
RESOLUTION NO. 2009-20

OF

LINCOLN COUNTY, KANSAS
acting as the governing body of
FIRE DISTRICT NO. 5, LINCOLN COUNTY, KANSAS
(SYLVAN GROVE RURAL FIRE DISTRICT)

ADOPTED

AUGUST 31, 2009

\$76,000
NO-FUND WARRANTS
SERIES 2009

RESOLUTION

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EXHIBIT A – FORM OF WARRANT

RESOLUTION NO. 2009-20

A RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF \$76,000 PRINCIPAL AMOUNT OF NO-FUND WARRANT, SERIES 2009, OF FIRE DISTRICT NO. 5, LINCOLN COUNTY, KANSAS (SYLVAN GROVE RURAL FIRE DISTRICT); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID WARRANT AS IT BECOMES DUE; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District) (the "Issuer") is a political subdivision, duly created, organized and existing under the laws of the State of Kansas; and

WHEREAS, the Issuer is authorized under K.S.A. 19-3601b, as amended, to incur indebtedness and to issue and sell no-fund warrants of the Issuer to evidence such indebtedness whenever there is an unforeseen occurrence which causes an expense in any fund of the Issuer which could not have been anticipated at the time the budget for the current budget year was prepared, and by reason of such unforeseen occurrence the governing body of Issuer is of the opinion that it will be impossible to pay for such unforeseen expense and pay for the imperative functions of the Issuer without incurring indebtedness in excess of the adopted budget of expenditures for the current budget year; and

WHEREAS, the Issuer has previously approved the payment of amounts representing a portion of the costs of constructing and equipping an emergency services building for the year ending December 31, 2009, in the amount of not to exceed \$76,000 (the "Unforeseen Expenses"), the remainder of such costs to be paid by a CDGB grant; and

WHEREAS, the Board of County Commissioners (the "Board"), acting as the governing body of the Issuer, reviewed the current financial records and budget for the Issuer and determined that the budgeted amounts in the 2009 budget will be insufficient to pay the Unforeseen Expenses for the year 2009; and

WHEREAS, the Board hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of its no-fund warrants in the principal amount of not to exceed \$76,000 to pay the costs of the Unforeseen Expenses.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LINCOLN COUNTY, KANSAS, ACTING AS THE GOVERNING BODY OF FIRE DISTRICT NO. 5, LINCOLN COUNTY, KANSAS (SYLVAN RURAL FIRE DISTRICT), AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms.

"**Act**" means the Constitution and statutes of the State of Kansas including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-801 *et seq.*, and K.S.A. 19-3601 *et seq.*, as amended and supplemented.

"**Authorized Investments**" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the Issuer which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks or the federal home loan mortgage corporation; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f).

"**Board**" means the Board of County Commissioners of Lincoln County, Kansas, acting as the governing body of the Issuer.

"**Bond Counsel**" means the firm of Gilmore & Bell, P.C., 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 Issuer.

"**Building Fund**" means the Building Fund for the Issuer referenced herein.

"**Business Day**" means a day other than a Saturday, Sunday or holiday on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operation.

"**Chairman**" means the duly elected and acting Chairman of the Board or, in the Chairman's absence, the duly appointed and/or elected Vice Chairman or Acting Chairman of the Board.

"**Clerk**" means the duly appointed and acting Clerk of the County or, in the Clerk's absence, the duly appointed and/or elected Deputy Clerk or Acting Clerk of the County.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations proposed or promulgated thereunder of the United States Department of the Treasury.

"Costs of Issuance" shall mean all costs of issuing the Warrants, including all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with determination of yield, all expenses incurred in connection with receiving ratings on the Warrants, and any premiums or expenses incurred in obtaining municipal bond insurance on the Warrants.

"County" means Lincoln County, Kansas.

"Defaulted Interest" means interest on any Warrant which is payable but not paid on any Interest Payment Date.

"Derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

"Event of Default" means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Warrants shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise; or

(b) Payment of any installment of interest on any of the Warrants shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Warrants or in this Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Warrants then Outstanding.

