

1 **GRANT COUNTY, NEW MEXICO**

2 **RESOLUTION No. 14-54**

3 AUTHORIZING THE ISSUANCE AND SALE OF GRANT COUNTY, NEW
4 MEXICO GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014, IN
5 THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$4,200,000 (THE
6 “BONDS”) FOR THE PURPOSE OF REFUNDING ALL OF THE COUNTY’S
7 OUTSTANDING GENERAL OBLIGATION BONDS, SERIES 2005; PROVIDING
8 FOR PAYMENT OF THE BONDS FROM THE PROPERTY TAXES PLEDGED
9 THEREFOR; PROVIDING FOR THE FORM, EXECUTION AND OTHER
10 DETAILS CONCERNING THE BONDS, THE FUNDS APPERTAINING
11 THERETO; PROVIDING FOR THE PAYMENT OF THE COSTS OF ISSUANCE
12 OF THE BONDS; APPROVING DISCLOSURE AND OTHER DOCUMENTS
13 RELATING TO THE BONDS; AND RATIFYING ACTION PREVIOUSLY
14 TAKEN IN CONNECTION THEREWITH.

15
16 Capitalized terms used in the following preambles have the same meaning as defined in
17 Section 1 of this Bond Resolution unless the context requires otherwise.

18 **WHEREAS**, the County is a legally and regularly created, established, organized and existing
19 County under the general laws of the State of New Mexico; and

20 **WHEREAS**, the County is authorized by the Act, to issue general obligation bonds for the
21 purposes of refunding all or a portion of any outstanding general obligation bonds of the County; and

22 **WHEREAS**, the County may lawfully pledge the Property Tax Revenues to the payment of the
23 Bonds; and

24 **WHEREAS**, the Board has determined and hereby determines that it is in the best interests of
25 the County and its residents that the Bonds be issued to provide funds to refund the Refunded Bonds
26 and pay the Expenses; and

27 **WHEREAS**, the Bonds shall be issued pursuant to the Act; and

28 **WHEREAS**, the Bonds will be sold by negotiated sale to the Purchaser; and

29 **WHEREAS**, all required authorizations, consents or approvals of any state, governmental
30 body, agency or county, in connection with the authorization, execution and delivery of the Bonds
31 which are required to have been obtained by the date hereof have been obtained, and which will be

required to be obtained prior to the date of issuance of the Bonds, will have been obtained by such date; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF GRANT COUNTY, NEW MEXICO:

1. *Definitions.* As used in this Bond Resolution, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Act” means, Sections 6-15-11 through 6-15-22 NMSA 1978.

“County” means Grant County.

“Beneficial Owner” shall mean those entities from time to time for whose account the Participants hold Bonds.

“Board” means the Board of County Commissioners of Grant County, New Mexico or any future successor governing body of the County.

“Bond” or ***“Bonds”*** means Grant County, New Mexico General Obligation Refunding Bonds, Series 2014 in the aggregate principal amount not to exceed \$4,200,000.

“Bond Purchase Agreement” means the agreement for the sale and purchase of the Bonds between the County and the Purchaser.

“Bond Resolution” or ***“Resolution”*** means this County Resolution as amended or supplemented from time to time.

“Bondholder,” “Holder” or ***“Owner”*** means the registered owner of any Bond as shown on the registration books of the County for the Bonds, from time to time, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in aggregate principal amount of all Bonds then Outstanding.

1 ***“Business Day”*** means a day on which commercial banks in the city in which the principal office
2 of the Paying Agent and Registrar is located are open for the conduct of substantially all of their business
3 operations.

4 ***“Chairman”, “Chair”, or “Chairman of the Board”***, means the duly elected Chairman of the
5 Board or the Vice Chairman of the Board acting in the absence of the Chairman.

6 ***“Clerk”*** means the duly appointed Clerk of the Board or a duly appointed deputy Clerk acting in
7 the absence of the Clerk.

8 ***“Code”*** means the Internal Revenue Code of 1986, as amended, the federal income tax
9 regulations of the United States Treasury Department (whether proposed, temporary or final) and any
10 amendments of, or successor provisions to, the foregoing and any official rulings, announcements,
11 notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent
12 applicable. Unless otherwise indicated, reference to a section of the Code in this Bond Resolution means
13 that section of the Code and such applicable regulations, rulings, announcements, notices, procedures and
14 determinations pertinent to that section.

15 ***“Interest and Sinking Fund”*** means the “Grant County, New Mexico General Obligation
16 Refunding Bonds, Series 2014 Interest and Sinking Fund” created in Section 15 of this Bond Resolution.

17 ***“Escrow”*** means non-callable direct obligations of the United States to be purchased with the
18 proceeds of the Bonds to be held in an irrevocable escrow by the Escrow Agent to be used solely for the
19 payment of the principal of, interest on and premium, if any, of the Refunded Bonds.

20 ***“Escrow Agent”*** means the person or entity designated as such in the Escrow Agreement.

21 ***“Escrow Agreement”*** means the Escrow Agreement between the County and the Escrow Agent.

22 ***“Event of Default”*** means any of the events stated in Section 18 of this Bond Resolution.

23 ***“Expenses”*** means the reasonable and necessary fees, commissions, costs and expenses incurred
24 by the County with respect to the issuance of the Bonds, including but not limited to the fees,

1 commissions, costs and expenses paid to or to be paid by the County directly or to the Paying Agent,
2 Registrar, financial advisor, underwriter, rating agencies, financial printers, bond counsel and other
3 attorneys' fees.

4 ***"Fiscal Year"*** means the period commencing on July 1 in each calendar year and ending on the
5 last day of June of the next succeeding calendar year, or any other twelve-month period which any
6 appropriate County may hereafter establish for the County as its fiscal year.

7 ***"Herein", "hereby", "hereunder", "hereof", "hereinabove" and "hereafter"*** refer to the entire
8 Bond Resolution and not solely to the particular section or paragraph of this Bond Resolution in which
9 such word is used.

10 ***"Independent Accountant"*** means any certified public accountant, or firm of such accountants,
11 duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and
12 paid by the County who (a) is, in fact, independent and not under the domination of the County, (b) does
13 not have any substantial interest, direct or indirect, with the County, and (c) is not connected with the
14 County as an officer or employee of the County, but who may be regularly retained to make annual or
15 similar audits of the books or records of the County.

16 ***"Insured Bank"*** means a bank or savings and loan association insured by an agency of the United
17 States.

18 ***"Interest Payment Date"*** means March 1 and September 1 of each year commencing September
19 1, 2015.

20 ***"NMSA 1978"*** means the New Mexico Statutes Annotated, 1978 Compilation, as amended and
21 supplemented.

22 ***"Official Statement"*** means the final disclosure document relating to the issuance and sale of the
23 Bonds, if any.

1 ***“Outstanding”*** when used in reference to bonds means, on any particular date, the aggregate of all
2 Bonds delivered under this Bond Resolution except:

3 A. those canceled at or prior to such date or delivered or acquired by the County at or
4 prior to such date for cancellation;

5 B. those otherwise deemed to be paid in accordance with Section 10 or Section 26 of
6 this Bond Resolution;

7 C. those in lieu of or in exchange or substitution for which other Bonds shall have
8 been delivered, unless proof satisfactory to the County and the Paying Agent is presented that any Bond
9 for which a new Bond was issued or exchanged is held by a bona fide holder in due course; and

10 D. those Bonds which have been refunded in accordance with this Bond Resolution or
11 other Resolution of the County authorizing the issuance of the applicable bonds.

12 ***“Participants”*** shall mean those broker-dealers, banks and other financial institutions from time
13 to time for which DTC holds Bonds as Securities Depository.

14 ***“Paying Agent”*** means, the County Treasurer or an entity designated as agent for the County for
15 the payment of the Bonds or any successor to the which shall be a trust company, national or state
16 banking association or financial institution at the time appointed Paying Agent by resolution of the Board.

