

RESOLUTION NO. 05-11

A RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF \$131,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2005A (RENEWAL), OF WOODSON COUNTY, KANSAS, FOR THE PURPOSE OF RENEWING THE COUNTY'S OUTSTANDING GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2001.

WHEREAS, pursuant to K.S.A. 19-15,114 to 19-15,118, inclusive, as amended, and all other provisions of the laws of the State of Kansas (the "State"), by proceedings including Resolution No. 01-07, and other actions legally taken, Woodson County, Kansas (the "County"), is proceeding with constructing an ambulance facility (the "Improvements") at an estimated cost of not less than \$200,000; and

WHEREAS, the cost of the Improvements is to be paid in whole or in part by the issuance of general obligation bonds of the County in the manner provided by law; and

WHEREAS, pursuant to action taken in connection with the Improvements, the County has previously issued its General Obligation Temporary Notes, Series 2001, in the original aggregate principal amount of \$200,000, dated November 1, 2001, which mature on November 1, 2005 (the "Existing Notes"); and

WHEREAS, permanent financing of the Improvements has been prevented, hindered and delayed, and cannot be completed prior to maturity of the Existing Notes and it is necessary for the County to provide cash funds to meet its obligations incurred in constructing the Improvements prior to the issuance of the County's general obligation bonds; and

WHEREAS, it is desirable and in the interest of the County that such funds be raised by the issuance of renewal temporary improvement notes of the County, pursuant to the provisions of K.S.A. 10-123;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF WOODSON COUNTY, KANSAS, AS FOLLOWS:

**ARTICLE I
DEFINITIONS**

Section 101. Definitions of Words and Terms.

"Act" means the Constitution and statutes of the State including, but not limited to, K.S.A. 10-123 and K.S.A. 19-15,114 to 19-15,118, inclusive, as amended and supplemented.

"Authorized Costs" means the amount of expenditures for an improvement which has been authorized to be paid by the County by a resolution of the County including expenditures made to redeem outstanding notes issued to pay for such improvement and Costs of Issuance of the Notes, less (1) the amount of any notes or bonds of the County which are currently

outstanding and available to pay such Authorized Costs and (2) any Authorized Costs which have been previously paid by the County or by any eligible source of funds unless such amounts are entitled to be reimbursed under State and federal law.

“**Authorized Investments**” means those investments permitted by K.S.A. 10-131, as amended from time to time, or as otherwise permitted under the laws of the State.

“**Bond and Interest Fund**” means the Bond and Interest Fund of the County for its general obligation bonds.

“**Bond Counsel**” means the firm of Kutak Rock LLP, or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the County.

“**Chairman**” means the appointed and acting Chairman or, in the Chairman’s absence, the appointed and/or elected Deputy or Acting Chairman of the County.

“**County**” means Woodson County, Kansas.

“**County Clerk**” means the appointed County Clerk or, in the County Clerk’s absence, the appointed acting County Clerk of the County.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations proposed or promulgated under the Code of the United States Department of the Treasury.

“**Costs of Issuance**” means all costs of issuing the Notes, including, but not limited to, all publication, preparation, signing and mailing expenses, registration fees, all legal fees and expenses of Bond Counsel and other legal counsel, and all fees and expenses of the Kansas State Treasurer in registering the Notes and fees of the Attorney General of the State.

“**County**” means Woodson County, Kansas, a municipal corporation organized and existing under the laws of the State of Kansas, and its successors and assigns.

“**County Clerk**” means the appointed and acting County Clerk or, in the County Clerk’s absence, the appointed and/or elected Deputy or Acting County Clerk of the County.

“**Existing Notes**” means the General Obligation Temporary Notes, Series 2001, in the aggregate principal amount of \$200,000, dated November 1, 2001.

“**Improvement Fund**” means the Improvement Fund for Woodson County, Kansas, General Obligation Temporary Notes, Series 2005A (Renewal), created by this Resolution.

“**Improvements**” means the improvements referred to in the preamble to this Resolution.

“**Interest Payment Dates**” means November 1 of each year, commencing November 1, 2006, and ending on the maturity date of the Notes, or such other time as the Notes are paid or provision for the payment is made.

“Note Registrar” means the Treasurer of the County, and its successors and assigns.

“Notes” means the General Obligation Temporary Notes, Series 2005A (Renewal), authorized by the Resolution in the aggregate principal amount of \$131,000, and dated November 1, 2005.

“Original Purchaser” means Woodson County, Kansas.

“Outstanding” means all Notes issued, authenticated and delivered prior to a particular date under the provisions of this Resolution, except:

A. Notes canceled by the Paying Agent or delivered to the Paying Agent for cancellation pursuant to this Resolution;

B. Notes for the payment or redemption of which monies or investments have been deposited in accordance with this Resolution; and

C. Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Resolution.

“Owner” when used with respect to any Note means the person in whose name the Note is registered on the registration books of the County as maintained by the Note Registrar.

“Paying Agent” means the Treasurer of the County, and any successors and assigns.

“Principal and Interest Account” means the Principal and Interest Account for Woodson County, Kansas, General Obligation Temporary Notes, Series 2005A (Renewal), created within the County’s Bond and Interest Fund.

“Principal Payment Date” means November 1 of each year, or until such time as the aggregate principal amount of the Notes has been paid or provision is made for payment.

“Purchase Price” means the par value of the Notes plus accrued interest to the date of delivery.

“Record Dates” means the fifteenth day of each month preceding the Interest Payment Dates of each year the Notes are Outstanding.

“Replacement Notes” shall means Notes issued to the beneficial owners of the Notes in accordance with Section 204 of this Resolution.

“Resolution” means this Resolution authorizing the issuance of the Notes.

“State” means the State of Kansas.

**ARTICLE II
AUTHORIZATION OF THE NOTES**

Section 201. Authorization of and Security for the Notes. The Notes are authorized and directed to be issued pursuant to the Resolution for the purpose of providing funds to pay the Authorized Costs of the Improvements.

The Notes shall be general obligations of the County payable as to both principal and interest from general obligation bonds of the County and from current revenues of the County authorized for such purpose. If not paid, the principal of and interest on the Notes shall be payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the County. The full faith, credit and resources of the County are irrevocably pledged for the prompt payment of the principal of and interest on the Notes as the same become due.

Section 202. Description of the Notes. The Notes shall consist of fully registered notes in the denomination of \$1,000 or any integral multiple thereof, and shall be numbered in such manner as the Note Registrar determines. All of the Notes will be dated November 1, 2005, bear interest from that date at the rate set forth below and shall become due on the Principal Payment Dates as follows:

Principal Payment Date	Principal Amount	Interest Rate
November 1, 2006	\$18,000	4.00%
November 1, 2007	18,000	4.00
November 1, 2008	18,000	4.00
November 1, 2009	77,000	4.00

Interest on the Notes at the rates stated above (computed on the basis of a 360-day year of twelve 30-day months) from the most recent Interest Payment Date to which interest has been paid or provided for, shall be payable on the Interest Payment Dates to the Owners of the Notes whose names appear on the books maintained by the Note Registrar at the close of business on the Record Dates.

