

THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA

RESOLUTION

A RESOLUTION OF THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER LEASE PURCHASE AGREEMENT WITH CIT COMMUNICATIONS FINANCE CORPORATION AND A LEASE PURCHASE ADDENDUM THERETO WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING AND LEASING OF CERTAIN VOICE/DATA SYSTEM EQUIPMENT IN AN AGGREGATE AMOUNT NOT EXCEEDING \$6,500,000; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND RELATED DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING INCIDENTAL ACTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The School Board of Palm Beach County, Florida ("Lessee"), as the governing body of the School District of Palm Beach County, Florida (the "District"), a political subdivision of the State of Florida, is authorized by the laws of the State of Florida and in particular Sections 1001.32(2) and 1001.42(2) to purchase, acquire and lease personal property for the benefit of Lessee and the District and to enter into contracts with respect thereto; and

WHEREAS, Lessee desires to purchase, acquire and lease certain voice data system equipment in an aggregate amount not exceeding \$6,500,000 constituting personal property necessary for Lessee to perform essential governmental functions (the "Project"); and

WHEREAS, in order to acquire the Project, Lessee proposes to enter into a Master Lease Purchase Agreement and a Lease Purchase Addendum thereto (collectively, the "Master Lease") with CIT Communications Finance Corporation ("CIT"), a New Jersey Corporation, the form of which has been presented to the Lessee at this meeting; and

WHEREAS, the funds made available under the Master Lease will be deposited with The Bank of New York Trust Company, N.A., a national banking association (the "Escrow Agent") pursuant to an Escrow Agreement between the Lessee and the Escrow Agent (the "Escrow Agreement"), the form of which has also been presented to

the Lessee at this meeting;

WHEREAS, such funds deposited with the Escrow Agent will be applied to the acquisition of the Project in accordance with the Escrow Agreement;

WHEREAS, Lessee deems it for the benefit of Lessee and for the efficient and effective administration thereof to enter into the Master Lease and the Escrow Agreement for the purchase, acquisition and leasing of the Project therein described on the terms and conditions therein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by The School Board of Palm Beach County, Florida as follows:

Section 1. **Approval of Master Lease.** Lessee hereby approves the execution of the Master Lease for an amount not to exceed \$6,500,000. The form, terms and provisions of the Master Lease as provided therein are hereby approved in substantially the form presented at this meeting as Exhibit A, with such insertions, omissions and changes as shall be approved by the Superintendent of Schools of Lessee, the execution of such document being conclusive evidence of such approval; and the Chairman of Lessee is hereby authorized and directed to execute, and the Secretary of Lessee is hereby authorized and directed to attest and countersign, the Master Lease and to deliver the Master Lease to the respective parties thereto, and the Secretary of Lessee is hereby authorized to affix the seal of Lessee to such document.

Section 2. **Approval of Escrow Agreement.** The form, terms and provisions of the Escrow Agreement as provided therein are hereby approved in substantially the form presented at this meeting as Exhibit B, with such insertions, omissions and changes as shall be approved by the Superintendent of Schools of Lessee, the execution of such document being conclusive evidence of such approval; and the Chairman of Lessee is hereby authorized and directed to execute, and the Secretary of Lessee is hereby authorized and directed to attest and countersign, the Escrow Agreement and to deliver the Escrow Agreement to the respective parties thereto, and the Secretary of Lessee is hereby authorized to affix the seal of Lessee to such document.

Section 3. **Negotiated Sale.** It is hereby found and declared that a negotiated sale of the Master Lease pursuant to a [limited solicitation conducted by staff] is in the best interest of Lessee and is found to be necessary on the basis of the following reasons, as to which specific findings are hereby made:

Due to the volatility of the market for "annual appropriation" securities such as the Master Lease and (ii) the

limited number of institutions engaged in the business of financing equipment leases, the Lessee must be able to execute transactions at the most advantageous times, rather than at specific advertised dates, thereby permitting Lessee to obtain the best possible price and other terms for the Master Lease.

Section 4. **Other Actions Authorized.** The officers and employees of Lessee including, without limitation, the Chairman, Vice Chairman, Secretary, Superintendent, the Chief Operating Officer, the Treasurer and the Chief Counsel to the School Board are hereby authorized to take all action necessary or reasonably required by the parties to the Master Lease and the Escrow Agreement to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of one or more Equipment Schedules, Acceptance Certificates, Certificates of Appropriation, Payment Schedules, Confirmation of Outside Insurance and any tax certificates and agreements, as contemplated in the Master Lease) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Master Lease and the Escrow Agreement.

Section 5. **No General Liability.** Nothing contained in this Resolution, the Master Lease nor any other instrument shall be construed with respect to Lessee as incurring a pecuniary liability or charge upon the general credit of Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Master Lease, the Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon Lessee or any charge upon its general credit or against its taxing power, except to the extent that the rental payments payable under the Master Lease are special limited obligations of Lessee as provided in the Master Lease.

Section 6. **Appointment of Authorized Lessee Representatives.** The Superintendent, the Chief Operating Officer and the Treasurer of Lessee are each hereby designated to act as authorized representatives of Lessee for purposes of the Master Lease until such time as Lessee shall designate any other or different authorized representative for purposes of the Master Lease.

Section 7. **Severability.** If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 8. **Repealer.** All resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent of such inconsistency.

Section 9. **Effective Date.** This Resolution shall be effective immediately upon its approval and adoption.

Adopted this \_\_\_ day of January, 2006.

\_\_\_\_\_  
Chairman, The School Board of  
Palm Beach County, Florida

Attest:

\_\_\_\_\_  
Secretary, The School Board  
of Palm Beach County, Florida

Approved as to form:

\_\_\_\_\_  
Office of the Chief Counsel to The School  
Board of Palm Beach County, Florida

EXHIBIT A

Form of Master Lease

EXHIBIT B

Form of Escrow Agreement

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