

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION – Chaplain Joe Creek

ROLL CALL

APPROVAL OF FEBRUARY 11, 2013 MINUTES

VOTE ON ZONING RESOLUTION

CZ-1-2013: Application of Maude C. Powers from AG to R-1A

VOTE ON OTHER RESOLUTIONS

- 13-3-1:** Resolution to Urge the Tennessee General Assembly to Enact a Private Act Creating a Special Juvenile Court in Montgomery County
- 13-3-2:** Resolution to Amend the Budgets of Various Funds for Fiscal Year 2013 in Certain Areas of Revenues and Expenditures
- 13-3-3:** Resolution Authorizing the Issuance, in One of More Series, of General Obligation Refunding Bonds (Federally Taxable) of Montgomery County, Tennessee, in the Aggregate Principal Amount of Approximately Thirty-Seven Million One Hundred Forty-Five Thousand Dollars (\$37,145,000) for the Purpose of Refunding All or a Portion of Certain Outstanding Bonds of the County; Making Provision for the Issuance, Sale and Payment of Said Bonds; Establishing the Terms Thereof and the Disposition of Proceeds Therefrom; and Providing for the Levy of Taxes for the Payment of Principal of, Premium, if any, and Interest on the Bonds

UNFINISHED BUSINESS

REPORTS

1. County Clerk's Report – **(requires approval by Commission)**

REPORTS FILED

1. Adequate Facilities Tax Report and Permit Revenue Report for February, 2013
2. Accounts & Budgets Monthly Report
3. School System's Quarterly Report for December 31, 2012
4. School System's Quarterly Construction Report
5. Trustee's Report

COUNTY MAYOR APPOINTMENT – Mayor Bowers

ANNOUNCEMENTS

ADJOURN

**RESOLUTION OF THE MONTGOMERY COUNTY BOARD OF COMMISSIONERS
AMENDING THE ZONE CLASSIFICATION OF THE PROPERTY OF MAUDE C. POWERS**

WHEREAS, an application for a zone change from AG Agricultural District to R-1A Single-Family Residential District has been submitted by Maude C. Powers and

WHEREAS, said property is identified as County Tax Map 63, parcel 67.00, containing 27.27 acres, situated in Civil District 13, located NORTH OF I- 24, SOUTH OF HIGHWAY 76, WEST OF N. WOODSON ROAD AT THE TERMINUSES OF SUPERIOR LANE & CLOVER HILLS DR.; and

WHEREAS, said property is described as follows:

Beginning at point in the southeast property corner of lot 249 of Clover Hills Section 3A as recorded in PB E, Page 1098 ROMCT, lying South 52 degrees 49 minutes 31 seconds West for 278.76 feet from the centerline intersection of Superior Lane and Clover Hills Drive; Thence along the south boundary line of Clover Hills, South 82 degrees 47 minutes 09 seconds East for 988.54 feet to the northeast corner of herein described parcel;
Thence along the west boundary line of Clover Hills Section 2 as recorded in PB E, Page 710 ROMCT, along Carl Merkt property as recorded in ORV 1247, page 2178 ROMCT, South 07 degrees 52 minutes 07 seconds West for 546.69 feet to the northwest corner of the Carl Merkt property as recorded in ORV 436, page 2306 ROMCT; Thence along Merkt west property line, South 08 degrees 50 minutes 59 seconds West for 148.70 feet to the southwest corner of Merkt property, laying in the north property line of John Kraeske as recorded in ORV 647, page 2136 ROMCT; Thence leaving Merkt property along the north property line of Kraeske property, North 79 degrees 23 minutes 51 seconds West for 190.28 feet to the northwest corner of Kraeske property; Thence continuing along Kraeske west property, South 07 degrees 36 minutes 17 seconds West for 886.91 feet to the southwest corner of Ernest Woodson property as recorded in ORV 305, Page 453 ROMCT also being the southeast corner of herein described parcel lying in the north right of way of Interstate 24; Thence leaving Woodson property along Interstate 24 north right of way, North 46 degrees 30 minutes 17 seconds West for 99.94 feet; Thence continuing along right of way, North 58 degrees 20 minutes 56 seconds West for 148.10 feet;
Thence continuing along right of way, North 44 degrees 59 minutes 53 seconds West for 734.82 feet to the southwest corner of herein described parcel; Thence on a new zone line for the next 5 calls; North 07 degrees 12 minutes 51 seconds West for 220.37 feet; North 33 degrees 37 minutes 10 seconds West for 152.35 feet; North 56 degrees 22 minutes 50 seconds East for 131.66 feet; North 07 degrees 12 minutes 51 seconds East for 578.85 feet; South 81 degrees 33 minutes 46 seconds East for 14.06 feet to the point of beginning, said parcel containing 27.27 acres, more or less. (Tax Map 063 Parcel 067.00 p/o)

WHEREAS, the Planning Commission staff recommends APPROVAL and the Regional Planning Commission recommends APPROVAL of said application.

NOW, THEREFORE, BE IT RESOLVED by the Montgomery County Board of County Commissioners assembled in regular session on this 11th day of March, 2013, that the zone classification of the property of Maude C. Powers from AG to R-1A is hereby approved.

Duly passed and approved this 11th day of March, 2013.

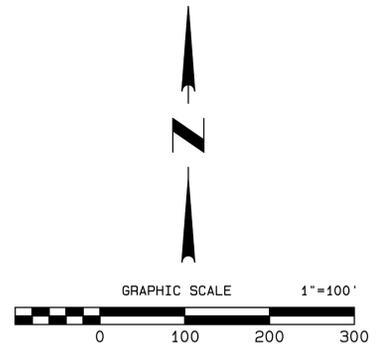
Sponsor David A. Papp
Commissioner _____
Approved _____

Attested: _____
County Clerk

County Mayor



UTILITY NOTE
 ALL UTILITY LOCATIONS ARE APPROXIMATE AND ARE DEPICTED BASED ON LOCATION OF UTILITIES BY LOCAL AUTHORITIES, VISIBLE APPURTENANCES, OR MAPS PREPARED BY OTHERS. THESE LOCATIONS ARE NO GUARANTEE THAT THERE ARE NO OTHER UTILITIES EITHER PUBLIC OR PRIVATE, THAT ARE NOT SHOWN ON THIS SURVEY. ALL UTILITY LOCATIONS SHALL BE FIELD VERIFIED BEFORE CONSTRUCTION BEGINS.



D&S Associates Engineering
 Civil and Environmental Consulting Engineers
 330 North Second Street
 P.O. Box 949
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 www.dbsengr.com

POWERS PROPERTY
GRAPHIC DEPICTION
 CLARKSVILLE
 MONTGOMERY COUNTY, TENNESSEE
 Mar 5, 2013

DR. / CK.	DATE	DESCRIPTION

C 1.00

**RESOLUTION TO URGE THE TENNESSEE GENERAL ASSEMBLY TO
ENACT A PRIVATE ACT CREATING A SPECIAL JUVENILE
COURT IN MONTGOMERY COUNTY**

WHEREAS, Montgomery County has experienced steady population growth resulting in the need for a new Juvenile Court; and

WHEREAS, currently Montgomery County has three General Session Judges who exercise Juvenile Court jurisdiction; and

WHEREAS, in 1982, the Tennessee General Assembly adopted the Juvenile Court Restructure Act of 1982 which provided a process to establish a special Juvenile Court; and

WHEREAS, Division III of General Sessions and Juvenile Court was established in 1995 when the population of Montgomery County was 114,550; and

WHEREAS, in the past a General Sessions and Juvenile Court Judgeship has been established when the county population increased by 40,000. The population for Montgomery County was 176,619 in the 2011 census statistics. It is anticipated that the population of Montgomery County will be 188,225 in 2015; and

WHEREAS, once established, Juvenile Court shall have exclusive jurisdiction of all cases to adjudicate a child dependent and neglected, delinquent and/or abandoned, and all other matters conferred upon such court by state law; and

WHEREAS, because a special Juvenile Court is an inferior court, the Tennessee General Assembly has the sole authority to create the special Juvenile Court by adoption of a private act; and

WHEREAS, the establishment of a separate Juvenile Court does not limit the ability of General Sessions or Juvenile Court to interchange Judges with each other should cause exist, making an interchange necessary, or for mutual convenience under the provision of *Tennessee Code Annotated, Section 17-2-208*. Therefore, it would be appropriate for the court to have concurrent General Sessions jurisdiction; and

WHEREAS, the Montgomery County Board of Commissioners finds it in the interest of the citizens of Montgomery County to urge the Tennessee General Assembly to adopt legislation

creating a special Juvenile Court in Montgomery County with concurrent General Sessions Court jurisdiction.

NOW THEREFORE BE IT RESOLVED, by the Montgomery County Board of Commissioners, assembled in regular business session this the 11th day of March, 2013, that the Tennessee General Assembly enact a private act to create a special Juvenile Court in Montgomery County with concurrent General Sessions Court jurisdiction as follows:

SECTION 1. As used in this Act, unless the context otherwise requires:

- (a) “Court” means the Juvenile Court on Montgomery County.
- (b) “Judge” means the Judge of the Juvenile Court of Montgomery County.
- (c) “Clerk” means the Juvenile Court Clerk of Montgomery County.

SECTION 2. There is created, in Montgomery County, a Juvenile Court to be known and styled as the Juvenile Court of Montgomery County. Such court shall be a court of record and shall be presided over by a Judge who shall have the qualifications set forth by state law. Such court shall have concurrent General Sessions Court jurisdiction.

SECTION 3. The Judge shall be elected in the 2014 August general election. The term of office shall be eight (8) years, and such Judge shall be licensed to practice law in the state of Tennessee and shall possess all the qualifications of the inferior courts. The elected Judge shall take and subscribe to the same oath of office as that subscribed for the Judges of the Circuit and General Session Courts. In the event the office of the Judge shall become vacant by reason of death, resignation, retirement, or any other reason before the expiration of said term of office, such vacancy shall be filled by a majority vote of the Montgomery County Commission members until the next County general election.

SECTION 4. The Montgomery County Juvenile Court Clerk shall continue to serve as Clerk of the Montgomery County Juvenile Court and any of such Clerk’s deputies shall also be deputies for the Juvenile Court created by this Act.

SECTION 5. The Judge and Clerk of such Juvenile Court shall have all of the jurisdiction, powers, duties, and authority of other Juvenile Court Judges and Clerks as provided in Tennessee Code Annotated, Title 37 or any other general law, and shall have all of the jurisdiction, powers, duties, and authority of the General Sessions Court Judges, pursuant to applicable state law.

SECTION 6. The Judge shall be a full time Juvenile Judge and shall exercise concurrent General Sessions’s jurisdiction in Montgomery County. Nothing in this Act shall restrict the ability of the Judge to participate in interchange with other Judges should cause exist making an interchange necessary or for mutual convenience under the provision of Tennessee Code Annotated, Section 17-2-208.

SECTION 7. Effective Sept. 1, 2014 the annual salary of the position of Montgomery County Juvenile Judge shall be that of Division I, II, & III General Sessions & Juvenile Court Judges in Montgomery County. The Montgomery County Legislative Body shall annually appropriate from such funds as are necessary and appropriate for the orderly operation and administration of the court herein created.

SECTION 8. The Judge is authorized to make and promulgate rules and regulations for the administration and efficient operation of the Court and to fix the times and places at which all persons within the jurisdiction of the Court shall have their causes set for disposition.