Section 203. Designation of Paying Agent and Note Registrar. The Treasurer of the County is designated as the Paying Agent and Note Registrar for the Notes.

Section 204. Method and Place of Payment of the Notes. The principal of, premium, if any, and interest on the Notes shall be payable in any coin or currency which, on the respective dates of payment, is legal tender for the payment of debts due the United States of America.

The principal of the Notes shall be paid to the Owner of each Note upon presentation of the Note at the maturity or redemption date to the Paying Agent for cancellation. The interest payable on the Notes on any Interest Payment Date shall be paid by the Paying Agent to the

Owner of each Note at the Owner's address as it appears on the registration books of the County maintained by the Note Registrar at the close of business on the Record Date for such interest:

- A. by check or draft mailed by the Paying Agent to the address of such Owner shown on the Note Register; or
- B. at such other address as is furnished to the Paying Agent in writing by such Owner.

The Paying Agent will keep in its offices a record of payment of principal of, premium, if any, and interest on all Notes.

Section 205. Method of Execution and Authentication of the Notes. The Notes shall be executed for and on behalf of the County by the manual or facsimile signature of the Chairman, attested by the manual or facsimile signature of the County Clerk and the seal of the County shall be affixed to or imprinted on the Notes. The Notes will be registered in the office of the County Clerk, evidenced by the manual or facsimile signature of the County Clerk with the seal of the County affixed to or imprinted on the Notes. The Notes shall also be registered in the office of the State Treasurer, evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed to or imprinted on the Notes. The Notes will be countersigned by the manual or facsimile signature of the County Clerk and the seal of the County is to be affixed or imprinted adjacent to the signature following registration of the Notes by the State Treasurer. In the event any of the above-mentioned officers cease to hold their offices before the Notes are issued and delivered, the Notes may be issued and transferred to other Owners as though the officers had not ceased to hold office, and the signatures appearing on the Notes will be valid and sufficient for all purposes as if they had remained in office until the issuance or transfer.

The Notes are not to be valid obligations under the provisions of the Resolution until authenticated by the Note Registrar or a duly authorized representative of the Note Registrar by execution of the Certificate of Authentication appearing on each Note. It will not be necessary that the same representative of the Note Registrar execute the certificate of authentication on all of the Notes.

Section 206. Registration, Transfer and Exchange of Notes. As long as the Notes remain Outstanding, the County will instruct the Note Registrar to keep the books for the registration and transfer of the Notes as provided in the Resolution.

Upon presentation of the necessary documents as described below, the Note Registrar shall transfer or exchange any Note(s) for new Note(s) in an authorized denomination of the same maturity and for the same aggregate principal amount as the Note(s) which was presented for transfer or exchange.

All Notes presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Note Registrar, executed by the Owner of the Notes or by the Owner's authorized agent. In addition, all Notes presented for transfer or exchange shall be surrendered to the Note Registrar for cancellation.

Prior to delivery of the new Note(s) to the transferee, the Note Registrar shall register the same in the registration books and shall authenticate each Note.

The County shall pay out of the proceeds of the Notes the fees of the Note Registrar for registration and transfer of the Notes and the cost of preparing a reasonable supply of registered note blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Note Registrar, are the responsibility of the Owners.

The County and the Note Registrar shall not be required to issue, register, transfer or exchange any Notes during a period beginning on the day following the Record Date preceding any Interest Payment Date and ending at the close of business on the Interest Payment Date, or within 30 days of a date on which Notes are redeemed after notice of such redemption has been given in accordance with Article III of this Resolution.

New Notes delivered upon any transfer or exchange shall be valid obligations of the County, evidencing the same debt as the Notes surrendered, shall be secured by the Resolution and shall be entitled to all of the security and benefits to the same extent as the Notes surrendered.

The County, Note Registrar and Paying Agent may deem and treat the person in whose name any Note is registered as the absolute Owner of the Note, whether the Note is overdue or not, for the purpose of receiving payment of, or on account of, the principal of, redemption premium, if any, and interest on the Note and for all other purposes, and all such payment so made to any such Owner or upon the Owner's order shall be valid and effectual to the extent of the sum or sums so paid, and neither the County, Note Registrar and Paying Agent shall be affected by any notice to the contrary.

Section 207. Surrender and Cancellation of Notes. Whenever any Outstanding Notes are delivered to the Note Registrar for cancellation pursuant to the Resolution, upon payment of the principal amount of and interest on the Note or replacement pursuant to the Resolution, the Note shall be canceled by the Note Registrar and returned to the County Clerk.

Section 208. Mutilated, Lost, Stolen or Destroyed Notes. In the event any Note is mutilated, lost, stolen or destroyed, the County may execute and the Note Registrar may authenticate a new Note of like date, maturity, denomination and interest rate; provided, that in the case of any mutilated Note, the mutilated Note shall first be surrendered to the County or the Note Registrar, and, in the case of any lost, stolen or destroyed Note there will first be furnished to the Note Registrar's and the County's satisfaction evidence of such loss, theft or destruction together with an indemnity. In the event any such Note shall have matured, instead of issuing a duplicate Note, the County and Note Registrar may pay the same without surrender of the Note. The County and Note Registrar may charge to the Owner of such Note their reasonable fees and expenses in connection with replacing any Note or Notes mutilated, stolen, lost or destroyed.

Section 209. Execution and Delivery of the Notes. The Chairman and County Clerk are authorized and directed to prepare and execute the Notes in the manner specified above, and to cause the Notes to be registered in the offices of the County Clerk and the State Treasurer as

provided by law, and, when executed and registered, to deliver the Notes to the Original Purchaser, upon receipt by the County of the Purchase Price.

Section 210. Form of the Notes. The Notes shall be printed in accordance with the format required by the Attorney General of the State and shall contain information substantially in the form set forth on Exhibit A to this Resolution or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 to 10-632, inclusive.

ARTICLE III REDEMPTION OF THE NOTES

Section 301. Optional Redemption. At the option of the County, Notes may be called for redemption and payment prior to maturity in whole or in part (selection of Notes to be designated by the County in such equitable manner as it may determine) at any time prior to maturity at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Section 302. Selection of Notes to be Redeemed. The Notes are to be redeemed only in the principal amount of \$1,000 or any integral multiple thereof. When less than all of the Notes are to be redeemed and paid prior to maturity, the Notes will be redeemed in the manner as the County determines.

