementary School were given. The architects then gave an evaluation of the existing facilities. The building plan was then given by the architects explaining the proposed facility. The estimated project cost and schedule was then presented to the public. The financial consultant explained how this project could be funded and the tax rate impact.

After the above presentations, John A. Sayers announced they would now hear testimony and questions from the public. Testimony was given by one patron supporting the project.

At the conclusion of the public testimony and question, John Sayers made a recommendation to the Board to adopt a Resolution to make improvements to the Carroll Elementary School at a cost of more than one million dollars. Motion made by Edward Johnson to adopt the following resolution. Seconded by Barbara Payne. A discussion was held by the Board. Motion carried. (5 for; 0 against). The Board adopted the resolution attached hereto as Exhibit A.

Mr. Sayers also stated that, pursuant to the direction of the Board, he had consulted the firm of Ice Miller, bond counsel of Indianapolis, Indiana, relative to the procedure to be followed in connection with the proposed bond issue and the rendering of an opinion approving the legality of the bonds. He then presented to the Board a form of resolution approved by Ice Miller, and recommended by them for adoption for the purpose of authorizing the issuance of bonds.

After due consideration of the bond resolution, on motion duly made by Michael Eikenberry, seconded by Barbara Payne and unanimously carried, the same was adopted and is attached hereto as Exhibit B by a vote of 5-0.

Motion made by Barbara Payne to adjourn the meeting. Seconded by Michael Eikenberry. Vote 5-0. Motion carried. Meeting adjourned.

Secretary, Board of School Trustees

APPROVED:

President, Board of School Trustees

EXHIBIT A

RESOLUTION

WHEREAS, the Carroll Consolidated School Corporation Board of School Trustees at a meeting on September 7, 2004, agreed to hold a public hearing on October 5, 2004, in accordance with I.C. 20-5-52-2 Indiana Statutes Annotated for the purpose of answering questions and listening to taxpayers' comments and any evidence they may present about the proposed improvements to the Carroll Elementary School (the "Project"), and;

WHEREAS, the Board of School Trustees have carefully studied all of the known options and feel that the proposed Project is in the best interest of the present and future students to be served by this facility as well as the taxpayers of the school corporation; therefore,

BE IT RESOLVED, that the improvements to the Carroll Elementary are necessary for the purpose of providing an educational program for students;

BE IT FURTHER RESOLVED, that the projected hard construction costs of the Project are \$1,416,700, with soft construction costs of \$176,000 and costs of issuance of \$19,000, totaling \$1,611,700;

BE IT FURTHER RESOLVED, that the projected \$1,611,700 will be funded by Capital Projects Fund and a General Obligation Bond Issue with an anticipated impact on the Debt Service Fund tax rate of .38¢ (thirty-eight cents) per \$100 assessed valuation based on the current \$340,000,000 million assessed valuation beginning 2005;

Passed and Adopted this 5th day of October, 2004.

President, Board of School Trustees

ATTEST:

Secretary, Board of School Trustees

EXHIBIT B

BOND RESOLUTION

WHEREAS, Carroll Consolidated School Corporation (the "Issuer" or "School Corporation") is a school corporation organized and existing under the provisions of IC 20-4; and

WHEREAS, the Board of School Trustees finds that the present facilities of the School Corporation are not adequate to provide the proper education of the pupils now attending or who will attend its schools; and

WHEREAS, the Board finds that there are not sufficient funds available or provided for in existing tax levies with which to pay the total cost of the improvements to the Carroll Elementary School building (the "Project"), and that the School Corporation should issue bonds in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) for the purpose of providing funds to be applied on the cost of the Project, and that bonds in such amount should now be authorized; now therefore,

BE IT RESOLVED by the Board of School Trustees of the Issuer that, for the purpose of obtaining funds to be applied on the cost of the Project, there shall be issued and sold the negotiable, general obligations of the School Corporation to be designated as "General Obligation Bonds of 2004." Said bonds shall be in the principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000), bearing interest at a rate or rates not exceeding five percent (5%) per annum (the exact rate or rates to be determined by bidding), which interest shall be payable on July 5, 2005, and semi-annually thereafter on January 5 and July 5 in each year. The bonds shall be fully registered in the denomination of Five Thousand Dollars (\$5,000) or integral multiples thereof, and shall mature or subject to mandatory redemption on January 5 and July 5 on the dates and amounts as follows:

<u>Date</u>	<u>Amount</u>
July 5, 2005	\$645,000
January 5, 2006	\$655,000

The original date shall be the date of delivery of the bonds. The authentication certificate shall be dated when executed by the Registrar and Paying Agent.

