CLINTON COUNTY BOARD OF COMMISSIONERS

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County Board of Commissioners
County of Clinton, State of Michigan

RESOLUTION 2006-9

AUTHORIZING ISSUANCE AND SALE OF 2006 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION)

A RESOLUTION TO PROVIDE FOR:

- Issuance of $2,200,000 of General Obligation Limited Tax Bonds to construct a new District Health Department building;
- Bond details including principal payment amounts and dates and prior redemption provisions;
- County pledge of full faith and credit for the payment of the Bonds;
- Creation of Debt Retirement Fund for payment of Bonds;
- Creation of Construction Fund for deposit of Bond proceeds;
- Federal Tax Exemption and Bank Qualification;
- Notice of Sale and Preliminary Official Statement; Bond Ratings; Continuing Disclosure Filings;
- County Administrator to sell Bonds without further Board Resolution;
- County Administrator to execute Final Official Statement; and
- Other matters necessary to prepare the Bonds for sale and delivery.

PREAMBLE

WHEREAS, the County of Clinton, Michigan (the "County") determines it to be necessary for the public health, safety and welfare of the County and its residents to acquire and construct an office building to serve as the District Health Department office and any related site improvements and furnishings therefor (collectively, the "Improvements"); and

WHEREAS, under the provisions of Section 517 of Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34") a county may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, the issuance by the County of bonds under Section 517 of Act 34 in an amount not to exceed Two Million Two Hundred Thousand Dollars ($2,200,000) (the "Bonds") for the purpose of financing the costs of acquisition and construction of the Improvements appears to be the most practical means to that end; and

WHEREAS, the aggregate outstanding balance of municipal securities issued under Section 517 of Act 34 by a county shall not exceed 5% of the state equalized valuation of the property assessed in that county, and the outstanding balance of all municipal securities issued under Section 517 of Act 34 by the County will not exceed this limit after the issuance of the Bonds; and

WHEREAS, a Notice to Electors of the County of intent to issue the Bonds and right of referendum thereon was published in accordance with Act 34, , the 45 day referendum period described in the Notice to Electors has been completed, and no petitions for referendum were filed with the County Clerk; and

WHEREAS, Section 315 of Act 34 permits a municipality to authorize, within limitations which shall be contained in the authorization resolution of the governing body, an officer of the municipality to sell, deliver, and receive payment for municipal securities and to approve interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, and other matters and procedures necessary to complete the transactions authorized; and

WHEREAS, the County Board of Commissioners wishes to authorize either the County Administrator or, in his absence, the Deputy County Administrator (collectively, the "Authorized Officers") to sell and deliver and receive payment for the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Bonds of the County are authorized to be issued in the aggregate principal sum of not to exceed Two Million Two Hundred Thousand Dollars ($2,200,000) for the purpose of paying all or part of the costs of acquiring and constructing the Improvements, including the costs incidental to the issuance, sale and delivery of the Bonds.

The Bonds shall be designated as the 2006 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) and shall consist of bonds in fully-registered form of the denomination of $5,000, or integral multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered as determined by the Transfer Agent (as hereinafter defined). The Bonds shall bear interest, mature serially or as term bonds, and be payable at the times and in the manner set forth in the Notice of Sale for the Bonds set forth in Section 8 of this resolution (the "Notice of Sale"). The Bonds shall be dated as of April 1, 2006.

The Bonds shall be subject to optional and mandatory redemption prior to maturity as provided in the Notice of Sale and the winning bid for the Bonds.

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York ("DTC") and either of the Authorized Officers is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form, and to make such changes in the form of the Bonds within the parameters of this resolution as may be required to accomplish the foregoing.

