

**RESOLUTION PROVIDING FOR THE ISSUANCE, SALE
AND AWARD OF GENERAL OBLIGATION SCHOOL
BONDS, SERIES 2017, IN THE MAXIMUM AGGREGATE
PRINCIPAL AMOUNT OF \$35,000,000 OF ALBEMARLE
COUNTY, VIRGINIA, HERETOFORE AUTHORIZED, AND
PROVIDING FOR THE FORM, DETAILS AND PAYMENT
THEREOF**

WHEREAS, the issuance of \$35,000,000 general obligation school bonds of Albemarle County, Virginia (the "County"), was authorized by a resolution adopted by the Board of Supervisors of the County (the "Board") on July 6, 2016, and approved by the qualified voters of the County in an election held on November 8, 2016 (the "2016 Election"), to finance various capital improvements for school purposes (the "Projects"), none of which bonds have been issued and sold;

WHEREAS, the Board desires to issue up to \$35,000,000 of the bonds authorized by the 2016 Election to finance a portion of the costs of the Projects; and

WHEREAS, the County administration, in consultation with Davenport & Company LLC, the County's financial advisor (the "Financial Advisor"), has recommended to the Board that the County issue and sell a single series of general obligation school bonds in the maximum aggregate principal amount of \$35,000,000 to pay a portion of the costs of the Projects and the related costs of issuance;

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF ALBEMARLE COUNTY, VIRGINIA:

1. Issuance of Bonds. There shall be issued and sold, pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, general obligation school bonds of the County in the maximum aggregate principal amount of \$35,000,000 (the "Bonds") to provide funds to pay a portion of the costs of the Projects and the related costs of issuance.

2. Bond Details.

(a) The Bonds shall be designated "General Obligation School Bonds, Series 2017," shall be in registered form, shall be dated such date as may be determined by the County Executive (the "County Executive," which term as used herein shall also include any Interim or Acting County Executive or any Deputy County Executive), shall be in denominations of \$5,000 and integral multiples thereof and shall be numbered R-1 upward. Subject to Section 8, the issuance and sale of the Bonds are authorized on terms as shall be satisfactory to the County Executive; provided, however, that the Bonds shall (i) have a "true" or "Canadian" interest cost not to exceed 5.00% (taking into account any original issue discount or premium), (ii) be sold at a price not less than 98% of the original aggregate principal amount thereof (excluding any original issue discount), and (iii) mature or be subject to mandatory sinking fund redemption in annual installments ending no later than December 31, 2038.

(b) Principal of the Bonds shall be payable annually on dates determined by the County Executive. Each Bond shall bear interest from its date at such rate as shall be determined at the time of sale, calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on dates determined by the County Executive. Principal and premium, if any, shall be payable to the registered owners upon surrender of Bonds as they become due at the office of the Registrar (as hereinafter defined). Interest shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Registrar on a date prior to each interest payment date that shall be determined by the County Executive (the "Record Date"); provided, however, that at the request of the registered owner of the Bonds, payment may be made by wire transfer pursuant to the most recent wire instructions received by the Registrar from such registered owner. If any payment date with respect to the Bonds is not a Business Day (as hereinafter defined), such payment will be made on the next succeeding Business Day with the same effect as if made on the payment date and no additional interest shall accrue. "Business Day" shall mean a day on which banking business is transacted, but not including a Saturday, Sunday or legal holiday, or any other day on which banking institutions are authorized by law to close in the Commonwealth of Virginia. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

(c) Initially, one Bond certificate for each maturity of the Bonds shall be issued to and registered in the name of The Depository Trust Company ("DTC") or its nominee. The County has heretofore entered into a Letter of Representations relating to a book-entry system to be maintained by DTC with respect to the Bonds. "Securities Depository" shall mean DTC or any other securities depository for the Bonds appointed pursuant to Subsection 2(d).

(d) In the event that (i) the Securities Depository determines not to continue to act as the securities depository for the Bonds by giving notice to the Registrar, and the County discharges its responsibilities hereunder, or (ii) the County in its sole discretion determines (A) that beneficial owners of the Bonds shall be able to obtain certificated Bonds or (B) to select a new Securities Depository, then its Director of Finance (the "Director of Finance," which term as used herein shall also include any Interim or Acting Director of Finance) shall, at the direction of the County, attempt to locate another qualified securities depository to serve as Securities Depository and authenticate and deliver certificated Bonds to the new Securities Depository or its nominee, or authenticate and deliver certificated Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 5; provided, however, that such form shall provide for interest on the Bonds to be payable (X) from the date of the Bonds if they are authenticated prior to the first interest payment date or (Y) otherwise from the interest payment date that is or immediately precedes the date on which the Bonds are authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the date to which interest has been paid). In delivering certificated Bonds, the Director of Finance shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Bonds will then be registrable, transferable and exchangeable as set forth in Section 7.