In the case of a partial redemption of Notes by lot when Notes of denominations greater than \$1,000 are Outstanding, each \$1,000 of face value will be treated as if it were a separate Note of the denomination of \$1,000. If it is determined that one or more, but not all, of the \$1,000 units of face value represented by any Note is selected for redemption, then upon notice of intention to redeem the \$1,000 unit or units, the Owner or the Owner's authorized agent shall present and surrender the Note to the Note Registrar: (i) for payment of the redemption price (including the redemption, if any, and interest to the date fixed for redemption) of the \$1,000 unit or units of face value called for redemption; and (ii) for exchange, without charge to the Owner of the Note(s), for a new Note(s) of the aggregate principal amount of the unredeemed portion of the principal amount of such Note. If the Owner of any Note of a denomination greater than \$1,000 fails to present the Note as described above, the Note will, nevertheless, become due and payable on the redemption date to the extent of the amount called for redemption.

Section 303. Notice of Redemption. Unless waived by any Owner of Notes to be redeemed, if the County calls any Notes for redemption and payment prior to the maturity of the Notes, the County shall give written notice of its intention to call and pay the Notes on a specified date, the same being described by maturity, the notice to be mailed by United States first class mail addressed to the Owners of the Notes and to the State Treasurer, each of the notices to be mailed not less than 30 days prior to the date fixed for redemption. The County will also give any additional notice as may be required by State law in effect as of the date of the notice.

All official notices of redemption will be dated and state (1) the redemption date, (2) the redemption price, (3) if less than all of the Outstanding Notes are being redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Notes being redeemed, (4) on the redemption date the redemption price will become due and payable on each Note or portion of the Note called for redemption, and interest on the Note shall cease to accrue from and after the date, and (5) the place where the Notes are to be surrendered for payment of the redemption price, which is the principal office of the Paying Agent.

Prior to any redemption date, the County will deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Notes or portions of Notes which are to be redeemed on that date. In accordance with the notice, once the Notes are surrendered to the Paying Agent, the redemption price will be paid to the Owner. Installments of any interest due on or prior to the redemption date shall be payable as provided in this Resolution. Upon surrender of the partial redemption of any Note, a new Note or Notes of the same maturity in the amount of the unpaid principal will be prepared for the Owner. All Notes which have been redeemed will not be reissued. They will be cancelled and destroyed by the Paying Agent.

Section 304. Effect of Call for Redemption. Whenever any Note is called for redemption and payment as provided in this Article, all interest on the Note shall cease from and after the date the call is made, provided funds are available for its payment at the price previously specified.

ARTICLE IV ESTABLISHMENT OF FUNDS AND ACCOUNTS

Section 401. Creation of Funds and Accounts. Simultaneously with the issuance of the Notes, the following funds and accounts will be created within the Treasury of the County:

- A. Improvement Fund for Woodson County, Kansas, General Obligation Temporary Notes, Series 2005A (Renewal); and
- B. Principal and Interest Account for Woodson County, Kansas, General Obligation Temporary Notes, Series 2005A (Renewal).

Section 402. Administration of Funds and Accounts. The funds and accounts established in this Resolution shall be administered in accordance with the provisions of the Resolution as long as the Notes are outstanding.

ARTICLE V APPLICATION OF NOTE PROCEEDS

Section 501. Disposition of Note Proceeds. Upon issuance and delivery of the Notes, the proceeds shall be deposited as follows:

- A. In the Principal and Interest Account, a sum equal to the accrued interest and any premium paid on the Notes. Moneys in the Principal and Interest Account will be used exclusively for the payment of the principal of, premium, if any, and interest on the Notes.

B. The County will deposit the balance of the proceeds of the Notes immediately upon receipt into the Improvement Fund, which will be used solely for the purpose of paying the Authorized Costs of the Improvements, including paying the cost of refunding the Existing Notes. The County covenants that in the construction of the Improvements, it will perform all duties and obligations relative to such Improvements as are now or may be imposed by the Act and the provisions of the Resolution.

Section 502. Surplus in the Improvement Fund. All moneys remaining in the Improvement Fund after the completion of the Improvements and payment of the Existing Notes shall be transferred immediately to the Principal and Interest Account and applied to the principal due on the Notes.

ARTICLE VI PAYMENT OF THE NOTES

Section 601. Application of Moneys in the Principal and Interest Account. All amounts paid and credited to the Principal and Interest Account will be expended and used by the County for the sole purpose of paying the principal of, premium, if any, and interest on the Notes as and when the same become due.

Section 602. Transfer of Funds to Paying Agent. The County Treasurer is authorized and directed to withdraw from the Principal and Interest Account and forward to the Paying Agent sums sufficient to pay both principal of and premium, if any, and interest on the Notes when they become due, and also to pay the charges made by the Paying Agent for acting in such capacity. Charges over and above the amount of the principal of, premium, if any, and interest on the Notes shall be forwarded to the Paying Agent. If, through the lapse of time, or otherwise, the Owners of Notes are no longer entitled to enforce payment of their obligations, it will be the duty of the Paying Agent to return the funds to the County. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Resolution.

Section 603. Surplus in Principal and Interest Account. Any moneys or investments remaining in the Principal and Interest Account after the retirement of the indebtedness for which the Notes were issued and all other indebtedness of the County shall be transferred and paid into the Bond and Interest Fund of the County.

ARTICLE VII DEPOSITS AND INVESTMENT OF FUNDS

Section 701. Deposits. Cash moneys in each of the funds and accounts created and established by this Resolution will be deposited in a bank or banks or federal or state chartered savings and loan association(s) and shall be secured in accordance with State law.

Section 702. Investments. Moneys held in the funds and accounts created or established by this Resolution in conjunction with the issuance of the Notes may be invested by the County in Authorized Investments, or in other investments allowed by State law in the amounts and maturing at the times as shall reasonably provide for moneys to be available when required in the accounts or funds; provided, however, that no investment shall be made for a

period extending longer than to the date when the moneys invested may be needed for the purpose the fund or account was created. All interest on any Authorized Investment held in any fund or account shall accrue to and become a part of the fund or account. In determining the amount held in any fund or account under the provisions of the Resolution, Authorized Investments shall be valued at their principal par value or at their then redemption value, whichever is lower.

ARTICLE VIII DEFAULT AND REMEDIES

Section 801. Remedies. The provisions of the Resolution, including the covenants and agreements, shall constitute a contract between the County and the Owners of the Notes. The Owner or Owners of any of the Notes at the time Outstanding have the right for the equal benefit and protection of all Owners of Notes similarly situated:

A. by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the County and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Resolution or by the Constitution and laws of the State;

B. by suit, action or other proceedings in equity or at law to require the County, its officers, agents and employees to account as if they were the trustees of an express trust; and

C. by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Notes.

Section 802. Limitation on Rights of Owners. The covenants and agreements of the County contained in this Resolution and in the Notes shall be for the equal benefit, protection, and security of the Owners of any or all of the Notes, all of the Notes shall be of equal rank and without preference or priority of one Note over any other Note in the application of the funds pledged by this Resolution to the payment of the principal of and interest on the Notes, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in the Resolution. No one or more Owners secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for in this Resolution, or to enforce any right described below, except in the manner provided by this Resolution, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Notes.