Interest shall be paid from the interest payment date to which interest has been paid next preceding the date of authentication unless the bond is authenticated on or before the fifteenth day immediately preceding the first interest payment date, in which case interest shall be paid from the original date, or unless the bond is authenticated after the fifteenth

day immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date.

Interest shall be payable by check mailed one business day prior to the interest payment date to the person in whose name the bonds are registered on the bond register maintained at the principal corporate trust office of the bank selected as registrar and paying agent (the "Registrar and Paying Agent") or successor registrar and paying agent, as of the fifteenth day immediately preceding such interest payment date or by wire transfer of immediately available funds on the interest payment date to the depositories shown as registered owners. Principal of the bonds shall be payable upon presentation of the bonds at the principal corporate trust office of the Registrar and Paying Agent in lawful money of the United States of America or by wire transfer of immediately available funds to depositories who present the bonds to the Registrar and Paying Agent at least two business days prior to the payment date. The bonds are transferable by the registered owner at the principal corporate trust office of the Registrar and Paying Agent upon surrender and cancellation of a bond and on presentation of a duly executed written instrument of transfer, and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange there for. The bonds may be exchanged upon surrender at the principal corporate trust office of the Registrar and Paying Agent, duly endorsed by the registered owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request.

The Issuer agrees that on or before the fifth business day immediately preceding any payment date, it will deposit with the Registrar and Paying Agent funds in an amount equal to the principal of, premium, if any, and interest on the Bonds which shall become due on the next payment date.

Notwithstanding any other provision of this Resolution, the Issuer will enter into an agreement with the Registrar and Paying Agent in which the Registrar agrees that upon any default or insufficiency in the payment of principal and interest as provided herein, the Registrar will immediately, without any direction, security or indemnity file a claim with the Treasurer of the State of Indiana for an amount equal to such principal and interest in default and consents to the filing of any such claim by a bondholder in the name of the Registrar for deposit with the Registrar. Filing of the claim with the Treasurer of the State of Indiana, as described above, shall occur on or before the fifth business day prior to the payment date.

The Issuer has determined that the Bonds shall be held by a central depository system pursuant to an agreement between the Issuer and The Depository Trust Company, and have transfers of the Bonds effected by book-entry on the books of the central depository system. The Bonds shall be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of The Depository Trust Company.

With respect to the Bonds registered in the register kept by the Paying Agent in the name of CEDE & CO., as nominee of The Depository Trust Company, the Issuer and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner") of the Bonds with respect to (i) the accuracy of the records of The Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any Bondholder (including any Beneficial Owner) or any other person, other than The Depository Trust Company, of any notice with respect to the Bonds including any notice of redemption, or (iii) the payment to any Bondholder (including any Beneficial Owner) or any other person, other than The Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Bonds except as otherwise provided herein.

No person other than The Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the Issuer to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this Resolution. The Issuer and the Registrar and Paying Agent may treat as and deem The Depository Trust Company or CEDE & CO. to be the absolute Bondholder of each of the Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Bonds; (ii) giving notices of redemption and other notices permitted to be given to Bondholders with respect to such Bonds; (iii) registering transfers with respect to such Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by Bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of The Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the Issuer's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

Upon delivery by The Depository Trust Company to the Issuer of written notice to the effect that The Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this Resolution shall refer to such new nominee of The Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO. as nominee of The Depository Trust Company, all payments with respect to the principal of and premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to The Depository Trust Company as provided in a representation letter from the Issuer to The Depository Trust Company.