SECTION 9. The Montgomery County Legislative Body shall provide the Court with facilities adequate and sufficient to allow the Court to perform its duties as a Juvenile Court.

SECTION 10. If any provision of this Act or the application thereof to any person or circumstance, is held invalid, such invalidity shall not affect other provisions, or application of the Act which can be given effect without the invalid provision or application of the Act which can be given effect without the invalid provision or application, and to that end, the provisions of this Act are declared to be severable.

SECTION 11. This Act shall have no effect, unless it is approved by a two-thirds (2/3) vote of the Montgomery County Legislative Body. Its approval or non-approval shall be proclaimed by the presiding officer of the Montgomery County Legislative Body and certified by her to the Secretary of State. For all other purposes this Act shall become effective upon its passage as set forth herein.

AND BE IT FURTHER RESOLVED, that upon approval of this resolution and its signing, the Board of Commissioners directs the County Clerk's Office to mail a copy of this resolution to Montgomery County's State Representatives and State Senator.

Duly passed and approved this 11th day of March, 2013.

Sponsor _____

Commissioner _____

Approved _____

County Mayor

Attested _____

County Clerk

**RESOLUTION TO AMEND THE BUDGETS
OF VARIOUS FUNDS FOR FISCAL YEAR 2013
IN CERTAIN AREAS OF REVENUES AND EXPENDITURES**

WHEREAS, the Director of Accounts and Budgets has performed continuing reviews of the status of funding needs and the receipts of revenues anticipated in support of the various budgets; and

WHEREAS, the County Commission desires to appropriate funding to these expenditure accounts from various sources including revenues, designated fund balances, and/or other sources within the funds in which those accounts operate.

NOW THEREFORE BE IT RESOLVED, by the Montgomery County Board of Commissioners, assembled in regular business session this 11th day of March, 2013 that the budgets for various funds for FY13 be amended as to revenues and expenditures, according to the attached Account Schedule 1.

Duly passed and approved this 11th day of March, 2013.

Sponsor Elinne J. Hester

Commissioner Joe / Creek

Approved _____
County Mayor

Attested _____
County Clerk

Montgomery County Government
Schedule 1
General Fund Budget

2012-2013 Budget as of 2/15/12	Proposed Increase (Decrease)	2012-2013 Amended Budget
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ESTIMATED REVENUES

Local Taxes

40110 CURRENT PROPERTY TAX	28,830,000	-	28,830,000
40120 TRUSTEE'S COLLECTIONS - PYR	900,000	-	900,000
40140 INTEREST & PENALTY	200,000	-	200,000
40161 PMTS IN LIEU OF TAXES - T.V.A.	2,500	-	2,500
40162 PMTS IN LIEU OF TAXES -UTILITY	925,000	-	925,000
40163 PMTS IN LIEU OF TAXES - OTHER	442,700	-	442,700
40220 HOTEL/MOTEL TAX	1,750,000	-	1,750,000
40250 LITIGATION TAX - GENERAL	411,000	-	411,000
40260 LITIGATION TAX-SPECIAL PURPOSE	60,000	-	60,000
40270 BUSINESS TAX	950,000	-	950,000
40320 BANK EXCISE TAX	65,000	-	65,000
40330 WHOLESALE BEER TAX	420,000	-	420,000
40350 INTERSTATE TELECOMMUNICATIONS	2,600	-	2,600
Total Local Taxes	34,958,800	-	34,958,800

Licenses and Permits

41120 ANIMAL REGISTRATION	22,800	-	22,800
41130 ANIMAL VACCINATION	4,000	-	4,000
41140 CABLE TV FRANCHISE	200,000	-	200,000
41520 BUILDING PERMITS	420,000	-	420,000
41540 PLUMBING PERMITS	10,000	-	10,000
41590 OTHER PERMITS	169,340	-	169,340
Total Licenses and Permits	826,140	-	826,140

Fines, Forfeitures and Penalties

42110 FINES	3,200	-	3,200
42120 OFFICERS COSTS	41,000	-	41,000
42141 DRUG COURT FEES	4,000	-	4,000
42150 JAIL FEES CIRCUIT COURT	26,000	-	26,000
42190 DATA ENTRY FEES -CIRCUIT COURT	14,400	-	14,400
42191 COURTROOM SECURITY - CIRCUIT	9,000	-	9,000
42192 CIRCUIT COURT VICTIMS ASSESS	6,100	-	6,100
42310 FINES	136,000	-	136,000
42311 FINES - LITTERING	500	-	500
42320 OFFICERS COSTS	183,000	-	183,000
42330 GAME & FISH FINES	1,000	-	1,000
42341 DRUG COURT FEES	15,000	-	15,000
42350 JAIL FEES GENERAL SESSIONS	220,000	-	220,000
42380 DUI TREATMENT FINES	30,000	-	30,000
42390 DATA ENTRY FEE-GENERAL SESS	52,000	-	52,000
42392 GEN SESSIONS VICTIM ASSESSMNT	63,000	-	63,000
42410 FINES	2,000	-	2,000
42420 OFFICER COSTS	5,000	-	5,000
42450 JAIL FEES	60,000	-	60,000
42460 DISTRICT ATTORNEY GENERAL FEE	1,000	-	1,000
42490 DATA ENTRY FEE-JUVENILE COURT	9,000	-	9,000
42520 OFFICERS COSTS	26,000	-	26,000
42530 DATA ENTRY FEE -CHANCERY COURT	2,000	-	2,000
42610 FINES	2,500	-	2,500
42641 DRUG COURT FEES	20,000	-	20,000
42660 DISTRICT ATTORNEY GENERAL FEES	-	-	-
42900 OTHER FINES/FORFEITURE/PENALTY	600	-	600

101-51750-00000-51-42990

2,419

2,419

Building & Codes Imposed Ilen

Montgomery County Government
Schedule 1
General Fund Budget

	2012-2013 Budget as of 2/15/12	Proposed Increase (Decrease)	2012-2013 Amended Budget	
Total Fines, Forfeitures and Penalties	932,300	2,419	934,719	
Charges for Current Services				
43120 PATIENT CHARGES	4,800,000	-	4,800,000	
43140 ZONING STUDIES	2,000	-	2,000	
43190 OTHER GENERAL SERVICE CHARGES	45,000	-	45,000	
43340 RECREATION FEES	12,000	-	12,000	
43350 COPY FEES	6,200	-	6,200	
43365 ARCHIVE AND RECORD MANAGEMENT	344,000	-	344,000	
43370 TELEPHONE COMMISSIONS	105,000	-	105,000	
43380 VENDING MACHINE COLLECTIONS	55,000	-	55,000	
43392 DATA PROCESSING FEES -REGISTER	75,000	-	75,000	
43393 PROBATION FEES	12,000	-	12,000	
43394 DATA PROCESSING FEES - SHERIFF	33,000	-	33,000	
43395 SEXUAL OFFENDER FEE - SHERIFF	13,000	-	13,000	
43396 DATA PROCESSING FEE-COUNTY CLK	13,200	-	13,200	
43990 OTHER CHARGES FOR SERVICES	86	-	86	
101-55130-00000-55-43990-P0007	-	963	963	CPR Cards
Total Charges for Current Services	5,489,086	963	5,490,049	
Other Local Revenues				
44110 INTEREST EARNED	600,000	-	600,000	
44120 LEASE/RENTALS	643,512	-	643,512	
44140 SALE OF MAPS	1,000	-	1,000	
44170 MISCELLANEOUS REFUNDS	150,276	-	150,276	
101-53600-00000-53-44170	20,000	6,000	26,000	Witness travel reimbursed by the State
44530 SALE OF EQUIPMENT	-	-	-	
101-00000-00000-00-44530	-	3,225	3,225	Sale of Animal Control vehicle
44570 CONTRIBUTIONS & GIFTS	9,688	-	9,688	
44990 OTHER LOCAL REVENUES	667,855	-	667,855	
Total Other Local Revenues	2,092,331	9,225	2,101,556	
Fees Received from County Officials				
45510 COUNTY CLERK	1,500,000	-	1,500,000	
45520 CIRCUIT COURT CLERK	882,000	-	882,000	
45540 GENERAL SESSIONS COURT CLERK	1,353,000	-	1,353,000	
45550 CLERK & MASTER	340,000	-	340,000	
45560 JUVENILE COURT CLERK	95,000	-	95,000	
45580 REGISTER	1,000,000	-	1,000,000	
45590 SHERIFF	28,000	-	28,000	
45610 TRUSTEE	2,850,000	-	2,850,000	
Fees Received from County Officials	8,048,000	-	8,048,000	
State of Tennessee				
46110 JUVENILE SERVICES PROGRAM	493,011	-	493,011	
101-54240-00000-54-46110-05253	85,000	10,000	95,000	Auditor adjustment account reclass - Child Advocacy
46210 LAW ENFORCEMENT TRAINING PROG	48,000	-	48,000	
43430 LITTER PROGRAM	82,700	-	82,700	
46810 FLOOD CONTROL	330	-	330	
46830 BEER TAX	17,500	-	17,500	
46840 ALCOHOLIC BEVERAGE TAX	175,000	-	175,000	
46851 STATE REVENUE SHARING - T.V.A.	1,400,000	-	1,400,000	
46880 BOARD OF JURORS	5,000	-	5,000	
46890 PRISONER TRANSPORTATION	14,000	-	14,000	
46915 CONTRACTED PRISONER BOARDING	1,022,000	-	1,022,000	
46960 REGISTRAR'S SALARY SUPPLEMENTS	15,164	-	15,164	

Montgomery County Government
Schedule 1
General Fund Budget

	<i>2012-2013 Budget as of 2/15/12</i>	<i>Proposed Increase (Decrease)</i>	<i>2012-2013 Amended Budget</i>	
46980 OTHER STATE GRANTS	521,220	-	521,220	
<i>101-55190-00000-55-46980-G5225</i>	2,238,600	168,600	2,407,200	Grant amended by State - Health Department
<i>101-54240-00000-54-46980-05253</i>	10,000	(10,000)	-	Auditor adjustment account reclass - Child Advocacy
46990 OTHER STATE REVENUES	10,800	-	10,800	
Total State of Tennessee	6,138,325	168,600	6,306,925	
Federal Revenue				
47114 USDA - OTHER	9,000	-	9,000	
47220 CIVIL DEFENSE REIMBURSEMENT	-	-	-	
<i>101-54410-00000-54-47220</i>	68,000	(68,000)	-	Auditor adjustment account reclass - EMA
47235 HOMELAND SECURITY GRANTS	804,780	-	804,780	
<i>101-54410-00000-54-47235</i>	1,350	68,000	69,350	Auditor adjustment account reclass - EMA
47250 LAW ENFORCEMENT GRANTS	-	-	-	
<i>101-54110-00000-54-47250</i>	3,374	(3,374)	-	Auditor adjustment account reclass - Sheriff's Office
47590 OTHER FEDERAL THROUGH STATE	113,374	-	113,374	
<i>101-54110-00000-54-47590-G1160</i>	-	23,914	23,914	Auditor adjustment account reclass - Sheriff's Office
<i>101-54110-00000-54-47590-G1260</i>	-	44,899	44,899	Auditor adjustment account reclass - Sheriff's Office
47700 ASSET FORFEITURE FUNDS	8,000	-	8,000	
47990 OTHER DIRECT FEDERAL REVENUE	63,725	-	63,725	
<i>101-54110-00000-54-47990</i>	-	3,374	3,374	Auditor adjustment account reclass - Sheriff's Office
<i>101-54110-00000-54-47990-G1160</i>	23,914	(23,914)	-	Auditor adjustment account reclass - Sheriff's Office
<i>101-54110-00000-54-47990-G1260</i>	44,899	(44,899)	-	Auditor adjustment account reclass - Sheriff's Office
Total Federal Revenue	1,140,416	-	1,140,416	
Federal Revenue				
48130 CONTRIBUTIONS	163,337	-	163,337	
48610 DONATIONS	3,780	-	3,780	
<i>101-54240-00000-54-48610-05253</i>	30,000	1,000	31,000	TNCAC Donation - Child Advocacy
Total Federal Revenue	197,117	1,000	198,117	
Non-Revenue Sources				
49700 INSURANCE RECOVERY	1,908	-	1,908	
49800 OPERATING TRANSFERS	377,489	-	377,489	
<i>101-51810-00000-51-49800</i>	-	35,000	35,000	Courthouse Security Reserves - Courts Complex
<i>101-52500-00000-52-49800</i>	53,489	52,175	105,664	Archives & Records Fee Reserves - County Clerk
<i>101-53400-00000-53-49800</i>	-	2,140	2,140	Archives & Records Fee Reserves - Chancery Court
<i>101-54160-00000-54-49800</i>	-	900	900	Sex Offender Registry Reserves
<i>101-51760-00000-51-49800</i>	39,555	22,716	62,271	GIS Reserves - Spatialtest Software
Total Non-Revenue Sources	472,441	112,931	585,372	
TOTAL GENERAL FUND REVENUES	60,294,956	295,138	60,590,094	