"General Fund" means the General Fund for the Issuer referenced herein.

"Interest Payment Dates" means the Stated Maturity of an installment of interest on any Warrant, which shall be July 1 of each year, commencing July 1, 2010.

"Issue Date" means the date on which the Warrants are authenticated and delivered to the Purchaser.

"Issuer" means Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District).

"Maturity" when used with respect to any Warrant means the date on which the principal of such Warrant becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

"Outstanding" means as of a particular date of determination, all Warrants heretofore authenticated and delivered under the provisions of this Resolution, except:

(a) Warrants theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation pursuant to this Resolution;

(b) Warrants for the payment or redemption of which monies or investments have been deposited in accordance with *Article XI* of this Resolution; and

(c) Warrants in exchange for or in lieu of which other Warrants have been authenticated and delivered pursuant to this Resolution.

"Owner" when used with respect to any Warrant means the Person in whose name such Warrant is registered on the registration books of the Warrant Register.

"Paying Agent" means the Treasurer and any successors and assigns.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Principal and Interest Account" means the account by that name created by *Section 501* hereof.

"Principal Payment Dates" means the Stated Maturity of an installment of principal on any Warrant, which shall be July 1 of each year, commencing July 1, 2010.

"Purchase Price" means the amount advanced on the Issue Date, plus each amount subsequently advanced pursuant to the terms of this Resolution up to the par value of the Warrants.

"Purchaser" means Thunder Bank, Sylvan Grove, Kansas.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of each month preceding such Interest Payment Date.

"Redemption Date" when used with respect to any Warrant to be redeemed means the date fixed for such redemption pursuant to the terms of this Resolution.

"Redemption Price" when used with respect to any Warrant to be redeemed means the price at which such Warrant is to be redeemed pursuant to the terms of this Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Resolution" means this resolution relating to the Warrants.

"Secretary" means the Clerk, acting as the Secretary of the Issuer.

"Special Record Date" means the date fixed by the Paying Agent pursuant to *Section 204* hereof for the payment of Defaulted Interest.

"State" means the state of Kansas.

"Stated Maturity" when used with respect to any Warrant or any installment of interest thereon means the date specified in such Warrant and this Resolution as the fixed date on which the principal of such Warrant or such installment of interest is due and payable.

"Treasurer" means the duly appointed and acting Treasurer of the County, or in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the County, acting as the Treasurer of the Issuer.

"Unforeseen Expenses" means the unforeseen expenses referred to in the preamble to this Resolution.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

"Warrant Payment Date" means any date on which principal of or interest on any Warrant is payable.

"Warrant Register" means the books for the registration, transfer and exchange of Warrants kept at the office of the Warrant Registrar.

"Warrant Registrar" means the Treasurer and its successors and assigns.

"Warrants" means the Issuer's No-Fund Warrants, Series 2009, in the aggregate principal amount of \$76,000, and dated September [] 2009.

ARTICLE II

DETAILS OF THE WARRANTS

Section 201. Authorization of and Security for the Warrants. There shall be issued and hereby are authorized and directed to be issued the No-Fund Warrants, Series 2009, of the Issuer in the aggregate principal amount of \$76,000.

The Warrants shall be general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Warrants as the same become due.

Section 202. Description of the Warrants. The Warrants shall consist of fully registered warrants in the denomination of \$100 or any integral multiple thereof and shall be numbered in such manner as the Warrant Registrar shall determine. All of the Warrants shall be dated the date of issuance and

delivery, shall become due on the Stated Maturities, and shall bear interest at the rates per annum as follows:

<u>Stated Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
07/01/10	\$15,200	4.90%
07/01/11	15,200	4.90%
07/01/12	15,200	4.90%
07/01/13	15,200	4.90%
07/01/14	15,200	4.90%

The Warrants shall bear interest at the rates aforesaid (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid.

Section 203. Designation of Paying Agent and Warrant Registrar. The Treasurer is hereby designated as the Paying Agent and Warrant Registrar for the Warrants. The Chairman and Clerk of the Issuer are hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Warrant Registrar and Paying Agent for the Warrants.