Upon receipt by the Issuer of written notice from The Depository Trust Company to the effect that The Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of The Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the Issuer kept by the Registrar in the name of CEDE & CO., as nominee of The Depository Trust Company, but may be registered in whatever name or names the Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

If the Issuer determines that it is in the best interest of the Bondholders that they be able to obtain certificates for the fully registered Bonds, the Issuer may notify The Depository Trust Company and the Registrar, whereupon The Depository Trust Company will notify the Beneficial Owners of the availability through The Depository Trust Company of certificates for the Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by The Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever The Depository Trust Company requests the Issuer and the Registrar to do so, the Registrar and the Issuer will cooperate with The Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

If the Bonds shall no longer be restricted to being registered in the name of a depository trust company, the Registrar shall cause the Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Bonds printed until it shall have received from the Issuer indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to Bondholders by the Issuer or the Registrar with respect to any consent or other action to be taken by Bondholders, the Issuer or the Registrar, as the case may be, shall establish a record date for such consent or other action and give The Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the Bonds are registered in the name of The Depository Trust Company or CEDE & CO. or any substitute nominee, the Issuer and the Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Bonds or from The Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Registrar and The Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the Bondholders for purposes of this Resolution and the Issuer and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the Bondholders. Along with any such certificate or representation, the Registrar may request The Depository Trust Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial Owners of the Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

The bonds are not redeemable prior to maturity.

If, when the bonds authorized hereby shall have become due and payable in accordance with their terms, the whole amount of the principal and the interest and the premium, if

any, so due and payable upon all of the bonds then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America the principal of and interest on which when due will provide sufficient moneys, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys, shall be held by the Registrar and Paying Agent for such purpose under the provisions of this Resolution, and provision shall also be made for paying all Registrar and Paying Agent's fees and expenses and other sums payable hereunder by the Issuer, then all moneys, obligations and time certificates of deposit held by the Registrar and Paying Agent pursuant to this paragraph shall be held in trust and said moneys and the principal and interest of said obligations and time certificates of deposit when received, applied to the payment, when due, of the principal and the interest, and registered owners of bonds shall not be entitled to payment of any principal and/or interest from Issuer. The Registrar and Paying Agent shall within thirty (30) days after such obligations or time certificates of deposits shall have been deposited with it, cause a notice signed by the Registrar and Paying Agent to be mailed to the registered owners of all outstanding bonds and published once in a newspaper or financial journal published in Indianapolis, Indiana, setting forth (a) a description of the obligations so held by it, and (b) that the registered owners shall be entitled to be paid principal and/or interest from such funds and income of such securities held by Registrar and Paying Agent and not from Issuer.

Said bonds shall be executed in the name of Issuer by the manual or facsimile signature of the President of its Board of School Trustees, and attested by the manual or facsimile signature of the Secretary of said Board, who shall cause the seal of the school corporation to be imprinted or impressed on each of said bonds. In case any official whose signature or facsimile of whose signature shall appear on the bonds shall cease to be such officer before the issuance, authentication or delivery of such bonds, such signature or such facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

No bond shall be valid or obligatory for any purpose, unless and until authenticated by the Registrar and Paying Agent. Such authentication may be executed by an authorized representative of the Registrar and Paying Agent, but it shall not be necessary that the same person authenticate all of the bonds issued. Issuer and the Registrar and Paying Agent may deem and treat the person in whose name a bond is registered on the bond register as the absolute owner thereof for all purposes, notwithstanding any notice to the contrary.

In order to preserve the exclusion of interest on the bonds from gross income for federal income tax purposes and as an inducement to purchasers of the bonds, the Issuer represents, covenants and agrees that:

No person or entity, other than the Issuer or another governmental unit, will use proceeds of the bonds or property financed by the bond proceeds other than as a member of the

general public. No person or entity, other than the Issuer or another governmental unit, will own property financed by bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

No bond proceeds will be loaned to any entity or person. No bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the bond proceeds.

The Issuer will, to the extent necessary to preserve the exclusion of interest on the bonds from gross income for federal income tax purposes, rebate all required arbitrage profits on bond proceeds or other moneys treated as bond proceeds to the federal government as provided in Section 148 of the Internal Revenue Code of 1986, and will set aside such moneys in a Rebate Account to be held by the Treasurer in trust for such purpose.

