

**PART K: PROJECT REFINANCING
BOARD TRANSMITTAL**

DISTRICT/CTC: Southern Lehigh School District COUNTY: Berks
 FINANCING NAME: General Obligation Bonds, Series of 2011

<u>ALL</u>	<u>REF</u>	<u>PAGE #</u>	
<u>X</u>		K02	Refinancing Transaction Explanation
<u>X</u>		K03	Summary of Sources and Uses of Funds
<u>X</u>			Signed Board Resolution Authorizing Financing Transaction (<u>including</u> the form of the Bond/Note)
<u>X</u>			Signed Bond/Note Purchase Contract <u>or</u> Completed and Signed Bid Form from Successful Bidder
<u>N/A</u>			Signed Lease Agreement <u>or</u> Loan Agreement
<u>N/A</u>			Signed Swap Transaction Confirmation, if applicable
<u>N/A</u>			Unallocated Funds
<u>X</u>			Signed Verification Report for Advance Refunding/ Certification for Current Refunding from Paying Agent/Trustee
<u>N/A</u>			Cash Flow Statement for Current Refunding Call Requirement (if call requirement <u>not</u> gross funded at settlement)
<u>X</u>			Payment Schedule for New Issue/Note
<u>X</u>			Payment Schedule for Original Issue/Note Refinanced
<u>N/A</u>			Payment Schedule for Issue/Note Not Refinanced

The financial consultant for this refinancing is: Concord Public Financial Advisors, Inc.
Name of Firm/Company

The person to be contacted if there are any questions about Series of 2011 is:
James Schlesinger, Senior Financial Advisor 610-376-4100 610-376-4242
Financial Consultant's Name and Position Phone Number Fax Number

The financial consultant's address is: 2747 Century Blvd, Wyomissing, PA 19610

The financial consultant's e-mail address is: jschlesinger@concordpublicfinance.com

The school administrator to be contacted if there are any questions about Part K is:
Jeremy Melber, Director of Business Services 610-282-1030 610-282-2462
District/CTC Administrator's Name and Position Phone Number Fax Number

The school administrator's e-mail address is: melberj@slsd.org

This certifies that the attached materials were approved for submission to the Pennsylvania Department of Education by board action.

BOARD ACTION DATE: _____

VOTING: AYE _____ NAY _____ ABSTENTIONS _____ ABSENT _____

Signature, Board Secretary Board Secretary's Name Printed or Typed

5775 Main Street, Center Valley, PA 18034 _____
District/CTC Address Date

March 23, 2012

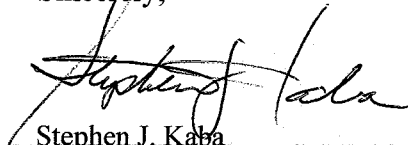
Division of School Facilities
Bureau of Budget and Fiscal Management
333 Market Street
Harrisburg, PA 17126-0333

Re: Southern Lehigh School District
General Obligation Bonds, Series of 2007 Redemption

To whom it may concern:

This letter is to inform you that all obligations of the Southern Lehigh School District's General Obligation Bonds, Series of 2007, have been met. Funds in the amount of \$9,870,000 (the principal amount to be called) plus accrued interest of \$198,387.50 were received by the US Bank, the Escrow Agent, on December 13, 2011 to fund the redemption of principal due on the call date of March 1, 2012.

Sincerely,



Stephen J. Kaba
Vice President

Southern Lehigh School District		PDE Lease Number	
General Obligation Bonds		Total Bond Issue	
Series of 2011		\$9,995,000.00	
Bond Discount	\$137,211.96	Original Issue Discount	\$17,658.95
Dated:	12/13/2011	Settlement Date	12/13/2011