Montgomery County Government
Schedule 1
General Fund Budget

	2012-2013 Budget as of 2/15/2012	Proposed Increase (Decrease)	2012-2013 Amended Budget	
51100 COUNTY COMMISSION	221,821		221,821	
51210 BOARD OF EQUALIZATION	2,688		2,688	
51220 BEER BOARD	1,615		1,615	
51240 OTHER BOARDS & COMMITTEES	3,121		3,121	
51300 COUNTY MAYOR	438,795		438,795	
51310 HUMAN RESOURCES	322,841		322,841	
51400 COUNTY ATTORNEY	-		-	
101-51400-00000-51-53310	24,000	35,000	59,000	County Attorney
51500 ELECTION COMMISSION	684,794		684,794	
51600 REGISTER OF DEEDS	513,979		513,979	
51720 PLANNING	311,112		311,112	
51730 BUILDING	108,229		108,229	
51750 CODES COMPLIANCE	639,122		639,122	
101-51750-00000-51-53120	7,500	2,419	9,919	Building & Codes Imposed Ilen
51760 GEOGRAPHICAL INFO SYSTEMS	164,005		164,005	
101-51760-00000-51-55900	-	22,716	22,716	Spatiallest Software - GIS Reserves
51800 COUNTY BUILDINGS	1,693,668		1,693,668	
51810 COURTS COMPLEX	1,129,698		1,129,698	
101-51810-00000-51-57900	3,000	35,000	38,000	X-ray belt scanner - Courthouse Security Reserves
51900 OTHER GENERAL ADMINISTRATION	679,686		679,686	
51910 ARCHIVES	128,500		128,500	
52100 ACCOUNTS & BUDGETS	540,461		540,461	
52200 PURCHASING	286,561		286,561	
52300 PROPERTY ASSESSOR'S OFFICE	1,050,128		1,050,128	
52400 COUNTY TRUSTEES OFFICE	546,037		546,037	
52500 COUNTY CLERK'S OFFICE	1,895,432		1,895,432	
101-52500-00000-52-53360	21,000	200	21,200	Install computer equipment - Archive & Records Fee Reserve
101-52500-00000-52-53990	5,850	42,950	48,800	BIS scanning project & wiring - Archive & Records Fee Reserve
101-52500-00000-52-54110	5,000	318	5,318	Office 13 - Archive & Records Fee Reserve
101-52500-00000-52-54350	8,500	2,340	10,840	Chair mats-PO carry forward & Office Supplies - Archive & Records Fee Reserve
101-52500-00000-52-57090	53,489	3,036	56,525	Computer equipment - Archive & Records Fee Reserve
101-52500-00000-52-57110	-	5,396	5,396	Desk, chair, and cabinets - Archive & Records Fee Reserve
52600 INFORMATION SYSTEMS	1,452,438		1,452,438	
52900 OTHER FINANCE	50,550		50,550	
53100 CIRCUIT COURT	2,135,691		2,135,691	
53300 GENERAL SESSIONS COURT	653,147		653,147	
53330 DRUG COURT	50,000		50,000	
53400 CHANCERY COURT	505,534		505,534	
101-53400-00000-53-57110	-	4,397	4,397	File cabinet - Archives & Records Fees
53500 JUVENILE COURT	981,700		981,700	
53520 JUVENILE COURT CLERK	454,311		454,311	
53600 DISTRICT ATTORNEY GENERAL	107,560		107,560	
101-53600-00000-53-53550	30,000	6,000	36,000	Witness travel
53610 OFFICE OF PUBLIC DEFENDER	7,725		7,725	
53700 JUDICIAL COMMISSIONERS	273,006		273,006	
53900 OTHER ADMINISTRATION/ JUSTICE	512,502		512,502	
53910 ADULT PROBATION SERVICES	902,057		902,057	
54110 SHERIFF'S DEPARTMENT	7,863,597		7,863,597	
54120 SPECIAL PATROLS	1,945,890		1,945,890	
54160 SEXUAL OFFENDER REGISTRY	13,340		13,340	
101-54160-00000-54-57160	-	900	900	Digital signature pads and radio required by TBI
54210 JAIL	11,816,376		11,816,376	
54220 WORKHOUSE	1,710,047		1,710,047	
54230 COMMUNITY CORRECTIONS	486,373		486,373	
54240 JUVENILE SERVICES	208,114		208,114	
101-54240-00000-54-57090-05253	-	1,000	1,000	TNCAC Donation - Child Advocacy
54310 FIRE PREVENTION & CONTROL	220,948		220,948	

Montgomery County Government
Schedule 1
General Fund Budget

	2012-2013 Budget as of 2/15/2012	Proposed Increase (Decrease)	2012-2013 Amended Budget	
54410 EMERGENCY MANAGEMENT	409,700		409,700	
54490 OTHER EMERGENCY MANAGEMENT	804,780		804,780	
54610 COUNTY CORONER / MED EXAMINER	215,500		215,500	
55110 HEALTH DEPARTMENT	197,349		197,349	
55120 RABIES & ANIMAL CONTROL	590,296		590,296	
101-55120-00000-55-57900	41,719	3,225	44,944	Wrap Animal Control trailer
55130 AMBULANCE SERVICE	8,396,945		8,396,945	
101-55130-00000-54290-P0007	-	963	963	CPR Cards
55190 OTHER LOCAL HLTH SRVCS (WIC)	76,058		76,058	
101-55190-00000-55-51300-G5225	209,027	56,841	265,868	Grant amended by State - Social Workers
101-55190-00000-55-51310-G5225	673,364	(22,625)	650,739	Grant amended by State - Medical Personnel
101-55190-00000-55-51620-G5225	452,071	36,967	489,038	Grant amended by State - Clerical Personnel
101-55190-00000-55-51630-G5225	23,769	1,514	25,283	Grant amended by State - Aides
101-55190-00000-55-51690-G5225	35,970	2,703	38,673	Grant amended by State - Part-time Personnel
101-55190-00000-55-52010-G5225	84,894	6,221	91,115	Grant amended by State - Social Security
101-55190-00000-55-52040-G5225	200,832	9,762	210,594	Grant amended by State - State Retirement
101-55190-00000-55-52070-G5225	459,473	39,950	499,423	Grant amended by State - Medical Insurance
101-55190-00000-55-52120-G5225	20,042	1,267	21,309	Grant amended by State - Medicare
101-55190-00000-55-53070-G5225	-	7,200	7,200	Grant amended by State - Communication
101-55190-00000-55-53280-G5225	-	4,500	4,500	Grant amended by State - Janitorial Services
101-55190-00000-55-53340-G5225	-	1,000	1,000	Grant amended by State - Maintenance Agreements
101-55190-00000-55-53350-G5225	-	2,000	2,000	Grant amended by State - Maint. & Repairs Building
101-55190-00000-55-53510-G5225	3,100	(1,700)	1,400	Grant amended by State - Rentals
101-55190-00000-55-54150-G5225	-	19,000	19,000	Grant amended by State - Electricity
101-55190-00000-55-54340-G5225	-	3,000	3,000	Grant amended by State - Natural Gas
101-55190-00000-55-54540-G5225	-	1,000	1,000	Grant amended by State - Water & Sewer
55310 REGIONAL MENTAL HEALTH CENTER	7,000		7,000	
55390 APPROPRIATION TO STATE	211,452		211,452	
55590 OTHER LOCAL WELFARE SERVICES	32,825		32,825	
55900 OTHER PUBLIC HEALTH & WELFARE	15,000		15,000	
56500 LIBRARIES	1,732,962		1,732,962	
56700 PARKS & FAIR BOARDS	445,893		445,893	
56900 OTHER SOCIAL, CULTURAL & REC	9,688		9,688	
57100 AGRICULTURAL EXTENSION SERVICE	349,977		349,977	
57300 FOREST SERVICE	2,000		2,000	
57500 SOIL CONSERVATION	32,591		32,591	
58110 TOURISM	1,504,000		1,504,000	
58120 INDUSTRIAL DEVELOPMENT	600,404		600,404	
58220 AIRPORT	200,919		200,919	
58300 VETERAN'S SERVICES	397,491		397,491	
58400 OTHER CHARGES	1,246,178		1,246,178	
58500 CONTRIBUTION TO OTHER AGENCIES	180,500		180,500	
58600 EMPLOYEE BENEFITS	493,896		493,896	
58900 MISC-CONT RESERVE	18,400		18,400	
64000 LITTER & TRASH COLLECTION	124,442		124,442	
Total General Fund Expenditures	64,372,046	334,460	64,706,506	

Increase (Decrease) in Budgeted Fund Balance

(39,322)

A RESOLUTION AUTHORIZING THE ISSUANCE, IN ONE OR MORE SERIES, OF GENERAL OBLIGATION REFUNDING BONDS (FEDERALLY TAXABLE) OF MONTGOMERY COUNTY, TENNESSEE, IN THE AGGREGATE PRINCIPAL AMOUNT OF ~~NOT TO EXCEED~~ APPROXIMATELY THIRTY-SEVEN MILLION ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$37,145,000) FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING BONDS OF THE COUNTY; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

WHEREAS, Montgomery County, Tennessee (the "County") has previously issued and there is currently outstanding General Obligation Refunding Bonds, Series 2004, dated March 15, 2004, maturing ~~March~~ May 1, 2015 through ~~March~~ May 1, 2020, inclusive (the "Outstanding Bonds"); and

WHEREAS, counties in Tennessee are authorized by Section 9-21-101 et seq., Tennessee Code Annotated, to issue, by resolution, bonds to refund, redeem or make principal and interest payments on their previously issued bonds, notes or other obligations; and

WHEREAS, the Outstanding Bonds advance refunded certain outstanding debt of the County and are not eligible to be advance refunded on a tax-exempt basis under the terms of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Board of County Commissioners of the County has determined that the Outstanding Bonds can be advance refunded as federally taxable bonds and will effect a cost savings to the public; and

WHEREAS, the plan of said refunding has been submitted to the Director of State and Local Finance as required by Section 9-21-903, Tennessee Code Annotated, and said report on the plan of refunding has been issued and is attached hereto as Exhibit A; and

WHEREAS, it is the intention of the Board of County Commissioners to adopt this resolution for the purpose of authorizing the issuance of general obligation refunding bonds, in one or more series, for the purpose of refunding all or a portion of the Outstanding Bonds, providing for the issuance, sale and payment of said bonds, establishing the terms thereof and the disposition of proceeds therefrom and providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Montgomery County, Tennessee, as follows:

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to Sections 9-21-101, et seq., Tennessee Code Annotated, and other applicable provisions of law.