Interest on the Bonds shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the County to conform to market practice in the future. Interest shall be payable by check or draft drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the County maintained by the Transfer Agent. The principal of the Bonds shall be payable upon presentation and surrender of such Bonds to the Transfer Agent. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The County Administrator is hereby authorized to appoint as transfer agent for this issue a bank or trust company located in Michigan and qualified to act as bond registrar, paying agent and transfer agent (the "Transfer Agent"). Either of the Authorized Officers is hereby authorized to execute one or more agreements with the Transfer Agent on behalf of the County. The County reserves the right to replace the Transfer Agent at any time, provided written notice of such replacement is given to the registered owners of record of the Bonds not less than sixty (60) days prior to an interest payment date.

2. The Bonds of this issue shall be executed in the name of the County with the manual or facsimile signatures of the Chairperson of the County Board of Commissioners and the County Clerk, and the corporate seal of the County shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from either of the Authorized Officers.

3. The Transfer Agent shall keep the books of registration for this issue on behalf of the County. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the County shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

If, in the future, the County calls bonds for redemption prior to maturity, then unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the County. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

4. The County expressly and irrevocably pledges its full faith and credit for the prompt and timely payment of the principal of and interest on the Bonds. The Bonds shall be payable, as a first budget obligation, from the general fund of the County and the County shall levy annually ad valorem taxes on all the taxable property in the County which, taking into consideration estimated delinquencies in tax collections, shall be fully sufficient to pay the principal and interest on the Bonds provided, however, that if at the time of making any such tax levy there shall be other legally available funds for the payment of principal of and interest on the Bonds, then credit therefor may be taken against the levy for payment of the Bonds. The levy shall be subject to constitutional and statutory tax rate limitations.

5. The County Treasurer is authorized and directed to open a separate depository or trust account with a bank or trust company to be designated as the 2006 CAPITAL IMPROVEMENT BOND DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by Act 34 or other state law. An amount sufficient to assure timely payment of the principal of and interest on the Bonds shall be transferred each year from the general fund of the County or other funds legally available therefor into the Debt Retirement Fund. The moneys deposited in the fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended. The accrued interest and premium, if any, received upon delivery of the Bonds shall also be deposited in the Debt Retirement Fund.

In the event a deposit of trust is made of cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest of the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

6. The County Treasurer is authorized and directed to create a fund designated as the 2006 CAPITAL IMPROVEMENT BOND CONSTRUCTION FUND (the "2006 Construction Fund"). The County shall deposit the proceeds of the Bonds into the 2006 Construction Fund, less accrued interest and premium, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the 2006 Construction Fund shall be used to pay the costs of the Improvements and to pay the costs of issuance of the Bonds. Moneys remaining in the Construction Fund after completion of the Improvements may be used for any purpose permitted by law.

7. The Bonds shall be in substantially the following form with such revisions, additions and deletions as may be advisable or necessary to comply with the final terms of the Bonds established upon sale thereof:

UNITED STATES OF AMERICA
STATE OF MICHIGAN

COUNTY OF CLINTON
2006 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)

Interest Rate	Date of Maturity	Date of Original Issue	CUSIP
____%	May 1, ____	_________, 2006	

Registered Owner:

Principal Amount: _________________ ($_________) Dollars

The COUNTY OF CLINTON, State of Michigan (the "County"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on November 1, 2006 and semiannually thereafter. Principal of this bond is payable at the ____________________ office of ____________________, or such other transfer agent as the County may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner, at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of $2,200,000, issued for the purpose of paying costs to acquire and construct an office building to serve as the District Health Department office and any related site improvements and furnishings therefor, under and in pursuance of the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the County Board of Commissioners adopted on March 16, 2006.

The limited tax full faith, credit and resources of the County are pledged for the payment of the bonds of this issue, and the County has pledged that it shall pay the principal of and interest on the bonds of this issue as they mature as a first budget obligation from its general fund and, after taking into account funds which the County may have legally available for payment of principal of and interest on the bonds of this issue, shall levy annually ad valorem taxes on all taxable property in the County sufficient to pay the principal and interest on the bonds of this issue subject to applicable constitutional and statutory tax limitations.

Bonds of this issue maturing on or prior to May 1, 2016 are not subject to redemption prior to maturity.