<u>Date</u>	<u>Outstanding Principal</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Period Total</u>	<u>State Fiscal Year Total</u>
	9,995,000					
7/1/2012	9,980,000	15,000	2.000	164,783.44	179,783.44	
1/1/2013	9,980,000			149,653.13	149,653.13	329,436.57
7/1/2013	9,960,000	20,000	2.000	149,653.13	169,653.13	
1/1/2014	9,960,000			149,453.13	149,453.13	319,106.26
7/1/2014	9,940,000	20,000	2.000	149,453.13	169,453.13	
1/1/2015	9,940,000			149,253.13	149,253.13	318,706.26
7/1/2015	9,920,000	20,000	2.000	149,253.13	169,253.13	
1/1/2016	9,920,000			149,053.13	149,053.13	318,306.26
7/1/2016	9,900,000	20,000	2.000	149,053.13	169,053.13	
1/1/2017	9,900,000			148,853.13	148,853.13	317,906.26
7/1/2017	9,875,000	25,000	2.000	148,853.13	173,853.13	
1/1/2018	9,875,000			148,603.13	148,603.13	322,456.26
7/1/2018	9,865,000	10,000	2.000	148,603.13	158,603.13	
1/1/2019	9,865,000			148,503.13	148,503.13	307,106.26
7/1/2019	9,765,000	100,000	2.250	148,503.13	248,503.13	
1/1/2020	9,765,000			147,378.13	147,378.13	395,881.26
7/1/2020	9,605,000	160,000	2.500	147,378.13	307,378.13	
1/1/2021	9,605,000			145,378.13	145,378.13	452,756.26
7/1/2021	9,445,000	160,000	2.500	145,378.13	305,378.13	
1/1/2022	9,445,000			143,378.13	143,378.13	448,756.26
7/1/2022	9,280,000	165,000	2.625	143,378.13	308,378.13	
1/1/2023	9,280,000			141,212.50	141,212.50	449,590.63
7/1/2023	7,025,000	2,255,000	3.000	141,212.50	2,396,212.50	
1/1/2024	7,025,000			107,387.50	107,387.50	2,503,600.00
7/1/2024	3,220,000	3,805,000	3.000	107,387.50	3,912,387.50	
1/1/2025	3,220,000			50,312.50	50,312.50	3,962,700.00
7/1/2025	0	3,220,000	3.125	50,312.50	3,270,312.50	
1/1/2026	0			0.00	0.00	3,270,312.50
Totals		9,995,000		3,721,621.04	13,716,621.04	13,716,621.04

Southern Lehigh School District General Obligation Bonds Series of 2007	PDE Lease Number	072665
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Bonds and Debt Service to be Refunded						
<u>Date</u>	<u>Outstanding Principal</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Period Total</u>	<u>State Fiscal Year Total</u>
	9,870,000					
3/1/2012	9,870,000			198,387.50	198,387.50	198,387.50
9/1/2012	9,815,000	55,000	3.500	198,387.50	253,387.50	
3/1/2013	9,815,000			197,425.00	197,425.00	450,812.50
9/1/2013	9,760,000	55,000	3.500	197,425.00	252,425.00	
3/1/2014	9,760,000			196,462.50	196,462.50	448,887.50
9/1/2014	9,700,000	60,000	3.600	196,462.50	256,462.50	
3/1/2015	9,700,000			195,382.50	195,382.50	451,845.00
9/1/2015	9,640,000	60,000	3.700	195,382.50	255,382.50	
3/1/2016	9,640,000			194,272.50	194,272.50	449,655.00
9/1/2016	9,575,000	65,000	3.750	194,272.50	259,272.50	
3/1/2017	9,575,000			193,053.75	193,053.75	452,326.25
9/1/2017	9,510,000	65,000	3.850	193,053.75	258,053.75	
3/1/2018	9,510,000			191,802.50	191,802.50	449,856.25
9/1/2018	9,440,000	70,000	4.000	191,802.50	261,802.50	
3/1/2019	9,440,000			190,402.50	190,402.50	452,205.00
9/1/2019	9,370,000	70,000	4.000	190,402.50	260,402.50	
3/1/2020	9,370,000			189,002.50	189,002.50	449,405.00
9/1/2020	9,295,000	75,000	4.000	189,002.50	264,002.50	
3/1/2021	9,295,000			187,502.50	187,502.50	451,505.00
9/1/2021	9,220,000	75,000	4.000	187,502.50	262,502.50	
3/1/2022	9,220,000			186,002.50	186,002.50	448,505.00
9/1/2022	9,140,000	80,000	4.000	186,002.50	266,002.50	
3/1/2023	9,140,000			184,402.50	184,402.50	450,405.00
9/1/2023	6,960,000	2,180,000	4.000	184,402.50	2,364,402.50	
3/1/2024	6,960,000			140,802.50	140,802.50	2,505,205.00
9/1/2024	3,205,000	3,755,000	4.000	140,802.50	3,895,802.50	
3/1/2025	3,205,000			65,702.50	65,702.50	3,961,505.00
9/1/2025	0	3,205,000	4.100	65,702.50	3,270,702.50	
3/1/2026	0			0.00	0.00	3,270,702.50
Totals		9,870,000		5,021,207.50	14,891,207.50	14,891,207.50

**SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania**

RESOLUTION

A RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF THIS SCHOOL DISTRICT INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY GENERAL OBLIGATION BONDS, SERIES OF 2011, IN THE AGGREGATE PRINCIPAL AMOUNT OF NINE MILLION NINE HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$9,995,000) TO CURRENTLY REFUND THIS SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2007 AND TO PAY RELATED COSTS, FEES AND EXPENSES; ACCEPTING A CERTAIN PROPOSAL FOR PURCHASE OF SUCH BONDS AT PRIVATE SALE UPON INVITED BIDDING; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF SUCH BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT IN SUPPORT OF SUCH BONDS; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITARY FOR SUCH BONDS; SETTING FORTH CERTAIN COVENANTS AND REPRESENTATIONS RELATING TO THE BONDS; AUTHORIZING APPROPRIATE OFFICERS OF THE BOARD OF SCHOOL DIRECTORS TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH ISSUANCE OF SUCH BONDS; AUTHORIZING REDEMPTION AND RETIREMENT OF THE REFUNDED BONDS, AS APPLICABLE AND APPROPRIATE, AND AUTHORIZING AND DIRECTING THE EXECUTION OF RELATED AGREEMENTS AND INSTRUMENTS; AND REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INsofar AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, This School District (the "School District") is a school district of the Commonwealth of Pennsylvania (the "Commonwealth") and is governed by its Board of School Directors (the "Board"); and

WHEREAS, The Board, by resolution duly adopted, in accordance with law, on December 4, 2006 (the “2007 Bonds Enabling Resolution”), authorized and directed issuance of its General Obligation Bonds, Series of 2007, in the original aggregate principal amount of \$10,000,000, dated as of January 1, 2007 (the “2007 Bonds”), as set forth in detail in the 2007 Bonds Enabling Resolution; and

WHEREAS, The Department of Community and Economic Development (the “Department”), of the Commonwealth approved the proceedings of this School District related to the increase of bonded indebtedness by issuance of the 2007 Bonds, which approval of the Department was evidenced by Certificate of Approval No. GOB-16472, dated December 27, 2006; and

WHEREAS, The Board of this School District has determined to retire the outstanding 2007 Bonds, in accordance with a refunding report for this School District (the “Refunding Report”) prepared by Concord Public Financial Advisors, Inc., as financial advisor (the “Financial Advisor”), Lancaster, Pennsylvania; and

WHEREAS, The Board of this School District contemplates the authorization, sale, issuance and delivery of Bonds, in the aggregate principal amount of Nine Million Nine Hundred Ninety-five Thousand Dollars (\$9,995,000), and to be designated generally as “General Obligation Bonds, Series of 2011” (the “Bonds”), with the proceeds to be applied to refund the outstanding 2007 Bonds and to pay related costs and expenses of the Bonds (all of the foregoing, collectively, being referred to herein as the “Project”), all in accordance with applicable and appropriate

provisions of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82, as amended (the "Act"), of the Commonwealth; and

WHEREAS, The Board of this School District has considered the possible manners of sale provided for in the Act with respect to the sale of the Bonds, such manners of sale being at public sale or private sale by negotiation or upon invited bidding; and

WHEREAS, The Board of this School District, in contemplation of authorization, sale, issuance and delivery of the Bonds, with the proceeds to be used for the aforesaid purposes, has determined that the Bonds: (a) shall be offered at private sale upon invited bidding; and (b) shall be offered for sale at a price of not less than 98.80% of principal amount, together with accrued interest, if any, from the date thereof to the date of delivery thereof; and

WHEREAS, A proper written proposal for purchase of the Bonds (the "Proposal"), has been received this date in response to an Invitation to Bid prepared by the Financial Advisor on behalf of the School District, from UBS Financial Services Inc. (the "Purchaser"); and

WHEREAS, The Board of this School District desires to accept the Proposal, to award and sell the Bonds in accordance with the Proposal, to authorize issuance of nonelectoral debt, and to take appropriate action and to authorize proper things, all in connection with the Project, and all in accordance with and pursuant to provisions of the Act; and

WHEREAS, The Board of this School District has determined to appoint U.S. Bank National Association ("Paying Agent") as paying agent and sinking fund depository with respect to

the Bonds and has determined to provide that the principal of and interest on the Bonds shall be payable at the corporate trust office of the Paying Agent located in Philadelphia, Pennsylvania.

NOW, THEREFORE, BE IT RESOLVED, by the Board of this School District, as follows:

SECTION 1. The Board of this School District does authorize and direct the issuance of the Bonds pursuant to this Resolution, in accordance with the Act, for purposes of the Project. The Bonds shall be issued, as herein described, and the first stated maturity date of the Bonds shall be not more than two years from the date of issuance of the Bonds, as required by 53 Pa.C.S. §8142. The Bonds shall be issued to provide funds for payment of the costs of the Project, which includes the costs and expenses of issuance of the Bonds.

SECTION 2. The Board of this School District expresses its finding that it is in the best financial interests of this School District to sell the Bonds at private sale upon invited bidding and determines that the debt to be incurred pursuant to this Resolution shall be nonelectoral debt.