(e) So long as there is a Securities Depository for the Bonds (i) it or its nominee shall be the registered owner of the Bonds, (ii) notwithstanding anything to the contrary in this Resolution, determinations of persons entitled to payment of principal, premium, if any, and

interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository, (iii) the Registrar and the County shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (iv) references in this Resolution to registered owners of the Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Bonds and (v) in the event of any inconsistency between the provisions of this Resolution and the provisions of the above-referenced Letter of Representations such provisions of the Letter of Representations, except to the extent set forth in this paragraph and Subsection 2(d), shall control.

3. Redemption Provisions.

(a) The Bonds may be subject to redemption prior to maturity at the option of the County on or after the dates, if any, determined by the County Executive, in whole or in part (in integral multiples of \$5,000) at any time, at a redemption price equal to the principal amount of the Bonds, together with any interest accrued to the date fixed for redemption, plus a redemption premium not to exceed 2.00% of the principal amount of the Bonds, such redemption premium to be determined by the County Executive.

(b) Any Bonds sold as term bonds may be subject to mandatory sinking fund redemption upon terms determined by the County Executive.

(c) If less than all of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the Director of Finance in such manner as such officer may determine to be in the best interests of the County. If less than all the Bonds of a particular maturity are called for redemption, the Bonds within such maturity to be redeemed shall be selected by the Securities Depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (i) the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (ii) in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by \$5,000. The County shall cause notice of the call for redemption identifying the Bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner of the Bonds. The County shall not be responsible for giving notice of redemption to anyone other than DTC or another qualified securities depository then serving or its nominee unless no qualified securities depository is the registered owner(s) of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption shall be mailed to the registered owners of the Bonds. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

(d) In the case of an optional redemption, the notice may state that (i) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, no later than the date fixed for redemption or (ii) the County retains the right to rescind such notice on or prior to the date fixed for redemption (in either case, a "Conditional

Redemption”), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any Conditional Redemption may be rescinded at any time. The County shall give prompt notice of such rescission to the affected bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a Conditional Redemption, the failure of the County to make funds available on or before the date fixed for redemption shall not constitute an event of default, and the County shall give immediate notice to all organizations registered with the Securities and Exchange Commission (the “SEC”) as securities depositories or the affected bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

4. Execution and Authentication. The Bonds shall be signed by the manual or facsimile signature of the Chair or Vice-Chair of the Board, and the Board’s seal shall be affixed thereto and shall be attested by the manual or facsimile signature of the Clerk or Deputy Clerk of the Board; provided, however, that if both of such signatures are facsimiles, no Bond shall be valid until it has been authenticated by the manual signature of the Registrar or, if a bank has been appointed registrar pursuant to Section 7, an authorized officer or employee of such bank and the date of authentication noted thereon.

5. Bond Form. The Bonds shall be in substantially the form of Exhibit A attached hereto, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing the Bonds, whose approval shall be evidenced conclusively by the execution and delivery of the Bonds.

6. Pledge of Full Faith and Credit. The full faith and credit of the County are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the Board shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the County sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

7. Registration, Transfer and Owners of Bonds.

(a) U.S. Bank National Association, Richmond, Virginia, is hereby appointed as paying agent and registrar for the Bonds (the “Registrar”). The County may at any time replace the Registrar with another qualified bank or trust company. The Registrar shall maintain registration books for the registration and registration of transfers of the Bonds. Upon presentation and surrender of any Bonds to the Registrar, or its corporate trust office if the Registrar is a bank or trust company, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the County shall execute, and the Registrar shall authenticate, if required by Section 4, and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in name(s) as requested by the then registered owner or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the County, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

(b) The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the Record Date.

8. Sale of Bonds. The Board approves the following terms of the sale of the Bonds:

(a) The Bonds shall be sold through a competitive sale or a negotiated sale, as the County Executive, in collaboration with the Financial Advisor, determines to be in the best interests of the County.

(b) If the County Executive determines that the Bonds shall be sold by competitive sale, the County Executive is authorized to receive bids for such Bonds and award such Bonds to the bidder providing the lowest “true” or “Canadian” interest cost, subject to the limitations set forth in Sections 1 and 2. Following a competitive sale, the County Executive shall file a certificate with the Clerk of the Board setting forth the final terms of the Bonds. The actions of the County Executive in selling the Bonds by competitive sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Board.

(c) If the Bonds are sold by competitive bid, the County Executive, in collaboration with the Financial Advisor, is authorized and directed to take all proper steps to advertise the Bonds for sale substantially in accordance with the form of the Notice of Sale, which is hereby approved; provided that the County Executive, in collaboration with the Financial Advisor, may make such changes in the Notice of Sale not inconsistent with this Resolution as he may consider to be in the best interests of the County.

