APPENDIX A

CERTIFICATE OF REFUNDING OF LOCAL SCHOOL BOND

The undersigned representative of the School Board of the County of Spotsylvania, Virginia (the "School Board"), and the undersigned representative of the County of Spotsylvania, Virginia (the "Issuer"), each hereby certify on behalf of the School Board and the Issuer, respectively, the following to the Virginia Public School Authority ("VPSA"):

1. The School Board and the Issuer acknowledge that each provided to VPSA Use of Proceeds Certificates dated May 17, 2001, November 15, 2001, May 16, 2002 and November 7, 2002 (collectively, the "Original Use of Proceeds Certificates") in connection with the issuance of certain local school general obligation bonds of the Issuer described therein (collectively, the "Local Bonds"). A copy of the Original Use of Proceeds Certificates are attached as Schedule 1.

2. As set forth in the Original Use of Proceeds Certificates, VPSA purchased the Local Bonds with the proceeds of certain bonds of VPSA described therein (the "VPSA Bonds").

3. VPSA informed the School Board and the Issuer that on May 21, 2019, VPSA will issue its School Financing Refunding Bonds (1997 Resolution) Series 2019B (the "VPSA Refunding Bonds") in part for the purpose of refunding a portion of the VPSA Bonds for debt service savings, and the School Board and the Issuer understand that as a condition of realizing the debt service savings allocable to the Local Bonds, VPSA is requiring that the School Board and the Issuer provide this Certificate.

4. The schedule of refunding credits for the Local Bonds, which has been prepared by VPSA, is attached as Schedule 2.

5. The School Board and the Issuer acknowledge that the Local Bonds were issued as tax-exempt bonds and that the refunding of the VPSA Bonds causes a "reissuance" for federal income tax purposes of the Local Bonds. The School Board and the Issuer further acknowledge that (i) VPSA is not requiring that the Local Bonds continue to be treated as tax-exempt obligations for federal income tax purposes after May 21, 2019, (ii) VPSA is requiring that the Local Bonds not be considered "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended, and (iii) in order for the Local Bonds to satisfy VPSA's requirement in (ii), the School Board and the Issuer must continue to comply with the requirements of the Original Use of Proceeds Certificates, as modified by this Certificate.

6. The School Board and the Issuer hereby represent that except as set forth in this Certificate and except to the extent that they relate to an earlier date, the representations and warranties of the School Board and the Issuer contained in the Original Use of Proceeds Certificates are true and correct as of the date hereof.

7. The Local Bonds financed the costs of the projects described on Schedule 3 (the "Project").

8. The School Board and the Issuer expended all of the proceeds of the Local Bonds on costs associated with the Project or costs of issuance related to the Local Bonds on or before December 31, 2004.

9. The Project is operational and used by the School Board and the Issuer for public school purposes and for no other purpose.

10. Neither the School Board nor the Issuer has any plans to close or lease, sell or otherwise dispose of the Project or any part thereof.

11. Neither the School Board nor the Issuer has entered into any arrangement regarding the ownership, use or operation of the Project, and no third party owns, uses (for example, under a lease), or operates (for example, through a management agreement) the Project or any part thereof.

12. The Issuer and the School Board acknowledge and agree that in order to keep the Local Bonds provisions consistent with the VPSA Bonds, the Local Bonds will not be prepayable for approximately 10 years after the closing date of the refunding and then only with the consent of VPSA.

13. The School Board and the Issuer acknowledge that the certifications, representations, warranties, and agreements contained in this Certificate will be relied upon by (i) the Treasurer and Secretary and the Assistant Treasurer and Secretary of VPSA in executing the tax certificate and Form 8038-G with respect to the Refunding Bonds and (ii) VPSA's Bond Counsel in rendering its opinion that interest on the Refunding Bonds is excludable from gross income for federal income tax purposes. Reliance for such purposes is authorized.

14. The School Board and the Issuer shall provide VPSA with any information within the School Board's or Issuer's possession or control, as the case may be, pertaining to the amount, expenditure, and investment of the proceeds of the Local Bonds or the ownership, use and operation of the Project as may be requested in writing by VPSA, within 10 days of the date of mailing such request.

[Signature page follows]

IN WITNESS WHEREOF, the School Board and the Issuer each has caused a duly authorized representative to sign this Certificate as of the date above first written.

Dated: ___________ ___, 2019

SPOTSYLVANIA COUNTY SCHOOL BOARD

By: ____________________________

Print Name: ______________________

Title: ____________________________

SPOTSYLVANIA COUNTY, VIRGINIA

By: ____________________________

Print Name: ______________________

Title: ____________________________

SCHEDULE 1

ORIGINAL USE OF PROCEEDS CERTIFICATES

USE OF PROCEEDS CERTIFICATE

The $10,170,000 General Obligation School Bonds, Series 2001A (the "Bonds"), issued by Spotsylvania County, Virginia (the "Issuer"), will be purchased by the Virginia Public School Authority ("VPSA") from the proceeds of the VPSA's $153,940,000 School Financing Bonds (1997 Resolution), Series 2001 A (the "VPSA's Bonds"), pursuant to a Bond Sale Agreement dated as of April 2, 2001. The proceeds of the Bonds will be used to acquire, construct and equip public school facilities owned and/or operated by the school board for the Issuer (the "School Board"). The Issuer and the School Board each recognize that certain facts, estimates and representations set forth in the Certificate as to Arbitrage executed by VPSA in connection with the issuance of the VPSA's Bonds must be based on the representations and certifications of the Issuer and the School Board and that the exclusion from gross income for federal income tax purposes of the interest on the VPSA's Bonds depends on the use of proceeds of the VPSA's and the Issuer's Bonds. Accordingly, the Issuer and the School Board hereby covenant that:

Section 1. Description of Project. The proceeds of the Bonds, including investment income thereon ("proceeds"), will be used to finance the acquisition, construction, and equipping of public school facilities of the Issuer (the "Project").