Section 204. Method and Place of Payment of the Warrants. The principal of, or Redemption Price, if any, and interest on the Warrants shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Warrant shall be paid at Maturity to the Person in whose name such Warrant is registered on the Warrant Register at the Maturity thereof, upon presentation and surrender of such Warrant at the principal office of the Paying Agent.

The interest payable on each Warrant on any Interest Payment Date shall be paid to the Owner of such Warrant as shown on the Warrant Register 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 Warrant Register or (b) at such other address as is furnished to the Paying Agent in writing by such Owner.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Warrant shall cease to be payable to the Owner of such Warrant on the relevant Record Date and shall be payable to the Owner in whose name such Warrant is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Warrant and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Warrant entitled to such notice at the address of such Owner as it appears on the Warrant Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Warrants and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Method of Execution and Authentication of the Warrants. The Warrants shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Chairman and attested by the manual or facsimile signature of the Secretary. The Warrants shall be registered in the office of the Secretary, which registration shall be evidenced by the manual or facsimile signature of the Secretary. The Warrants shall also be registered in the office of the Warrant Registrar, which registration shall be evidenced by the manual or facsimile signature of the Warrant Registrar with the seal of the Warrant Registrar affixed thereto or imprinted thereon. In the event that any of the aforementioned officers shall cease to hold such offices before the Warrants are issued and delivered, the Warrants may be issued and transferred to other Owners as though said officers had not ceased to hold office, and such signatures appearing on the Warrants shall be valid and sufficient for all purposes as if they had remained in office until such issuance or transfer.

Section 206. Registration, Transfer and Exchange of Warrants. The Issuer covenants that, as long as any of the Warrants remain Outstanding, it will cause the Warrant Register to be kept at the office of the Warrant Registrar as herein provided. Each Warrant when issued shall be registered in the name of the Owner thereof on the Warrant Register.

Warrants may be transferred and exchanged only on the Warrant Register as provided in this Section. Upon surrender of any Warrant at the principal office of the Warrant Registrar, the Warrant Registrar shall transfer or exchange such Warrant for a new Warrant or Warrants in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Warrant that was presented for transfer or exchange.

Warrants 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 Warrant Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent. In all cases in which the privilege of transferring or exchanging Warrants is exercised, the Warrant Registrar shall authenticate and deliver Warrants in accordance with the provisions of this Resolution. The Issuer shall pay the fees and expenses of the Warrant Registrar for the registration, transfer and exchange of Warrants provided for by this Resolution and the cost of printing a reasonable supply of registered warrant blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Warrant Registrar, are the responsibility of the Owners of the Warrants.

The Issuer and the Warrant Registrar shall not be required (a) to register the transfer or exchange of any Warrant that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to **Section 303** hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Warrant during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Warrant is registered on the Warrant Register as the absolute Owner of such Warrant, whether such Warrant is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Warrant and for all other purposes. All payments so made to any such Owner or upon the

Owner's order shall be valid and effective to satisfy and discharge the liability upon such Warrant to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

Section 207. Cancellation and Destruction of Warrants Upon Payment. All Warrants that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Warrants so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 208. Mutilated, Lost, Stolen or Destroyed Warrants. If (a) any mutilated Warrant is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Warrant, and (b) there is delivered to the Issuer and the Paying Agent such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Paying Agent that such Warrant has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Warrant, a new Warrant of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Warrant has become or is about to become due and payable, the Issuer, in its discretion, may pay such Warrant instead of issuing a new Warrant.

Upon the issuance of any new Warrant under this Section, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Warrant issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Warrants.

Section 209. Delivery of the Warrants. The Chairman and Secretary are hereby authorized and directed to cause the Warrants to be registered in the offices of the Secretary and the Treasurer as provided by law, and, when duly executed and registered, to deliver the Warrants to the Purchaser, upon receipt by the Issuer of the Purchase Price.