Section 2. Definitions. The following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bonds" means General Obligation Refunding Bonds (Federally Taxable) authorized herein;

(c) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the County or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds;

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder;

(e) "County" shall mean Montgomery County, Tennessee;

(f) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC;

(g) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns;

(h) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System;

(i) "Debt Management Policy" means the Debt Management Policy adopted by the Governing Body as required by the State Funding Board of the State of Tennessee;

(j) "Escrow Agent" means the escrow agent appointed by the County Mayor, or its successor;

(k) "Governing Body" means the Board of County Commissioners of the County;

(l) "Outstanding Bonds" shall have the meaning set forth in the preamble hereto;

(m) "Refunded Bonds" means the maturities or portions of maturities of the Outstanding Bonds designated by the County Mayor pursuant to Section 8 hereof;

(n) "Refunding Escrow Agreement" shall mean the Refunding Escrow Agreement, dated as of the date of the Bonds, to be entered into by and between the County and the Escrow Agent, in the form of the document attached hereto and incorporated herein by this reference as Exhibit ED, subject to such changes therein as shall be permitted by Section 11 hereof;

(o) "Registration Agent" means the registration and paying agent for the Bonds appointed by the County Mayor pursuant to Section 4 hereof; and

(p) "State Director" shall mean the Director of State and Local Finance for the State of Tennessee.

Section 3. Findings of the Governing Body; Compliance with Debt Management Policy. It is hereby found and determined by the Governing Body as follows:

(a) The County Commission hereby finds that the issuance and sale of the Bonds, as proposed herein, is consistent with the County's Debt Management Policy.

(b) Specifically, the Governing Body hereby finds that the issuance of the Bonds authorized by this resolution is advisable because it will result in the reduction in debt service payable by the County over the term of the Outstanding Bonds. The County's Debt Management Policy contemplates that the County may issue refunding bonds for the purpose of achieving aggregate net present value debt service savings to the County. The Debt Management Policy also states that the County should maximize the use of tax-exempt interest rates. The Governing Body recognizes that the Bonds must be issued as federally taxable Bonds under the Code and further finds that it is advantageous to issue the Bonds as federally taxable bonds if a savings threshold of not less than three percent (3.00%) aggregate net present value savings can be achieved with respect to the issuance of the Bonds.

(c) Further, the County's Debt Management Policy contemplates that the County will, as a general rule, structure the term of any refunding bonds within the original term of the Refunded Bonds. The Bonds authorized herein will be structured so as not to extend beyond the original term of the Refunded Bonds.

(d) To ensure that the costs of the Bonds authorized herein have been fully disclosed, the Refunding Report of the State Director has been presented to the members of the Governing Body in connection with their consideration of this resolution and is attached hereto as Exhibit A.

Section 4. Authorization and Terms of the Bonds.

(a) For the purpose of providing funds to refund the Refunded Bonds and pay the costs incident to the issuance and sale of the Bonds, as more fully set forth in Section 9 hereof, there are hereby authorized to be issued bonds, in one or more series, of the County in ~~an aggregate~~ the approximate principal amount sufficient of \$37,145,000 to pay the principal of, premium and interest on the Refunded Bonds and pay costs of issuance of the Bonds. The Bonds shall be issued in fully registered, book-entry only form (except as otherwise permitted herein), without coupons, shall be issued in one or more series, shall be known as "General Obligation Refunding Bonds (Federally Taxable)" and shall have such series designation and dated date as shall be determined by the County Mayor pursuant to Section 8 hereof. The rate or rates on the Bonds shall not exceed the maximum interest rate permitted by applicable law at the time of the sale of the Bonds, or any series thereof. Subject to the adjustments permitted pursuant to Section 8 hereof, interest on the Bonds shall be payable semi-annually on May 1 and November 1 in each year, commencing November 1, 2013. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser, and, subject to adjustment as permitted by Section 8 hereof, shall mature, subject to prior redemption, either serially or through mandatory redemption on May 1 of each year, in the years 2014 through 2020, inclusive. Attached hereto as Exhibit B is a preliminary debt service estimate of the amortization of the Bonds; provided, however, such amortization may be adjusted in accordance with Section 8 hereof.

(b) Subject to the adjustments permitted pursuant to Section 8 hereof, the Bonds, or any series thereof shall mature without option of redemption prior to maturity. If adjustments are made as permitted pursuant to Section 8 hereof and if less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

(c) Pursuant to Section 8 hereof, the County Mayor is authorized to sell the Bonds, or any maturities thereof, as term bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the County Mayor. In the event any or all the Bonds are sold as term bonds, the County shall redeem term bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to Section 8 hereof for each redemption date, as such maturity amounts may be adjusted pursuant to Section 8 hereof, at a price of par plus accrued interest thereon to the date of redemption. The term bonds to be redeemed within a single maturity shall be selected in the manner described in subsection (b) above.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The County shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

(d) Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent on behalf of the County not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the County pursuant to written instructions from an authorized representative of the County (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein.

(e) The County Mayor is hereby authorized and directed to appoint the Registration Agent for the Bonds and the Registration Agent so appointed is authorized and directed to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the County at least annually a certificate of destruction with respect to Bonds canceled and destroyed, and to furnish the County at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The County Mayor is hereby authorized to execute and the County Clerk is hereby authorized to attest such written agreement between the County and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(f) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(g) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent 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 Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which Date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than

ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(h) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the County to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(i) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the County with the manual or facsimile signature of the County Mayor and with the official seal, or a facsimile thereof, of the County impressed or imprinted thereon and attested by the manual or facsimile signature of the County Clerk.

(j) Except as otherwise provided in Section 8 hereof, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS

NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co. as provided in the Letter of Representation relating to the Bonds from the County and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The County and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the County determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, the County shall discontinue the Book-Entry System with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

THE COUNTY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

(k) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds, provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this section.

(l) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the County of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The

Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(m) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the County, in its discretion, shall issue, and the Registration Agent, upon written direction from the County, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be about to mature, instead of issuing a substituted Bond the County may pay or authorize payment of such Bond without surrender thereof. In every case the applicant shall furnish evidence satisfactory to the County and the Registration Agent of the destruction, theft or loss of such Bond, and indemnity satisfactory to the County and the Registration Agent; and the County may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the County for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of, premium, if any, and interest on the Bonds, the full faith and credit of the County are hereby irrevocably pledged.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form, the omissions to be appropriately completed when the Bonds are prepared and delivered:

(Form of Face of Bond)

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF MONTGOMERY
GENERAL OBLIGATION REFUNDING BOND (FEDERALLY TAXABLE), SERIES _____

Interest Rate: Maturity Date: Date of Bond: CUSIP No.:

Registered Owner: CEDE & CO.

Principal Amount:

FOR VALUE RECEIVED, Montgomery County, Tennessee (the "County") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate of interest hereinabove set forth from the date hereof until said maturity date [or redemption date], said interest being payable on [November 1, 2013], and semi-annually thereafter on the first day of [May] and [November] in each year until this Bond matures [or is redeemed]. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the principal corporate trust office of _____, as registration agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day

of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity of the Bonds shall be issued to DTC and immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the County and the Registration Agent shall treat Cede & Co., as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal of, [premium, if any,] and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal and interest [and redemption premium, if any,] with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the County nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the County may discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner. Neither the County nor the Registration Agent shall have any responsibility or obligations to any DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners, (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

[Bonds of the issue of which this Bond is one shall mature without option of prior redemption.]

[Bonds of the issue of which this Bond is one maturing May 1, ____ through May 1, ____, inclusive, shall mature without option of prior redemption, and Bonds maturing May 1, ____ and thereafter shall be subject to redemption prior to maturity at the option of the County on May 1, ____ and

thereafter, as a whole or in part, at any time, at the redemption price of par plus interest accrued to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Board of County Commissioners of the County, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the County shall redeem Bonds maturing _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC, or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final</u> <u>Maturity</u>	<u>Redemption</u> <u>Date</u>	<u>Principal Amount</u> <u>of Bonds</u> <u>Redeemed</u>
---------------------------------	----------------------------------	---

*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such

payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The County shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution, as hereafter defined.]

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond[, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the County to call such Bond for redemption].

This Bond is one of a total authorized issue aggregating \$ _____ and issued by the County for the purpose of providing funds to refund the County's outstanding [General Obligation Refunding Bonds, Series 2004, dated March 15, 2004, maturing May 1, 2015 through May 1, 2020, inclusive], under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101, et seq., Tennessee Code Annotated, and pursuant to a resolution duly adopted by the Board of County Commissioners of the County on March 11, 2013 (the "Resolution").

This Bond is payable from unlimited ad valorem taxes to be levied on all taxable properly located within the County. For the prompt payment of principal of[, premium, if any,] and interest on this Bond, the full faith and credit of the County are irrevocably pledged. For a more complete statement of the

general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to said Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Interest on this Bond will be included in gross income for federal income tax purposes.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the County has caused this Bond to be signed by its County Mayor with her manual or facsimile signature and attested by its County Clerk with her manual or facsimile signature under an impression or facsimile of the corporate seal of the County, all as of the date hereinabove set forth.

MONTGOMERY COUNTY

BY: _____
County Mayor

(SEAL)

ATTESTED:

County Clerk

Transferable and payable at the principal corporate trust office of: _____

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

Registration Agent

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Bond of Montgomery County, Tennessee, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof 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 on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

Section 7. Pledge of Net Revenues and Levy of Tax. The County, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any appropriations from other funds, taxes and revenues of the County, to the payment of debt service on the Bonds.

Section 8. Sale of Bonds.

(a) The Bonds shall be offered for public sale, as required by law, in one or more series, at a price of not less than ninety-nine percent (99%) of par, plus accrued interest, as a whole or in part from time to time as shall be determined by the County Mayor.

(b) The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, fax, or telephone or by electronic bidding means of an Internet bidding service as shall be determined by the County Mayor.

(c) If the Bonds are sold in more than one series, the County Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown in Section 4 hereof for each series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate of Bonds authorized to be issued herein.