Section 803. Remedies Cumulative. No remedy conferred upon the Owners is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred in this Resolution. No waiver of any default or breach of duty or contract by the Owner of any Note shall extend to or affect any subsequent default or breach of duty or contract or impair any rights or remedies on the Note. No delay or omission of any Note Owner to exercise any right or power accruing upon any default shall impair any right or power or be construed to be a waiver of any such default or acquiescence. Every substantive right and every

remedy conferred upon the Owners of the Notes by the Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. In case any suit, action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy is discontinued or abandoned for any reason, or is determined adversely to the Owner, then, and in every such case, the County and the Owners of the Notes will be restored to their former positions and rights under this Resolution, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE IX AMENDMENTS

Section 901. Amendments. The County may from time to time, without the consent of or notice to any of the Owners, provide for amendment to the Notes or the Resolution, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the Resolution or the Notes or to make any other change not prejudicial to the Owners;

(b) To grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners;

(c) To more precisely identify the Improvements;

(d) To provide for the issuance of bearer notes and the exchange of fully registered Notes for bearer notes upon the terms and conditions as the County determines provided, however, that no such amendments become effective unless and until the County has received an opinion of Bond Counsel in the form and substance satisfactory to the County, to the effect that the issuance of such bearer notes or the exchange of Notes for such bearer notes will not cause the interest on the Notes to be includable in the gross income of the recipients of the Notes under the provisions of applicable federal law; or

(e) To conform the Resolution or the Notes to the Code or future applicable federal law concerning tax-exempt obligations.

The following modifications or amendments to the Notes or the Resolution shall require the consent of 100% of the Owners of the Notes:

(a) The extension of the maturity of the principal of any of the Notes, or the extension of the maturity of any interest on any of the Notes.

(b) A reduction in the principal amount of any of the Notes or the rate of interest on the Notes.

(c) A reduction in the aggregate principal amount of the Notes.

Amendments or modifications of the Notes and the Resolution not listed above may be made at any time by the County with the written consent of the Owners of not less than two-thirds (66.66%) in aggregate principal amount of the Notes at the time Outstanding.

Section 902. Written Evidence of Amendments. Every amendment or modification of a provision of the Notes or of the Resolution to which the written consent of the Owners is given as above provided shall be expressed in a resolution of the County amending or supplementing the provisions of the Resolution shall be deemed to be a part of the Resolution. It shall not be necessary to note on any of the Outstanding Notes any reference to such amendment or modification, if any. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of the Resolution will always be kept on file in the Office of the County Clerk and made available for inspection by the Owners of any Note or prospective purchaser or Owners of any Note authorized by the Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of the Resolution will be sent by the County Clerk to any such Owner or prospective Owner.

ARTICLE X DISCLOSURE

Section 1001. Exemption from SEC Rule 15c2-12. The County represents in connection with paragraph (a) of the Securities and Exchange Commission Rule 15c2-12 that the Notes are not part of an offering of municipal securities with an aggregate principal amount of \$1,000,000 or more.

ARTICLE XI MISCELLANEOUS PROVISIONS

Section 1101. Exception from Rebate Requirements. The County makes the following representations in connection with the exception for small governmental units from the arbitrage rebate requirements under § 148(f)(4)(c) of the Code:

- (a) The County is a governmental unit with general taxing powers;
- (b) None of the Notes is a private activity bond as defined in Section 141 of the Code;
- (c) 95% or more of the net proceeds of the Notes are to be used for local government activities of the County (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the County; and
- (d) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County and all other entities described in § 148(f)(4)(D)(ii) of the Code during the calendar year that the Notes are issued, including the Notes, is not reasonably expected to exceed \$5,000,000.
- (e) Any notes or bonds being refunded by the Notes qualified for the small issuer rebate exception described in this Section.

Section 1102. Designation of Notes as Qualified Tax-Exempt Obligations. The County designates the Notes as “qualified tax-exempt obligations” as the term is defined in Section 265(b)(3) of the Code. In addition, the County represents that:

A. the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds) which will be issued by the County during the calendar year that the Notes are issued does not exceed \$10,000,000; and

B. the aggregate principal amount of obligations designated by the County as “qualified tax-exempt obligations” during the calendar year that the Notes are issued, including the Notes, does not exceed \$10,000,000.

Section 1103. Tax Covenants. The County covenants and agrees that it will not take any action or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Notes under Section 103 of the Code. The County covenants and agrees that it will use the proceeds of the Notes as soon as practicable and with all reasonable dispatch for the purpose for which the Notes are issued as set forth above, and that it will not directly or indirectly use or permit the use of any proceeds of the Notes or any other funds of the County, or take or omit to take any action that would cause the Notes to be “arbitrage bonds” within the meaning of Section 148(a) of the Code. To that end, the County will comply with all requirements of Section 148 of the Code to the extent applicable to the Notes. In the event that at any time the County is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on the investment of any moneys held by the County under the Resolution, the County shall take such action as may be necessary.

Section 1104. Severability. In case any one or more of the provisions of the Resolution or of the Notes issued under this Resolution is for any reason found to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Resolution, or of the Notes relating to the Resolution, but the Resolution and the Notes will be construed and enforced as if the illegal or invalid provision had not been contained in the Resolution. In case any covenant, stipulation, obligation or agreement contained in the Notes or in the Resolution is for any reason found to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the County to the full extent permitted by law.

Section 1105. Further Authority. The Chairman, County Clerk and other officials are further authorized and directed to execute any and all documents, take actions they may deem necessary or advisable in order to carry out and perform the purposes of the Resolution. They may make and approve alterations, changes or additions in the above-mentioned agreements, statements, instruments and other documents approved, authorized and confirmed by this Resolution, and the execution or taking such action shall be conclusive evidence of the necessity or advisability.

Section 1106. Governing Law. The Resolution and the Notes will be governed exclusively by and construed in accordance with the applicable laws of the State.

EXHIBIT B

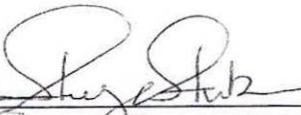
RECEIPT FOR PURCHASE PRICE

Woodson County, Kansas, received this day, the original purchaser of \$131,000 principal amount of General Obligation Temporary Notes, Series 2005A, dated November 1, 2005 (the "Notes"), the full purchase price of the Notes, the purchase price is acknowledged to be calculated as follows:

Principal Amount	\$131,000
Plus Accrued Interest	<u>0</u>
Total Purchase Price	<u>\$131,000</u>

DATED: November 1, 2005.