17 ***“Property Tax Revenues”*** means the revenues derived from property taxes imposed on all taxable
18 real property within the County subject to property tax without limitation as to rate or amount.

19 ***“Purchaser”*** means the initial purchaser of the Bonds designated in the Bond Purchase
20 Agreement.

21 ***“Rebate Fund”*** means the “Grant County, New Mexico General Obligation Refunding Bonds,
22 Series 2014 Rebate Fund” established pursuant to Section 15 of this Bond Resolution.

23 ***“Refunded Bonds”*** means all of the outstanding Series 2005 Bonds in such principal amount and
24 maturing in the years as set forth below:

| | <u>PRINCIPAL AMOUNT</u> | <u>MATURITY DATES</u> |
|-------------------|-------------------------|---|
| Series 2005 Bonds | \$3,550,000 | September 1, 2015 through September 1, 2025 |

1 ***“Registrar”*** means, initially, the Paying Agent or an entity designated as agent for the County for
2 transfer and exchange of the Bonds or any successor to the Paying Agent which shall be a trust company,
3 national or state banking association or financial institution at the time appointed by resolution of the
4 Board.

5 ***“Securities Depository”*** shall mean the Depository Trust Company, 711 Stewart Avenue, Garden
6 City, New York 11530, Fax (516) 227-4039; or, in accordance with the then current guidelines of the
7 Securities and Exchange Commission, to other addresses and/or other such securities depositories, or to
8 any other such depositories as the County may designate in writing.

9 ***“Series 2005 Bonds”*** means the Grant County, New Mexico General Obligation Bonds, Series
10 2005, in the original aggregate principal amount of \$6,000,000, dated December 15, 2005, and issued
11 December 15, 2005, with unpaid principal of \$3,550,000.

12 ***“State”*** means the State of New Mexico.

13 2. ***Ratification.*** All action heretofore taken (not inconsistent with the provisions of this Bond
14 Resolution) by the Board directed toward the issuance of the Bonds to refund the Refunded Bonds, and
15 the sale of the Bonds to the Purchaser be, and the same hereby is, ratified, approved and confirmed.

16 3. ***Authorization of the refunding of the Refunded Bonds.*** The refunding of the Refunded
17 Bonds by the establishment of the Escrow is hereby authorized and ordered at a total cost not to exceed
18 \$4,200,000, excluding, any such cost defrayed or to be defrayed by any source other than Bond proceeds.

19 4. ***Findings.*** The Board hereby declares that it has considered all relevant information and
20 data and hereby makes the following findings:

1 A. The refunding of the Refunded Bonds is needed to meet the future needs of the
2 County and its inhabitants

3 B. Moneys available for the refunding of the Refunded Bonds from all sources other
4 than the issuance of the Bonds are not sufficient to defray the cost of refunding the Refunded Bonds.

5 C. The Property Tax Revenues may lawfully be pledged to secure the payment and
6 redemption of the Bonds.

7 D. It is economically feasible and in the best interest of the County to refund and
8 defease the Refunded Bonds by issuing the Bonds in the aggregate principal amount not to exceed
9 \$4,200,000, the proceeds of which will be used to pay the Expenses and to purchase United States
10 Government non-callable direct obligations to be placed in Escrow in an irrevocable trust secured to pay
11 the principal of, premium, if any, and interest on the Refunded Bonds in accordance with the Escrow
12 Agreement as defined herein.

13 E. The issuance of the Bonds pursuant to the Act, to provide funds for the refunding
14 of the Refunded Bonds is necessary and in the interest of the future public health, safety, morals and
15 welfare of the residents of the County.

16 F. The exact principal amount of the Bonds, the dated date of the Bonds, the maturity
17 date of the Bonds (which will not exceed twenty five (25) years from the date of the Bonds), the interest
18 rate and sale price of the Bonds will be established in the Bond Purchase Agreement, but in no event shall
19 the net effective interest rate on the Bonds exceed ten (10%) percent per annum as required by Section
20 6-14-3, NMSA 1978.

21 5. *The Bonds - Authorization and Detail.*

22 A. *Authorization.* This Bond Resolution has been adopted by the affirmative vote of a
23 majority of the members of the Board. For the purpose of protecting the public health, conserving the
24 property, protecting the general welfare and prosperity of the citizens of the County, and refunding the

1 Refunded Bonds, it is hereby declared necessary that the County, pursuant to the Act, issue its negotiable,
2 fully registered, General Obligation Refunding Bonds to be designated Grant County, New Mexico
3 General Obligation Refunding Bonds, Series 2014, in an aggregate principal amount not to exceed
4 \$4,200,000 (the "Bonds"), and the issuance, sale and delivery of the Bonds is hereby authorized. The
5 Bonds shall be sold at a negotiated sale to the Purchaser.

6 B. *Details of the Bonds.*

7 (1) The Chairman is authorized to execute the Bond Purchase Agreement
8 substantially in the form as presented with such changes as may be recommended by Bond Counsel and
9 approved by the Chairman. All such changes, insertions, deletions and modifications shall be deemed to
10 have been approved by the County upon execution and delivery of the Bond Purchase Agreement, such
11 execution and delivery to be conclusive evidence of such approval.

12 (2) The form of the Bonds, as set forth in Section 13, is hereby approved with
13 only such changes therein as are not inconsistent with this Bond Resolution and approved by the
14 Chairman.

15 (3) The Bonds shall be negotiable instruments and shall be issued only as fully
16 registered bonds, in denominations of \$5,000 or any integral multiple thereof, in such numbers and
17 denominations as may be requested by a purchaser, but exchangeable for other fully registered Bonds.
18 The Bonds shall be numbered separately and consecutively and shall be dated as of a date to be
19 established in the Bond Purchase Agreement. The Bonds shall bear interest from their date payable on
20 the Interest Payment Date until maturity at the rate of interest to be established in the Bond Purchase
21 Agreement. The exact principal amount, authorized denominations, transfer restrictions, if any, and
22 maturity schedule for the Bonds shall be established in the Bond Purchase Agreement.

23 6. *Prior Redemption.* The Bonds may be subject to redemption prior to their respective
24 maturities as established in the Bond Purchase Agreement.

1 7. *Filing of Signatures.* Prior to the execution of any Bond, pursuant to Section 72-19-65,
2 NMSA 1978, the Chairman of the Board and Clerk may each file with the New Mexico Clerk of State his
3 or her manual signature certified by him or her under oath; provided that filing shall not be necessary for
4 any officer where any previous filing may have legal application to the Bonds.

5 8. *Execution and Authentication of the Bonds.*

6 A. *Execution.* The Bonds shall be signed with the engraved, imprinted, stamped or
7 otherwise reproduced facsimile of the signature, or the manual signature, of the Chairman of the Board
8 and shall be attested in accordance with law. There shall be affixed to the Bonds the printed, engraved,
9 stamped or otherwise placed facsimile of, or imprint of, the County's corporate seal. The Bonds shall be
10 authenticated by the manual signature of an authorized officer of the Registrar. The Bonds, when
11 authenticated and bearing the manual or facsimile signatures of the officers in office at the time of signing
12 thereof, shall be valid and binding special obligations of the County, notwithstanding that before delivery
13 thereof and payment therefore, any or all of the persons whose signatures appear thereon shall have
14 ceased to fill their respective offices. The Chairman of the Board and Clerk, at the time of the execution
15 of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature,
16 the facsimile signature of his or her predecessor in office if such facsimile signature appears upon the
17 Bonds or any certificates pertaining to the Bonds.

18 B. *Authentication.* No Bond shall be valid or obligatory for any purpose unless the
19 certificate of authentication has been duly executed by the Registrar. The Registrar's certificate of auth-
20 entication shall be deemed to have been fully executed if manually signed and inscribed by an authorized
21 officer of the Registrar.

22 9. *Negotiability.* The Bonds shall be fully negotiable and shall have all the qualities of
23 negotiable paper, and the registered owners of the Bonds shall possess all rights enjoyed by the holders of
24 negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities.