- (d) The County Mayor is further authorized with respect to each series of Bonds to:
- (1) change the dated date of the Bonds or any series thereof, to a date other than the date of issuance of the Bonds;
 - (2) change the designation of the Bonds, or any series thereof, to a designation other than "General Obligation Refunding Bonds (Federally Taxable)" and to specify the series designation of the Bonds, or any series thereof;
 - (3) change the first interest payment date on the Bonds or any series thereof to a date other than November 1, 2013, provided that such date is not later than twelve months from the dated date of such series of Bonds;
 - (4) adjust the principal and interest payment dates and the maturity amounts of the Bonds, or any series thereof, provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds authorized herein necessary to refund the Refunded Bonds; and (B) the final maturity date of each series shall not exceed the end of the fiscal year of the final maturity of the Outstanding Bonds refunded by such series;
 - (5) adjust the County's optional redemption provisions of the Bonds by making the Bonds callable prior to maturity, provided that the premium amount to be paid on Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof;
 - (6) to refinance less than all of the Outstanding Bonds to maximize the objectives of refinancing the Outstanding Bonds;
 - (7) sell the Bonds, or any series thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the County Mayor, as she shall deem most advantageous to the County; and
 - (8) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance is requested and paid for by the winning bidder of the Bonds, or any series thereof.

(e) The County Mayor is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The County Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as ~~heshe~~ she shall deem to be advantageous to the County and in doing so, the County Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Refunding Bonds (Federally Taxable)"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(f) The County Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the County, provided the rate or rates on the Bonds do not exceed the maximum rate permitted by applicable Tennessee law at the time of the issuance of the Bonds or any series thereof. The award of the Bonds by the County Mayor to the lowest bidder shall be binding on the County, and no further action of the Governing Body with respect thereto

shall be required. If permitted in the notice of sale for the Bonds, or any series thereof: (i) the successful bidder may request that the Bonds, or any such series thereof, be issued in the form of fully registered certificated Bonds in the name of the successful bidder or as directed by the successful bidder, in lieu of registration using the Book-Entry System, and (ii) the successful bidder may assign its right to purchase the Bonds, or any series thereof, to a third party provided, however, that upon such assignment, the successful bidder shall remain obligated to perform all obligations relating to the purchase of the Bonds as the successful bidder, including the delivery of a good faith deposit, the execution of required documents and the payment of the purchase price, if such successful bidder's assignee does not perform any of such obligations.

(g) The County Mayor and County Clerk are authorized to cause the Bonds to be authenticated and delivered by the Registration Agent to the successful bidder, or as the successful bidder directs, and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The County Mayor is hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Bonds and to enter into a contract with Bass, Berry & Sims PLC to serve as bond counsel in connection with the Bonds in substantially the form presented as Exhibit C, with such changes as may be approved by the County Mayor as evidenced by her execution thereof.

(h) The form of the Bond set forth in Section 6 hereof, shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

Section 9. Disposition of Bond Proceeds. The proceeds of the sale of each series of the Bonds shall be applied by the County as follows:

(a) all accrued interest, if any, shall be deposited to the appropriate fund of the County to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds;

(b) an amount, which together with legally available funds of the County, if any, and investment earnings thereon, will be sufficient to pay principal of, premium, if any, and interest on the Refunded Bonds until and through the redemption date therefor shall be transferred to the Escrow Agent under the Refunding Escrow Agreement to be deposited to the Escrow Fund established thereunder to be held and applied as provided therein; and

(c) the remainder of the proceeds of the sale of the Bonds shall be used to pay the costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, bond insurance premium, if any, administrative and clerical costs, rating agency fees, Registration Agent fees, and other miscellaneous expenses incurred in connection with the issuance and sale of the Bonds.

(d) In accordance with state law, the various department heads responsible for the fund or funds receiving and disbursing funds are hereby authorized to amend the budget of the proper fund or funds for the receipt of proceeds from the issuance of the obligations authorized by this resolution including bond and note proceeds, accrued interest, reoffering premium and other receipts from this transaction. The department heads responsible for the fund or funds are further authorized to amend the proper budgets to reflect the appropriations and expenditures of the receipts authorized by this resolution.

Section 10. Official Statement. The County Mayor, the Director of Accounts and Budgets, and the County Clerk, or any of them, are hereby authorized and directed to provide for the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement describing

the Bonds. After bids have been received and the Bonds have been awarded, the County Mayor, the Director of Accounts and Budgets and the County Clerk, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The County Mayor, the Director of Accounts and Budgets and the County Clerk, or any of them, shall arrange for the delivery to the successful bidder on the Bonds of a reasonable number of copies of the Official Statement within seven business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder and members of his bidding group initially sell the Bonds.

The County Mayor, the Director of Accounts and Budgets and the County Clerk, or any of them, are authorized, on behalf of the County, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the County except for the omission in the Preliminary Official Statement of such pricing and other information.

If the winning bidder or its purchaser or assignee does not intend to reoffer the Bonds to the public as evidenced by a certificate executed by the winning bidder and/or its purchaser or assignee, then an Official Statement is authorized, but not required, as shall be determined by the County Mayor in consultation with the Financial Advisor and Bond Counsel.

Section 11. Refunding Escrow Agreement. For the purpose of providing for the payment of the principal of, premium, if any, and interest on the Refunded Bonds, the County Mayor is hereby authorized and directed to execute and the County Clerk to attest on behalf of the County the Refunding Escrow Agreement with the Escrow Agent and to deposit with the Escrow Agent the amounts to be used by the Escrow Agent to purchase Government Securities as provided therein; provided, however, that the yield on such investments shall be determined in such manner that none of the Refunded Bonds will be an "arbitrage bond" within the meaning of Section 148 (a) of the Code. The form of the Refunding Escrow Agreement presented to this meeting and attached hereto as Exhibit D is hereby in all respects approved and the County Mayor and the County Clerk are hereby authorized and directed to execute and deliver same on behalf of the County in substantially the form thereof presented to this meeting, or with such changes as may be approved by the County Mayor and County Clerk, their execution thereof to constitute conclusive evidence of their approval of all such changes. The Escrow Agent is hereby authorized and directed to hold and administer all funds deposited in trust for the payment when due of principal of, premium, if any, and interest on the Refunded Bonds and to exercise such duties as set forth in the Refunding Escrow Agreement.

Section 12. Notice of Refunding. Prior to the issuance of the Bonds, or any series thereof, if required, notice of the County's intention to refund the Refunded Bonds, shall be given by the registration agent for the Refunded Bonds to be mailed by first-class mail, postage prepaid, to the registered holders thereof, as of the date of the notice, as shown on the bond registration records maintained by such registration agent of said Refunded Bonds. Such notice shall be in the form consistent with applicable law. The County Mayor, the Director of Accounts and Budgets and the County Clerk, or any of them, is hereby authorized and directed to authorize the registration agent of said Refunded Bonds to give such notice on behalf of the County in accordance with this Section.

Section 13. Discharge and Satisfaction of Bonds. If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways, to wit:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable hereunder by the County with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Federal Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the County as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the County, as received by the Registration Agent. For the purposes of this Section, Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee Law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 14. Continuing Disclosure. The County hereby covenants and agrees that it will provide annual financial information and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The County Mayor is authorized to execute at the Closing of the

sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the County to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the County to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 16. Resolution a Contract. The provisions of this resolution shall constitute a contract between the County and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 17. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 18. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

Adopted and approved this 11th day of March, 2013.

Sponsor Carolyn P. Dawers

Commissioner Joe L. Creek

Approved _____
County Mayor

Attested _____
County Clerk

STATE OF TENNESSEE)

COUNTY OF MONTGOMERY)

I, Kellie A. Jackson, certify that I am the duly qualified and acting County Clerk of Montgomery County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the governing body of the County held on March 11, 2013; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the refunding of certain of the County's outstanding General Obligation Refunding Bonds (Federally Taxable).

WITNESS my official signature and seal of said County this ____ day of _____, 2013.

County Clerk

(SEAL)

EXHIBIT A

**REPORT OF THE DIRECTOR OF THE OFFICE OF STATE AND LOCAL FINANCE
CONCERNING THE PROPOSED ISSUANCE OF
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013
MONTGOMERY COUNTY, TENNESSEE**

Montgomery County (the "County") submitted a plan of refunding (the "Plan"), as required by Tennessee Code Annotated § 9-21-903 regarding the issuance of an amount not to exceed \$37,145,000 General Obligation Refunding Bonds, Series 2013 (the "Series 2013 Bonds"), to advance refund by competitive sale, an estimated \$34,500,000 General Obligation Refunding Bonds, Series 2004 (the "Refunded Bonds").

The Plan was prepared with the assistance of the County's municipal advisor, Stephens Inc. The information presented in the Plan includes the assertions of the County and may not reflect either current market conditions or market conditions at the time of sale.

Refunding Analysis

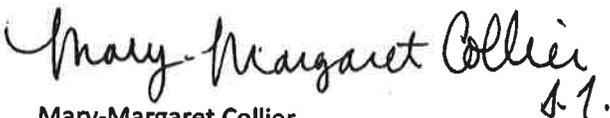
The County indicated in its Plan that the Series 2013 Bonds are being issued to produce uniform annual debt service savings.

- The results for the refunding are based on the assumption that an estimated \$37,145,000 Series 2013 Bonds will be sold by competitive sale in the capital markets and priced at par.
- The Series 2013 Bonds will generate an estimated net present value savings of \$2,577,986 or 7.47% of the principal amount of the Refunded Bonds.
- The estimated savings are generated by reducing the average coupon from 4.76% for the Refunded bonds to an estimated 1.41% on the Series 2013 Bonds.
- The final maturity of May 1, 2020, is the same for the Series 2013 Bonds and the Refunded Bonds.
- Estimated cost of issuance of the Series 2013 Bonds is \$356,585 or \$9.60 per \$1,000 of par amount for the Series 2013 Bonds. Included in the cost of issuance is an estimated underwriter's discount of \$222,870.

The County has identified Stephens Inc. as its municipal advisor. Municipal advisors have a fiduciary responsibility to you, the issuer. Underwriters have no fiduciary responsibility to you. They represent the interests of their firm.

This report of the Office of State and Local Finance does not constitute approval or disapproval by the Office for the Plan or a determination that a refunding is advantageous or necessary nor that any of the refunded obligations should be called for redemption on the first or any subsequent available redemption date or remain outstanding until their respective dates of maturity. This report is based on information as presented in the Plan by the County. The assumptions included in the County's Plan may not reflect either current market conditions or market conditions at the time of sale.

This report does not provide broad approval to refund the Refunded Bonds into a bond issue other than the proposed Series 2013 Bonds. If all of the Refunded Bonds are not refunded as a part of the Series 2013 Bonds, then a new plan should be submitted to this Office for review.



Mary-Margaret Collier
Director of the Office of State and Local Finance
Date: March 7, 2013

EXHIBIT B

PRELIMINARY DEBT SERVICE ESTIMATE AND ESTIMATED COSTS OF ISSUANCE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/01/2013	-	-	-	-	-
11/01/2013	-	-	229,262.25	229,262.25	-
05/01/2014	805,000.00	0.500%	229,262.25	1,034,262.25	-
06/30/2014	-	-	-	-	1,263,524.50
11/01/2014	-	-	227,249.75	227,249.75	-
05/01/2015	5,505,000.00	0.650%	227,249.75	5,732,249.75	-
06/30/2015	-	-	-	-	5,959,499.50
11/01/2015	-	-	209,358.50	209,358.50	-
05/01/2016	5,760,000.00	0.850%	209,358.50	5,969,358.50	-
06/30/2016	-	-	-	-	6,178,717.00
11/01/2016	-	-	184,878.50	184,878.50	-
05/01/2017	5,985,000.00	1.000%	184,878.50	6,169,878.50	-
06/30/2017	-	-	-	-	6,354,757.00
11/01/2017	-	-	154,953.50	154,953.50	-
05/01/2018	6,205,000.00	1.350%	154,953.50	6,359,953.50	-
06/30/2018	-	-	-	-	6,514,907.00
11/01/2018	-	-	113,069.75	113,069.75	-
05/01/2019	6,440,000.00	1.600%	113,069.75	6,553,069.75	-
06/30/2019	-	-	-	-	6,666,139.50
11/01/2019	-	-	61,549.75	61,549.75	-
05/01/2020	6,445,000.00	1.910%	61,549.75	6,506,549.75	-
06/30/2020	-	-	-	-	6,568,099.50
Total	\$37,145,000.00	-	\$2,360,644.00	\$39,505,644.00	-

MONTGOMERY COUNTY, TENNESSEE

Costs of Issuance Relative to a Competitive Public Bond Sale
in the Approximate Amount of \$37,145,000

Note: This Exhibit B is intended to be informational only, is not a part of the resolution, and does not create any contractual duties or obligations on the part of the County, as the issuer or of any parties referred to herein.