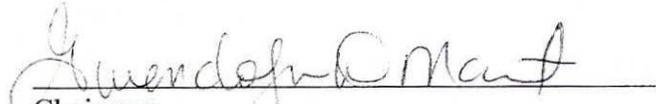
WOODSON COUNTY, KANSAS

By 
County Clerk

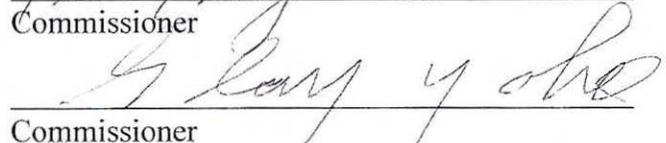
Section 1107. Effective Date. This Resolution is to take effect and be in full force from and after its adoption by the Board of County Commissioners of the County.

ADOPTED by the Board of County Commissioners of Woodson County, Kansas, on October 6, 2005.

(Seal)


Chairman


Commissioner


Commissioner

ATTEST:

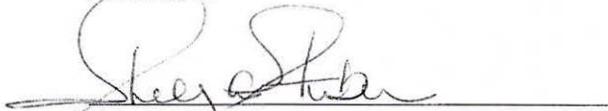

County Clerk

EXHIBIT A

**PURCHASER'S RECEIPT FOR NOTES AND CERTIFICATION
AS TO OFFERING PRICE**

Woodson County, Kansas (the "Purchaser"), as purchaser of \$131,000 principal amount of General Obligation Temporary Notes, Series 2005A, (Renewal), dated November 1, 2005 (the "Notes"), issued on the date of this certificate by Woodson County, Kansas (the "County"), certifies and represents as follows:

1. **Receipt for Notes.** The Purchaser acknowledges receipt of the Notes consisting of fully registered Notes in denominations of \$1,000 or integral multiples thereof.

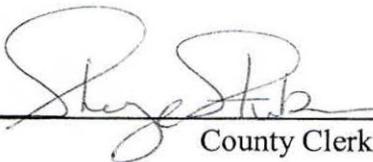
Each of the Notes has been executed by the manual or facsimile signature of the Chairman and attested by the manual or facsimile signature of the County Clerk, with the County's official seal affixed to or imprinted on the Notes, and has been countersigned by the County Clerk following registration of the Treasurer of the State, and has been authenticated by an authorized representative of the Note Registrar.

2. **Public Offering.** As of this date, the Purchaser has not sold the Notes to the public.

This certificate may be relied upon by the County in executing and delivering its closing certificate, and by Kutak Rock LLP, Bond Counsel, in rendering its opinion relating to the exclusion from federal gross income of the interest on the Notes.

Dated: November 1, 2005.

Woodson County, Kansas

By  _____
County Clerk

UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF WOODSON
GENERAL OBLIGATION TEMPORARY NOTE
SERIES 2005A (RENEWAL)

Interest
Rate: 4%

Maturity
Date: November 1, 2008

Dated
Date: November 1, 2005

REGISTERED OWNER: Woodson County, Kansas - Tax ID #: 48-6028304

PRINCIPAL AMOUNT Eighteen Thousand Dollars and 00/100

KNOW ALL PERSONS BY THESE PRESENTS: That the County of Woodson in the State of Kansas (the "County"), for value received, acknowledges itself to be indebted and promises to pay to the registered owner identified above, or registered assigns, as of the Record Dates as provided on the Maturity Date identified above, the Principal Amount identified above, and in like manner to pay interest on such Principal Amount from this date at the rate of interest per annum set forth above (computed on the basis of a 360-day year of twelve 30-day months), annually on November 1 of each year, commencing November 1, 2006 (which date shall also be the "Interest Payment Dates") until the Principal Amount is paid, unless this Note shall have been previously called for redemption and payment as hereinafter set forth.

The principal or redemption price of this Note shall be paid at maturity or upon earlier redemption to the person in whose name this Note is registered at the maturity or redemption date, upon presentation and surrender of this Note at the principal office of the Treasurer of the County (the "Paying Agent" and "Note Registrar"). The interest payable on this Note on any Interest Payment Date shall be paid to the person in whose name this Note is registered on the registration books maintained by the Note Registrar at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the "Record Dates"). Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of the Owner shown on the Note Register or (b) at such other address as is furnished to the Paying Agent in writing by the Owner. The principal, premium, if any, and interest on the Notes shall be payable in any coin or currency which, on the respective dates of payment, is legal tender for the payment of debts due the United States of America. The Notes constitute general obligations of the County payable as to both principal and interest from general obligation bonds of the County or from current revenues of the County authorized for such purpose. If not so paid, the principal of and interest on the Notes shall be payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the County. The full faith, credit and resources of the County are pledged for the payment of the principal of and interest on this Note and the issue of which it is a part as the same respectively become due.

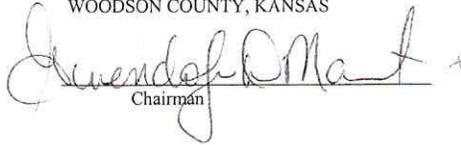
THE TERMS AND PROVISIONS OF THIS NOTE ARE CONTINUED ON THE REVERSE HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

IT IS DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Note have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the County, including this series of Notes, does not exceed any constitutional or statutory limitation.

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration shall have been lawfully executed by the Note Registrar.

IN WITNESS WHEREOF, the County has caused this Note to be executed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its County Clerk, and its corporate seal to be affixed to or imprinted on, and this Note to be dated the Dated Date shown herein.

WOODSON COUNTY, KANSAS


Chairman

(Seal)

ATTEST:

By 
County Clerk

This Note shall not be negotiable unless and until countersigned below by the County Clerk following registration by the Treasurer of the State of Kansas.


County Clerk

(Seal)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is one of a series of General Obligation Temporary Notes, Series 2005A (Renewal), of Woodson County, Kansas, described in the within-mentioned Resolution.

Registration Date _____

Treasurer of Woodson County, Kansas
as Note Registrar and Paying Agent

By _____

Registration Number 0095-104-110105-880

FURTHER TERMS AND PROVISIONS

This Note is one of an authorized series of Notes of the County designated "General Obligation Temporary Notes, Series 2005A (Renewal)," in an aggregate principal amount of \$131,000 (the "Notes") issued for the purposes set forth in the resolution of the County authorizing the Notes (the "Resolution").

At the option of the County, this Note may be called for redemption and payment prior to maturity in whole or in part (selection of notes to be designated by the County in such equitable manner as it may determine), at any time prior to maturity at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Whenever the County is to select Notes for the purpose of redemption, it shall, in the case of Notes in denominations greater than \$1,000, if less than all of the Notes then outstanding are to be called for redemption, treat each \$1,000 of face value of each such fully registered Note as though it were a separate Note in the denomination of \$1,000.

If any Notes are called for redemption and payment prior to maturity, the County shall give written notice of its intention to call and pay such Notes on a specified date, the same being described by maturity, said notice to be mailed by United States first class mail addressed to the State Treasurer of Kansas and to the owners of said Notes, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption.

The Notes are issued in fully registered form in the denomination of \$1,000 or any integral multiple thereof. This Note may be exchanged at the office of the Note Registrar for a like aggregate principal amount of Notes of the same maturity of other authorized denominations upon the terms provided in the Resolution.