Bonds or portions of bonds in multiples of $5,000 of this issue maturing on or after May 1, 2017 shall be subject to redemption prior to maturity at the option of the County, in such order of maturity as the County shall determine and within any maturity by lot, on any date on or after May 1, 2016, at par plus accrued interest to the date fixed for redemption.

[MANDATORY REDEMPTION

The bonds maturing May 1, _____ and May 1, _____ (the “Term Bonds”) are subject to mandatory sinking fund redemption by lot prior to maturity on May 1, in the years and amounts set forth below, at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

Term Bonds due May 1, 20		Term Bonds due May 1, 20	
Redemption Dates	Principal Amounts	Redemption Dates	Principal Amounts
May 1, 20__		May 1, 20__	
May 1, 20__		May 1, 20__	
May 1, 20__		May 1, 20__	
May 1, 20__ (maturity)		May 1, 20__ (maturity)	

The principal amount of Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the County, by the principal amount of Term Bonds of the same maturity which have been previously redeemed (other than as a result of a previous mandatory redemption requirement), or purchased or acquired by the County and delivered to the Transfer Agent for cancellation; provided, that each such Term Bond has not previously been applied as a credit against any mandatory redemption obligation.]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner a new bond of the same maturity in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the County. Bonds shall be called for redemption in multiples of $5,000, and bonds of denominations of more than $5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by $5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the County, including this bond and the series of bonds of which this is one, does not exceed any constitutional or statutory debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the County of Clinton, State of Michigan, by its County Board of Commissioners, has caused this bond to be signed in the name of the County by [the facsimile signatures of] its Chairperson of the County Board of Commissioners and the County Clerk, and a facsimile of its corporate seal shall be [manually impressed/printed] hereon, all as of the Date of Original Issue.

COUNTY OF CLINTON

By ____
Chairperson, County Board of Commissioners

(Seal)

Countersigned:

By ________________________________
County Clerk

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Date of Registration:

CERTIFICATE OF AUTHENTICATION

This bond is [one of the bonds described in the within-mentioned resolution.]/ [valid and authentic].

____
Transfer Agent

By ________________________________
Authorized Signature

[INSERT STANDARD FORM OF ASSIGNMENT]

8. The actions taken by the County Administrator to fix a date for the sale of the Bonds and to publish the Notice of Sale of the Bonds in *The Bond Buyer*, New York, New York, are hereby ratified and confirmed. The following form of Notice of Sale of the Bonds is hereby ratified and confirmed:

OFFICIAL NOTICE OF SALE

$2,200,000
COUNTY OF CLINTON
State of Michigan
2006 CAPITAL IMPROVEMENT BONDS
(LIMITED TAX GENERAL OBLIGATION)

SEALED BIDS for the purchase of the above bonds will be received by the undersigned at the Clinton County Office of Administrative Services, 100 E. State Street, Suite 2100, St. Johns, Michigan, 48879, on **Wednesday, March 22, 2006, until 11:00 o'clock a.m.**, prevailing Eastern Time, at which time and place said bids will be publicly opened and read. Sealed bids will also be received on the same date and until the same time by an agent of the undersigned at the office of the Municipal Advisory Council of Michigan, 1445 First National Building, Detroit, Michigan 48226, when, simultaneously, the bids will be opened and read. The County will award or reject bids on that date.

FAXED BIDS, signed by the bidder, may be submitted by members of the Municipal Advisory Council of Michigan to MAC at fax number (313) 963-0943 or by any bidder to the County at fax (989) 224-5102 Attention: Ryan Wood; provided that faxed bids must arrive before the time of sale, the bidder bears all risks of transmission failure, and the GOOD FAITH DEPOSIT MUST BE MADE AND RECEIVED as described in the section captioned "GOOD FAITH" below.