10. *Payment and Presentation of Bonds for Payment.* Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal and interest on the Bonds shall be payable by check or draft mailed to the registered owners thereof (or in such other manner as may be agreed upon by the Paying Agent and the registered owners), as shown on the registration books maintained by the Registrar at the address appearing therein on the 15th day of the calendar month next preceding the interest payment date, or on a date established in the Bond Purchase Agreement (the "Record Date"). Any interest which is not timely paid or provided for shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to Bond owners not less than ten days prior thereto. If any Bond, when presented for payment remains unpaid at maturity or redemption, it shall continue to bear interest at the rate designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity or redemption when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity or redemption.

11. *Registration, Transfer, Exchange and Ownership Of Bonds.*

A. *Registration, Transfer and Exchange.* The County shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered

owner, as appropriate, a new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate.

B. *Limitations.* The Registrar shall not be required to transfer or exchange the Bond (i) during the period of fifteen (15) days next preceding the mailing of notice calling any Bonds for redemption as herein provided, or (ii) after the mailing to the registered owner of notice calling such Bonds as herein provided. The Registrar shall close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each interest payment date, but such transfers shall not include a transfer of accrued interest payable.

C. *Owners of the Bonds.* The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal of or interest on such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. *Lost Bonds.* If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series, maturity and interest rate. If any such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, the Registrar may request the Paying Agent to pay such Bond in lieu of replacement.

E. *Additional Bonds.* Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery upon transfer or exchange as herein provided.

1 F. *Charges.* For each new Bond issued in connection with a transfer or exchange, the
2 Registrar may make a charge to the owner of the Bond requesting such exchange or transfer sufficient to
3 reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to
4 such transfer or exchange.

5 G. *Book-Entry Bonds.*

6 (1) The registered bondholder of all of the Bonds may be a Securities
7 Depository and such Bonds may be registered in the name of the nominee for the Securities Depository.
8 The Bonds referred to in this subsection G shall refer to the Bonds registered in the name of the Securities
9 Depository, if any.

10 (2) The Bonds shall be initially issued in the form of separate, single,
11 authenticated fully-registered Bonds in the amount of each separately stated maturity of the Bonds. Upon
12 initial issuance, the ownership of each such Bond may be registered in the registration books kept by the
13 Registrar in the name of the nominee of the Securities Depository. The Registrar, Paying Agent and the
14 County may treat the Securities Depository (or its nominee) as the sole and exclusive Holder of the Bonds
15 registered in its name for the purposes of (a) payment of the principal or redemption price of or interest
16 on the Bonds, (b) selecting the Bonds or portions thereof to be redeemed, (c) giving any notice permitted
17 or required to be given to Bondholders under this Resolution, (d) registering the transfer of Bonds, and (e)
18 obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever
19 and neither the Registrar, Paying Agent or the County shall be affected by any notice to the contrary
20 (except as provided in paragraph (3) below). Neither the Registrar, Paying Agent or the County shall
21 have any responsibility or obligation to any Participant, any Beneficial Holder or any other person
22 claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any
23 Participant, or any other person which is not shown on the registration books of the Registrar as being a
24 Bondholder, with respect to the accuracy of any records maintained by the Securities Depository or any

Participant, the payment to the Securities Depository of any amount in respect of the principal or redemption price of or interest on the Bonds; any notice which is permitted or required to be given to Bondholders under this Resolution; the selection by the Securities Depository or any Participant of any person to receive payment in the event of a partial redemption of the Bonds; or any consent given or other action taken by the Securities Depository as Bondholder. Paying Agent shall pay all principal and redemption price of and interest on the Bonds only to or "upon the order of" the Securities Depository (as that term is used in the Uniform Commercial Code as adopted in the State of New Mexico), all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal, purchase price or redemption price of and interest on the Bonds to the extent of the sum or sums so paid. Except as provided in (3) below, no person other than the Securities Depository shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payment of principal or redemption price and interest pursuant to this Resolution. Upon delivery by the Securities Depository to the Registrar of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of the preceding nominee, the Bonds will be transferable to such new nominee in accordance with subparagraph (6) below.

(3) In the event the County determines that it is in the best interest of the County not to continue the book-entry system of transfer or that the interest of the Bondholders might be adversely affected if the book-entry system of transfer is continued, the County may notify the Securities Depository, whereupon the Securities Depository will notify the Participants of the availability through the Securities Depository of Bond certificates. In such event, the Registrar shall authenticate, transfer and exchange Bond certificates as requested by the Securities Depository in appropriate amounts in accordance with paragraph (6) below. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may determine that the Securities

1 Depository is incapable of discharging its responsibilities and may so advise the Securities Depository. In
2 either such event, the County shall either establish its own book-entry system or use reasonable efforts to
3 locate another Securities Depository. Under such circumstances (if there is no successor Securities
4 Depository) the County and the Registrar shall be obligated to deliver Bond certificates as described in
5 this Resolution and in accordance with paragraph (6) below. In the event Bond certificates are issued, the
6 provisions of this Resolution shall apply to such Bond certificates in all respects, including, among other
7 things, the transfer and exchange of such certificates and the method of payment of principal or
8 redemption price of and interest on such certificates. Whenever the Securities Depository requests the
9 County and the Registrar to do so, the Registrar and the County will cooperate with the Securities
10 Depository in taking appropriate action after reasonable notice (a) to make available one or more separate
11 certificates evidencing the Bonds to any Participant having Bonds credited to its account with the
12 Securities Depository or (b) to arrange for another securities depository to maintain custody of certificates
13 evidencing the Bonds.

14 (4) Notwithstanding any other provision of this Resolution to the contrary, so
15 long as any Bond is registered in the name of the nominee of the Securities Depository, all payment with
16 respect to the principal or redemption price of and interest on such Bond and all notices with respect to
17 such Bond shall be made and given respectively, to the Securities Depository as provided in its
18 Representation Letter.

19 (5) In connection with any notice or other communication to be provided to
20 Bondholders pursuant to this Resolution by the County, the Registrar, or the Paying Agent with respect to
21 any consent or other action to be taken by Bondholders, the County, the Registrar, or the Paying Agent, as
22 the case may be, shall establish a record date for such consent or other action and give the Securities
23 Depository notice of such record date not less than fifteen (15) calendar days in advance of such record

1 date to the extent possible. Such notice to the Securities Depository shall be given only when the
2 Securities Depository is the sole Bondholder.

3 (6) In the event that any transfer or exchange of Bonds is permitted under
4 paragraph (2) and (3) hereof, such transfer or exchange shall be accomplished upon receipt by the
5 Registrar from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate
6 instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of this
7 Resolution. In the event Bond certificates are issued to owners other than the nominee of the Securities
8 Depository, or another securities depository as holder of all the Bonds, the provisions of this Resolution
9 shall also apply to, among other things, the printing of such certificates and the methods of payment of
10 principal or redemption price of and interest on such certificates.

11 (7) Notwithstanding any provision of this Resolution to the contrary, in
12 connection with any redemption of Bonds while the DTC is the sole Bondholder, the County shall give
13 notice of such redemption to the Registrar at least forty-five (45) days prior to the date fixed for
14 redemption and the Registrar shall give notice of redemption to DTC as holder of such Bonds at least
15 thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

16 12. *Pledge of Full Faith and Credit.* The Bonds shall constitute the general obligation of the
17 County, payable from the general ad valorem taxes which shall be levied without limitation as to the rate
18 or amount. The full faith and credit of the County is irrevocably pledged to the payment of the principal
19 of and interest on the bonds.

20 13. *Form of the Bonds.* The form, terms and provisions of the Bonds shall be substantially as
21 set forth below, with such changes therein as are not inconsistent with this Bond Resolution:

22 [FORM OF BOND]

23 UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF TH
24 DEPOSITORY TRUST COMPANY DTC TO THE REGISTRAR FOR REGISTRATION OF
25 TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE

1 NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED
2 REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER,
3 PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSONS IS
4 WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST
5 HEREIN.

