

**RESOLUTION AUTHORIZING, AMONG OTHER THINGS,  
THE ISSUANCE AND SALE OF A TAX ANTICIPATION NOTE**

**WHEREAS**, LUMPKIN COUNTY SCHOOL DISTRICT (the “School District”) has been duly created and is validly existing as a public school system, and acts by and through the Lumpkin County Board of Education; and

**WHEREAS**, the Lumpkin County Board of Education (the “Governing Body”) has determined that it is in the best interest of the School District to borrow money to pay current expenses for calendar year 2021 in anticipation of the receipt of taxes levied or to be levied; and

**WHEREAS**, the School District is authorized by the Constitution and laws of the State of Georgia to borrow money to pay current expenses during any calendar year and to evidence such loan by issuing a tax anticipation note in anticipation of the receipt of taxes levied or to be levied for expenses payable in such calendar year; and

**WHEREAS**, the School District proposes to issue a tax anticipation bond to pay the current expenses of the School District in the amount of up to \$3,000,000 (the “Note”); and

**WHEREAS**, said Note shall be sold and delivered to Truist Bank (the “Lender”);

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the School District and it is hereby resolved by authority of the same, as follows:

Section 1. Findings. The Governing Body hereby finds and determines as follows: (a) at the time of issuance of the Note there are no other temporary loans or other contracts, notes, warrants or obligations for current expenses which have been issued by the School District; (b) the maximum principal amount of the Note herein authorized does not exceed 75% of the total gross income from taxes collected by the School District in calendar year 2020; (c) the Note herein authorized, does not exceed the total anticipated tax revenues of the School District for calendar year 2021; (d) at the time of issuance of the Note no temporary loan or other contract, note, warrant or other obligation for current expenses incurred in calendar year 2020 or any prior calendar year will remain unpaid; and (e) a need exists for the School District to borrow up to \$3,000,000 to pay current expenses of the School District in calendar year 2021 prior to the receipt of sufficient revenues from taxes levied or to be levied for 2021.

Section 2. Authorization of Note. There is hereby authorized to be issued the Note of the School District in the principal amount of up to \$3,000,000 which shall be designated “Lumpkin County School District Tax Anticipation Note, Series 2021.” The Note shall be dated as of the date of delivery thereof to the Lender; shall be payable as to principal and interest in lawful money of the United States of America; and shall mature on December 31, 2021. The Note shall be issued in the form of a single fully registered Note, registered in the name of the Lender.

The Note shall bear interest at the “Adjusted SOFR Rate” as defined in the form of Note attached hereto; provided, however, the interest rate on the Note shall never be less than 1.38%

per annum. The Note shall contain the further terms substantially as set forth in the form of Note incorporated herein.

The Note shall be executed by the Chairman, Vice Chairman or the Superintendent and the corporate seal of the School District shall be impressed or imprinted thereon.

Section 3. Approval of Form of Note. The Note as initially issued shall be issued in substantially the form attached hereto as Exhibit A with such changes, insertions or omissions as may be approved by the Chairman, Vice Chairman or the Superintendent, and the execution and delivery of the Note shall be conclusive evidence of such approval.

Section 4. Approval of Tax Documents. The Chairman, Vice Chairman or the Superintendent is hereby authorized to execute on behalf of the School District a Tax and Non-Arbitrage Certificate to assure the Lender that the interest on the Note will remain excludable from gross income for federal income tax purposes and that the proceeds of the Note will not be used in a manner which would result in the Note being an “arbitrage bond” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or the regulations of the United States Treasury currently in effect or proposed with respect thereto.

Section 5. General Authority. From and after the date of adoption of this resolution, the officers of the School District are hereby authorized to do such acts and things, and to execute and deliver such certificate or any agreements as may be necessary or desirable in connection with the issuance of the Note. All actions of the Governing Body, officers or agents of the School District taken in connection therewith prior to the date hereof are hereby ratified and confirmed.

Section 6. Effective Date. This resolution shall be in full force and effect immediately upon its adoption, and any and all resolutions or parts of resolutions in conflict with this resolution shall be, and they are, to the extent of such conflict, hereby repealed.

[Execution on Following Page]

ADOPTED AND APPROVED by the Governing Body of the School District on September 13, 2021.

**LUMPKIN COUNTY SCHOOL  
DISTRICT**

(SEAL)

By: \_\_\_\_\_  
Chairman of the Lumpkin County  
Board of Education

ATTEST:

\_\_\_\_\_  
Superintendent and Secretary of the  
Lumpkin County Board of Education

EXHIBIT "A"

September 21, 2021

\$3,000,000

UNITED STATES OF AMERICA  
STATE OF GEORGIA

LUMPKIN COUNTY BOARD OF EDUCATION (BORROWER)

LUMPKIN COUNTY SCHOOL DISTRICT  
TAX ANTICIPATION NOTE  
SERIES 2021

Lumpkin County School District (the "School District"), a public school system, duly created and existing under the Constitution and laws of the State of Georgia, acting by and through the Lumpkin County Board of Education, for value received, promises to pay on or before December 31, 2021, to Truist Bank (the "Lender"), or registered assigns, the principal sum of