Entity Responsible	Associated Responsibilities	Projected Maximum Expense
Financial Advisor	<p>The Financial Advisor, registered with the Securities Exchange Commission and regulated by the Municipal Securities Rulemaking Board, is the primary entity responsible for organizing and coordinating the bond financing for the County including but not limited to the following:</p> <ul style="list-style-type: none"> - Provides options and recommendations as to bond size, structure and amortization schedules and other factors; - Coordinates with Bond Counsel the development of a bond resolution with flexibility in accordance with state law that is prepared by bond counsel to be approved by the County; - Prepares information and documents required of the County by the State Office of State and Local Finance; - Assists with preparing information and presenting this information to the credit rating agencies; - Evaluates the cost feasibility of bond insurance, if necessary; - Prepares, prints, and distributes an offering document in the form of a Preliminary Official Statement before the sale of the securities, and a Final Official Statement, after the sale of the securities, as described under the below Official Statements section; - Prepares, prints, and distributes the Final Official Statement in accordance with the Securities Exchange Commission and the Municipal Securities Rulemaking Board rules; - Structures and coordinates the bond sale in accordance with state law, IRS Tax Code, SEC regulations, MSRB regulations and the County's adopted bond resolution and debt policy statement; 	63,717

	<ul style="list-style-type: none"> - Receives, verifies and adjusts principal amounts and recommends awards of the lowest true interest cost bid received from underwriters for approval by the Issuer; - Prepares and prints final numbers and debt service amortization schedules; - Coordinates the wiring and verifies receipt of the good faith deposit receipt by the County; - Coordinates the closing of the transaction; and <p>The Financial Advisor enters contracts with the local government and is paid one-time upfront from bond proceeds or budgeted funds. Usually, there are no ongoing fees or other charges unless authorized by the local government.</p>	
Entity Responsible	Associated Responsibilities	
Bond Counsel	<p>Whenever a local government issues long-term debt obligations, the process involves the issuance of securities in the form of bonds or notes that are subject to state and federal laws and regulations, rules of the Securities and Exchange Commission (SEC), rules of the Municipal Securities Rulemaking Board (MSRB), the Federal Internal Revenue Code, and policies of the local government. To comply with the complex legal structure and provide confidence to investors who purchase the bonds or notes, the local government contracts with a bond counsel firm and its attorneys to coordinate the legal process, prepare the proper legal documents and distributes the various legal documents.</p> <p>Usually, the bond counsel firm and its attorneys enter into an engagement with the local government to provide the services as prescribed in the engagement agreement.</p>	34,000
Issuer's Counsel		
Official Statements	<p>The issuance of bonds and notes of local governments are issued in the form of a security as prescribed by state law, the Securities Exchange Commission (SEC), and the Municipal Securities Rulemaking Board (MSRB). A Preliminary Official Statement is prepared before the security sale and a Final Official Statement is prepared after the security sale. These Statements provide financial and/or operating data about the issuer of the securities or any other parties who are responsible for repayment of the bonds, together with descriptions of any covenants of the issuer or other parties.</p>	8,025

Escrow Agent and Verification Agent	Whenever bonds are issued to advance refinance a prior bond issue, an Escrow Account is established with a nationally recognized bank to provide Escrow Agent Services to receive the deposit of the new bond issue and administered the future payments of principal and interest on the prior bond issue(s). To verify that the proper amount is deposited in the Escrow Account, a Verification Agent --- a CPA firm specializing in refinancing verifications --- is contracted with to perform an analysis of the bond refinancing, the amount to be deposited in the escrow account, and provide an official report that the Bond Counsel, the Escrow Agent and the Issuer can rely on for the adequate funding of the escrow account.	4,000
Registration and Paying Agent	The fiscal agent --- the Registration and Paying Agent --- distributes the payment of principal annually and interest semi-annually to bondholder purchasing the new bond issue, answers bondholder questions regarding call provisions and payment terms, and other bondholder correspondence.	1,000
Marketing Factors:		
Miscellaneous Costs	Travel expenses, mailing costs, and other incidental expenses associated with the bond issue	1,973
Credit Rating Agency	Agencies that give relative indications of bond and note creditworthiness based on a rating scale. The Rating Agencies consist of Moody's, Standard & Poor's and Fitch Investors Service Inc. The credit rating increases the range of investment alternatives and provides an independent measurement of relative credit risk; this generally increases the marketability of the bond issue, lowering costs for both the County and the Underwriter.	21,000
Sub-Total Costs of Issuance		133,715
Estimated Percent of the Bond Size		0.360%

Underwriter for a Public Competitive Sale		
Underwriter	<p>The bonds or notes are sold at a competitive public sale to receive bids from multiple underwriters of municipal securities. The Underwriter is a securities dealer, or intermediary, whose primary role is to bring together bond securities buyers and investors and bond securities sellers and investors.</p> <p>The Underwriter submits a sealed bid in a written form or an electronic form under state law to purchase the bonds to be issued by the County at a specific time on a specified date. The Underwriter offering the lowest average true interest cost (TIC) rate to the issuer --- the County (i.e., interest cost that takes into account the time value of money) will be awarded the bonds.</p> <p>The underwriting expenses are based on the assumption that the debt issuance is General Obligation Bonds sold through a public sale. The underwriter is paid a one-time upfront fee from bond proceeds, and there are no ongoing fees or charges. Since the lowest TIC interest rate bidder is awarded the bid, the underwriter's fee will vary but will be included in the TIC rate as bid.</p> <p>* This amount is estimated at a maximum one-time fee of .60% (.006) and is based on other bids submitted for a competitive public bid sale. However, this amount will be determined by the successful low bid underwriter that offers the lowest average true interest cost (TIC) rate bid.</p>	222,870*

EXHIBIT C

FORM OF ENGAGEMENT LETTER

LETTERHEAD OF BASS, BERRY & SIMS PLC

December __, 2012

Montgomery County, Tennessee
1 Millennium Plaza, Suite 200
Clarksville, Tennessee 37041-0368
Attention: Carolyn P. Bowers, County Mayor

Re: Issuance of ~~Not to Exceed~~ Approximately \$37,145,000 in Aggregate Principal Amount of General Obligation Refunding Bonds (Federally Taxable).

Dear Mayor Bowers:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to Montgomery County, Tennessee (the "Issuer"), in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the Bonds are being issued for the purpose of providing funds necessary to refinance all or a portion of certain of the Issuer's outstanding bonds and to pay costs of issuance of the Bonds, as more fully set forth in the resolution adopted by the County Commission on March 11, 2013. We further understand that the Bonds will be sold at a competitive public sale.

SCOPE OF ENGAGEMENT

In this engagement, we expect to perform the following duties:

1. Subject to the completion of proceedings to our satisfaction, render our legal opinion (the Bond Opinion) regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the inclusion of interest on the Bonds in gross income for federal income tax purposes.
2. Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Bonds, coordinate the authorization and execution of such documents, and review enabling legislation.
3. Assist the Issuer in seeking from other governmental authorities such approvals, permissions and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, and delivery of the Bonds, except that we will not be responsible for any required blue-sky filings.
4. Review legal issues relating to the structure of the Bond issue.
5. Draft those sections of the official statement to be disseminated in connection with the sale of the Bonds, describing the Bond Opinion, the terms of and security for the Bonds, and the treatment of the Bonds and interest thereon under state and federal tax law.

6. Assist the Issuer in presenting information to bond rating organizations and providers of credit enhancement relating to legal issues affecting the issuance of the Bonds, if requested.
7. Prepare and review the notice of sale pertaining to the competitive sale of the Bonds, if any, and review the bond purchase agreement, if sold at negotiated sale.
8. Draft the continuing disclosure undertaking of the Issuer.

Our Bond Opinion will be addressed to the Issuer and will be delivered by us on the date the Bonds are exchanged for their purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will direct members of your staff and other employees of the Issuer to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include:

- a. Except as described in paragraph (5) above,
 - 1) Assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds, or
 - 2) Performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document, or
 - 3) Rendering advice that the official statement or other disclosure documents
 - a) Do not contain any untrue statement of a material fact or
 - b) Do not omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- b. Preparing requests for tax rulings from the Internal Revenue Service, or no action letters from the Securities and Exchange Commission.
- c. Preparing blue sky or investment surveys with respect to the Bonds.
- d. Drafting state constitutional or legislative amendments.
- e. Pursuing test cases or other litigation, (such as contested validation proceedings).
- f. Making an investigation or expressing any view as to the creditworthiness of the Issuer or the Bonds.

- g. Except as described in paragraph 8 above, assisting in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Bonds or, after Closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking.
- h. Representing the Issuer in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.
- i. Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Issuer, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Issuer's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the Issuer will not affect, however, our responsibility to render an objective Bond Opinion. Please note that, in our representation of the Issuer, we will not act as a "municipal advisor", as such term is defined in the Securities Exchange Act of 1934, as amended.

Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service Forms 8038-G, and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Our firm represents Stephens Inc. in matters unrelated to the Bonds. We believe this representation fits within the foregoing description. Execution of this letter will signify the Issuer's consent to such representation of Stephens Inc. and to our representation of others consistent with the circumstances described in this paragraph.

FEES

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Bonds; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financings; and (iv) the responsibilities we will assume in connection therewith, we estimate that our fee will be \$34,000 for the Bonds. Our fees may vary: (a) if the principal amount of Bonds actually issued differs significantly from the amounts stated above; (b) if material changes in the structure or schedule of the respective financings occur; or (c) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If, at any time, we believe that circumstances require an adjustment of our original fee estimates, we will advise you and prepare and provide to you an amendment to this engagement letter. The fees quoted above will include all out-of-pocket expenses advanced for your benefit, such as travel costs, photocopying, deliveries, long distance telephone charges, telecopier charges, filing fees, computer-assisted research and other expenses.

If, for any reason, the financing represented by the Bonds is completed without the delivery of our Bond Opinion as bond counsel or our services are otherwise terminated, we will expect to be compensated at our normal rates for the time actually spent on your behalf plus client charges as described above unless we have failed to meet our responsibilities under this engagement, but in no event will our fees exceed \$34,000.

RECORDS

At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. All goods, documents, records, and other work product and property produced during the performance of this engagement are deemed to be Issuer's property. We agree to maintain documentation for all charges against the Issuer. Our books, records, and documents, insofar as they relate to work performed or money received under this engagement, shall be maintained for a period of three (3) full years from the respective Closings and will be subject to audit, at any reasonable time and upon reasonable notice by the Issuer or its duly appointed representatives.