ARTICLE III

REDEMPTION OF THE WARRANTS

Section 301. Optional Redemption. At the option of the Issuer, the Warrants may be called for redemption and payment prior to maturity in whole or in part at any time (selection of maturities and the amount of Warrants of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

Section 302. Selection of Warrants to be Redeemed. The Warrants shall be redeemed only in the principal amount of \$100 or any integral multiple thereof. When less than all of the Warrants are to be redeemed and paid prior to their Stated Maturity, such Warrants shall be redeemed in such manner as the

Issuer shall determine, Warrants of less than a full Stated Maturity to be selected by the Warrant Registrar by such method as the Warrant Registrar may deem equitable in units of \$100.

In the case of a partial redemption of Warrants by lot when Warrants of denominations greater than \$100 are then Outstanding, then for all purposes in connection with such redemption each \$100 of face value shall be treated as though it were a separate Warrant of the denomination of \$100. If it is determined that one or more, but not all, of the \$100 units of face value represented by any Warrant is selected for redemption, then upon notice of intention to redeem such \$100 unit or units, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Warrant to the Warrant Registrar: (i) for payment of the redemption price (including the redemption, if any, and interest to the date fixed for redemption) of the \$100 unit or units of face value called for redemption; and (ii) for exchange, without charge to the Owner thereof, for a new Warrant(s) of the aggregate principal amount of the unredeemed portion of the principal amount of such Warrant. If the Owner of any Warrant of a denomination greater than \$100 shall fail to present such Warrant as aforesaid, such Warrant shall, nevertheless, become due and payable on the redemption date to the extent of the amount called for redemption (and to that extent only).

Section 303. Notice of Redemption. Unless waived by any Owner of Warrants to be redeemed, if the Issuer shall call any Warrants for redemption and payment prior to the maturity thereof, the Issuer shall cause the Warrant Registrar to give written notice of its intention to call and pay said Warrants on a specified date, the same being described by maturity, said notice to be mailed by United States first class mail addressed to the Owners of said Warrants and to the Purchaser of the Warrants, each of said notices to be mailed not less than 15 days prior to the date fixed for redemption. The Issuer and Warrant Registrar shall also give such additional notice as may be required by Kansas law or regulations of the Securities and Exchange Commission in effect as of the date of such notice.

All official notices of redemption shall be dated and shall state (1) the Redemption Date, (2) the Redemption Price, (3) if less than all Outstanding Warrants are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Warrants to be redeemed, (4) that on the Redemption Date the Redemption Price will become due and payable upon each such Warrant or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said Redemption Date (unless the Issuer defaults in the payment of the Redemption Price), and (5) the place where such Warrants are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Paying Agent.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Warrants or portions of Warrants which are to be redeemed on that date. Upon surrender of such Warrants for redemption in accordance with said notice, such Warrants shall be paid by the Paying Agent at the Redemption Price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Warrant, there shall be prepared for the Owner a new Warrant or Warrants of the same maturity in the amount of the unpaid principal. All Warrants which have been redeemed shall be canceled and destroyed by the Paying Agent and shall not be reissued.

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

ARTICLE IV

FORM OF THE WARRANTS

Section 401. Form of the Warrants. The Warrants shall be printed in accordance with the Act and shall contain information substantially in the form attached hereto as *Exhibit A*.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Warrants, there shall be created or shall have been previously created within the Treasury of the Issuer the following funds and accounts:

(a) Principal and Interest Account for Fire District No. 5, Lincoln County, Kansas (Sylvan Rural Fire District), No-Fund Warrants, Series 2009.

(b) Costs of Issuance Account for Fire District No. 5, Lincoln County, Kansas (Sylvan Rural Fire District), No-Fund Warrants, Series 2009.

Section 502. Administration of Funds and Accounts. The funds and accounts established herein shall be administered in accordance with the provisions of the Resolution so long as the Warrants are outstanding.

ARTICLE VI

APPLICATION OF WARRANT PROCEEDS

Section 601. Disposition of Warrant Proceeds and other Funds. The proceeds of the Warrants, as and when received, shall be deposited as follows:

(a) All accrued interest, and premium, if any, paid on the Warrants shall be deposited in the Principal and Interest Account.