Section 2. Governmental Use of Proceeds. The Issuer and the School Board covenant the following with respect to the use of proceeds of the Bonds and the facilities financed or refinanced therewith:

(a) In General.

(i) Private Business Use. No more than ten percent (10%) of the proceeds of the Bonds or the Project (based on the greatest of: (A) the cost allocated on the basis of space occupied, (B) the fair market value, or (C) the actual cost of construction) has been or, so long as the Bonds are outstanding, will be, used in the aggregate for any activities that constitute a "Private Use" (as such term is defined below in subsection (d) of this Section 2).

(ii) Private Security or Payment. No more than ten percent (10%) of the principal of or interest on the Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (A) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (B) derived from payments in respect of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(b) No Disproportionate or Unrelated Use. With respect to private business use disproportionate to or not related to governmental use financed or refinanced with the proceeds of the Bonds, no more than five percent (5%) of the principal of or interest on such Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (x) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (y) derived from payments in respect

of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(c) No Private Loan Financing. No proceeds of the Bonds will be used to make or finance loans to any person other than to a state or local governmental unit.

(d) Definition of Private Use. For purposes of this Certificate, the term "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities other than state or local governmental entities. Any activity carried on by a person other than a natural person is treated as a trade or business. The leasing of property financed or refinanced with the proceeds of the Bonds or the access of a person other than a state or local governmental unit to property or services on a basis other than as a member of the general public shall constitute Private Use unless the Issuer obtains an opinion of Bond Counsel to the contrary. Use of property financed or refinanced with proceeds of the Bonds by any person, other than a state or local governmental unit, in its trade or business constitutes general public use only if the property is intended to be available and is in fact reasonably available for use on the same basis by natural persons not engaged in a trade or business ("General Public Use").

In most cases Private Use will occur only if a nongovernmental person has a special legal entitlement to use the financed or refinanced property under an arrangement with the Issuer. Such a special legal entitlement would include ownership or actual or beneficial use of the Project pursuant to a lease, management or incentive payment contract, output contract, research agreement or similar arrangement. In the case of property that is not available for General Public Use, Private Use may be established solely on the basis of a special economic benefit to one or more nongovernmental persons. In determining whether special economic benefit gives rise to Private Use, it is necessary to consider all of the facts and circumstances, including one or more of the following factors:

(i) whether the financed or refinanced property is functionally related or physically proximate to property used in the trade or business of a nongovernmental person;

(ii) whether only a small number of nongovernmental persons receive the economic benefit; and

(iii) whether the cost of the financed or refinanced property is treated as depreciable by the nongovernmental person.

As of the date hereof, no portion of the Project is leased (or will be so leased) by the Issuer or the School Board (or a related party or agent) to a person or entity other than a state or local governmental unit or to members of the general public for General Public Use.

(e) Management and Service Contracts. With respect to management and service contracts, the determination of whether a particular use constitutes Private Use under this Certificate shall be determined on the basis of applying Revenue Procedure 97-13, 1997-5 I.R.B. 18 ("Revenue Procedure 97-13"). As of the date hereof, no portion of the proceeds derived from the sale of the Bonds is being used to finance or refinance property subject to contracts or other arrangements with persons or entities engaged in a trade or business (other than governmental units) that involve the management of property or the provision of services with respect to property financed or refinanced with proceeds of the Bonds that do not comply with the standards of Revenue Procedure 97-13.

For purposes of determining the nature of a Private Use, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Consequently, an arrangement that is referred to as a management or service contract may nevertheless be treated as a lease. In determining whether a management contract is properly characterized as a lease, it is necessary to consider all of the facts and circumstances, including the following factors:

(i) the degree of control over the property that is exercised by a nongovernmental person; and

(ii) whether a nongovernmental person bears risk of loss of the financed or refinanced property.

Section 3. Time Test and Due Diligence Test. The Issuer and the School Board have incurred or will incur within 6 months of the date hereof substantial binding obligations, which are not subject to contingencies within the control of the Issuer or the School Board or a related party thereto, to third parties to expend at least 5% of the net sale proceeds of the Bonds on the Project. The Issuer and the School Board will proceed with due diligence to spend all of the proceeds of the Bonds within three years of the date hereof.

Section 4. Dispositions and Change in Use.

(a) No Sale or Disposition. The Issuer and the School Board expect to own and operate and do not expect to sell or otherwise dispose of the Project, or any component thereof, prior to the final maturity date of the VPSA's Bonds (August 1, 2021).

(b) Change in Use. The Issuer and the School Board represent, warrant and covenant that the facilities financed or refinanced with proceeds of the Bonds will be used for the governmental purpose of the Issuer and the School Board during the period of time the Bonds are outstanding, unless an opinion of Bond Counsel is received with respect to any proposed change in use of the Project.

(c) Tax Covenant. The Issuer and the School Board represent, warrant and covenant that it will take no action that would cause either the Bonds or the VPSA's Bonds to be private activity bonds within the meaning of Section 141(a) of the Code and that it will not fail to take any action that would prevent the VPSA's Bonds and the Bonds from being private activity bonds, within the meaning of Section 141(a) of the Code. Furthermore, the Issuer and the School Board have established reasonable procedures to ensure compliance with this covenant.

Section 5. No Sinking or Pledge Funds. Neither the Issuer nor the School Board has established and will not establish any funds or accounts that are reasonably expected to be used to pay debt service on the Bonds or that are pledged (including negative pledges) as collateral for the Bonds for which there is a reasonable assurance that amounts on deposit therein will be available to pay debt service on the Bonds if the Issuer or the School Board encounters financial difficulty.

Section 6. No Replacement Proceeds.

(a) In General. No portion of the proceeds of the Bonds will be used as a substitute for other funds that prior to the Issuer's resolving to proceed with the issuance of the Bonds were used or are to be used to pay any cost of the Project.

(b) Safe Harbor. In accordance with Section 1.148-1(c) of the Treasury Regulations regarding the safe harbor against the creation of "replacement proceeds", as of the date hereof, the weighted average maturity of the Bonds does not exceed 120% of the reasonably expected economic life of the Project financed thereby.