ELECTRONIC BIDS: Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or Client Services, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. NO ELECTRONIC BID WILL BE ACCEPTED UNLESS A GOOD FAITH DEPOSIT IS MADE AND RECEIVED as described in the section captioned "GOOD FAITH" below. If any provision of this Notice of Sale shall conflict with information provided by Bidcomp/Parity, as the approved provider of electronic bidding services, this Notice of Sale shall control. No change of the dated date will be allowed for the computation of the winning bid.

Bidders may choose any means or location to present bids but a bidder may not present a bid in more than one location or by more than one means.

BOND DETAILS: The bonds will be registered bonds of the denomination of $5,000 or integral multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, dated as of the date of delivery thereof (anticipated to be April 6, 2006), and will bear interest from their date payable on November 1, 2006, and semiannually thereafter.

The bonds will mature on May 1 of each year, as follows:

Year	Principal Amount	Year	Principal Amount	Year	Principal Amount
2007	$105,000	2012	$130,000	2017	$165,000
2008	110,000	2013	140,000	2018	170,000
2009	115,000	2014	145,000	2019	180,000
2010	120,000	2015	150,000	2020	190,000
2011	125,000	2016	160,000	2021	195,000

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at a rate or rates not exceeding 6.00% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the bonds shall not exceed three percent (3.00%) per annum. THE INTEREST RATE BORNE BY BONDS MATURING IN ANY ONE YEAR SHALL NOT BE LESS THAN THE INTEREST RATE BORNE BY BONDS MATURING IN THE PRECEDING YEAR. No proposal for the purchase of less than all of the bonds or at a price less than 99.00% or more than 102.00% of their par value will be considered.

TERM BOND OPTION: Bidders shall have the option of designating the bonds maturing from May 1, 2017 through the final maturity as serial bonds or term bonds or both. If a bidder designates bonds as term bonds, the principal requirements shown above for the designated years shall represent a mandatory redemption requirement for a term bond or a term bond maturity as designated by the bidder. In any event, the above principal amounts shall be represented by either serial bond maturities or mandatory redemption requirements or a combination of both. If the winning bidder does not designate bonds as term bonds, then the maturities shown above shall be serial maturities. Any such designation must be made within 24 hours of the opening of bids for the bonds.

If the term bond option is selected, then the principal amount of the term bonds of a maturity to be redeemed on the dates set forth above may be reduced by the principal amount of the term bonds of the same maturity which have been previously redeemed or called for redemption (other than as a result of a mandatory redemption) or purchased or acquired by the County and delivered to the transfer agent. The County may satisfy mandatory redemption requirements by the purchase and surrender of term bonds in lieu of the calling of such term bonds for redemption.

OPTIONAL PRIOR REDEMPTION: The bonds maturing on or before May 1, 2016 are not subject to redemption prior to maturity.

Bonds or portions of bonds in multiples of $5,000 maturing on or after May 1, 2017 shall be subject to redemption prior to maturity at the option of the County, in such order of maturity as the County shall determine and within any maturity by lot, on any date on or after May 1, 2016, at par and accrued interest to the date fixed for redemption.

Notice of redemption of any bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the bond or portion thereof. In case less than the full amount of an outstanding bond is called for redemption, the transfer agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

AWARD OF BONDS - TRUE INTEREST COST: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on November 1, 2006 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to April 6, 2006 in an amount equal to the price bid. April 6, 2006 is the anticipated date of delivery of the bonds.

BOOK-ENTRY ONLY: The bonds will be issued in book-entry only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the bonds. Purchase of the bonds will be made in book-entry only form, in the denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in bonds purchased. The book-entry only system is described further in the preliminary Official Statement for the bonds. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds.