(b) The sum of \$1,750 shall be deposited in the Costs of Issuance Account.

(c) Each amount advanced hereunder shall be deposited in the Building Fund of the Issuer and shall be disbursed to pay the Unforeseen Expenses payable from the Building Fund.

ARTICLE VII

PAYMENT OF THE WARRANTS

Section 701. Levy and Collection of Annual Tax. The Board of County Commissioners of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Warrants as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the Issuer are levied and collected, and the proceeds derived from said taxes shall be deposited in the Principal and Interest Account.

If at any time said taxes are not collected in time to pay the principal of or interest on the Warrants when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the General Fund of the Issuer and to reimburse said General Fund for money so expended when said taxes are collected.

Section 702. Application of Moneys in the Principal and Interest Account. All amounts paid and credited to the Principal and Interest Account shall be expended and used by the Issuer for the sole purpose of paying the principal of, premium, if any, and interest on the Warrants as and when the same become due and paying the usual and customary fees and expenses of the Paying Agent.

Section 703. 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 Warrants were issued shall be transferred and paid into the General Fund of the Issuer.

Section 704. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining the Costs of Issuance Account, after payment of all Costs of Issuance, shall be transferred to the Principal and Interest Account.

ARTICLE VIII

DEPOSITS AND INVESTMENT OF FUNDS

Section 801. Deposits. Cash moneys in each of the funds and accounts herein created and established shall be deposited in a bank or banks or federal or state chartered savings and loan association(s) with home offices located in the Issuer, which are members of the Federal Deposit Insurance Corporation, and all such deposits shall be adequately secured by the bank or banks or savings and loan associations holding such deposits in accordance with Kansas law.

Section 802. Investments. Moneys held in the funds and accounts herein created or established in conjunction with the issuance of the Warrants may be invested by the Issuer in Authorized Investments, or in other investments allowed by Kansas law in such amounts and maturing at such times as shall reasonably provide for moneys to be available when required in said accounts or funds; provided, however, that no such

investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such 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 such fund or account.

ARTICLE IX

DEFAULT AND REMEDIES

Section 901. Remedies. The provisions of the Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Warrants. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Warrants at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Warrants 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 Issuer 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 of Kansas;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, 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 Warrants.

Section 902. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Warrants shall be for the equal benefit, protection, and security of the Owners of any or all of the Warrants, all of which Warrants shall be of equal rank and without preference or priority of one Warrant over any other Warrant in the application of the funds herein pledged to the payment of the principal of and the interest on the Warrants, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Warrants.

Section 903. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such 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 herein. No waiver of any default or breach of duty or contract by the Owner of any Warrant shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Warrants by this 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 shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Warrants shall be restored to their

former positions and rights hereunder, 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 X

AMENDMENTS

Section 1001. Amendments. Except as set forth herein, the provisions of the Warrants and the provisions of the Resolution may be modified or amended at any time by the Issuer with the written consent of the Owners of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the Warrants herein authorized at the time Outstanding; provided, however, that no such modification or amendment, without the written consent of the Owners of not less than one hundred per cent (100%) in aggregate principal amount of the Warrants herein authorized at the time Outstanding shall permit or be construed as permitting any of the following: (a) the extension of the maturity of the principal of any of the Warrants, or the extension of the maturity of any interest on any of the Warrants, or (b) a reduction in the principal amount of any of the Warrants or the rate of interest thereon, or (c) a reduction in the aggregate principal amount of the Warrants. The Issuer may from time to time, without the consent of or notice to any of the Owners, provide for amendment to the Warrants 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 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 conform the Resolution to the Code or future applicable federal law concerning tax-exempt obligations.

Section 1002. Written Evidence of Amendments. Every amendment or modification of a provision of the Warrants 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 Issuer amending or supplementing the provisions of the Resolution and shall be deemed to be a part of the Resolution. It shall not be necessary to note on any of the Outstanding Warrants 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 shall always be kept on file in the office of the Clerk and shall be made available for inspection by the Owners of any Warrant or prospective purchaser or Owners of any Warrant 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 Clerk to any such Owner or prospective Owner.