Section 7. No Refunding. The proceeds of the Bonds will not be used to provide for the payment of any principal of or interest on any obligations of the Issuer, other than the Bonds, incurred in the exercise of its borrowing power, except for any temporary financing as described herein.

Section 8. Composite Issue. There are no other obligations of the Issuer that have been, or will be (a) sold within 15 days of the Bonds, (b) sold pursuant to the same plan of financing together with the Bonds, and (c) paid out of substantially the same source of funds as the Bonds.

Section 9. No Federal Guarantee. The Issuer and the School Board shall not take or permit any action that would cause (a) the payment of principal of or interest on the Bonds to be guaranteed, directly or indirectly, in whole or in part by the United States or any agency or instrumentality thereof or (b) 5 percent or more of the proceeds of the Bonds to be (i) used in making loans the payment of principal or interest on which are guaranteed in whole or in part by the United States or any agency or instrumentality thereof or (ii) invested directly or indirectly in federally insured deposits or accounts (except as permitted under Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code"), or the regulations promulgated thereunder). The Issuer and the School Board have not, and will not enter into, any (i) long-term service contract with any federal governmental agency, (ii) service contract with any federal governmental agency under terms that are materially different from the terms of any contracts with any persons other than federal government agencies, and (iii) lease of property to any federal government agency, that would cause the Bonds to be considered "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 10. No Hedge Bonds. The Issuer and the School Board reasonably expect that all of the net sale proceeds of the Bonds will be used to pay the cost of the Project within three years of the date hereof. Furthermore, not more than 50 percent of the proceeds of the Bonds will be invested in Nonpurpose Investments (as such term is defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more.

Section 11. No Overissuance. The total proceeds derived by the Issuer from the sale of the Bonds and anticipated investment earnings thereon do not exceed the total of the amounts necessary for the Project.

Section 12. Reimbursable Expenses. No portion of the proceeds of the Bonds will be used to reimburse the Issuer for expenditures incurred thereby with respect to the Project.

Section 13. Covenant as to Arbitrage. The Issuer and the School Board hereby covenants that whether or not any of the Bonds remain outstanding, the money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner that would cause the Bonds or the VPSA's Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and the applicable regulations thereunder.

Date: May 17, 2001

SPOTSYLVANIA COUNTY, VIRGINIA

By: Douglas C. Walker
Name: Douglas C. Walker
Title: Acting County Administrator

SPOTSYLVANIA COUNTY SCHOOL BOARD

By: Jerry W. Hill
Name: Jerry W. Hill
Title: Superintendent

USE OF PROCEEDS CERTIFICATE

The $9,500,000 General Obligation School Bonds, Series 2001B (the "Bonds"), issued by Spotsylvania County, Virginia (the "Issuer"), will be purchased by the Virginia Public School Authority ("VPSA") from the proceeds of the VPSA's $183,900,000 School Financing Bonds (1997 Resolution), Series 2001 B and Series 2001 C (the "VPSA's Bonds"), pursuant to a Bond Sale Agreement dated as of October 9, 2001. The proceeds of the Bonds will be used to acquire, construct and equip public school facilities owned and/or operated by the school board for the Issuer (the "School Board"). The Issuer and the School Board each recognize that certain facts, estimates and representations set forth in the Certificate as to Arbitrage executed by VPSA in connection with the issuance of the VPSA's Bonds must be based on the representations and certifications of the Issuer and the School Board and that the exclusion from gross income for federal income tax purposes of the interest on the VPSA's Bonds depends on the use of proceeds of the VPSA's and the Issuer's Bonds. Accordingly, the Issuer and the School Board hereby covenant that:

Section 1. <u>Description of Project</u>. The proceeds of the Bonds, including investment income thereon ("proceeds"), will be used to finance the acquisition, construction, and equipping of public school facilities of the Issuer (the "Project").

Section 2. <u>Governmental Use of Proceeds</u>. The Issuer and the School Board covenant the following with respect to the use of proceeds of the Bonds and the facilities financed or refinanced therewith:

(a) <u>In General</u>.

(i) <u>Private Business Use</u>. No more than ten percent (10%) of the proceeds of the Bonds or the Project (based on the greatest of: (A) the cost allocated on the basis of space occupied, (B) the fair market value, or (C) the actual cost of construction) has been or, so long as the Bonds are outstanding, will be, used in the aggregate for any activities that constitute a "Private Use" (as such term is defined below in subsection (d) of this Section 2).

(ii) <u>Private Security or Payment</u>. No more than ten percent (10%) of the principal of or interest on the Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (A) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (B) derived from payments in respect of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(b) <u>No Disproportionate or Unrelated Use</u>. With respect to private business use disproportionate to or not related to governmental use financed or refinanced with the proceeds of the Bonds, no more than five percent (5%) of the principal of or interest on such Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (x) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (y) derived from payments in respect

of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(c) No Private Loan Financing. No proceeds of the Bonds will be used to make or finance loans to any person other than to a state or local governmental unit.

(d) Definition of Private Use. For purposes of this Certificate, the term "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities other than state or local governmental entities. Any activity carried on by a person other than a natural person is treated as a trade or business. The leasing of property financed or refinanced with the proceeds of the Bonds or the access of a person other than a state or local governmental unit to property or services on a basis other than as a member of the general public shall constitute Private Use unless the Issuer obtains an opinion of Bond Counsel to the contrary. Use of property financed or refinanced with proceeds of the Bonds by any person, other than a state or local governmental unit, in its trade or business constitutes general public use only if the property is intended to be available and is in fact reasonably available for use on the same basis by natural persons not engaged in a trade or business ("General Public Use").