TRANSFER AGENT AND REGISTRATION: Principal shall be payable at the corporate trust office of J.P. Morgan Trust Company, National Association, in Detroit, Michigan, or other designated office, or such other transfer agent as the County may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to any interest payment date. As long as The Depository Trust Company or its nominee, Cede & Co., is the bondholder, payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the bonds is the responsibility of the DTC Participants and Indirect Participants as described in the preliminary Official Statement for the bonds. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month prior to an interest payment date. The bonds will be transferred only upon the registration books of the County kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the County Board of Commissioners for the purpose of paying costs to acquire and construct an office building to serve as the District Health Department office and any related site improvements and furnishings therefor. The bonds will pledge the limited tax full faith and credit of the County for payment of the principal and interest thereon, and will be payable as a first budget obligation from the general fund of the County, and from ad valorem taxes, which may be levied against all taxable property in the County, subject to applicable constitutional and statutory tax rate limitations. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity including those relating to equitable subordination.

GOOD FAITH: A certified or cashier's check drawn upon an incorporated bank or trust company or a Financial Surety Bond in the amount of $44,000 and payable to the order of the County Treasurer is required for each bid as a guarantee of good faith on the part of the bidder, to be forfeited as a portion of the County's damages if such bid be accepted and the bidder fails to take up and pay for the bonds. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Michigan and such bond must be submitted to the Municipal Advisory Council of Michigan or the County's Financial Consultant prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose good faith deposit is guaranteed by such Financial Surety Bond. If the bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its good faith deposit to the County in the form of a cashier's check (or wire transfer such amount as instructed by the County or its Financial Consultant) not later than Noon, prevailing Eastern Time, on the next business day following the award. If such good faith deposit is not received by that time, the Financial Surety Bond may be drawn by the County to satisfy the good faith deposit requirement. The good faith deposit will be applied to the purchase price of the bonds. In the event the Purchaser fails to honor its accepted bid, the good faith deposit will be retained by the County. No interest shall be allowed on the good faith check and checks of the unsuccessful bidders will be returned to each bidder's representative or by mail. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Lansing and Detroit, Michigan, assuming compliance with certain covenants, interest on the bonds is excluded from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation in the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

CERTIFICATE REGARDING ISSUE PRICE: The successful bidder will be required to furnish, prior to the delivery of the bonds, a certificate in form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Sections 1273 and 148 of the Internal Revenue Code of 1986, as amended.

"QUALIFIED TAX EXEMPT OBLIGATIONS": The County has designated the bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Internal Revenue Code.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Lansing and Detroit, Michigan. The opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C., for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials. In submitting a bid for the bonds, the bidder agrees to the representation of the County by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel.

DELIVERY OF BONDS: The County will furnish executed bonds at its expense. Bonds will be delivered without expense to the purchaser at DTC in New York, New York or at such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the County shall promptly return the good faith deposit. Payment for the bonds shall be made in immediately available funds.

BOND INSURANCE AT PURCHASER'S OPTION: If the bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the bonds. Any increased costs of issuance of the bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the County has requested and received a rating on the bonds from a rating agency, the County will pay for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser of the insurance. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE COUNTY.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid for by the County; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser of the Bonds.

OFFICIAL STATEMENTS: Stauder, Barch & Associates, Inc. will provide the winning bidder with a reasonable number of final Official Statements within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Additional copies of the Official Statement will be supplied by Stauder, Barch & Associates, Inc. upon request and agreement by the purchaser to pay the cost of additional copies. Request for additional copies should be made to Stauder, Barch & Associates, Inc. within 24 hours of the date of sale.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the County will execute and deliver prior to delivery of the bonds a written continuing disclosure undertaking in order to enable the underwriters of the bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

FURTHER INFORMATION: Further information regarding the bonds may be obtained from Stauder, Barch & Associates, Inc., 3989 Research Park Drive, Ann Arbor, Michigan 48108. Phone: (734) 668-6688.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked “Proposal for Capital Improvement Bonds.”

Diane Zuker, County Clerk
County of Clinton, Michigan

9. The County shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of the Code. The County hereby covenants that, to the extent permitted by law, it shall take all actions within its control and that it shall not fail to take any action necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for general federal income tax purposes under the Code, including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of investment of Bond proceeds and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the County with respect to the Bonds.