ARTICLE XI

DEFEASANCE

Section 1101. Defeasance. When all or any part of the Warrants or scheduled interest payments thereon shall have been paid and discharged, then the requirements contained herein and the pledge of the

Issuer's faith and credit hereunder and all other rights granted hereby shall cease and determine. Warrants or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Resolution if there shall have been deposited with the Paying Agent or a bank located in the State of Kansas and having full trust powers, at or prior to the Stated Maturity or Redemption Date of the Warrants, in trust for and irrevocably appropriated thereto, moneys and/or United States Government Obligations, or other investments allowed by Kansas law which, together with the interest to be earned on such United States Government Obligations, will be sufficient for the payment of the principal of the Warrants, the redemption premium thereon, if any there be, and/or interest accrued to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments, provided, however that if any such Warrants shall be redeemed prior to their Stated Maturity (1) the Issuer has elected to redeem such Warrants and (2) either notice of such redemption has been given or the Issuer has given irrevocable instructions, or shall have provided an escrow agent to give irrevocable instructions to the Paying Agent to give such notice of redemption in compliance with *Article III* of this Resolution. Any moneys and United States Government Obligations which at any time shall be deposited with the Paying Agent or said Kansas bank by or on behalf of the Issuer, for the purpose of paying and discharging any of the Warrants shall be and are hereby assigned, transferred and set over to the Paying Agent or such Kansas bank in trust for the respective Owners of the Warrants, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and United States Government Obligations deposited with the Paying Agent or said Kansas bank shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Resolution.

ARTICLE XII

TAX COVENANTS

Section 1201. General Covenants.

(a) The Issuer covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Warrants and (2) it will not use or permit the use of any proceeds of Warrants or any other funds of the Issuer and will not take or permit any other 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 Warrants. The Issuer will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Warrants will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

(b) The Issuer covenants and agrees that (1) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Warrants, (2) it will use the proceeds of the Warrants as soon as practicable and with all reasonable dispatch for the purposes for which the Warrants are issued, and (3) it will not invest or directly or indirectly use or permit the use of any proceeds of the Warrants or any other funds of the Issuer in any manner, or take or omit to take any action, that would cause the Warrants to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(c) The Issuer covenants and agrees that it will not use any portion of the proceeds of the Warrants, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Warrant to be a "private activity bond" within the meaning of Section 141(a) of the Code.

Section 1202. Rebate Covenants.

(a) The Issuer covenants and agrees that it will pay or provide for the payment from time to time all amounts required to be rebated to the United States pursuant to Code § 148(f) and the Closing Certificate. This covenant shall survive payment in full or defeasance of the Warrants. The Closing Certificate may be amended or replaced if, in the opinion of Bond Counsel such amendment or replacement will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Warrants.

(b) The Issuer makes the following representations in connection with the exception for small governmental units from the arbitrage rebate requirements under Section 148(f)(4)(c) of the Code:

(1) The Issuer is a governmental unit under State law with general taxing powers;

(2) None of the Warrants are a "private activity bond" as defined in Section 141 of the Code;

(3) 95% or more of the net proceeds of the Warrants are to be used for local government activities of the Issuer (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Issuer); and

(4) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Issuer and all other entities described in § 148(f)(4)(D)(ii) of the Code during the calendar year that the Warrants are issued, including the Warrants, is not reasonably expected to exceed \$5,000,000. The Issuer understands that, for this purpose, (i) the Issuer and all entities which issue bonds on behalf of the Issuer are treated as one issuer, and (ii) all bonds issued by an entity subordinate to the Issuer are treated as issued by the Issuer.