In most cases Private Use will occur only if a nongovernmental person has a special legal entitlement to use the financed or refinanced property under an arrangement with the Issuer. Such a special legal entitlement would include ownership or actual or beneficial use of the Project pursuant to a lease, management or incentive payment contract, output contract, research agreement or similar arrangement. In the case of property that is not available for General Public Use, Private Use may be established solely on the basis of a special economic benefit to one or more nongovernmental persons. In determining whether special economic benefit gives rise to Private Use, it is necessary to consider all of the facts and circumstances, including one or more of the following factors:

(i) whether the financed or refinanced property is functionally related or physically proximate to property used in the trade or business of a nongovernmental person;

(ii) whether only a small number of nongovernmental persons receive the economic benefit; and

(iii) whether the cost of the financed or refinanced property is treated as depreciable by the nongovernmental person.

As of the date hereof, no portion of the Project is leased (or will be so leased) by the Issuer or the School Board (or a related party or agent) to a person or entity other than a state or local governmental unit or to members of the general public for General Public Use.

(e) Management and Service Contracts. With respect to management and service contracts, the determination of whether a particular use constitutes Private Use under this Certificate shall be determined on the basis of applying Revenue Procedure 97-13, 1997-1 C.B. 632, as modified by Revenue Procedure 2001-39, 2001-28 I.R.B. 38 ("Revenue Procedure 97-

13"). As of the date hereof, no portion of the proceeds derived from the sale of the Bonds is being used to finance or refinance property subject to contracts or other arrangements with persons or entities engaged in a trade or business (other than governmental units) that involve the management of property or the provision of services with respect to property financed or refinanced with proceeds of the Bonds that do not comply with the standards of Revenue Procedure 97-13.

For purposes of determining the nature of a Private Use, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Consequently, an arrangement that is referred to as a management or service contract may nevertheless be treated as a lease. In determining whether a management contract is properly characterized as a lease, it is necessary to consider all of the facts and circumstances, including the following factors:

(i) the degree of control over the property that is exercised by a nongovernmental person; and

(ii) whether a nongovernmental person bears risk of loss of the financed or refinanced property.

Section 3. Time Test and Due Diligence Test. The Issuer and the School Board have incurred or will incur within 6 months of the date hereof substantial binding obligations, which are not subject to contingencies within the control of the Issuer or the School Board or a related party thereto, to third parties to expend at least 5% of the net sale proceeds of the Bonds on the Project. The Issuer and the School Board will proceed with due diligence to spend all of the proceeds of the Bonds within three years of the date hereof.

Section 4. Dispositions and Change in Use.

(a) No Sale or Disposition. The Issuer and the School Board expect to own and operate and do not expect to sell or otherwise dispose of the Project, or any component thereof, prior to the final maturity date of the VPSA's Bonds (August 1, 2026).

(b) Change in Use. The Issuer and the School Board represent, warrant and covenant that the facilities financed or refinanced with proceeds of the Bonds will be used for the governmental purpose of the Issuer and the School Board during the period of time the Bonds are outstanding, unless an opinion of Bond Counsel is received with respect to any proposed change in use of the Project.

(c) Tax Covenant. The Issuer and the School Board represent, warrant and covenant that it will take no action that would cause either the Bonds or the VPSA's Bonds to be private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and that it will not fail to take any action that would prevent the VPSA's Bonds and the Bonds from being private activity bonds, within the meaning of Section 141(a) of the Code. Furthermore, the Issuer and the School Board have established reasonable procedures to ensure compliance with this covenant.

Section 5. <u>No Sinking or Pledge Funds</u>. Neither the Issuer nor the School Board has established and will not establish any funds or accounts that are reasonably expected to be used to pay debt service on the Bonds or that are pledged (including negative pledges) as collateral for the Bonds for which there is a reasonable assurance that amounts on deposit therein will be available to pay debt service on the Bonds if the Issuer or the School Board encounters financial difficulty.

Section 6. <u>No Replacement Proceeds</u>.

(a) <u>In General</u>. No portion of the proceeds of the Bonds will be used as a substitute for other funds that prior to the Issuer's resolving to proceed with the issuance of the Bonds were used or are to be used to pay any cost of the Project.

(b) <u>Safe Harbor</u>. In accordance with Section 1.148-1(c) of the Treasury Regulations regarding the safe harbor against the creation of "replacement proceeds", as of the date hereof, the weighted average maturity of the Bonds does not exceed 120% of the reasonably expected economic life of the Project financed thereby.

Section 7. <u>No Refunding</u>. The proceeds of the Bonds will not be used to provide for the payment of any principal of or interest on any obligations of the Issuer, other than the Bonds, incurred in the exercise of its borrowing power, except for any temporary financing as described herein.

Section 8. <u>Composite Issue</u>. There are no other obligations of the Issuer that have been, or will be (a) sold within 15 days of the Bonds, (b) sold pursuant to the same plan of financing together with the Bonds, and (c) paid out of substantially the same source of funds as the Bonds.

Section 9. <u>No Federal Guarantee</u>. The Issuer and the School Board shall not take or permit any action that would cause (a) the payment of principal of or interest on the Bonds to be guaranteed, directly or indirectly, in whole or in part by the United States or any agency or instrumentality thereof or (b) 5 percent or more of the proceeds of the Bonds to be (i) used in making loans the payment of principal or interest on which are guaranteed in whole or in part by the United States or any agency or instrumentality thereof or (ii) invested directly or indirectly in federally insured deposits or accounts (except as permitted under Section 149(b) of the Code or the regulations promulgated thereunder). The Issuer and the School Board have not, and will not enter into, any (i) long-term service contract with any federal governmental agency, (ii) service contract with any federal governmental agency under terms that are materially different from the terms of any contracts with any persons other than federal government agencies, and (iii) lease of property to any federal government agency, that would cause the Bonds to be considered "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 10. <u>No Hedge Bonds</u>. The Issuer and the School Board reasonably expect that all of the net sale proceeds of the Bonds will be used to pay the cost of the Project within three years of the date hereof. Furthermore, not more than 50 percent of the proceeds of the Bonds will be invested in Nonpurpose Investments (as such term is defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more.

Section 11. No Overissuance. The total proceeds derived by the Issuer from the sale of the Bonds and anticipated investment earnings thereon do not exceed the total of the amounts necessary for the Project.