OTHER MATTERS

We have not retained any persons to solicit or secure this engagement from the Issuer upon an agreement or understanding for a contingent commission, percentage, or brokerage fee. We have not offered any employee of the Issuer a gratuity or an offer of employment in connection with this engagement and no employee has requested or agreed to accept a gratuity or offer of employment in connection with this engagement.

Any modification or amendment to this Engagement Letter must be in writing, executed by us and contain the signatures of the Issuer. The validity, construction and effect of this Engagement Letter and any and all extensions and/or modifications thereof shall be governed by the laws of the State of Tennessee. Any action between the parties arising from this Engagement Letter shall be maintained in the state or federal courts of Davidson County, Tennessee.

CONCLUSION

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files. We look forward to working with you.

MONTGOMERY, TENNESSEE:

BASS, BERRY & SIMS PLC:

By: _____
Carolyn P. Bowers, County Mayor

By: _____
_____, Member

EXHIBIT D

FORM OF REFUNDING ESCROW AGREEMENT

This Refunding Escrow Agreement is made and entered into as of the _____ day of _____, 2013 by and between Montgomery County, Tennessee (the "County"), and _____, _____ (the "Agent").

WITNESSETH:

WHEREAS, the County has previously issued its General Obligation Refunding Bonds, Series 2004, dated May 15, 2004, maturing [May 1, ____ through April 1, ____], inclusive (the "Outstanding Bonds"); and

WHEREAS, the County has determined to provide for the refinancing of the Outstanding Bonds by depositing in escrow with the Agent funds as herein provided; and

WHEREAS, in order to obtain a portion of the funds to be applied as herein provided, the County has authorized and issued its General Obligation Refunding Bonds (Federally Taxable"), Series [2013] (the "Refunding Bonds"); and

WHEREAS, a portion of the proceeds derived from the sale of the Refunding Bonds will be deposited, along with other available monies of the County, in escrow with the Agent hereunder and applied as herein provided; and

WHEREAS, in order to create the escrow hereinabove described, provide for the deposit of a portion of proceeds of said Refunding Bonds and other available monies of the County and the application thereof, and to provide for the payment of the debt service on the Outstanding Bonds, the parties hereto do hereby enter into this Agreement.

NOW, THEREFORE, the County, in consideration of the foregoing and the mutual covenants herein set forth, does by these presents hereby grant, warrant, demise, release, convey, assign, transfer, alien, pledge, set over and confirm, to the Agent, and to its successors hereunder, and to it and its assigns forever, in escrow, all and singular the property hereinafter described to wit:

DIVISION I

All right, title and interest of the County in and to \$_____ (consisting of \$_____ derived from the proceeds of the sale of the Refunding Bonds and \$_____ other available monies of the County).

DIVISION II

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred in escrow hereunder by the County or by anyone in its behalf to the Agent, which is hereby authorized to receive the same at any time to be held in escrow hereunder.

DIVISION III

All property that is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property that may, from time to time hereafter, by delivery or by writing of any kind, be subject to the pledge hereof, by the County or by anyone in its behalf, and the Agent is hereby authorized to receive the same at any time to be held in escrow hereunder.

TO HAVE AND TO HOLD, all and singular, the escrowed property, including all additional property which by the terms hereof has or may become subject to this Agreement, unto the Agent, and its successors and assigns, forever.

ARTICLE I

DEFINITIONS AND CONSTRUCTION

SECTION 1.01. Definitions. In addition to words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings, unless some other meaning is plainly intended:

“Agent” means _____, _____, _____, its successors and assigns.

“Agreement” means this Refunding Escrow Agreement, dated as of the date of the Refunding Bonds, between the County and the Agent.

“County” means the Montgomery County, Tennessee.

“Escrow Fund” shall have the meaning ascribed to it in Section 2.01 hereof.

“Escrow Property”, “escrow property” or “escrowed property” means the property, rights and interest of the County that are described in Divisions I through III of this Agreement and hereinabove conveyed in escrow to the Agent.

“Outstanding Bonds” has the meanings in the recitals hereto.

“Refunding Bonds” has the meanings in the recitals hereto.

“Written Request” shall mean a request in writing signed by the County Mayor of the County or by any other officer or official of the County duly authorized by the County to act in her place.

SECTION 1.02. Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. The word “person” shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

ARTICLE II

ESTABLISHMENT AND ADMINISTRATION OF FUNDS

SECTION 2.01. Creation of Escrow; Deposit of Funds. The County hereby creates and establishes with the Agent a special and irrevocable escrow composed of the Escrowed Property and

hereby deposits with the Agent and the Agent hereby acknowledges receipt of \$_____ as described in Division I hereof. The monies so deposited, together with investment income therefrom, is herein referred to as the "Escrow Fund" and shall constitute a fund to be held by the Agent as a part of the Escrowed Property created, established, and governed by this Agreement.

SECTION 2.02. Investment of Funds. The monies described in Section 2.01 hereof shall be held or invested as follows:

(i) the amount of \$_____ shall be used to purchase the Government Securities described on Exhibit B attached hereto; and

(ii) the amount of \$_____ shall be held as cash in a non-interest-bearing account.

Except as provided in Sections 2.04 and 2.06 hereof, the investment income from the Government Securities in the Escrow Fund shall be credited to the Escrow Fund and shall not be reinvested. The Agent shall have no power or duty to invest any monies held hereunder or to make substitutions of Government Securities held hereunder or to sell, transfer, or otherwise dispose of the Government Securities acquired hereunder except as provided herein.

SECTION 2.03. Disposition of Escrow Funds. The Agent shall without further authorization or direction from the County collect the principal on the Government Securities promptly as the same shall fall due. From the Escrow Fund, to the extent that monies therein are sufficient for such purpose, the Agent shall make timely payments to the proper paying agent or agents, or their successors, for the Outstanding Bonds of monies sufficient for the payment of the principal of and interest on the Outstanding Bonds as the same shall become due and payable. Amounts and dates of principal and interest payments and the name and address of the paying agent with respect to the Outstanding Bonds are set forth on Exhibit A. Payment on the dates and to the paying agent in accordance with Exhibit A shall constitute full performance by the Agent of its duties hereunder with respect to each respective payment. The County represents and warrants that the Escrow Fund, if held, invested and disposed of by the Agent in accordance with the provisions of this Agreement, will be sufficient to make the foregoing payments. No paying agent fees, fees and expenses of the Agent, or any other costs and expenses associated with the Refunding Bonds or the Outstanding Bonds shall be paid from the Escrow Fund, and the County agrees to pay all such fees, expenses, and costs from its legally available funds as such payments become due. When the Agent has made all required payments of principal and interest on the Outstanding Bonds to the paying agent as hereinabove provided, the Agent shall transfer any monies or Government Securities then held hereunder to the County and this Agreement shall terminate.

SECTION 2.04. Excess Funds. Except as provided in Section 2.06 hereof, amounts held by the Agent, representing interest on the Government Securities in excess of the amount necessary to make the corresponding payment of principal and/or interest on the Outstanding Bonds, shall be held by the Agent without interest and shall be applied before any other Escrow Fund monies to the payment of the next ensuing principal and/or interest payment on the Outstanding Bonds. Upon retirement of all the Outstanding Bonds, the Agent shall pay any excess amounts remaining in the Escrow Fund to the County.

SECTION 2.05. Reports. The Escrow Agent shall deliver to the County Clerk of the County a monthly report summarizing all transactions relating to the Escrow Fund; and on or before the first day of August of each year shall deliver to the County Clerk and the Finance Director a report current as of June 30 of that year, which shall summarize all transactions relating to the Escrow Fund effected during the immediately preceding fiscal year of the County and which also shall set forth all assets in the Escrow Fund as of June 30 and set forth opening and closing balances thereof for that fiscal year.

SECTION 2.06. Investment of Moneys Remaining in Escrow Fund. The Agent may invest and reinvest any monies remaining from time to time in the Escrow Fund until such time as they are needed. Such monies shall be invested in Government Obligations, maturing no later than the next interest payment date of the Outstanding Bonds, or for such periods or at such interest rates as the Agent shall be directed by Written Request, provided, however, that the County shall furnish the Agent, as a condition precedent to such investment, with an opinion from nationally recognized bond counsel stating that such reinvestment of such monies will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Bonds, cause the interest on the Refunding Bonds or the Outstanding Bonds not to be excluded from gross income for Federal income tax purposes and that such investment is not inconsistent with the statutes and regulations applicable to the Refunding Bonds or the Outstanding Bonds. Any interest income resulting from reinvestment of monies pursuant to this Section 2.06 shall be applied first to the payment of principal of and interest on the Outstanding Bonds to the extent the Escrow is or will be insufficient to retire the Outstanding Bonds as set forth on Exhibit A and any excess shall be paid to the County to be applied to the payment of the Refunding Bonds or the expenses of issuance thereof.

SECTION 2.07. Irrevocable Escrow Created. The deposit of monies in the Escrow Fund shall constitute an irrevocable deposit of said monies for the benefit of the holder of the Outstanding Bonds except as provided herein with respect to amendments permitted under Section 4.01 hereof. All the funds and accounts created and established pursuant to this Agreement shall be and constitute escrow funds for the purposes provided in this Agreement and shall be kept separate and distinct from all other funds of the County and the Agent and used only for the purposes and in the manner provided in this Agreement.

SECTION 2.08. Redemption of the Outstanding Bonds. The Outstanding Bonds shall be redeemed as stated on Exhibit C attached hereto. The Agent is authorized to give notice to the paying agent for the Outstanding Bonds not less than 45 days prior to the stated redemption date of the Outstanding Bonds directing the paying agent bank to give notice to the respective holders of the Outstanding Bonds as and when required by the resolution authorizing the Outstanding Bonds.

ARTICLE III

CONCERNING THE AGENT

SECTION 3.01. Appointment of Agent. The County hereby appoints the Agent as escrow agent under this Agreement.

SECTION 3.02. Acceptance by Agent. By execution of this Agreement, the Agent accepts the duties and obligations as Agent hereunder. The Agent further represents that it has all requisite power, and has taken all corporate actions necessary to execute the escrow hereby created.

SECTION 3.03. Liability of Agent. The Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the County or any paying agent of its obligations, or to protect any of the County's rights under any bond proceedings or any of the County's other contracts with or franchises or privileges from any state, county, municipal or other governmental agency or with any person. The Agent shall not be liable for any act done or step taken or omitted to be taken by it, or for any mistake of fact or law, or anything which it may do or refrain from doing, except for its own negligence or willful misconduct in the performance or nonperformance of any obligation imposed upon it hereunder. The Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein or in the Outstanding Bonds or in the Refunding Bonds or in any proceedings taken in connection therewith, but they are made solely by the County. The Agent shall have

no lien whatsoever upon any of the monies or investments in the Escrow Fund for the payment of fees and expenses for services rendered by the Agent under this Agreement.

The Agent shall not be liable for the accuracy of the calculations as to the sufficiency of Escrow Fund monies and Government Securities and the earnings thereon to pay the Outstanding Bonds. So long as the Agent applies any monies, the Government Securities to pay the Outstanding Bonds as provided herein, and complies fully with the terms of this Agreement, the Agent shall not be liable for any deficiencies in the amounts necessary to pay the Outstanding Bonds caused by such calculations. The Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this Agreement and in full compliance with the provisions hereof.