THREE MILLION DOLLARS,

or the sum of advances hereunder (if less), and in like manner to pay interest on the outstanding principal balance hereof from time to time from the date hereof (the "Issuance Date") until this Note is paid in full, at the maturity hereof, at the Adjusted SOFR Rate (hereinafter defined), as applicable; provided, however, the interest rate on this Note shall never be less than 1.38% per annum; and, provided further, that when amounts hereunder shall be in default, this Note shall bear interest from the date of default until cured at a rate per annum equal to two percent (2%) above the rate otherwise borne hereby. The interest rate hereon shall adjust daily as Daily Simple SOFR adjusts and any change in the Adjusted SOFR Rate due to a change in Daily Simple SOFR shall be effective from and including the effective date of such change in SOFR without notice to the School District.

"Adjusted SOFR Rate" means the variable annual interest rate equal to 79% of the sum obtained by adding (i) Daily Simple SOFR and (ii) the Margin.

"Daily Simple SOFR" means, for any day (a "SOFR Rate Day"), an interest rate per annum equal to SOFR for the day that is five U.S. Government Securities Business Days prior to (i) such SOFR Rate Day if such SOFR Rate Day is a U.S. Government Securities Business Day, or (ii) the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a U.S. Government Securities Business Day. If by 5:00 pm (New York City time) on any U.S. Government Securities Business Day immediately following any SOFR Rate Day, SOFR in respect of such SOFR Rate Day has not been published on the SOFR Administrator's Website, subject to the provisions hereof, then SOFR for such SOFR Rate Day will be SOFR as published for the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website; so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to the SOFR Rate Day.

“Margin” means one percent (1.00%).

“SOFR” means the secured overnight financing rate as such rate appears on the SOFR Administrator’s Website.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday, or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

This Note is entered into on the basis that the interest hereon is not includable in the gross income of the Lender for federal income tax purposes. For purposes hereof, the following terms are defined as follows: (1) “Taxable Rate” means the rate of interest that must be applied to the principal of this Note so as to preserve the same after-tax economic yield with respect to the interest on the Note as the Lender would have had, had the interest on this Note been excludable from gross income for federal income tax purposes; (2) “Event of Taxability” means a determination by the Internal Revenue Service or any court of competent jurisdiction or a determination by bond counsel acceptable to the Lender, that the interest on this Note is includable in gross income for federal income purposes; (3) “Federal Tax Rate” means the maximum marginal federal income tax rate applicable to corporations. Upon the occurrence of an Event of Taxability the School District shall pay to the Lender a sum equal to (A) the increase in the interest on this Note when computed at the Taxable Rate, and (B) all interest, penalties and other similar charges payable by the Lender (or members of its affiliated group) to the Internal Revenue Service as a result of the Event of Taxability. The provisions of the preceding sentence shall survive the payment in full and satisfaction, cancellation and surrender of this Note.

The Lender shall make advances on this Note from time to time at the written request of the School District upon two business days prior written notice. Advances, if prepaid, may not be re-borrowed.

Payment of principal and interest on this Note shall be made in immediately available funds to the Lender at the office designated by Lender, or by bank wire or bank transfer as the payee hereof shall specify. Both principal of and interest on this Note are payable in lawful money of the United States of America.

This Note may be prepaid in whole or in part prior to maturity without penalty or premium.

Any transfer of this Note must be registered on the books of the School District in accordance with the provisions set forth below in this Note.

This Note is issued pursuant to and in full compliance with the Constitution and the laws of the State of Georgia, and pursuant to a resolution of the Lumpkin County Board of Education which authorizes the execution and delivery of this Note.

This Note is issued with the intent that the laws of the State of Georgia shall govern its construction.

This Note is issued in anticipation of the receipt of taxes levied or to be levied by the School District in calendar year 2021. It is hereby certified and recited that all acts, conditions and things required by the Constitution or statutes of the State of Georgia to exist, be done or happen precedent to or in the issuance of this Note exist, have been done and have happened as required, that the tax levies in anticipation of which this Note is issued are or will be valid and legal levies, that the School District will use a sufficient amount of the proceeds of such tax levies and other available funds for the payment of this Note and the interest hereon, and that the total indebtedness of the School District, including this Note, does not exceed the limitation prescribed by said Constitutional and statutory provisions.

[Execution on Following Page]

IN WITNESS WHEREOF, the School District has caused this Note to be executed in its name by its Chairman of the Lumpkin County Board of Education and its corporate seal to be impressed or imprinted hereon and attested by its Superintendent and Secretary, the day and year first above written.

**LUMPKIN COUNTY SCHOOL DISTRICT**

[SEAL]

By: \_\_\_\_\_  
Chairman, Lumpkin County Board of Education

ATTEST:

By: \_\_\_\_\_  
Superintendent and Secretary,  
Lumpkin County Board of Education