Section 12. Reimbursable Expenses. No portion of the proceeds of the Bonds to be applied to the cost of the Project will be used to reimburse the Issuer.

Section 13. Covenant as to Arbitrage. The Issuer and the School Board hereby covenants that whether or not any of the Bonds remain outstanding, the money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner that would cause the Bonds or the VPSA's Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and the applicable regulations thereunder.

Date: November 15, 2001

SPOTSYLVANIA COUNTY, VIRGINIA

By:________________________
Name: Anthony W. Barrett
Title: County Administrator

SPOTSYLVANIA COUNTY SCHOOL BOARD

By:________________________
Name: Dr. Jerry W. Hill
Title: Superintendent

USE OF PROCEEDS CERTIFICATE

The $17,315,000 General Obligation School Bonds, Series 2002A (the "Bonds"), issued by Spotsylvania County, Virginia (the "Issuer"), will be purchased by the Virginia Public School Authority ("VPSA") from the proceeds of the VPSA's $111,510,000 School Financing Bonds (1997 Resolution), Series 2002 A (the "VPSA's Bonds"), pursuant to a Bond Sale Agreement dated as of April 1, 2002. The proceeds of the Bonds will be used to acquire, construct and equip public school facilities owned and/or operated for the Issuer by the school board (the "School Board"). The Issuer and the School Board each recognize that certain facts, estimates and representations set forth in the Certificate as to Arbitrage executed by VPSA in connection with the issuance of the VPSA's Bonds must be based on the representations and certifications of the Issuer and the School Board, upon which VPSA and Sidley Austin Brown & Wood LLP, its bond counsel ("Bond Counsel") rely, and that the exclusion from gross income for federal income tax purposes of the interest on the VPSA's Bonds depends on the use of proceeds of the VPSA's and the Issuer's Bonds. Accordingly, the Issuer and the School Board hereby covenant that:

Section 1. <u>Description of Project</u>. The proceeds of the Bonds, including investment income thereon ("proceeds"), will be used to finance the acquisition, construction, and equipping of public school facilities of the Issuer (the "Project").

Section 2. <u>Governmental Use of Proceeds</u>. The Issuer and the School Board covenant the following with respect to the use of proceeds of the Bonds and the facilities financed therewith:

(a) <u>In General</u>.

(i) <u>Private Business Use</u>. No more than ten percent (10%) of the proceeds of the Bonds or the Project (based on the greatest of: (A) the cost allocated on the basis of space occupied, (B) the fair market value, or (C) the actual cost of construction) has been or, so long as the Bonds are outstanding, will be, used in the aggregate for any activities that constitute a "Private Use" (as such term is defined below in subsection (d) of this Section 2).

(ii) <u>Private Security or Payment</u>. No more than ten percent (10%) of the principal of or interest on the Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (A) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (B) derived from payments in respect of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(b) <u>No Disproportionate or Unrelated Use</u>. With respect to private business use disproportionate to or not related to governmental use financed or refinanced with the proceeds of the Bonds, no more than five percent (5%) of the principal of or interest on such Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (x) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (y) derived from payments in respect

of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(c) No Private Loan Financing. No proceeds of the Bonds will be used to make or finance loans to any person other than to a state or local governmental unit.

(d) Definition of Private Use. For purposes of this Certificate, the term "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities other than state or local governmental entities. Any activity carried on by a person other than a natural person is treated as a trade or business. The leasing of property financed or refinanced with the proceeds of the Bonds or the access of a person other than a state or local governmental unit to property or services on a basis other than as a member of the general public shall constitute Private Use unless the Issuer obtains an opinion of Bond Counsel to the contrary. Use of property financed or refinanced with proceeds of the Bonds by any person, other than a state or local governmental unit, in its trade or business constitutes general public use only if the property is intended to be available and is in fact reasonably available for use on the same basis by natural persons not engaged in a trade or business ("General Public Use").

In most cases Private Use will occur only if a nongovernmental person has a special legal entitlement to use the financed or refinanced property under an arrangement with the Issuer. Such a special legal entitlement would include ownership or actual or beneficial use of the Project pursuant to a lease, management or incentive payment contract, output contract, research agreement or similar arrangement. In the case of property that is not available for General Public Use, Private Use may be established solely on the basis of a special economic benefit to one or more nongovernmental persons. In determining whether special economic benefit gives rise to Private Use, it is necessary to consider all of the facts and circumstances, including one or more of the following factors:

(i) whether the financed or refinanced property is functionally related or physically proximate to property used in the trade or business of a nongovernmental person;

(ii) whether only a small number of nongovernmental persons receive the economic benefit; and

(iii) whether the cost of the financed or refinanced property is treated as depreciable by the nongovernmental person.

As of the date hereof, no portion of the Project is leased (or will be so leased) by the Issuer or the School Board (or a related party or agent) to a person or entity other than a state or local governmental unit or to members of the general public for General Public Use.

(e) Management and Service Contracts. With respect to management and service contracts, the determination of whether a particular use constitutes Private Use under this Certificate shall be determined on the basis of applying Revenue Procedure 97-13, 1997-1 C.B. 632, as modified by Revenue Procedure 2001-39, 2001-28 I.R.B. 38 (collectively, "Revenue

Procedure 97-13"). As of the date hereof, no portion of the proceeds derived from the sale of the Bonds is being used to finance or refinance property subject to contracts or other arrangements with persons or entities engaged in a trade or business (other than governmental units) that involve the management of property or the provision of services with respect to property financed or refinanced with proceeds of the Bonds that do not comply with the standards of Revenue Procedure 97-13.

For purposes of determining the nature of a Private Use, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Consequently, an arrangement that is referred to as a management or service contract may nevertheless be treated as a lease. In determining whether a management contract is properly characterized as a lease, it is necessary to consider all of the facts and circumstances, including the following factors:

(i) the degree of control over the property that is exercised by a nongovernmental person; and

(ii) whether a nongovernmental person bears risk of loss of the financed or refinanced property.