6
7 REGISTERED NO. R-_____ \$ _____

8 GRANT COUNTY, NEW MEXICO

9 GENERAL OBLIGATION REFUNDING BONDS

10 SERIES 2014

Interest Rate: Maturity Date: Series Date: Cusip:
_____% per annum _____, 2014 _____

11
12 Registered Owner: _____

13
14 Principal Amount: _____ DOLLARS (\$ _____)

15
16 The Board of County Commissioners of Grant County, New Mexico (the "Board"), on the faith,
17 credit and behalf of Grant County, New Mexico (the "County"), for value received, hereby promises to
18 pay to the registered owner named above, or registered assignees, the principal amount stated above on
19 the Maturity Date stated above and to pay interest on the principal amount at the Interest Rate on
20 September 1, 2015 and thereafter on March 1 and September 1 of each year (the "Interest Payment Date")
21 from the Series Date stated above to its maturity. The principal of the bonds of the series of which this is
22 one (the "Bonds") and interest due at maturity shall be payable to the registered owner thereof as shown
23 on the registration books kept by the County Treasurer, as "registrar/paying agent" (and any successor
24 thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender
25 thereof at the principal office of the Registrar/Paying Agent. If any Bond shall not be paid upon such
26 presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said
27 Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity)

shall be made by check or draft mailed by the Registrar/Paying Agent, on or before each Interest Payment Date to the registered owner thereof as of the close of business on the Record Date (defined below) at its address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the fifteenth of the month next preceding the Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any Bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

The Bonds are fully registered and are issuable in denominations of \$5,000 and any integral multiple thereof (provided that no individual bond may be issued for more than one maturity).

The Bonds, of which this bond is one, are limited to the total principal amount of \$4,200,000 are of like tenor, except as to number, denomination, maturity date, and interest rate, and are issued by the County of Grant, New Mexico, for the purpose of refunding the 2005 Bonds. The Bonds are issued under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (particularly, the Public Securities Act, Section 6-14-1 through 6-14-12 NMSA 1978 and Sections 6-15-

1 11 through 6-15-22, NMSA 1978, and acts amendatory and supplemental thereto), and pursuant to a
2 resolution of the Board duly adopted and made a law of the County prior to the issuance of this bond (the
3 “Bond Resolution”).

4 The Registrar/Paying Agent will maintain the books of the County for the registration of
5 ownership of the Bonds. Upon the surrender for transfer of any Bond at the principal office of the
6 Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the
7 registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate
8 and deliver not more than three business days after receipt of the Bond to be transferred in the name of
9 the transferee or transferees a new Bond or Bonds in fully registered form of the same aggregate principal
10 amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number
11 or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the
12 Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized
13 denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall
14 authenticate and deliver, not more than three business days after receipt of the Bond to be exchanged, a
15 Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number
16 or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided
17 shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the
18 payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental
19 charge required to be paid with respect to such exchange or transfer.

20 The person in whose name any Bond shall be registered on the registration books kept by the
21 Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of
22 making payment thereof and for all other purposes; and payment of or on account of either principal or
23 interest on any Bond shall be made only to or upon the written order of the registered owner thereof, or
24 his legal representative, in the manner and subject to the conditions and limitations provided herein. All

1 such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the
2 sum or sums so paid.

3 If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon
4 receipt of the mutilated Bond and such evidence, information or indemnity relating thereto as it may
5 reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds
6 of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate
7 and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen,
8 destroyed or mutilated Bond shall have matured, the Registrar/Paying Agent may pay such Bond in lieu
9 of replacement.

10 Bonds maturing on or after September 1, _____ are subject to redemption, in whole or in
11 part, at the option of the County on September 1, _____, or any date thereafter, at par plus accrued
12 interest to the date of redemption.

Term Bonds maturing on September 1, _____ are subject to mandatory sinking fund redemption in the amounts and on the dates as follows:

Principal Amount:

Date:

\$

\$

_____ *

Term Bonds maturing on September 1, _____ are subject to Mandatory Sinking fund redemption in the amounts and the dates as follows:

Principal Amount:

Date:

\$

\$

_____ *

* Final Maturity

For the punctual payment of the principal of and interest on this bond as aforesaid and for the levy and collection of taxes in accordance with the statutes authorizing the issuance of this bond, the full faith and credit of the County is hereby irrevocably pledged. The Board has, by the Bond Resolution, ordered the creation of an Interest and Sinking Fund for the payment of the Bonds. Such fund is to be held in trust for the benefit of the owner or owners of the Bonds.

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the County in the issuance of this bond; that the total indebtedness of the County, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that provision has been made for the levy and collection of annual taxes sufficient to pay the principal of and the interest on this bond when the same become due.

been made for the levy and collection of annual taxes sufficient to pay the principal of and the interest on this bond when the same become due.

This bond shall not be valid or obligatory for any purpose until the Registrar/Paying Agent shall have manually signed the certificate of authentication hereon.

IN TESTIMONY WHEREOF, the Board of County Commissioners of Grant County, New Mexico, constituting the governing board of the County, has caused the manual or facsimile of the seal of the County to be hereto affixed and this bond to be signed and executed with the manual or facsimile signature of the Chairman or Vice-Chairman of the Board and subscribed and attested with the manual or facsimile signature of the Clerk or Deputy Clerk of the County all as of the Series Date.

GRANT COUNTY, NEW MEXICO
BOARD OF COUNTY COMMISSIONERS

/s/ 
Chair

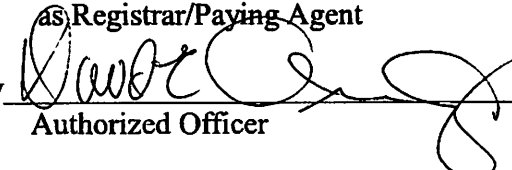
[SEAL]
Attest:

/s/ 
County Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION]

This bond is one of the Bonds described in the Bond Resolution and has been duly registered on the registration books kept by the undersigned as Registrar/Paying Agent for the Bonds.

Date of Authentication and
Registration: _____

COUNTY TREASURER
as Registrar/Paying Agent
By 
Authorized Officer

[END OF FORM OF CERTIFICATE OF AUTHENTICATION]

but stopped since the center had failed

It is generally agreed that the following are the main elements of a

The following are the names of the persons who have been appointed as members of the County Board of Health:

Company to be involved in the following areas:

to furnish a bill which would have been due to him and which would have been paid to him by the same person.

Signature of the Clerk or Deputy Clerk of the Court in the below space.

CONFIDENTIAL - SECURITY INFORMATION

(Signature)

71115



State: (none)

CONFIDENTIAL - SECURITY INFORMATION

This bond is one of the bonds described in the table in paragraph 10 of the 2017-18 budget.

on the registration books kept by the municipality of Albany, Albany for the bonds.

Date of Appointment: 19

_____ :aditadig 21

long. griseus 12/14 cm

ASSOCIATE EDITOR: JOHN W. HARRIS

various individuals.

[NOTIFICATION RETURNED TO SENDER]

[FORM OF ASSIGNMENT]

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

(Please print or typewrite Name and Address,
including Zip Code, of Assignee)

(Social Security or Federal Taxpayer Identification Number)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints the Registrar under the Bond Resolution as attorney to register the transfer of the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature of the registered owner to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed by: _____

NOTICE: Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

[END OF FORM OF ASSIGNMENT]

[END OF FORM OF BOND]

14. *Disposition of Bond Proceeds; Creation of Escrow.* Except as herein otherwise specifically provided the proceeds from the sale of the Bonds shall be used as follows:

A. *Accrued Interest and Premium.* Upon the sale of the Bonds, all monies received as accrued interest and any premium therefor, shall be deposited into the Interest and Sinking Fund to be applied to the payment of interest next due on the Bonds.

