

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CHATHAM, NORTH CAROLINA, APPROVING A CONTRACT AND A DEED OF TRUST WITH RESPECT THERETO AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**

**WHEREAS**, the County of Chatham, North Carolina (the "*County*") is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State*");

**WHEREAS**, the County has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment financing contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (3) finance the construction of fixtures or improvements on real property by contracts that create in the fixtures or improvements and in the real property on which such fixtures or improvements are located a security interest to secure repayment of moneys advanced or made available for such construction;

**WHEREAS**, the Board of Commissioners of the County of Chatham, North Carolina (the "*Board of Commissioners*"), has previously determined that it was in the best interest of the County to (a) enter into an Installment Financing Contract (the "*Contract*") with a financial institution to be determined (the "*Bank*") in order to pay the capital costs of constructing and equipping a new County middle school (the "*Project*") and (b) to enter into a deed of trust and security agreement (the "*Deed of Trust*") related to the County's fee simple interest in the real property on which Project will be located;

**WHEREAS**, the Board conducted a public hearing with respect to the Project on March 2, 2009 to receive public comments on each, the proposed financings, the Contract and the Deed of Trust, and the County has filed an application with the LGC for approval of the LGC with respect to the County entering into the Contract;

**WHEREAS**, there has been presented to the Board the forms of the Contract and the Deed of Trust (collectively, the "*Instruments*"), copies of which are attached hereto, which the County proposes to approve, enter into and deliver, as applicable, to effectuate the proposed financings at an interest rate of 4.58% per annum and for a maximum principal amount of \$27,000,000, all as further specified in the Instruments;

**WHEREAS**, it appears that each of the Instruments is in appropriate form and is an appropriate instrument for the purposes intended;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CHATHAM, NORTH CAROLINA, AS FOLLOWS:**

**Section 1. Ratification of Prior Actions.** All actions of the County, the County Manager, the Finance Director of the County and the Clerk to the Board and their respective designees in effectuating the proposed financings are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

**Section 2. Approval, Authorization and Execution of Contract.** The County hereby approves the financing of the Project in accordance with the terms of the Contract, which will be a valid, legal and binding obligation of the County in accordance with its terms. The County hereby approves the amount advanced by the Bank to the County pursuant to the Contract in an aggregate principal amount not to exceed \$27,000,000, such amount to be repaid by the County to the Bank as provided in the Contract.

The County hereby approves the grant of the Security Interest pursuant to the Contract. The form, terms and content of the Contract are in all respects authorized, approved and confirmed, and the Chairman, the County Manager, the Finance Director of the County and the Clerk to the Board or their respective designees are authorized, empowered and directed to execute and deliver the Contract for and on behalf of the County, including necessary counterparts, in substantially the form attached hereto, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions, and that from and after the execution and delivery of the Contract, the Chairman, the County Manager, the Finance Director of the County and the Clerk to the Board or their respective designees are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Contract as executed.

*Section 3. Approval, Authorization of Deed of Trust.* The form, terms and content of the Deed of Trust are in all respects authorized, approved and confirmed, and the Chairman, the County Manager, the Finance Director of the County and the Clerk to the Board or their respective designees are authorized, empowered and directed to execute and deliver the Deed of Trust for and on behalf of the County, including necessary counterparts, in substantially the form attached hereto, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions, and that from and after the execution and delivery of the Deed of Trust, the Chairman, the County Manager, the Finance Director of the County and the Clerk to the Board or their respective designees are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Deed of Trust as executed.

*Section 4. Repealer.* All motions, orders, resolutions, ordinances and parts thereof in conflict herewith are hereby repealed.

*Section 5. Severability.* If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

*Section 6. Effective Date.* This Resolution is effective on the date of its adoption.

March 16, 2009