The County and the Note Registrar may deem and treat the registered owner as the absolute owner for purposes of receiving payment of or on account of principal and interest due and for all other purposes and neither the County nor the Note Registrar shall be affected by any notice to the contrary.

This Note is transferable by the registered owner in person or by the registered owner's agent duly authorized in writing, at the office of the Note Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution and upon surrender and cancellation of this Note.

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF WOODSON)

I, the County Clerk of Woodson County, Kansas, certify that the within Note has been registered in my office according to law as of October 6, 2005.

WITNESS my hand and official seal.

(Seal)

[Handwritten Signature]
County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

I, LYNN JENKINS, Treasurer of the State of Kansas, do certify that a transcript of the proceedings leading up to the issuance of this Note has been filed in my office, and that this Note was registered in my office according to law on

WITNESS my hand and official seal.

(Seal)

Treasurer of the State of Kansas

NOTE ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Note to which this assignment is affixed in the outstanding principal amount of \$ _____ standing in the name of the undersigned on the books of the Note Registrar. The undersigned do(es) irrevocably constitute and appoint _____ as agent to transfer said Note on the books of said Note Registrar with full power of substitution in the premises.

Dated _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Temporary Note in every particular.

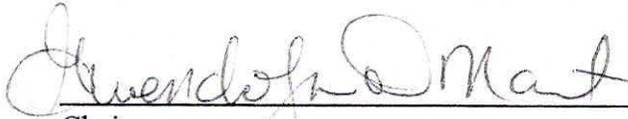
Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By _____
Title: _____

WITNESS our true and genuine manual signatures and the seal of the County.

(Seal)

A handwritten signature in cursive script, appearing to read "Wendell M. ...", written above a horizontal line.

Chairman

A handwritten signature in cursive script, appearing to read "Stacy ...", written above a horizontal line.

County Clerk

ACKNOWLEDGMENT AND VERIFICATION OF SIGNATURES

I certify that I am personally acquainted with the Chairman and County Clerk of the County whose signatures appear above; and that I know that the signatures appearing above are the true and genuine signatures of the Chairman and County Clerk; and that the manual or facsimile signatures appearing on the above described Notes are the true and genuine signatures of the officers.

(Seal)

Notary Public

My Appointment Expires: _____

TRANSCRIPT CERTIFICATE

STATE OF KANSAS)
) SS.
COUNTY OF WOODSON)

The Chairman and County Clerk of Woodson County, Kansas (the "City"), make this certificate for inclusion in the transcript as a part of the proceedings authorizing and providing for the issuance of the following described notes of the City:

General Obligation Temporary Notes, Series 2005A (Renewal), dated November 1, 2005, in the aggregate principal amount of \$131,000;

(the "Notes"); and certify as of October 6, 2005, as follows:

(1) The transcript of proceedings (the "Transcript") relating to the authorization and issuance of the Notes is to the best of our knowledge, information and belief full and complete; none of the proceedings have been modified, amended or repealed, except as might be shown in the Transcript, and the facts stated in the Transcript still exist. In each instance where copies appear in the Transcript, such copies are true and correct duplicates of the original documents now on file with the County Clerk.

(2) The County is a legally constituted county organized and existing under the laws of the state of Kansas.

(3) The estimated population of the County is 3,788.

(4) All of the meetings of the governing body of the County at which action was taken as shown in the Transcript were either regular meetings or duly adjourned regular meetings or special meetings called and held in accordance with law and the ordinances and rules of the County. All extracts of minutes included in the Transcript are true, correct and accurate extracts from the minutes of the meetings of the governing body of the County at which meetings a quorum of the governing body was present.

(5) The following people were and are the qualified and acting officers of the County during all the times when action was taken as indicated on Exhibit B attached.

(6) The Yates Center News was the official County newspaper at all times during these proceedings.

(7) The Notes have been executed with manual or facsimile signatures; which are our true and genuine signatures; we confirm the manual or facsimile signatures as our signatures. Our manual signatures appear below. A manual or facsimile of the seal of the County is affixed to or imprinted on each of the Notes at the place where the Chairman and County Clerk have executed the Notes and at the place where the County Clerk has executed by manual or facsimile signature the certificate of registration; each Note bears a certificate of registration evidencing the fact that it has been registered in the office of the County Clerk. A true impression of the

seal is set forth adjacent to the signature of the County Clerk below. The specimen note included in the Transcript is in the form approved by the governing body of the County for the Notes.

(8) The interest rate on the Notes on the date of the sale of the Notes was within the maximum legal limit for interest rates under K.S.A. 10-1009, as amended.

(9) The Notes are being issued pursuant to Resolution No. _____ of the County for the purpose of redeeming certain existing notes of the County previously issued for the purpose of paying the cost of certain ambulance facility improvements (the "Improvements"). The Improvements have been duly authorized by the County pursuant to K.S.A. 19-15,114 to 19-15-118, inclusive, all as amended, and all other applicable provisions of the laws of the state of Kansas.

(10) Estimates of the cost of the Improvements have been presented to and approved by the governing body of the County, and the estimates of cost are on file in the office of the County Clerk, and the total principal amount of the Notes does not exceed the cost of the Improvements for which the Notes are issued. A Statement of Cost is attached as Exhibit A and made a part of this document by reference.

(11) The currently outstanding applicable indebtedness of the County as of the date of the Notes, including the Notes but excluding the notes being refunded with the Notes, is \$131,000 and such amount does not exceed any applicable constitutional or statutory limitations. The applicable general obligation debt limit for the County as of the date of this Certificate is \$837,509 (3% of the equalized assessed value set forth in this Certificate).

(12) The total assessed valuation of the taxable tangible property within the County for the year 2004 is \$27,916,977.

(13) There is no controversy, suit or other proceedings of any kind pending or threatened where any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the County or its boundaries, the right or title of any of its officers to their respective offices, the legality of any official act shown to have been done in the Transcript leading up to the issuance of the Notes, the constitutionality or validity of the indebtedness represented by the Notes shown to be authorized in the Transcript, the validity of the Notes or any of the proceedings in relation to the issuance or sale of the Notes, or the levy and collection of a tax to pay the principal of and interest on the Notes.

EXHIBIT A

STATEMENT OF COST

Re: \$131,000 General Obligation Temporary Notes, Series 2005A
(Renewal), Dated November 1, 2005, of Woodson County, Kansas

Renewal of Series 2001 Notes	\$200,000.00
Plus interest	5,920.00
Less available funds	<u>74,920.00</u>
Total notes needed	\$131,000.00

AUTHORIZATION TO TRANSFER FILES

This is to authorize and direct Logan Riley, L.C., to deliver all files and records pertaining to Woodson County, Kansas, to Dorothea Riley at Kutak Rock LLP, 444 West 47th Street, Suite 200, Kansas City, Missouri 64112-1914.