The Issuer will file an information report form 8038-G with the Internal Revenue Service as required by Section 149 of the Internal Revenue Code of 1986.

The Issuer will not take any action nor fail to take any action with respect to the bonds that would result in the loss of exclusion from gross income for federal income tax purposes of interest on the bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the bonds, nor will the Issuer act in any other manner which would adversely affect such exclusion.

The Issuer represents that it reasonably expects that tax-exempt bonds, warrants and other evidences of indebtedness issued by or on behalf of it or any subordinate entity, during the calendar year in which the bonds will be issued will be less than \$10,000,000 principal amount. This amount includes all obligations issued by, or on behalf of the Issuer and subordinate entities, including building corporation bonds. At least 95% of the net proceeds of the bonds shall be used for governmental activities of Issuer. The Issuer hereby designates the bonds as qualified tax exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations acquired after August 7, 1986.

The bonds shall be issued in substantially the following form, all blanks to be filled in properly prior to delivery:

Registered

Registered

No. _____

\$ _____

UNITED STATES OF AMERICA

State of Indiana

County of Carroll

CARROLL CONSOLIDATED SCHOOL CORPORATION

GENERAL OBLIGATION BOND OF 2004

Interest	Maturity	Original	Authentication
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<u>Rate</u>	<u>Date</u>	<u>Date</u>	<u>Date</u>	<u>CUSIP</u>
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See Exhibit A See Exhibit A

See Exhibit A

Registered Owner:

Principal Sum:

Carroll Consolidated School Corporation (the "Issuer"), a school corporation organized and existing under the laws of the State of Indiana, in Carroll County, Indiana, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner (named above) or to registered assigns, the Principal Sum set forth above in installments on the Maturity Dates set forth on Exhibit A and to pay interest thereon at the Interest Rate per annum set for on Exhibit A from the interest payment date to which interest has been paid next preceding the date of authentication hereof unless this bond is authenticated on or before June 20, 2005 in which case interest shall be paid from the Original Date, or unless this bond is authenticated after the fifteenth day immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date, which interest is payable on July 10, 2005 and each January 1 and July 1 thereafter until the principal has been paid. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest shall be payable by check mailed one business day prior to the interest payment date to registered owners or by wire transfer of immediately available funds on the interest payment date to depositories shown as registered owners. Payment shall be made to the person or depository in whose name this bond is registered as of the fifteenth day immediately preceding such interest payment date. Principal of this bond shall be

payable upon presentation of this bond at the principal corporate trust office of the _____, Indiana, (the "Registrar and Paying Agent") or by wire transfer of immediately available funds to depositories who present the bonds to the Registrar and Paying Agent at least two business days prior to the payment date in lawful money of the United States of America. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Registrar and Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

This bond is one of an issue of bonds aggregating One Million Three Hundred Thousand Dollars (\$1,300,000), of like tenor and effect, except as to numbering, authentication date, denomination, interest rate, and date of maturity, issued by Issuer pursuant to a resolution adopted by the Board of School Trustees of said school corporation on October 5, 2004 (the "Resolution"), and in strict accordance with the governing statutes of the State of Indiana, particularly Indiana Code 20-5-4, for the purpose of providing funds to be applied on the cost of remodeling of and improvements to the Carroll Elementary School building in said school corporation.

This bond is not redeemable prior to maturity.

This bond shall be initially issued in a Book Entry System (as defined in the Resolution). The provisions of this bond and of the Resolution are subject in all respects to the provisions of the Letter of Representations between the Issuer and the Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

This bond is transferable in accordance with the Book Entry System or, if no such system is in effect, by the Registered Owner hereof at the principal corporate trust office of the Registrar and Paying Agent, upon surrender and cancellation of this bond and on presentation of a duly executed written instrument of transfer and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. This bond may be exchanged upon surrender hereof at the principal corporate trust office of the Registrar and Paying Agent, duly endorsed by the Registered Owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request.