(d) If the County Executive determines that the Bonds shall be sold by negotiated sale, the County Executive is authorized, in collaboration with the Financial Advisor, to choose one or more investment banks or firms to serve as underwriter(s) for the Bonds and to execute and deliver to the underwriter(s) a bond purchase agreement (the “Bond Purchase Agreement”) in a form to be approved by the County Executive in consultation with the County Attorney and the County’s bond counsel. The execution of the Bond Purchase Agreement by the County Executive shall constitute conclusive evidence of his approval thereof. Following a negotiated sale, the County Executive shall file a copy of the Bond Purchase Agreement with the records of the Board. The actions of the County Executive in selling the Bonds by negotiated sale to the underwriter(s) shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Board.

9. Official Statement. The draft of a Preliminary Official Statement describing the Bonds, copies of which have been circulated to the Board prior to this meeting, is hereby approved as the form of the Preliminary Official Statement by which the Bonds will be offered for sale, with such completions, omissions, insertions and changes not inconsistent with this Resolution as the County Executive, in collaboration with the Financial Advisor, may consider to be in the best interests of the County. After the Bonds have been sold, the County Executive, in collaboration with the Financial Advisor, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable

to complete it as a final official statement. The County Executive is hereby authorized and directed to execute an Official Statement in final form (the "Official Statement") and deliver it to the purchasers of the Bonds. The County shall arrange for the delivery to the purchaser of the Bonds of a reasonable number of printed copies of the final Official Statement, within seven business days after the Bonds have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom the purchaser initially sells Bonds.

10. Official Statement Deemed Final. The County Executive is authorized, on behalf of the County, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the "Rule") of the SEC, except for the omission in the Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of the Preliminary Official Statement and the execution and delivery of the Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the County, except for the omission in the Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

11. Preparation and Delivery of Bonds. After the Bonds have been awarded, the Chair or Vice-Chair and the Clerk or Deputy Clerk of the Board are authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to the purchaser thereof upon payment therefor.

12. Arbitrage Covenants. The County covenants that it shall not take or omit to take any action the taking or omission of which will cause any of the Bonds to be "arbitrage bonds" (within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the "Code")), or otherwise cause interest on any of the Bonds to be includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bonds, unless the County receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. The County shall pay any such required rebate from its legally available funds.

13. Non-Arbitrage Certificate and Elections. Such officers of the County as may be requested by the County's bond counsel are authorized and directed to execute an appropriate certificate setting forth (a) the expected uses and investment of the proceeds of the Bonds in order to show that such expected uses and investment will not violate the provisions of Section 148 of the Code and (b) any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate shall be prepared in consultation with the County's bond counsel, and such elections shall be made after consultation with bond counsel.

14. Limitation on Private Use. The County covenants that it shall not permit the proceeds of the Bonds or the facilities financed therewith to be used in any manner that would result in (a) 5% or more of such proceeds or facilities being used in a trade or business carried on

by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or facilities being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the County receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the County need not comply with such covenants.

15. Continuing Disclosure Agreement. The Chair or Vice-Chair of the Board or the County Executive, any of whom may act, are hereby authorized and directed to execute a continuing disclosure agreement setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary to assist the purchaser of the Bonds in complying with the provisions of the Rule promulgated by the SEC. Such continuing disclosure agreement shall be substantially in the form attached as Appendix C to the draft Preliminary Official Statement circulated to the Board prior to this meeting, with such completions, omissions, insertions and changes that are not inconsistent with this Resolution. The execution thereof by such officers shall constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

16. SNAP Investment Authorization. The Board has previously received and reviewed the Information Statement, describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"), and the Board hereby authorizes the Director of Finance in her discretion to utilize SNAP in connection with the investment of the proceeds of the Bonds. The Board acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the County in connection with SNAP, except as otherwise provided in the Contract.

17. Other Actions. All other actions of officers of the County and the Board in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds are hereby approved and confirmed. The officers of the County are hereby authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds.

18. Repeal of Conflicting Resolutions. All resolutions or parts of resolutions in conflict herewith are repealed.

19. Effective Date. This Resolution shall take effect immediately.

EXHIBIT A

[FORM OF BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED

REGISTERED

No. R-____

\$_____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

ALBEMARLE COUNTY

**General Obligation School Bond
Series 2017**

INTEREST RATE

MATURITY DATE

DATED DATE

CUSIP

_____%

_____, ____

_____, 2017

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

DOLLARS

Albemarle County, Virginia (the “County”), for value received, promises to pay, upon surrender hereof to the registered owner hereof, or its registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay interest hereon from its date semiannually on each _____ and _____, beginning _____, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Principal, premium, if any, and interest are payable in lawful money of the United States of America by U.S. Bank National Association, Richmond, Virginia, which has been appointed paying agent and registrar for the bonds (the “Registrar”). If any payment date with respect to the Bonds is not a Business Day (as hereinafter defined), such payment will be made on the next succeeding Business Day with the same effect as if made on the payment date and no additional interest shall accrue. “Business Day” shall mean a day on which banking business is transacted, but not including a Saturday, Sunday or legal holiday, or any other day on which banking institutions are authorized by law to close in the Commonwealth of Virginia.