Signature: 
Chairman

Date: 10-6-05

statutes of the state of Kansas, including particularly K.S.A. 10-123 and K.S.A. 19-15,114 to 19-15,118, inclusive, all as amended, and Resolution No. _____ of the County adopted by the Board of County Commissioners of the County on October 6, 2005 (the "Resolution").

2.2. **Purpose of the Notes.** The Notes are being issued for the purpose of providing funds to refund and cancel certain general obligation temporary notes of the County as follows (the "Existing Notes"):

General Obligation Temporary Notes, Series 2001, dated November 1, 2001, originally issued in the principal amount of \$200,000;

which were issued to pay the cost of certain ambulance facility improvements, as described in the Resolution (the "Improvements").

The Existing Notes will be called for redemption within 90 days of this date.

2.3. **Use of Note Proceeds.** The amount of proceeds to be received by the County from the sale of the Notes will be as set forth on the attached Exhibit B. The proceeds of the Notes do not exceed the amounts expected to be necessary for the governmental purposes of the Notes as described above and are expected to be needed and fully expended by the County as follows:

(a) the accrued interest on the Notes will be deposited in the principal and interest account for the Notes and used to pay a portion of the first interest due on the Notes; and

(b) the remaining proceeds of the Notes will be deposited into the Improvement Fund and expended to pay costs of retiring the Existing Notes, including the costs of issuing the Notes.

2.4. **Trade or Business Test.** Less than 10% of the proceeds will (a) be used directly or indirectly in the trade or business carried on by any person other than a qualified governmental unit, or (b) secured by an interest in property used directly or indirectly in the trade or business carried on by any person other than a governmental unit or received from payments made in respect to the property; and less than 5% will be used directly or indirectly to make or finance loans to any person other than a qualified governmental unit.

2.5. **Private Loan Test.** Less than 5% of the proceeds will be used (a) for any private business not related to a governmental use of such proceeds, or (b) used in a disproportionate amount to a related governmental use of such proceeds.

3. FEDERAL TAX MATTERS

3.1. **Treasury Regulations.** This certificate is being executed and delivered pursuant to the Code § 1.148-2(b) and §1.141-2(d) of the Regulations.

3.2. **Responsible Officials.** The Chairman and County Clerk are the elected, qualified and acting Chairman and County Clerk of the County and, as such, together with other officials

of the County, are charged with the responsibility for issuing the Notes, and are authorized to execute and deliver this certificate on behalf of the County.

3.3. **Reasonable Expectations.** To the best of the knowledge, information and belief of the Chairman and County Clerk, the facts and estimates set forth in this certificate are accurate and the expectations of the County set forth in this certificate are reasonable. Such facts and estimates take into account reasonable expectations about events and actions over the entire stated term of the Notes. The County is not aware of any facts or circumstances that would cause it to question the accuracy of the representations made by Woodson County, Kansas (the "Purchaser"), as set forth in the attached Exhibit A.

4. FUNDS AND ACCOUNTS, PAYMENT OF NOTES

4.1. **Funds and Accounts.** The following funds and accounts are established in the treasury of the County under the Resolution:

Improvement Fund
Principal and Interest Account

4.2. **Security for the Notes.** The Notes are general obligations of the County payable as to both principal and interest from general obligation bonds of the County and from current revenues of the County authorized for such purpose. If not paid, the principal of and interest on the Notes shall be payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the County. The full faith, credit and resources of the County are pledged under the Resolution to the payment of the principal of and interest on the Notes.

4.3. **Payment of the Notes.** The Notes will be repaid through debt service payments made from the Principal and Interest Account. Interest will be paid annually on November 1 in each year, beginning on November 1, 2006, and ending on the maturity date of the Notes. Principal will be paid serially on November 1 in each year beginning on November 1, 2006.

5. OVERISSUANCE; COMPLETION OF IMPROVEMENTS

5.1. **No Overissuance.** The total proceeds to be derived by the County from the sale of the Notes, together with investment earnings and other moneys contributed by the County, do not exceed the amounts expected to be necessary for the governmental purposes of the Notes as described above.

5.2. **Completion of Improvements.** The Improvements were completed within three years from the date of issuance of the Existing Notes

5.3. **Reimbursement.** Any proceeds of the Notes used to reimburse the County for expenditures made prior to the date hereof will comply with the provisions of § 1.150-2 of the Regulations.

6. INVESTMENT RESTRICTIONS

The amounts derived from the sale of the Notes and amounts deposited in the funds described above may be invested as follows:

6.1. **Improvement Fund.** Proceeds of the Refunding Portion of the Notes may be invested without regard to yield restrictions for a period of 90 days after the issue date.

6.2. **Principal and Interest Account.**

(a) The accrued interest on the Notes deposited in the Principal and Interest Account may be invested at an unrestricted yield for a period of three years from the date of this certificate. Earnings on such amounts may be invested at an unrestricted yield for a period not exceeding the later of three years from the date hereof, or one year from the date of receipt of such earnings.

(b) Moneys deposited in the Principal and Interest Account, other than original proceeds of the Notes, may be invested at an unrestricted yield for a period of thirteen months from the date of the first deposit of such amounts to such Account. Earnings on such amounts may be invested at an unrestricted yield for a period not exceeding one year from the date of receipt of the amount earned.

6.3. **Minor Portion.** In addition to the amounts described above, an amount equal to the lesser of \$100,000 or 5% of the proceeds of the Notes may be invested without yield restriction as the minor portion.

6.4. **Other Amounts.** Amounts described in the preceding sections which cannot be invested at an unrestricted yield pursuant to such Sections, shall be invested at a yield not greater than the yield on the Notes plus 1/8%.

7. PUBLIC OFFERING

7.1. **Yield on the Notes.** The County has purchased the Notes at a price of par. The Notes have not been sold to the public as of the date of this certificate.

8. SINKING FUNDS

8.1. **Bona Fide Debt Service Fund.** The Principal and Interest Account established by the Resolution is a fund that is used primarily to achieve a proper matching of revenues and debt service within each bond year. Moneys deposited in the Principal and Interest Account will be used to pay principal of and interest on the Notes, and the County reasonably expects that no other moneys will be used.

8.2. **No Other Sinking Funds.** Except for the Principal and Interest Account, the County has not and does not expect to create or establish any sinking fund or other similar fund (i) which is reasonably expected to be used to pay principal of or interest on the Notes, or (ii) which may be used solely to prevent a default in the payment of principal of or interest on the Notes.

9. RESERVE, REPLACEMENT AND PLEDGED FUNDS

9.1. **No Reserve Fund.** No reserve fund has been or will be established for the Notes.

9.2. **Replacement Funds.** No portion of the proceeds of the Notes will be used as a substitute for other funds that were indented or earmarked to be used as a source of purchasing and constructing the Improvements and that have been or will be used to acquire directly or indirectly securities producing a yield in excess of the yield on the Notes.