1 B. *Refunding Escrow Account Created.* The County shall establish with the Escrow
2 Agent, pursuant to the Escrow Agreement a "Grant County, New Mexico General Obligation Refunding
3 Bonds Series 2014 Escrow Account" (hereinafter referred to as the "Escrow Account") to be used solely
4 for the payment of the principal of, premium, if any, and interest on the Refunded Bonds, in accordance
5 with the terms and provisions of the Escrow Agreement. The County shall deposit with the Escrow
6 Agent, upon the issuance, sale and delivery of the Bonds, the amounts set forth in the Escrow Agreement,
7 being proceeds from the sale of the Bonds. Such amounts shall be sufficient, when invested and
8 reinvested by the Escrow Agent as provided in the Escrow Agreement, to pay when due, the principal of,
9 and accrued interest on the Refunded Bonds, including any required redemption premiums.

10 The Escrow Agent is authorized from time to time to redeem at maturity all or a portion of the
11 United States Government non-callable direct obligations in the Escrow Account, in sufficient amounts
12 so that the proceeds therefrom and the interest thereon as the same accrues, will be sufficient to pay the
13 principal of, premium, if any, and interest on the Refunded Bonds as hereinabove set forth.

14 C. *Expenses.* From Bond proceeds, the County shall pay, or cause to be paid, the
15 Expenses.

16 15. *Tax Levy, Funds and Accounts.* The County hereby creates the following special and
17 separate funds and accounts, which shall be under the control of the County and to levy property taxes as
18 follows:

19 A. *Tax Levy; Interest and Sinking Fund.* There shall be levied on all taxable property
20 in the County, at the time and in the manner provided by law, in addition to all other taxes, direct annual
21 ad valorem taxes sufficient to pay the principal of and interest accruing on the Bonds promptly as the
22 same shall become due. This resolution is hereby declared to be the certificate of the Board as to the

1 amount of taxes necessary to be levied for the purposes herein stated and said taxes shall be certified,
2 levied and extended upon the tax rolls and collected in the same manner, at the same time and subject to
3 the same penalties as general state and County taxes are certified, levied and collected. Said taxes, when
4 collected, shall be kept by the County in a separate special fund for the Bonds to be known as the "Grant
5 County, New Mexico General Obligation Refunding Bonds, Series 2014 Interest and Sinking Fund"
6 which fund shall be used solely for the purpose of paying the principal of and interest on the Bonds as the
7 same become due or mature and, if so required, to satisfy the covenants of the County set forth in Section
8 22 hereof; provided that nothing herein contained shall be so construed as to prevent the application of
9 any other funds belonging to the County and available for that purpose, to the payment of the Bonds or
10 the interest thereon, as the same become due and upon such payment the levy or levies of tax provided for
11 in this Section 15 may thereupon to that extent be diminished. If the taxes herein provided for shall not
12 be levied or collected in time to pay the interest on or principal of the Bonds as the same become due or
13 mature, then such interest or principal shall be paid from any funds belonging to the County, which funds
14 may be reimbursed from the taxes herein provided for when the same are collected.

15 B. *Rebate Fund.* There is hereby created the "Grant County, New Mexico General
16 Obligation Refunding Bonds, Series 2014 Rebate Fund" within the treasury of the County for the purpose
17 of payment to the United States Department of the Treasury of any rebatable arbitrage due.

18 The County shall deposit into the Rebate Fund any amounts available, from the proceeds
19 of the Bonds, as specified in the Tax Matters Certificate of the County, in the Rebate Fund as will be
20 sufficient to pay any rebate due to the United States Department of the Treasury for the applicable rebate
21 period. Moneys in the Rebate Fund shall be invested in accordance with the Tax Matters Certificate.

Excess moneys shall be released from the Rebate Fund at the end of the applicable rebate period and may be used by the County as permitted by law.

16. *General Administration of Funds.* The funds and accounts designated in Sections 14 and 15 shall be administered and invested as follows:

A. *Places and Times of Deposits.* The funds shall be separately maintained as a trust fund or funds for the purposes established and shall be deposited in one or more bank accounts in an Insured Bank or Banks. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose. Payments shall be made into the proper fund or account on the first day of the month except when the first day shall not be a Business Day, then payment shall be made on the next succeeding Business Day. No later than two Business Days prior to each interest and principal payment date, moneys sufficient to pay interest and principal then due on the Bonds shall be transferred to the Paying Agent. Nothing in this Bond Resolution shall prevent the County from establishing one or more bank accounts in an Insured Bank or Banks for all the funds required by this Bond Resolution or shall prevent the combination of such funds and accounts with any other bank account or accounts or other funds and accounts of the County.

B. *Investment of Moneys.* Moneys in any fund or account not immediately needed may be invested in any investment permitted by law. The obligations so purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account, and any loss resulting from such investment shall be charged to such fund or account. The County shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in

the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

17. *Protective Covenants.* The County hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. *Use of Bond Proceeds.* The County will proceed without delay to apply the proceeds of the Bonds required for refunding of the Refunded Bonds.

B. *Payment of the Bonds Herein Authorized.* The County will promptly pay the principal or interest on and premium, if any, on the Bonds at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. *County's Existence.* The County will maintain its corporate identity and existence so long as the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the County, without adversely affecting, to any substantial degree, the privileges and rights of any owner of the Bonds.

D. *Prohibition of any Extension of Interest Payments.* In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on the Bonds, and the County will not directly or indirectly be a party to or approve any arrangements for any such extension. If the time for payment of any such interest shall be extended, such installment or installments of interest, after such extension or arrangement, shall not be entitled in case of default hereunder to the benefit or security hereof, except subject to the prior payment in full of the principal of the Bonds hereunder and then outstanding and of the matured interest on such Bonds, the payment of which has not been extended.

1 E. *Audits.* The County will, at the time of the annual audit required by law, cause an
2 audit of its books and accounts relating to the Property Tax Revenues to be performed by an Independent
3 Accountant showing the receipts and disbursements in connection with such revenues. The County
4 agrees to furnish forthwith a copy of each of such audits and reports to the owners of the Bonds upon
5 written request.

6 F. *Impairment of Contract.* The County agrees that any law, resolution or resolution
7 of the County that in any manner affects the Property Tax Revenues or the Bonds shall not be repealed or
8 otherwise directly or indirectly modified, in such a manner as to impair adversely the Bonds Outstanding,
9 unless such Bonds have been discharged in full or provision has been fully made therefore or unless the
10 required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 25 of this
11 Bond Resolution.

12 18. *Events of Default.* Each of the following events is hereby declared an "Event of Default":

13 A. *Nonpayment of Principal.* Failure to pay the principal of or interest on the Bonds
14 when the same becomes due and payable.

15 B. *Incapable to Perform.* The County shall for any reason be rendered incapable of
16 fulfilling its obligations hereunder.

17 C. *Default of any Provision.* Default by the County in the due and punctual
18 performance of its covenants or conditions, agreements and provisions contained in the Bonds, in this
19 Bond Resolution on its part to be performed, and the continuance of such default (other than a default set
20 forth in subparagraph A of this Section) for sixty (60) days after written notice specifying such default
21 and requiring the same to be remedied has been given to the County by the registered owner of twenty-
22 five percent (25%) in principal amount of the Bonds then outstanding.

1 19. *Remedies Upon Default.* Upon the happening and continuance of any of the events of
2 default as provided in Section 18 of this Bond Resolution, then in every case the registered owner of any
3 Bonds Outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the
4 County, the Board and its agents, officers and employees to protect and enforce the rights of any holder of
5 the Bonds under this Bond Resolution by mandamus or other suit, action or special proceedings in equity
6 or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the
7 specific performance of any covenant or agreement contained herein or in an award relating to the
8 execution of any power herein granted for the enforcement of any legal or equitable remedy as such
9 holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin
10 any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the
11 Board to act as if it were the trustee of an express trust, or any combination of such remedies. All such
12 proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of the holders
13 of the Bonds then Outstanding. The failure of any Bondholder so to proceed shall not relieve the County
14 or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or
15 privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege,
16 and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of
17 any other right or privilege.