Notwithstanding any other provision hereof, this bond is subject to a book-entry system maintained by The Depository Trust Company ("DTC"), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the County's Blanket Letter of Representations to DTC.

This bond is one of an issue of \$_____ General Obligation School Bonds, Series 2017, of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The bonds were authorized by a resolution adopted by the Board of Supervisors of the County on July 6, 2016, and were approved by the qualified voters of the County in an election held on November 8, 2016. The bonds are issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, and a resolution adopted by the Board of Supervisors of the County on [February 1, 2017] (the "Resolution"), to provide funds to finance various capital improvements for school purposes and to pay the related costs of issuance.

The full faith and credit of the County are irrevocably pledged for the payment of principal of and premium, if any, and interest on the bonds. Unless other funds are lawfully available and appropriated for timely payment of the bonds, the Board of Supervisors of the County shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the County sufficient to pay when due the principal of and premium, if any, and interest on the bonds.

Optional Redemption Provisions. Bonds maturing on or before _____, 20__, are not subject to redemption prior to maturity. Bonds maturing on or after _____, 20__, are subject to redemption prior to maturity at the option of the County on or after _____, 20__, in whole or in part (in integral multiples of \$5,000) at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of bonds to be redeemed) plus interest accrued and unpaid to the date fixed for redemption:

<u>Period During Which Redeemed</u> <u>Both Dates Inclusive</u>	<u>Redemption</u> <u>Price</u>
_____, 20__, to _____, 20__	____%
_____, 20__, to _____, 20__	____
_____, 20__, and thereafter	____

[Mandatory Sinking Fund Redemption Provisions. Bonds maturing on [_____, 20__], are required to be redeemed in part before maturity by the County on [_____] in the years and amounts set forth below, at a redemption price equal to the principal amount of the bonds to be redeemed, plus interest accrued and unpaid to the date fixed for redemption:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
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Selection of Bonds to be Redeemed. If less than all of the bonds are called for redemption, the maturities of the bonds to be redeemed shall be selected by the Director of Finance of the

County (such term shall include any Interim or Acting Director of Finance) in such manner as such officer may determine to be in the best interests of the County. If less than all of the bonds of a particular maturity are called for redemption, the bonds within such maturity to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (b) in selecting bonds for redemption, each bond shall be considered as representing that number of bonds that is obtained by dividing the principal amount of such bond by \$5,000. The County shall cause notice of the call for redemption identifying the bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the date fixed for redemption, to DTC or its nominee as the registered owner of the bonds. If a portion of this bond is called for redemption, a new bond in the principal amount of the unredeemed portion hereof shall be issued to the registered owner upon surrender hereof.

Conditional Notice. Subject to the provisions of the Resolution, the County may give a notice of redemption prior to a deposit of redemption moneys if such notice states that the redemption is to be funded with the proceeds of a refunding bond issue and is conditioned on the deposit of such proceeds. Provided that moneys are deposited on or before the date fixed for redemption, such notice shall be effective when given. If such proceeds are not available on the date fixed for redemption, such bonds will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption. On presentation and surrender of the bonds called for redemption at the place or places of payment, such bonds shall be paid and redeemed.

The Registrar shall treat the registered owner of this bond as the person exclusively entitled to payment of principal of and premium, if any, and interest on this bond and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the [15th] day of the month preceding each interest payment date.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed, and the issue of bonds of which this bond is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, Albemarle County, Virginia, has caused this bond to be to be signed by the Chair or Vice-Chair of the Board of Supervisors of the County, its seal to be affixed hereto and attested by the Clerk or Deputy Clerk of the Board of Supervisors of the County, and this bond to be dated the date first above written.

(SEAL)

Chair, Board of Supervisors of Albemarle County,
Virginia

(ATTEST)

Clerk, Board of Supervisors of
Albemarle County, Virginia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sell(s), assign(s) and transfer(s) unto

(Please print or type name and address, including postal zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFeree:

: :
: :
: :

the within bond and all rights thereunder, hereby irrevocably constituting and appointing

_____,
Attorney, to transfer said bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union
or Savings Association who is a member
of a medallion program approved by The
Securities Transfer Association, Inc.

(Signature of Registered Owner)

NOTICE: The signature above must
correspond with the name of the
registered owner as it appears on the
front of this bond in every particular,
without alteration or enlargement or any
change whatsoever.