10. The County hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

11. The estimated period of usefulness of the facilities to be constructed and acquired with proceeds of the Bonds is hereby declared to be not less than fifteen (15) years. The total cost of construction and acquisition of such facilities is estimated to be not less than Two Million Two Hundred Thousand Dollars ($2,200,000).

12. The actions taken by the County Administrator to approve circulation of a preliminary official statement describing the Bonds and to deem such Preliminary Official Statement "final" for purposes of compliance with Securities and Exchange Commission Rule 15c2-12 are hereby ratified and confirmed.

13. The actions taken by the County Administrator to apply for ratings on the Bonds and to apply for qualification for municipal bond insurance are hereby ratified and confirmed.

14. The County Administrator or, in his absence, the Deputy County Administrator is hereby authorized, on behalf of the County, subject to the provisions and limitations of this resolution, to award sale of the Bonds to the bidder whose bid produces the lowest interest cost computed in compliance with the terms of the Notice of Sale, which bid shall comply with the requirements for bids specified in the Notice of Sale and shall be within the limitations contained in this resolution.

The Authorized Officers shall return checks received from the unsuccessful bidders to each bidder's representative or by mail or overnight courier service.

15. The Bonds shall bear interest at a rate or rates not exceeding 6.00% per annum. The purchase price for the Bonds, exclusive of any original issue discount or premium, shall not be less than 99.00% or more than 102% of the principal amount of the Bonds. In making such determinations the Authorized Officers are authorized to rely upon data and computer runs provided by either the Municipal Advisory Council or Stauder, Barch, and Associates, Inc. (the "Financial Consultant").

16. After awarding sale of the Bonds, the County Administrator is authorized to prepare, execute and deliver a final Official Statement describing the Bonds.

17. The County hereby agrees to enter into a Continuing Disclosure Undertaking Agreement (the "Continuing Disclosure Undertaking Agreement") in order to enable the underwriters of the Bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission. In the Continuing Disclosure Undertaking Agreement, the County shall agree to provide or cause to be provided, (i) certain annual financial information

and operating data, including audited financial statements for the preceding fiscal year, (ii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iii) timely notice of a failure by the County to provide the required annual financial information on or before the date required in the Continuing Disclosure Agreement. The County Administrator is authorized to execute and deliver the Continuing Disclosure Undertaking Agreement on behalf of the County in substantially the form which he shall, in consultation with Miller, Canfield, Paddock and Stone, P.L.C. ("Bond Counsel"), determine to be appropriate.

18. The officers, administrators, agents and attorneys of the County are authorized and directed to take all other actions necessary and convenient to facilitate issuance, sale, and delivery of the Bonds and expenditure of Bond proceeds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale, and delivery of the Bonds and expenditure of Bond proceeds in accordance with this resolution, including appropriation and transfer of Bond proceeds as appropriate, and payment of costs of issuance including Bond Counsel fees, Financial Consultant fees, rating agency fees, costs of printing the Bonds and the preliminary and final official statements, publication of the Notice of Sale, and any other costs necessary to accomplish sale and delivery of the Bonds.

19. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the County Board of Commissioners of the County of Clinton, State of Michigan, at a Special meeting held on Thursday, March 16, 2006 at 8:30 a.m., prevailing Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that notice of said Special meeting was given to each member of the Board in accordance with the rules of procedure of the Board.

I further certify that the following Members were present at said meeting: David Pohl, Larry E. Martin, John W. Arehart, Mary L. Rademacher, Robert E. Showers, Virginia L. Zeeb and Claude A. Vail and that the following Members were absent: None.

I further certify that Member Arehart moved for adoption of said resolution and that Member Showers supported said motion.

I further certify that the following Members voted for adoption of said resolution: Mary L. Rademacher, David Pohl, Robert Showers, John W. Arehart, Claude A. Vail, Virginia L. Zeeb and Larry E. Martin and that the following Members voted against adoption of said resolution: None.

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County Clerk