Section 3. Time Test and Due Diligence Test. The Issuer or the School Board have incurred or will incur within 6 months of the date hereof substantial binding obligations, which are not subject to contingencies within the control of the Issuer or the School Board or a related party thereto, to third parties to expend at least 5% of the net sale proceeds of the Bonds on the Project. The Issuer and the School Board will proceed with due diligence to spend all of the proceeds of the Bonds within three years of the date hereof.

Section 4. Dispositions and Change in Use.

(a) No Sale or Disposition. The Issuer and the School Board expect to own and operate and do not expect to sell or otherwise dispose of the Project, or any component thereof, prior to the final maturity date of the VPSA's Bonds (August 1, 2022).

(b) Change in Use. The Issuer and the School Board represent, warrant and covenant that the facilities financed or refinanced with proceeds of the Bonds will be used for the governmental purpose of the Issuer and the School Board during the period of time the Bonds are outstanding, unless an opinion of Bond Counsel is received with respect to any proposed change in use of the Project.

(c) Tax Covenant. The Issuer and the School Board each represents, warrants and covenants that it will take no action that would cause either the Bonds or the VPSA's Bonds to be private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and that it will not fail to take any action that would prevent the VPSA's Bonds and the Bonds from being private activity bonds, within the meaning of Section 141(a) of the Code. Furthermore, the Issuer and the School Board have established reasonable procedures to ensure compliance with this covenant.

Section 5. No Sinking or Pledge Funds. The Issuer and the School Board have not established and will not establish any funds or accounts that are reasonably expected to be used to pay debt service on the Bonds or that are pledged (including negative pledges) as collateral for the Bonds for which there is a reasonable assurance that amounts on deposit therein will be available to pay debt service on the Bonds if the Issuer or the School Board encounters financial difficulty.

Section 6. No Replacement Proceeds.

(a) In General. No portion of the proceeds of the Bonds will be used as a substitute for other funds that prior to the Issuer's resolving to proceed with the issuance of the Bonds were used or are to be used to pay any cost of the Project.

(b) Safe Harbor. In accordance with Section 1.148-1(c) of the Treasury Regulations regarding the safe harbor against the creation of "replacement proceeds", as of the date hereof, the weighted average maturity of the Bonds does not exceed 120% of the reasonably expected economic life of the Project financed thereby.

Section 7. No Refunding. The proceeds of the Bonds will not be used to provide for the payment of any principal of or interest on any obligations of the Issuer, other than the Bonds, incurred in the exercise of its borrowing power.

Section 8. Composite Issue. There are no other obligations of the Issuer that have been, or will be (a) sold within 15 days of the Bonds, (b) sold pursuant to the same plan of financing together with the Bonds, and (c) paid out of substantially the same source of funds as the Bonds.

Section 9. No Federal Guarantee. The Issuer and the School Board shall not take or permit any action that would cause (a) the payment of principal of or interest on the Bonds to be guaranteed, directly or indirectly, in whole or in part by the United States or any agency or instrumentality thereof or (b) 5 percent or more of the proceeds of the Bonds to be (i) used in making loans the payment of principal or interest on which are guaranteed in whole or in part by the United States or any agency or instrumentality thereof or (ii) invested directly or indirectly in federally insured deposits or accounts (except as permitted under Section 149(b) of the Code or the regulations promulgated thereunder). The Issuer and the School Board have not, and will not enter into, any (i) long-term service contract with any federal governmental agency, (ii) service contract with any federal governmental agency under terms that are materially different from the terms of any contracts with any persons other than federal government agencies, and (iii) lease of property to any federal government agency, that would cause the Bonds to be considered "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 10. No Hedge Bonds. The Issuer and the School Board each reasonably expect that all of the net sale proceeds of the Bonds will be used to pay the cost of the Project within three years of the date hereof. Furthermore, not more than 50 percent of the proceeds of the Bonds will be invested in Nonpurpose Investments (as such term is defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more.

Section 11. No Overissuance. The total proceeds derived by the Issuer from the sale of the Bonds and anticipated investment earnings thereon do not exceed the total of the amounts necessary for the Project.

Section 12. Reimbursable Expenses. No portion of the proceeds of the Bonds to be applied to the cost of the Project will be used to reimburse the Issuer.

Section 13. Covenant as to Arbitrage. The Issuer and the School Board each hereby covenants that whether or not any of the Bonds remain outstanding, the money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner that would cause the Bonds or the VPSA's Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and the applicable regulations thereunder.

Date: May 16, 2002

SPOTSYLVANIA COUNTY, VIRGINIA

By: Anthony W. Barrett
Name: Anthony W. Barrett
Title: County Administrator

SPOTSYLVANIA COUNTY SCHOOL BOARD

By: Jerry W. Hill
Name: Dr. Jerry W. Hill
Title: Superintendent

USE OF PROCEEDS CERTIFICATE

The $11,885,000 General Obligation School Bonds, Series 2002B (the "Bonds"), issued by Spotsylvania County, Virginia (the "Issuer"), will be purchased by the Virginia Public School Authority ("VPSA") from the proceeds of the VPSA's $155,545,000 School Financing Bonds (1997 Resolution), Series 2002 B (the "VPSA's Bonds"), pursuant to a Bond Sale Agreement dated as of October 1, 2002. The proceeds of the Bonds will be used to acquire, construct and equip public school facilities owned and/or operated for the Issuer by the school board (the "School Board"). The Issuer and the School Board each recognize that certain facts, estimates and representations set forth in the Certificate as to Arbitrage executed by VPSA in connection with the issuance of the VPSA's Bonds must be based on the representations and certifications of the Issuer and the School Board, upon which VPSA and Sidley Austin Brown & Wood LLP, its bond counsel ("Bond Counsel") rely, and that the exclusion from gross income for federal income tax purposes of the interest on the VPSA's Bonds depends on the use of proceeds of the VPSA's and the Issuer's Bonds. Accordingly, the Issuer and the School Board hereby covenant that:

Section 1. Description of Project. The proceeds of the Bonds, including investment income thereon ("proceeds"), will be used to finance the acquisition, construction, and equipping of public school facilities of the Issuer (the "Project").