In the event of the Agent's failure to account for any of the Government Securities or monies received by it, said Government Securities or monies shall be and remain the property of the County in escrow for the benefit of the holders of the Outstanding Bonds, as herein provided, and if for any improper reason such Government Securities or monies are applied to purposes not provided for herein or misappropriated by the Agent, the assets of the Agent shall be impressed with a trust for the amount thereof until the required application of such funds shall be made or such funds shall be restored to the Escrow Fund.

SECTION 3.04. Permitted Acts. The Agent and its affiliates may become the owner of or may deal in the Refunding Bonds as fully and with the same rights as if it were not the Agent.

SECTION 3.05. Exculpation of Funds of Agent. Except as set forth in Section 3.03, none of the provisions contained in this Agreement shall require the Agent to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights or powers hereunder. The Agent shall be under no liability for interest on any funds or other property received by it hereunder, except as herein expressly provided.

SECTION 3.06. Qualifications of Agent. There shall at all times be an Agent hereunder that shall be a corporation or banking association organized and doing business under the laws of the United States or any state, located in the State of Tennessee, authorized under the laws of its incorporation to exercise the powers herein granted, having a combined capital, surplus, and undivided profits of at least \$75,000,000 and subject to supervision or examination by federal or state authority. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this paragraph the combined capital, surplus, and undivided profits of such corporation or association shall be deemed to be its combined capital, surplus, and undivided profits as set forth in its most recent report of condition as published. In case at any time the Agent shall cease to be eligible in accordance with the provisions of this section, the Agent shall resign immediately in the manner and with the effect specified herein.

SECTION 3.07. Payment to Agent. The County agrees to pay the Agent, as reasonable and proper compensation under this Agreement the sum of \$_____. The Agent shall be entitled to reimbursement of all advances, counsel fees and expenses, and other costs made or incurred by the Agent in connection with its services and/or its capacity as Agent or resulting therefrom. In addition, the County agrees to pay to the Agent all out-of-pocket expenses and costs of the Agent incurred by the Agent in the performance of its duties hereunder, including all publication, mailing and other expenses associated with the payment of debt service of the Outstanding Bonds; provided, however, that, to the extent permitted by applicable law, the County agrees to indemnify the Agent and hold it harmless against any liability which it may incur while acting in good faith in its capacity as Agent under this Agreement, including, but not limited to, any court costs and attorneys' fees, and such indemnification shall be paid from available funds of the County and shall not give rise to any claim against the Escrow Fund.

SECTION 3.08. Resignation of Agent. The Agent may at any time resign by giving direct written notice to the County and by giving the holder of the Outstanding Bonds by first-class mail of such resignation. Upon receiving such notice of resignation, the County shall promptly appoint a successor escrow agent by resolution of its governing body. If no successor escrow agent shall have been appointed and have accepted appointment within thirty (30) days after the publication of such notice of resignation, the resigning Agent may petition any court of competent jurisdiction located in Montgomery County, Tennessee, for the appointment of a successor, or any holder of the Outstanding Bonds may, on behalf of himself and others similarly situated, petition any such court for the appointment of a successor. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor meeting the qualifications set forth in Section 3.06. The Agent shall serve as escrow agent hereunder until its successor shall have been appointed and such successor shall have accepted the appointment.

SECTION 3.09. Removal of Agent. In case at any time the Agent shall cease to be eligible in accordance with the provisions of Section 3.06 hereof and shall fail to resign after written request therefor by the County or by any holder of the Outstanding Bonds, or the Agent shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Agent or any of its property shall be appointed, or any public officer shall take charge or control of the Agent or its property or affairs for the purpose of rehabilitation, conservation, or liquidation, then in any such case, the County may remove the Agent and appoint a successor by resolution of its governing body or any such holder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction situated in the County for the removal of the Agent and the appointment of a successor. Such court may thereupon, after such notice, if any, as it may deem proper, remove the Agent and appoint a successor who shall meet the qualifications set forth in Section 3.08. Unless incapable of serving, the Agent shall serve as escrow agent hereunder until its successor shall have been appointed and such successor shall have accepted the appointment.

Any resignation or removal of the Agent and appointment of a successor pursuant to any of the provisions of this Agreement shall become effective upon acceptance of appointment by the successor as provided in Section 3.10 hereof.

SECTION 3.10. Acceptance by Successor. Any successor escrow agent appointed as provided in this Agreement shall execute, acknowledge and deliver to the County and to its predecessor an instrument accepting such appointment hereunder and agreeing to be bound by the terms hereof, and thereupon the resignation or removal of the predecessor shall become effective and such successor, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor, with like effect as if originally named as Agent herein; but, nevertheless, on Written Request of the County or the request of the successor, the predecessor shall execute and deliver an instrument transferring to such successor all rights, powers and escrow property of the predecessor. Upon request of any such successor, the County shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor all such rights, powers and duties. No successor shall accept appointment as provided herein unless at the time of such acceptance such successor shall be eligible under the provisions of Section 3.07 hereof.

Any corporation into which the Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Agent shall be a party, or any corporation succeeding to the business of the Agent, shall be the successor of the Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that such successor shall be eligible under the provisions of Section 3.07 hereof.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Amendments to this Agreement. This Agreement is made for the benefit of the County, the holders from time to time for the Outstanding Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Agent and the County; provided, however, that the County and the Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Agent for the benefit of the holder[s] of the Outstanding Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holder of the Outstanding Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

Notwithstanding the foregoing or any other provision of this Agreement, upon Written Request and upon compliance with the conditions hereinafter stated, the Agent shall have the power to and shall, in simultaneous transactions, sell, transfer, otherwise dispose of or request the redemption of the Government Obligations held hereunder and to substitute therefor direct obligations of, or obligations the principal of and interest on which are fully guaranteed by the United States of America, subject to the condition that such monies or securities held by the Agent shall be sufficient to pay principal of, premium, if any, and interest on the Outstanding Bonds. The County hereby covenants and agrees that it will not request the Agent to exercise any of the powers described in the preceding sentence in any manner which will cause the Refunding Bonds or Outstanding Bonds to be arbitrage bonds within the meaning of Section 148 of the Code in effect on the date of such request and applicable to obligations issued on the issue date of the Refunding Bonds. The Agent shall purchase such substituted securities with the proceeds derived from the maturity, sale, transfer, disposition or redemption of the Government Obligations held hereunder or from other monies available. The transactions may be effected only if there shall have been submitted to the Agent: (1) an independent verification by a nationally recognized independent certified public accounting firm concerning the adequacy of such substituted securities with respect to principal and the interest thereon and any other monies or securities held for such purpose to pay when due the principal of, premium, if any, and interest on the Outstanding Bonds in the manner required by the proceedings which authorized their issuance; and (2) an opinion from nationally recognized bond counsel to the effect that the disposition and substitution or purchase of such securities will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Bonds, or Outstanding Bonds cause the interest on the Refunding Bonds not to be exempt from Federal income taxation. Any surplus monies resulting from the sale, transfer, other disposition or redemption of the Government Obligations held hereunder and the substitutions therefor of direct obligations of, or obligations the principal of and interest on which is fully

guaranteed by, the United States of America, shall be released from the Escrow Fund and shall be transferred to the County.

SECTION 4.02. Severability. If any provision of this Agreement shall be held or deemed to be invalid or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

SECTION 4.03. Governing Law. This Agreement shall be governed and construed in accordance with the law of the State of Tennessee.

SECTION 4.04. Notices. Any notice, request, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by Registered or Certified Mail, postage prepaid, or sent by telegram as follows:

To the County:

Montgomery County, Tennessee
1 Millennium Plaza, Suite 200
Clarksville, Tennessee 37041-0368
Attn: County Mayor

To the Agent:

The County and the Agent may designate in writing any further or different addresses to which subsequent notices, requests, communications or other papers shall be sent.

SECTION 4.05. Agreement Binding. All the covenants, promises and agreements in this Agreement contained by or on behalf of the parties shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 4.06. Termination. This Agreement shall terminate when all transfers and payments required to be made by the Agent under the provisions hereof shall have been made.

SECTION 4.07. Execution by Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

Signatures on Following Page

IN WITNESS WHEREOF, the County has caused this Agreement to be signed in its name by its County Mayor and attested by its County Clerk and the official seal of the County to be impressed hereon, and the Agent has caused this Agreement to be signed in its corporate name by its duly authorized officer, all as of the day and date first above written.

MONTGOMERY COUNTY, TENNESSEE

By: _____
County Mayor

(SEAL)

County Clerk

as Escrow Agent

By: _____
Title: _____

EXHIBIT A

Montgomery County, Tennessee

Debt Service of **General Obligation Refunding Bonds, Series 2004** in the original aggregate principal amount of \$_____ to the Redemption Date

Paying Agent: U.S. Bank
Nashville, Tennessee

EXHIBIT B

Government Securities
Certificate of Indebtedness
U.S. State and Local Government Series

<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Issue Date</u>
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Government Securities
U. S. Treasury Notes

<u>Amount</u>	<u>Interest Rate</u>	<u>First Interest Payment Date</u>	<u>Maturity Date</u>	<u>Issue Date</u>
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Total Cost of Securities: \$ _____
Initial Cash Deposit: \$ _____

EXHIBIT C

NOTICE OF REDEMPTION
MONTGOMERY COUNTY, TENNESSEE

NOTICE IS HEREBY GIVEN that Montgomery County, Tennessee (the "County"), has elected to and does exercise its option to call and redeem on [May 1, 2014] all the County's outstanding bonds (the "Outstanding Bonds") as follows:

**General Obligation Refunding Bonds, Series 2004, dated May 15, 2004, maturing
[May 1, ____ through May 1, ____, inclusive]**

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
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The owners of the above-described Outstanding Bonds are hereby notified to present the same to the offices of U. S. Bank National Association as follows, where redemption shall be made at the redemption price of 102% of par, plus interest accrued to the redemption date:

If by Mail: (REGISTERED BONDS)

U.S. Bank
Corporate Trust Services
P.O. Box 64111
St. Paul, MN 55164-0111

If by Hand or Overnight Mail:

U.S. Bank
Corporate Trust Services
60 Livingston Avenue
1st Fl – Bond Drop Window
St. Paul, MN 55107

The redemption price will become due and payable on [May 1, 2014], upon each such Bond herein called for redemption and such Bond shall not bear interest beyond [May 1, 2014].

Important Notice: Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Economic Growth and Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed W-9 or exemption certificate or equivalent when presenting your securities.

U.S. Bank National Association
Registration and Paying Agent

The Board of County Commissioners of Montgomery County, Tennessee, met in a regular session on March 11, 2013, at 7:00 p.m., at the Montgomery County Courthouse, 1 Millennium Plaza, Clarksville, Tennessee with Carolyn P. Bowers, County Mayor, presiding, and the following members present:

There were absent:

There were also present Kellie A. Jackson, County Clerk and Erinne J. Hester, Accounts and Budgets Director.

It was announced that public notice of the time, place and purpose of the meeting had been given and accordingly, the meeting was called to order.

The following resolution was introduced by _____, seconded by _____ and after due deliberation, were adopted by the following vote:

AYE:

NAY:

Summary Report:	
Litera Change-Pro ML 6.5.0.369 Document Comparison done on 3/5/2013 10:15:59 AM	
Style Name: Default Style	
Original Filename:	
Original DMS: iw://BBSLIBRARY/BBS/11648996/1	
Modified Filename:	
Modified DMS: iw://BBSLIBRARY/BBS/11648996/2	
Changes:	
<u>Add</u>	10
Delete	9
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Total Changes:	19