18 20. *Duties Upon Default.* Upon the happening of any of the events of default provided in
19 Section 18 of this Bond Resolution, the County, in addition, will do and perform all proper acts on behalf
20 of and for the owners of the Bonds to protect and preserve the security created for the payment of the
21 Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same
22 become due. All proceeds derived therefrom, so long as the Bonds, either as to principal or interest, are
23 Outstanding and unpaid, shall be applied as set forth in Section 16 of this Bond Resolution. In the event
24 the County fails or refuses to proceed as provided in this Section, the owners of the Bonds then

1 outstanding, after demand in writing, may proceed, protect and enforce the rights of the owners of the
2 Bonds as hereinabove provided.

3 21. *Bonds Not Presented when Due.* If the Bonds shall not be duly presented for payment
4 when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are
5 on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability of the County
6 to such owners for the payment of such Bonds shall be completely discharged, such Bonds shall not be
7 deemed to be outstanding and it shall be the duty of the Paying Agent to segregate and to hold such
8 moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may
9 be provided by law.

10 22. *Tax and Arbitrage Covenants.* The County covenants that it will restrict the use of the
11 proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds
12 will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended
13 (the "Code"). The Chairman, Clerk, or any other officer of the County having responsibility for the
14 issuance of the Bonds shall give an appropriate certificate of the County, for inclusion in the transcript of
15 proceedings for the Bonds, setting forth the reasonable expectations of the County regarding the amount
16 and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based,
17 and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

18 The County covenants that it (a) will take or cause to be taken such actions which may be
19 required of if for the interest on the Bonds to be and remain excluded from gross income for federal
20 income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect
21 that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the
22 proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment
23 property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv)

1 maintain books and records and make calculations and reports, and (v) refrain from certain uses of
2 proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the
3 Code. The Chairman, Clerk, and other appropriate officers are hereby authorized and directed to take any
4 and all actions, make calculations and rebate payments, and make or give reports and certifications, as
5 may be appropriate to assure such exclusion of that interest.

6 For purposes of complying with the covenants of the County set forth in the preceding paragraph,
7 the County has created the Rebate Fund for the deposit of any amounts owed under the Code. Any
8 provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and
9 clear of any lien hereunder or in any other resolution authorizing the issuance of bonds of the County.

10 The County shall keep such records pursuant to this Section 21 as are required under the Code.

11 The requirements of any part of this Section 21 may be modified, if and to the extent, at any time,
12 the County receives an opinion of nationally recognized bond counsel that such action will not adversely
13 affect the exclusion from gross income of interest on the Bonds for federal income tax purposes under
14 Section 103(a) of the Code.

15 23. *Continuing Disclosure Undertaking.* The County will make a written undertaking by the
16 Board on behalf of the County for the benefit of the holders of the Bonds in compliance with
17 Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange
18 Act of 1934, as amended (17 C.F.R. Part 240, ' 240. 15c2-12) (the "Rule") in the form submitted to the
19 Board.

20 24. *Delegated Powers.* The officers of the County be, and they hereby are, authorized and
21 directed to take all action necessary or appropriate to effectuate the provisions of this Bond Resolution,
22 including, without limiting the generality of the foregoing, the publication of the summary of publication

1 set out in Section 31 of this Bond Resolution (with such changes, additions and deletions as they may
2 determine), the distribution of material relating to the Bonds, the printing of the Bonds, the printing,
3 execution and distribution of disclosure documents relating to the Bonds, and the execution thereof, of a
4 purchase agreement for the Bonds and of such other documents as may be required by the Purchaser or
5 bond counsel.

6 25. *Amendment Of Bond Resolution.* *This Bond Resolution may be amended without the*
7 *consent of the holder of any Bonds to cure any ambiguity or to cure, correct or supplement any defect or*
8 *inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds to the*
9 *Purchaser, the provisions of this Bond Resolution may be amended without the written consent of the*
10 *Purchaser by other resolution of the Board with respect to any changes which are not inconsistent with the*
11 *substantive provisions of this Bond Resolution. Except as provided above, this Bond Resolution may be*
12 *amended without receipt by the County of any additional consideration, but with the written consent of*
13 *two-thirds of all holders of the Bonds then Outstanding; but no Resolution adopted without the written*
14 *consent of the holders of all Outstanding Bonds shall have the effect of permitting:*

15 A. An extension of the maturity or scheduled payment of any Bonds; or

16 B. A reduction of the principal amount or interest rate or prior redemption premium of
17 any Bond; or

18 C. A reduction of the principal amount of the Bonds required for consent to such
19 amendatory resolution. Any amendment to this Bond Resolution which is not inconsistent with the terms
20 hereof, may be made by resolution of the Board; any other amendment to this Bond Resolution shall be
21 made by subsequent resolution of the Board.

22 26. *Defeasance.* When all principal, interest and prior redemption premiums, if any, in
23 connection with the Bonds hereby authorized have been duly paid, the pledge and lien for the payment of

1 the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within
2 the meaning of this Bond Resolution. Payment shall be deemed made with respect to the Bonds when the
3 Board has placed in escrow with a commercial bank exercising trust powers, an amount sufficient
4 (including the known minimum yield from federal securities) to meet all requirements of principal,
5 interest and prior redemption premiums, if any, as the same become due to their final maturities or upon
6 designated redemption dates. Any federal securities shall become due when needed in accordance with a
7 schedule agreed upon between the Board and such bank at the time of the creation of the escrow. Federal
8 securities within the meaning of this Section 26 shall include only direct obligations of, or obligations the
9 principal of and interest on which are unconditionally guaranteed by the United States of America.

10 27. *Resolution Irrepealable.* After the Bonds are issued, this Bond Resolution shall be and
11 remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged,
12 as herein provided, or there has been defeasance as herein provided.

13 28. *Severability Clause.* If any section, paragraph, clause or provision of this Bond Resolution
14 shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such
15 section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond
16 Resolution.

17 29. *Repealer Clause.* All bylaws, orders, resolutions and resolutions, or parts thereof,
18 inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not
19 be construed to revive any bylaw, order, resolution or resolution, or part thereof, heretofore repealed.

20 30. *Effective Date.* Upon due adoption of this Bond Resolution, it shall be recorded in the
21 book of resolutions of the County kept for that purpose, authenticated by the signatures of the Chairman

of the Board and Clerk, and this Bond Resolution shall be in full force and effect upon recordation by the Clerk.

31. *Notice for Publication.* Pursuant to Section 6-14-4 through 6-14-7, NMSA 1978, notice of adoption of this Bond Resolution shall be published in substantially the following form:

GRANT COUNTY, NEW MEXICO

NOTICE OF ADOPTION OF COUNTY RESOLUTION No. _____

Notice is hereby given of the title and of a general summary of the subject matter contained in a Resolution duly adopted and approved by the Board of County Commissioners of Grant County, New Mexico, on _____, 2014, relating to the authorization and issuance of the County's General Obligation Refunding Bonds, Series 2014 not to exceed \$4,200,000. Complete copies of the resolution are available for public inspection during the normal and regular business hours of the Clerk, 1400 Highway 180 East, Silver City, NM 88061.

The title of the Resolution is:

GRANT COUNTY, NEW MEXICO

RESOLUTION No. _____

AUTHORIZING THE ISSUANCE AND SALE OF GRANT COUNTY, NEW MEXICO GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$4,200,000 (THE "BONDS") FOR THE PURPOSES OF REFUNDING ALL OF THE COUNTY'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES 2005; PROVIDING FOR PAYMENT OF THE BONDS FROM THE PROPERTY TAXES PLEDGED THEREFOR; PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CONCERNING THE BONDS, THE FUNDS APPERTAINING THERETO; PROVIDING FOR THE PAYMENT OF THE COSTS OF ISSUANCE OF THE BONDS; APPROVING DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS; AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

1
2 The following is a general summary of the subject matter contained in the resolution:

3 Preambles recite or include such matters as: the status of the property tax revenues under State
4 law; the Board's determination that it is in the best interests of the County and its residents that the Bonds
5 be issued on the full faith and credit of the County, and the Board's determination that it is in the best
6 interest of the County to authorize issuance of the Bonds.