Section 2. Governmental Use of Proceeds. The Issuer and the School Board covenant the following with respect to the use of proceeds of the Bonds and the facilities financed therewith:

(a) In General.

(i) Private Business Use. No more than ten percent (10%) of the proceeds of the Bonds or the Project (based on the greatest of: (A) the cost allocated on the basis of space occupied, (B) the fair market value, or (C) the actual cost of construction) has been or, so long as the Bonds are outstanding, will be, used in the aggregate for any activities that constitute a "Private Use" (as such term is defined below in subsection (d) of this Section 2).

(ii) Private Security or Payment. No more than ten percent (10%) of the principal of or interest on the Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (A) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (B) derived from payments in respect of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(b) No Disproportionate or Unrelated Use. With respect to private business use disproportionate to or not related to governmental use financed or refinanced with the proceeds of the Bonds, no more than five percent (5%) of the principal of or interest on such Bonds, under the terms thereof or any underlying arrangement, has been, or, so long as the Bonds are outstanding, will be, directly or indirectly, (x) secured by any interest in (I) property used for a Private Use or (II) payments in respect of such property or (y) derived from payments in respect of property used or to be used for a Private Use, whether or not such property is a part of the Project.

(c) No Private Loan Financing. No proceeds of the Bonds will be used to make or finance loans to any person other than to a state or local governmental unit.

(d) Definition of Private Use. For purposes of this Certificate, the term "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities other than state or local governmental entities. Any activity carried on by a person other than a natural person is treated as a trade or business. The leasing of property financed or refinanced with the proceeds of the Bonds or the access of a person other than a state or local governmental unit to property or services on a basis other than as a member of the general public shall constitute Private Use unless the Issuer obtains an opinion of Bond Counsel to the contrary. Use of property financed or refinanced with proceeds of the Bonds by any person, other than a state or local governmental unit, in its trade or business constitutes general public use only if the property is intended to be available and is in fact reasonably available for use on the same basis by natural persons not engaged in a trade or business ("General Public Use").

In most cases Private Use will occur only if a nongovernmental person has a special legal entitlement to use the financed or refinanced property under an arrangement with the Issuer. Such a special legal entitlement would include ownership or actual or beneficial use of the Project pursuant to a lease, management or incentive payment contract, output contract, research agreement or similar arrangement. In the case of property that is not available for General Public Use, Private Use may be established solely on the basis of a special economic benefit to one or more nongovernmental persons. In determining whether special economic benefit gives rise to Private Use, it is necessary to consider all of the facts and circumstances, including one or more of the following factors:

(i) whether the financed or refinanced property is functionally related or physically proximate to property used in the trade or business of a nongovernmental person;

(ii) whether only a small number of nongovernmental persons receive the economic benefit; and

(iii) whether the cost of the financed or refinanced property is treated as depreciable by the nongovernmental person.

As of the date hereof, no portion of the Project is leased (or will be so leased) by the Issuer or the School Board (or a related party or agent) to a person or entity other than a state or local governmental unit or to members of the general public for General Public Use.

(e) Management and Service Contracts. With respect to management and service contracts, the determination of whether a particular use constitutes Private Use under this Certificate shall be determined on the basis of applying Revenue Procedure 97-13, 1997-1 C.B. 632, as modified by Revenue Procedure 2001-39, 2001-28 I.R.B. 38 (collectively, "Revenue Procedure 97-13"). As of the date hereof, no portion of the proceeds derived from the sale of the Bonds is being used to finance or refinance property subject to contracts or other arrangements with persons or entities engaged in a trade or business (other than governmental units) that involve the management of property or the provision of services with respect to property financed or refinanced with proceeds of the Bonds that do not comply with the standards of Revenue Procedure 97-13.

For purposes of determining the nature of a Private Use, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Consequently, an arrangement that is referred to as a management or service contract may nevertheless be treated as a lease. In determining whether a management contract is properly characterized as a lease, it is necessary to consider all of the facts and circumstances, including the following factors:

(i) the degree of control over the property that is exercised by a nongovernmental person; and

(ii) whether a nongovernmental person bears risk of loss of the financed or refinanced property.

Section 3. Time Test and Due Diligence Test. The Issuer or the School Board have incurred or will incur within 6 months of the date hereof substantial binding obligations, which are not subject to contingencies within the control of the Issuer or the School Board or a related party thereto, to third parties to expend at least 5% of the net sale proceeds of the Bonds on the Project. The Issuer and the School Board will proceed with due diligence to spend all of the proceeds of the Bonds within three years of the date hereof.

Section 4. Dispositions and Change in Use.

(a) No Sale or Disposition. The Issuer and the School Board expect to own and operate and do not expect to sell or otherwise dispose of the Project, or any component thereof, prior to the final maturity date of the VPSA's Bonds (August 1, 2022).

(b) Change in Use. The Issuer and the School Board represent, warrant and covenant that the facilities financed or refinanced with proceeds of the Bonds will be used for the governmental purpose of the Issuer and the School Board during the period of time the Bonds are outstanding, unless an opinion of Bond Counsel is received with respect to any proposed change in use of the Project.

(c) Private Activity Covenants. The Issuer and the School Board each represents, warrants and covenants that it will take no action that would cause either the Bonds or the VPSA's Bonds to be private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and that it will not fail to take any action that would prevent the VPSA's Bonds and the Bonds from being private activity bonds, within the meaning of Section 141(a) of the Code. Furthermore, the Issuer and the School Board have established reasonable procedures to ensure compliance with this covenant.

(d) Tax Covenants. The Issuer and the School Board each represents, warrants and covenants that it will not take any action which will, or fail to take any action which failure will, cause the interest on the Bonds for the VPSA's Bonds to become includable in the gross income of the owners of the Bonds or the VPSA's Bonds for federal income tax purposes pursuant to the provisions of the Code and the regulations promulgated thereunder in effect on the date of original issuance of the Bonds and the VPSA's Bonds.