Section 1203. Designation of Warrants as Qualified Tax-Exempt Obligations. The Issuer hereby designates the Warrants to be "qualified tax-exempt obligations" as such term is defined in Section 265(b)(3) of the Code. In addition, the Issuer hereby represents that:

(a) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds which are not "qualified 501(c)(3) bonds") which will be issued by the Issuer (and all subordinate entities thereof) during the calendar year that the Warrants are issued is not reasonably expected to exceed \$30,000,000; and

(b) the Issuer (including all subordinate entities thereof) will not issue an aggregate principal amount of obligations designated by the Issuer to be "qualified tax-exempt obligations" during calendar year that the Warrants are issued, including the Warrants, in excess of \$30,000,000, without first obtaining an opinion of Bond Counsel that the designation of the Warrants as "qualified tax-exempt obligations" will not be adversely affected.

The Chairman is hereby authorized to take such other action as may be necessary to make effective the designation contained in this subsection.

Section 1204. Survival of Covenants. The covenants contained in this Article shall remain in full force and effect notwithstanding the defeasance of the Warrants pursuant to *Article XI* hereof or any other provision of this Resolution until the final maturity date of all Warrants Outstanding.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 1301. Severability. In case any one or more of the provisions of the Resolution or of the Warrants issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Resolution, or of the Warrants appertaining thereto, but the Resolution and the Warrants shall be construed and enforced as if such illegal or invalid provision had not been contained herein. In case any covenant, stipulation, obligation or agreement contained in the Warrants or in the Resolution shall for any reason be held 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 Issuer to the full extent permitted by law.

Section 1302. Further Authority. The Chairman, Secretary and other officials of the Issuer are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Resolution and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1303. Governing Law. The Resolution and the Warrants shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

Section 1304. Designation of District. The Issuer has been commonly known as Sylvan Grove Rural Fire District. In accordance with the requirements of K.S.A. 19-3601, the Issuer shall henceforth be designated Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District).

Section 1305. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED by the Board of County Commissioners of Lincoln County, Kansas, acting as the governing body of Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District) on August 31, 2009.



Steven R. Errebo, Chairman



Al Joe Wallace, Commissioner



Terry L. Finch, Commissioner



ATTEST:



Dawn Harlow, Clerk

CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of Resolution No. 2009-20 (the "Resolution"), adopted on August 31, 2009, by the Board of County Commissioners acting as the governing body of Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District), as the same appears of record in my office, and that the Resolution has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: August 31, 2009.




Clerk

EXHIBIT A

(Form of Warrant)

**REGISTERED
NUMBER __**

**REGISTERED
\$76,000**

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF LINCOLN
FIRE DISTRICT NO. 5, LINCOLN COUNTY, KANSAS
(SYLVAN RURAL FIRE DISTRICT)
NO-FUND WARRANT
SERIES 2009**

Interest
Rate: 4.90%

Maturity
Date:

Dated
Date: September [], 2009

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District), State of Kansas (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on April 1 and October 1 of each year, commencing April 1, 2008 (the "Interest Payment Dates"), until the Principal Amount has been paid.

The principal or redemption price of this Warrant shall be paid on each Payment Date or upon earlier redemption to the person in whose name this Warrant is registered on each Payment date or redemption date thereof, upon presentation and surrender of this Warrant at the principal office of the Treasurer of the Issuer, Lincoln, Kansas (the "Paying Agent" and "Warrant Registrar"). The interest payable on this Warrant on any Interest Payment Date shall be paid to the person in whose name this Warrant is registered on the registration books maintained by the Warrant 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 such Owner shown on the Warrant Register or (b) at such other address as is furnished to the Paying Agent in writing by such Owner. The principal or redemption price of and interest on the Warrants shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

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

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

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Warrant 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.

IN WITNESS WHEREOF, the Issuer has caused this Warrant to be executed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon, and this Warrant to be dated the Dated Date shown above.

**FIRE DISTRICT NO. 5, LINCOLN
COUNTY, KANSAS (SYLVAN GROVE
RURAL FIRE DISTRICT)**

Chairman

ATTEST:

By _____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Warrant is one of a series of No-Fund Warrants, Series 2009, of Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District), described in the within-mentioned Resolution.