7 **Sections 1 through 4** define terms used in the Resolution; ratify and confirm all previous actions
8 taken by the County directed toward the authorization of the Bonds; authorize the issuance of the Bonds
9 for the purposes of refunding the Refunded Bonds and paying costs and expenses incidental thereto; and
10 set forth certain findings of the Board which include: moneys available for the refunding the Refunded
11 Bonds other than from the issuance of the Bonds are not sufficient to defray the cost of refunding the
12 Refunded Bonds.

13 **Section 5** authorizes the issuance of the Bonds in the principal amount not to exceed \$4,200,000
14 to be payable from ad valorem taxes on all real property in the County subject to property tax, without
15 limitation as to rate or amount received by the County; provides for the negotiated sale of the Bonds to
16 the Purchaser at a price, interest rate and maturities; provides that the maturity schedule and interest rate
17 for the Bonds will be established in the Bond Purchase Agreement, and that the Bonds shall be issued as
18 fully registered bonds.

19 **Sections 6 through 9** provide redemption of the Bonds; for the filing of signatures, execution and
20 authentication of the Bonds; and that the Bonds are fully negotiable.

21 **Sections 10 through 14** provide details relating to payment of the Bonds and presentation of the
22 Bonds for payment; for the registration, transfer, exchange and ownership of the Bonds; that the Bonds
23 constitute general obligations of the County; for the form of the Bonds; and provide that the Bonds may be
24 issued in book entry form.

Sections 15 through 17 provide details relating to the levy of property taxes, the disposition of the proceeds of the Bonds and the refunding of the Refunded Bonds; for creation and administration of special funds and accounts for deposit of the revenues pledged to the payment of the Bonds; provide for the deposit and flow of funds to pay the Bonds, security for the payment of the Bonds and other obligations of the County relating thereto.

Section 17 provides protective covenants relating to such matters as the use of Bond proceeds, the payment of the Bonds, the existence of the County, impairment of contract; define events of default; and provide for remedies and duties upon default.

Sections 18 through 21 provide details relating to events of default and the remedies and duties upon default.

Section 22 provides the tax and arbitrage covenants and provides for the payment of rebatable arbitrage to the United States; designates the Bonds as Qualified Tax-Exempt Obligations.

Section 23 provides that the County will make a Continuing Disclosure Undertaking for the benefit of the Bondholders.

Sections 24 through 27 relate to the amendments to the Resolution and the defeasance of the Bonds.

Sections 27 through 31 delegate powers to the officers of the County to effectuate the provisions of the Resolution; state that the Resolution is irrevocable; provide for severability and repealer clauses; provide an effective date for the Resolution; and provide a form for publication.

Any action or proceeding of any kind or nature in any court questioning the validity of the creation and establishment of the County, or the validity or proper authorization of the Bonds, or the validity of any covenants, agreements or contracts provided for by the Resolution, shall be commenced within twenty days after the first publication of this Notice. After that period all such actions are barred.

Dated this ____ day of _____, 2014.

1
2
3
4
5
6

GRANT COUNTY, NEW MEXICO

By: /s/ Robert Zamarripa
Clerk

[END OF FORM OF NOTICE]

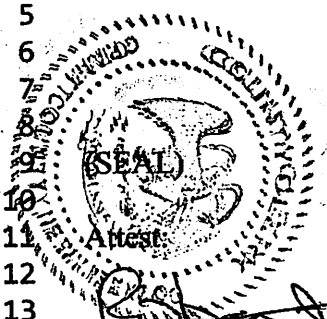
ADOPTED AND APPROVED this 7th day of October, 2014.

GRANT COUNTY, NEW MEXICO

By: Burt Kost
Chairman

Attest:

Clerk



11-4-71 (10) 11-4-71

11-4-71 (10) 11-4-71

11-4-71 (10) 11-4-71

11-4-71 (10) 11-4-71

11-4-71 (10) 11-4-71



GRANT COUNTY, NEW MEXICO

General Obligation Refunding Bonds

Series 2014 (NMFA Loan)

Sources & Uses

Dated 11/18/2014 | Delivered 11/18/2014

Sources Of Funds

Par Amount of Bonds..... \$4,115,000.00

Total Sources..... \$4,115,000.00

Uses Of Funds

Total Underwriter's Discount (0.250%)..... 10,287.50

Costs of Issuance..... 75,000.00

Deposit to Net Cash Escrow Fund..... 4,026,054.90

Rounding Amount..... 3,657.60

Total Uses..... \$4,115,000.00

Series 2014 (NMFA Loan) | SINGLE PURPOSE | 9/26/2014 | 9:29 AM

George K. Baum & Company
Southwest Public Finance

GRANT COUNTY, NEW MEXICO

General Obligation Refunding Bonds

Series 2014 (NMFA Loan)

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I |
|------------|----------------|--------|--------------|----------------|
| 09/01/2015 | 355,000.00 | 0.300% | 51,977.27 | 406,977.27 |
| 09/01/2016 | 335,000.00 | 0.500% | 65,054.50 | 400,054.50 |
| 09/01/2017 | 345,000.00 | 0.730% | 63,379.50 | 408,379.50 |
| 09/01/2018 | 345,000.00 | 1.010% | 60,861.00 | 405,861.00 |
| 09/01/2019 | 355,000.00 | 1.320% | 57,376.50 | 412,376.50 |
| 09/01/2020 | 365,000.00 | 1.620% | 52,690.50 | 417,690.50 |
| 09/01/2021 | 385,000.00 | 1.890% | 46,777.50 | 431,777.50 |
| 09/01/2022 | 395,000.00 | 2.170% | 39,501.00 | 434,501.00 |
| 09/01/2023 | 420,000.00 | 2.360% | 30,929.50 | 450,929.50 |
| 09/01/2024 | 440,000.00 | 2.450% | 21,017.50 | 461,017.50 |
| 09/01/2025 | 375,000.00 | 2.730% | 10,237.50 | 385,237.50 |
| Ttd | \$4,115,000.00 | - | \$499,802.27 | \$4,614,802.27 |

Yield Statistics

| | |
|--|-------------|
| Bond Year Dollars..... | \$24,684.85 |
| Average Life..... | 5.999 Years |
| Average Coupon..... | 2.0247331% |
| Net Interest Cost (NIC)..... | 2.0664085% |
| True Interest Cost (TIC)..... | 2.0540151% |
| Bond Yield for Arbitrage Purposes..... | 2.0091236% |
| All Inclusive Cost (AIC)..... | 2.3861334% |
| IRS Form 8038 | |
| Net Interest Cost..... | 2.0247331% |
| Weighted Average Maturity..... | 5.999 Years |

GRANT COUNTY, NEW MEXICO

General Obligation Refunding Bonds

Series 2014 (NMFA Loan)