9.3. **Pledged Funds.** Except for the Principal and Interest Account, there are no other pledged funds of the County for which a reasonable assurance exists that such funds would be available for payment of the principal of or interest on the Notes in the event the County encountered financial difficulty.

10. SMALL ISSUER EXCEPTION FROM REBATE REQUIREMENT.

In connection with the exception from arbitrage rebate provided under Section 148(f)(4)(C) of the Code, the County makes the following representations:

- (a) The County has general taxing powers;
- (b) 95% or more of the net proceeds of the Notes are to be used for local government activities of the County; and
- (c) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) to be issued by the County and all entities subordinate to the County during calendar year that the Notes are issued, including the Notes, is not reasonably expected to exceed \$5,000,000.

11. QUALIFIED TAX-EXEMPT OBLIGATIONS

11.1. **Qualified Tax-Exempt Obligation Certification.** In the Resolution the County has designated the Notes as "qualified tax-exempt obligations" under Section 265(b) of the Code, and with respect to the designation certifies as follows:

- (a) The Notes are not "private activity bonds" as the term is defined in Section 141 of the Code; and
- (b) The reasonably anticipated amount of "qualified tax-exempt obligations" to be issued by the County in the calendar year that the Notes are issued does not exceed \$10,000,000.

12. MISCELLANEOUS

12.1. **Minor Portion.** There are no funds expected to be invested at a materially higher yield than the yield on the Notes, or otherwise, in reliance on such proceeds constituting a minor portion of the proceeds of the Notes.

12.2. **No Sale of Improvements.** The County does not expect to sell, encumber or otherwise dispose of any property comprising the Improvements (except for dispositions resulting from normal wear, obsolescence or depreciation) prior to the final maturity date of the Notes.

12.3. **No Other Issue.** There are no other obligations of the County which (i) are sold within 15 days of the sale of the Notes, (ii) are sold pursuant to a common plan of financing together with the Notes, and (iii) will be paid out of the same source of funds, or will have the same claim to be paid out of the same source of funds, as the Notes.

12.4. **No Artifice or Device.** The Notes are not and will not be part of a transaction or series of transactions that attempts to circumvent the provisions of § 148 of the Code and the Treasury Regulations, (a) enabling the County to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (b) increasing the burden on the market for tax-exempt obligations.

12.5. **Hedge Bonds.** The County expects that (i) 85% of the spendable proceeds of the Notes will be used to carry out the governmental purpose of the Notes within 3 years from the date hereof, and (ii) not more than 50% of the proceeds of the Notes will be invested in investments have a substantially guaranteed yield for 4 years or more.

12.6. **Current Refunding.** The Existing Notes will be called for redemption within 90 days of this date.

12.6. **Weighted Average Maturity.** The Notes have a weighted average maturity (3.176 years) that does not exceed 120% of the average reasonably expected economic life of the capital assets financed or refinanced with the proceeds of the Notes.

12.7. **Informational Filing.** The County will submit any required informational filing to the United States Treasury Department within the time prescribed by the Code and Regulations. In connection with this informational filing, the County makes the representations set forth on Exhibit C to this Certificate.

12.8. **No Federal Guarantees.** The Notes are not and shall not become directly or indirectly federally guaranteed within the meaning of Code § 149(b).

12.9. **Non-Arbitrage.** On the basis of the above facts, estimates and circumstances, it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be "arbitrage bonds" within the meaning of § 148 of the Code and the Treasury Regulations.

12.10. **Informational Filing.** The County will submit any required informational filing to the United States Treasury Department within the time prescribed by law.

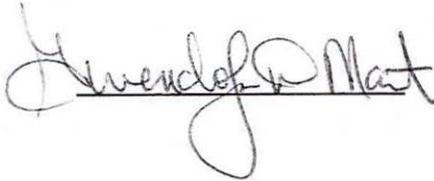
12.11. **Compliance with Federal Law.** The County will comply with all applicable federal laws with respect to the Notes.

On the basis of the above facts, estimates and circumstances, it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be "arbitrage bonds" within the meaning of § 148 of the Code and the Treasury Regulations.

WITNESS our hands and the seal of the County.

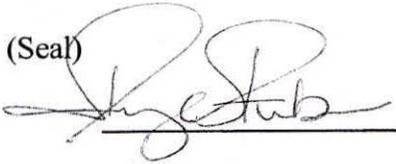
Signature

Official Title

A handwritten signature in cursive script that reads "Wendell W. Mast". The signature is written over a horizontal line.

Chairman

(Seal)

A handwritten signature in cursive script, appearing to read "R. E. Stubbs". The signature is written over a horizontal line.

County Clerk

CLOSING CERTIFICATE

STATE OF KANSAS)
) SS.
COUNTY OF WOODSON)

The Chairman and County Clerk of Woodson County, Kansas (the "County"), make this certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the following described notes of the County:

General Obligation Temporary Notes, Series 2005A (Renewal), dated November 1, 2005, in the aggregate principal amount of \$131,000 (the "Notes"),

and certify as of November 1, 2005, as follows:

1. GENERAL MATTERS

1.1. **Transcript of Proceedings.** The transcript of proceedings relating to the authorization and issuance of the Notes (the "Transcript"), furnished to the initial purchaser of the Notes, is to the best of our knowledge, information and belief full and complete; none of the proceedings have been modified, amended or repealed, except as might be shown in the Transcript, and the facts stated in the Transcript still exist. In each instance where copies appear in the Transcript, the copies are true and correct duplicates of the original documents on file with the County Clerk.

1.2. **Definitions.** Capitalized terms not specifically defined in this certificate shall have the meanings set forth in the defined Resolution; and unless the context indicates otherwise, words and phrases used in this certificate shall have the meanings assigned in § 148 of the Code and in §§ 1.148 0 to 1.148-16, § 1.149(d)-1, §§ 1.150-1 and 1.150-2 and §§ 1.141-1 to 1.141-14 of the Treasury Regulations, as the same may hereafter be amended and any other temporary, proposed or final regulations promulgated by the Internal Revenue Service to implement the requirements of § 148 of the Code and applicable to the Notes (the "Regulations").

1.3. **Non-Litigation.** There is no controversy, suit or other proceeding of any kind pending or threatened where any question is or may be raised, questioning, disputing or affecting in any way the legal organization of the County or its boundaries, the right or title of any of its officers to their respective offices, the legality of any official act shown to have been done in the Transcript, the constitutionality or validity of the indebtedness represented by the Notes shown to be authorized in the Transcript, the validity of the Notes, or any of the proceedings had in relation to the authorization, issuance or sale of the Notes, or the levy and collection of a tax to pay the principal of and interest on the Notes.

2. ISSUANCE OF THE NOTES; USE OF PROCEEDS

2.1. **The Resolution.** The County is issuing and delivering the Notes simultaneously with the delivery of this certificate, pursuant to and in full compliance with the Constitution and