The Issuer and the Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof.

It is hereby certified and recited that all acts, conditions and things required by the laws and constitution of the State of Indiana to be done precedent to and in the issuance, sale and delivery of this bond have been properly done, happened and performed in regular and due form as provided by law, and that the bonds of this issue do not exceed any constitutional or statutory limitation of indebtedness. The full faith and credit of Issuer is hereby irrevocably pledged to the punctual payment of the principal of and interest on

this bond according to its terms and the Issuer will levy a tax and appropriate funds to pay such principal and interest.

This bond shall not be valid or become obligatory for any purpose until authenticated by the Registrar and Paying Agent.

The Issuer has designated this bond a qualified tax exempt obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986.

IN WITNESS WHEREOF, Issuer has caused this bond to be executed in its name by the manual or facsimile signature of the President of its Board of School Trustees attested by the manual or facsimile signature of the Secretary of said Board.

CARROLL CONSOLIDATED SCHOOL
CORPORATION

By: _____
President, Board of School Trustees

Attest:

Secretary, Board of School Trustees

AUTHENTICATION CERTIFICATE

This bond is one of the bonds referred to in the within mentioned Resolution.

_____,
Registrar and Paying Agent

By: _____
Authorized Representative

[END OF BOND FORM]

BE IT FURTHER RESOLVED that prior to the sale of said bonds at public sale, notice of such sale shall be published once each week for two (2) weeks in the Carroll County Comet, the first of said publications to be at least fifteen (15) days prior to the date fixed for the sale of said bonds and the last at least three (3) days prior, and one time in the Court and Commercial Record, a newspaper published in the City of Indianapolis, Indiana. At the time fixed for the opening of bids, the Board or its designated committee shall meet, all bids shall be opened in the presence of the Board or such committee, and the award shall be made by the Board.

The bond sale notice, when published, shall provide that each bid shall be in a sealed envelope marked "Bid for General Obligation Bonds of 2004," and shall be accompanied by a certified or cashier's check or a Financial Surety Bond in the amount of One Thousand Three Hundred Dollars (\$1,300), payable to Issuer, to insure the good faith of the bidder. In the event the successful bidder shall fail or refuse to accept delivery of the bonds when ready for delivery, said check and the proceeds thereof shall be retained by the School Corporation as its liquidated damages. Said notice shall also provide that bidders for said bonds shall name the purchase price for the bonds, not less than 99% of par and the rate or rates of interest which the bonds are to bear, not exceeding five percent (5%) per annum; that said interest rate or rates shall be in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%); that the interest rate named for any maturity shall be equal to or greater than the immediately preceding maturity; and that the highest bidder shall be the one who offers the lowest net interest cost to the Issuer, to be determined by computing the total interest on all of the bonds to their maturities and deducting therefrom the premium bid, if any, or adding the discount bid, if any. The bond sale notice shall state that the opinion of Ice Miller, bond counsel of Indianapolis, Indiana, approving the legality of said bonds, will be furnished to the purchaser at the expense of the School Corporation, so that the School Corporation will receive due credit therefor in the bidding. Said notice may contain such other terms and conditions as the attorney for the Issuer shall deem advisable.

Passed and Adopted this 5th day of October, 2004.

President, Board of School Trustees

ATTEST:

Secretary, Board of School Trustees

EXHIBIT C

ADDITIONAL APPROPRIATION NOTICE RESOLUTION

RESOLVED by the Board of School Trustees of the Issuer that the matter of appropriating the proceeds of the bonds authorized at this meeting be taken up for consideration as soon as notice of the hearing on said appropriation can be given as provided by law, and that the Secretary of the Board be and he hereby is directed to give notice of the public hearing to be held prior to the final action on such appropriation, which notice shall be published twice, one week apart, in the Carroll County Comet; also, that said notice shall be posted in three (3) public places in the School Corporation, and that such first publication and posting shall be made at least ten (10) days prior to the date set for such public hearing.

Passed and Adopted this 19th day of October, 2004.

President, Board of School Trustees

ATTEST:

Secretary, Board of School Trustees