Gross Debt Service Comparison

| Date | Principal | Coupon | Interest | New D/S | OLD D/S | Savings |
|--------------|-----------------------|----------|---------------------|-----------------------|-----------------------|---------------------|
| 09/01/2015 | 355,000.00 | 0.300% | 51,977.27 | 406,977.27 | 419,605.00 | 12,627.73 |
| 09/01/2016 | 335,000.00 | 0.500% | 65,054.50 | 400,054.50 | 415,855.00 | 15,800.50 |
| 09/01/2017 | 345,000.00 | 0.730% | 63,379.50 | 408,379.50 | 422,305.00 | 13,925.50 |
| 09/01/2018 | 345,000.00 | 1.010% | 60,861.00 | 405,861.00 | 423,305.00 | 17,444.00 |
| 09/01/2019 | 355,000.00 | 1.320% | 57,376.50 | 412,376.50 | 429,005.00 | 16,628.50 |
| 09/01/2020 | 365,000.00 | 1.620% | 52,690.50 | 417,690.50 | 434,255.00 | 16,564.50 |
| 09/01/2021 | 385,000.00 | 1.890% | 46,777.50 | 431,777.50 | 445,825.00 | 14,047.50 |
| 09/01/2022 | 395,000.00 | 2.170% | 39,501.00 | 434,501.00 | 451,225.00 | 16,724.00 |
| 09/01/2023 | 420,000.00 | 2.360% | 30,929.50 | 450,929.50 | 465,825.00 | 14,895.50 |
| 09/01/2024 | 440,000.00 | 2.450% | 21,017.50 | 461,017.50 | 474,017.50 | 13,000.00 |
| 09/01/2025 | 375,000.00 | 2.730% | 10,237.50 | 385,237.50 | 400,977.50 | 15,740.00 |
| Total | \$4,115,000.00 | - | \$499,802.27 | \$4,614,802.27 | \$4,782,200.00 | \$167,397.73 |

PV Analysis Summary (Gross to Gross)

| | |
|---|--------------|
| Gross PV Debt Service Savings..... | 151,533.73 |
| Contingency or Rounding Amount..... | 3,657.60 |
| Net Present Value Benefit..... | \$155,191.33 |
| Net PV Benefit / \$3,825,000 Refunded Principal..... | 4.057% |
| Net PV Benefit / \$4,115,000 Refunding Principal..... | 3.771% |

Refunding Bond Information

| | |
|------------------------------|------------|
| Refunding Dated Date..... | 11/18/2014 |
| Refunding Delivery Date..... | 11/18/2014 |

GRANT COUNTY, NEW MEXICO

General Obligation Refunding Bonds

Series 2014 (NMFA Loan)

Pricing Summary

| Maturity | Type of Bond | Coupon | Yield | Maturity Value | Price | Dollar Price |
|--------------|---------------|--------|--------|-----------------------|----------|-----------------------|
| 09/01/2015 | Serial Coupon | 0.300% | 0.300% | 355,000.00 | 100.000% | 355,000.00 |
| 09/01/2016 | Serial Coupon | 0.500% | 0.500% | 335,000.00 | 100.000% | 335,000.00 |
| 09/01/2017 | Serial Coupon | 0.730% | 0.730% | 345,000.00 | 100.000% | 345,000.00 |
| 09/01/2018 | Serial Coupon | 1.010% | 1.010% | 345,000.00 | 100.000% | 345,000.00 |
| 09/01/2019 | Serial Coupon | 1.320% | 1.320% | 355,000.00 | 100.000% | 355,000.00 |
| 09/01/2020 | Serial Coupon | 1.620% | 1.620% | 365,000.00 | 100.000% | 365,000.00 |
| 09/01/2021 | Serial Coupon | 1.890% | 1.890% | 385,000.00 | 100.000% | 385,000.00 |
| 09/01/2022 | Serial Coupon | 2.170% | 2.170% | 395,000.00 | 100.000% | 395,000.00 |
| 09/01/2023 | Serial Coupon | 2.360% | 2.360% | 420,000.00 | 100.000% | 420,000.00 |
| 09/01/2024 | Serial Coupon | 2.450% | 2.450% | 440,000.00 | 100.000% | 440,000.00 |
| 09/01/2025 | Serial Coupon | 2.730% | 2.730% | 375,000.00 | 100.000% | 375,000.00 |
| Total | - | - | - | \$4,115,000.00 | - | \$4,115,000.00 |

Bid Information

| | |
|--|----------------|
| Par Amount of Bonds..... | \$4,115,000.00 |
| Gross Production..... | \$4,115,000.00 |
| Total Underwriter's Discount (0.250%)..... | \$(10,287.50) |
| Bid (99.750%)..... | 4,104,712.50 |
| Total Purchase Price..... | \$4,104,712.50 |
| Bond Year Dollars..... | \$24,684.85 |
| Average Life..... | 5.999 Years |
| Average Coupon..... | 2.0247331% |
| Net Interest Cost (NIC)..... | 2.0664085% |
| True Interest Cost (TIC)..... | 2.0540151% |

GRANT COUNTY, NEW MEXICO

General Obligation Refunding Bonds

Series 2014 (NMFA Loan)

Escrow Fund Cashflow

| Date | Principal | Rate | Interest | Receipts | Disbursements | Cash Balance |
|--------------|-----------------------|----------|-------------------|-----------------------|-----------------------|--------------|
| 11/18/2014 | - | - | - | 0.90 | - | 0.90 |
| 03/01/2015 | 70,349.00 | - | 1,952.67 | 72,301.67 | 72,302.50 | 0.07 |
| 09/01/2015 | 343,709.00 | 0.060% | 3,593.54 | 347,302.54 | 347,302.50 | 0.11 |
| 03/01/2016 | 3,611,996.00 | 0.190% | 3,431.39 | 3,615,427.39 | 3,615,427.50 | - |
| Total | \$4,026,054.00 | - | \$8,977.60 | \$4,035,032.50 | \$4,035,032.50 | - |

Investment Parameters

| | |
|---|----------------|
| Investment Model [PV, GIC, or Securities]..... | Securities |
| Default investment yield target..... | Bond Yield |
| Cash Deposit..... | 0.90 |
| Cost of Investments Purchased with Bond Proceeds..... | 4,026,054.00 |
| Total Cost of Investments..... | \$4,026,054.90 |
| Target Cost of Investments at bond yield..... | \$3,937,434.74 |
| Actual positive or (negative) arbitrage..... | (88,620.16) |
| Yield to Receipt..... | 0.1818922% |
| Yield for Arbitrage Purposes..... | 2.0091236% |
| State and Local Government Series (SLGS) rates for..... | 9/22/2014 |

GRANT COUNTY, NEW MEXICO

General Obligation Bonds

Series 2005

Total Refunded Debt Service

| Date | Principal | Coupon | Interest | Total P+I |
|--------------|-----------------------|----------|---------------------|-----------------------|
| 09/01/2015 | 275,000.00 | 5.000% | 144,605.00 | 419,605.00 |
| 09/01/2016 | 285,000.00 | 3.000% | 130,855.00 | 415,855.00 |
| 09/01/2017 | 300,000.00 | 3.000% | 122,305.00 | 422,305.00 |
| 09/01/2018 | 310,000.00 | 3.000% | 113,305.00 | 423,305.00 |
| 09/01/2019 | 325,000.00 | 3.000% | 104,005.00 | 429,005.00 |
| 09/01/2020 | 340,000.00 | 3.950% | 94,255.00 | 434,255.00 |
| 09/01/2021 | 365,000.00 | 4.000% | 80,825.00 | 445,825.00 |
| 09/01/2022 | 385,000.00 | 4.000% | 66,225.00 | 451,225.00 |
| 09/01/2023 | 415,000.00 | 4.050% | 50,825.00 | 465,825.00 |
| 09/01/2024 | 440,000.00 | 4.100% | 34,017.50 | 474,017.50 |
| 09/01/2025 | 385,000.00 | 4.150% | 15,977.50 | 400,977.50 |
| Total | \$3,825,000.00 | - | \$957,200.00 | \$4,782,200.00 |

Yield Statistics

| | |
|--|-------------|
| Base date for Avg. Life & Avg. Coupon Calculation..... | 11/18/2014 |
| Average Life..... | 6.232 Years |
| Average Coupon..... | 3.8858726% |
| Weighted Average Maturity (Par Basis)..... | 6.232 Years |

Refunding Bond Information

| | |
|------------------------------|------------|
| Refunding Dated Date..... | 11/18/2014 |
| Refunding Delivery Date..... | 11/18/2014 |