Registration Date: _____

Treasurer, Lincoln County, Kansas,
as Warrant Registrar and Paying Agent

By _____

FURTHER TERMS AND PROVISIONS

This Warrant is one of an authorized series of Warrants of the Issuer designated "No-Fund Warrants, Series 2009," in the principal amount of \$76,000 (the "Warrants") issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Warrants (the "Resolution"). The Warrants are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 19-3601b and K.S.A. 79-2940, as amended, and all other provisions of the laws of the State of Kansas applicable thereto. The Warrants constitute general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Warrant and the issue of which it is a part as the same respectively become due.

Optional Redemption. At the option of the Issuer, the Warrants may be called for redemption and payment prior to maturity in whole or in part at any time (selection of maturities and the amount of Warrants of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

Whenever the Warrant Registrar is to select Warrants for the purpose of redemption, it shall, in the case of Warrants in denominations greater than \$100, if less than all of the Warrants then outstanding are to be called for redemption, treat each \$100 of face value of each such fully registered Warrant as though it were a separate Warrant in the denomination of \$100.

If any Warrants are called for redemption and payment prior to maturity, the Issuer shall cause the Warrant Registrar to give written notice of its intention to call and pay such Warrants on a specified date, the same being described by maturity, said notice to be mailed by United States first class mail addressed to the Purchaser of the Warrants and to the owners of said Warrants, each of said notices to be mailed not less than 15 days prior to the date fixed for redemption. All Warrants so called for redemption and payment as aforesaid shall cease to bear interest from and after the date for which such call is made, provided funds are available for the payment of such Warrants at the price hereinbefore specified.

The Warrants are issued in fully registered form in the denomination of \$100 or any integral multiple thereof. This Warrant may be transferred or exchanged, as provided in the Resolution, only on the Warrant Register kept for that purpose at the principal office of the Warrant Registrar, upon surrender of this Warrant together with a written instrument of transfer or authorization for exchange satisfactory to the Warrant Registrar duly executed by the Owner or the Owner's duly authorized agent, and thereupon a new Warrant or Warrants in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution and upon payment of the charges therein prescribed. The Issuer and the Paying Agent may deem and treat the person in whose name this Warrant is registered on the Warrant Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Issuer and the Warrant Registrar may deem and treat the owner hereof as the absolute owner hereof for purposes of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the Issuer nor the Warrant Registrar shall be affected by any notice to the contrary. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Warrants and the cost of a reasonable supply of warrant blanks.

WARRANT ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

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

Name

Social Security or
Taxpayer Identification No.

Signature
(Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

CERTIFICATE OF LINCOLN COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF LINCOLN)

I, the undersigned, Clerk of Lincoln County, Kansas, acting as Secretary of Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District) hereby certify that the within Warrant has been duly registered in my office according to law as of _____, 2009.

WITNESS my hand and official seal.

(Seal)

Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE BOARD OF COUNTY COMMISSIONERS
OF LINCOLN COUNTY, KANSAS
ACTING AS THE GOVERNING BODY OF
FIRE DISTRICT NO. 5, LINCOLN COUNTY, KANSAS
(SYLVAN GROVE RURAL FIRE DISTRICT)
HELD ON AUGUST 31, 2009**

The Board of County Commissioners, acting as the governing body of Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District), met in regular session at the usual meeting place in the County, at 9:00 a.m., the following members being present and participating, to-wit:

Absent:

The Chairman declared that a quorum was present and called the meeting to order.

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF \$76,000 PRINCIPAL AMOUNT OF NO-FUND WARRANT, SERIES 2009, OF FIRE DISTRICT NO. 5, LINCOLN COUNTY, KANSAS (SYLVAN GROVE RURAL FIRE DISTRICT); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID WARRANT AS IT BECOMES DUE; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

Thereupon, Commissioner [Wallace] moved that said Resolution be adopted. The motion was seconded by Commissioner [Finch]. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the Board of County Commissioners, the vote being as follows:

Aye: Wallace, Finch & Errebo

Nay:

Thereupon, the Chairman declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. 2009-20 and was signed by the Commissioners and attested by the County Clerk.

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the Board of County Commissioners of Lincoln County, Kansas acting as the governing body of Fire District No. 5, Lincoln County, Kansas (Sylvan Grove Rural Fire District), held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)




Clerk