Section 5. No Sinking or Pledge Funds. The Issuer and the School Board have not established and will not establish any funds or accounts that are reasonably expected to be used to pay debt service on the Bonds or that are pledged (including negative pledges) as collateral for the Bonds for which there is a reasonable assurance that amounts on deposit therein will be available to pay debt service on the Bonds if the Issuer or the School Board encounters financial difficulty.

Section 6. No Replacement Proceeds.

(a) In General. No portion of the proceeds of the Bonds will be used as a substitute for other funds that prior to the Issuer's resolving to proceed with the issuance of the Bonds were used or are to be used to pay any cost of the Project.

(b) Safe Harbor. In accordance with Section 1.148-1(c) of the Treasury Regulations regarding the safe harbor against the creation of "replacement proceeds", as of the date hereof, the weighted average maturity of the Bonds does not exceed 120% of the reasonably expected economic life of the Project financed thereby.

Section 7. No Refunding. The proceeds of the Bonds will not be used to provide for the payment of any principal of or interest on any obligations of the Issuer, other than the Bonds, incurred in the exercise of its borrowing power.

Section 8. Composite Issue. There are no other obligations of the Issuer that have been, or will be (a) sold within 15 days of the Bonds, (b) sold pursuant to the same plan of financing together with the Bonds, and (c) paid out of substantially the same source of funds as the Bonds.

Section 9. No Federal Guarantee. The Issuer and the School Board shall not take or permit any action that would cause (a) the payment of principal of or interest on the Bonds to be guaranteed, directly or indirectly, in whole or in part by the United States or any agency or instrumentality thereof or (b) 5 percent or more of the proceeds of the Bonds to be (i) used in making loans the payment of principal or interest on which are guaranteed in whole or in part by the United States or any agency or instrumentality thereof or (ii) invested directly or indirectly in federally insured deposits or accounts (except as permitted under Section 149(b) of the Code or the regulations promulgated thereunder). The Issuer and the School Board have not, and will not enter into, any (i) long-term service contract with any federal governmental agency, (ii) service contract with any federal governmental agency under terms that are materially different from the terms of any contracts with any persons other than federal government agencies, and (iii) lease of property to any federal government agency, that would cause the Bonds to be considered "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 10. No Hedge Bonds. The Issuer and the School Board each reasonably expect that all of the net sale proceeds of the Bonds will be used to pay the cost of the Project within three years of the date hereof. Furthermore, not more than 50 percent of the proceeds of the Bonds will be invested in Nonpurpose Investments (as such term is defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more.

Section 11. No Overissuance. The total proceeds derived by the Issuer from the sale of the Bonds and anticipated investment earnings thereon do not exceed the total of the amounts necessary for the Project.

Section 12. Reimbursable Expenses. No portion of the proceeds of the Bonds to be applied to the cost of the Project will be used to reimburse the Issuer.

Section 13. Covenant as to Arbitrage. The Issuer and the School Board each hereby covenants that whether or not any of the Bonds remain outstanding, the money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner that would cause the Bonds or the VPSA's Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and the applicable regulations thereunder.

Date: November 7, 2002

SPOTSYLVANIA COUNTY, VIRGINIA

By: Anthony W. Barrett
Name: Anthony W. Barrett
Title: County Administrator

SPOTSYLVANIA COUNTY SCHOOL BOARD

By: Jerry W. Hill
Name: Dr. Jerry W. Hill
Title: Superintendent

SCHEDULE 2

SCHEDULE OF REFUNDING CREDITS

(To be provided by VPSA upon return of the signed
Certificate and satisfaction of any requirements)

SCHEDULE 3

DESCRIPTION OF THE PROJECT

Following below is a one paragraph description of the projects that were financed by the County and the School Board with the proceeds of each of the County's four (4) Local Bonds that may be candidates for refunding by/through the issuance by VPSA of the VPSA Refunding Bonds, including the name of each school involved (capitalized terms used and not defined in this Schedule shall have the meanings given such terms in the Certificate of Refunding of Local School Bond to which this Schedule is attached):

1. The proceeds generated by the sale to VPSA of the County's Local Bond, which was issued by the County in April, 2001 in connection with the issuance by VPSA of its $153,940,000 School Financing Bonds (1997 Resolution) Series 2001 A, were spent by the County and the School Board on the costs of construction of (i) two new elementary schools: Cedar Forest Elementary School and Parkside Elementary School; (ii) a new middle school: Post Oak Middle School ("Post Oak Middle"), and (iii) a new high school: Riverbend High School ("Riverbend High").

2. The proceeds generated by the sale to VPSA of the County's Local Bond, which was issued by the County in October, 2001 in connection with the issuance by VPSA of the 2001 B series of its $183,900,000 School Financing Bonds (1997 Resolution) consisting of $142,400,000 Series 2001 B and $41,500,000 Series 2001 C, were spent by the County and the School Board on the costs of (A) construction of (i) Post Oak Middle; (ii) Riverbend High; (iii) an addition to Battlefield Middle School ("Battlefield Middle"); and (iv) renovations to the John J. Wright Educational and Cultural Center; and (B) technology enhancements and replacements throughout the County's public schools.

3. The proceeds generated by the sale to VPSA of the County's Local Bond, which was issued by the County in April, 2002 in connection with the issuance by VPSA of its $111,510,000 School Financing Bonds (1997 Resolution) Series 2002 A, were spent by the County and the School Board on the costs of (A) construction of (i) Post Oak Middle; (ii) Riverbend High; (iii) the addition to Battlefield Middle; and (iv) an addition to Wilderness Elementary School; and (B) technology enhancements and replacements throughout the County's public schools.

4. The proceeds generated by the sale to VPSA of the County's Local Bond, which was issued by the County in October, 2002 in connection with the issuance by VPSA of its $155,545,000 School Financing Bonds (1997 Resolution) Series 2002 B, were spent by the County and the School Board on the costs of (A) construction of (i) Post Oak Middle; (ii) Riverbend High; and (iii) the addition to Battlefield Middle; and (B) technology enhancements and replacements throughout the County's public schools.