SECTION 3. A brief description of the Project is set forth in the preamble. The Project is authorized and permitted under and pursuant to 53 Pa.C.S. §8241(b)(1), relating to reduction of debt service over the life of the series.

The capital project or projects financed or refinanced by the 2007 Bonds of this School District has or have a remaining useful life of at least 15 years.

SECTION 4. The Board of this School District shall and does accept the Proposal of the Purchaser for purchase of the Bonds; and the Bonds shall be and are awarded to the Purchaser,

in accordance with terms and conditions of the Proposal, at a dollar price of \$9,857,788.04 (98.63% of principal amount), plus net original issue premium of \$17,658.95, plus accrued interest, if any, from the date thereof to the date of delivery thereof, the Purchaser having submitted the Proposal in accordance with provisions of the Act.

The bid security, if any, accompanying the Proposal shall be held and shall be applied as provided by the Act; Provided, however, that no allowance for interest shall be made by this School District with respect to such bid security, except as provided by the Act.

SECTION 5. The Bonds, when issued, will be general obligation bonds of this School District.

SECTION 6. The Bonds shall be issuable as fully registered Bonds, without coupons, in denominations of \$5,000 principal amount or any integral multiple thereof, and shall be dated the date of delivery.

The Bonds shall bear interest from the interest payment date next preceding the date of registration and authentication of such bond, unless: (a) such bond is registered and authenticated as of an interest payment date, in which event such bond shall bear interest from said interest payment date; or (b) such bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event such bond shall bear interest from such interest payment date; or (c) such bond is registered and authenticated on or prior to the Record Date next preceding July 1, 2012, in which event such bond shall bear interest from the date of delivery; or (d) as shown by the records of the Paying Agent, interest on such bond shall

be in default, in which event such bond shall bear interest from the date to which interest was last paid on such bond. Interest on each of the Bonds shall be payable initially on July 1, 2012, and thereafter semiannually on January 1 and July 1 of each year, until the principal sum thereof is paid. Except as to distinguishing numbers, denominations, interest rates and maturity dates, the Bonds and the Paying Agent's certificates of authentication shall be substantially in the forms and shall be of the tenor and purport hereinafter set forth, with insertions and variations (including CUSIP numbers) approved by the Paying Agent, as may be appropriate for different series, denominations and maturity dates.

Principal, premium, if any, and interest with respect to the Bonds shall be payable in lawful money of the United States of America.

The principal of and premium, if any, on the Bonds shall be payable to the registered owners thereof or their transferees, upon presentation and surrender of the Bonds at the place or places set forth in the Bonds. Payment of interest on the Bonds shall be made by check mailed to the registered owners thereof whose names and addresses appear at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date") on the registration books maintained by the Paying Agent on behalf of this School District, irrespective of any transfer or exchange of any Bonds subsequent to the Record Date and prior to such interest payment date, unless this School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record

date for the payment of such defaulted interest established by notice mailed by the Paying Agent on behalf of this School District to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

SECTION 7. Registration of the transfer of ownership of Bonds shall be made upon surrender of any of the Bonds to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner thereof or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of any of the Bonds in the registration books and shall authenticate and deliver, at the earliest practicable time, in the name of the transferee or transferees, a new fully registered bond or bonds and note or notes of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations, of the same series, maturity and interest rate.

SECTION 8. This School District and the Paying Agent shall not be required to register the transfer of or exchange any of the Bonds then considered for redemption during the period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Bonds to be redeemed and ending at the close of business on the day of mailing of the notice of redemption, as hereinafter provided, or to register the transfer of or exchange any portion of any of the Bonds selected for redemption in whole or in part until after the redemption date.

SECTION 9. This School District and the Paying Agent may deem and treat the persons in whose names the Bonds shall be registered as the absolute owners thereof for all purposes, whether such Bonds shall be overdue or not, and payment of the principal of, premium, if any, and interest on the Bonds shall be made only to or upon the order of the registered owners thereof or their legal representatives, but registration of a transfer of ownership may be made as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon Bonds to the extent of the sum or sums so paid, and neither this School District nor the Paying Agent shall be affected by any notice to the contrary.

SECTION 10. This School District shall cause to be kept, and the Paying Agent shall keep, books for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as Bonds shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

SECTION 11. The Bonds shall be numbered consecutively, as issued, without regard to denomination or maturity, and shall bear interest at the rates per annum and shall mature on the dates and in the amounts as set forth in Exhibit A, which are attached hereto and made part hereof.

SECTION 12. The Bonds stated to mature on or after July 1, 2017, shall be subject to redemption prior to maturity, at the option of this School District, as a whole or, from time to time, in part, in any order of maturity designated by the School District, on January 1, 2017, or on any date thereafter. If less than all Bonds of any particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption.

The Bonds stated to mature on July 1, 2013, and on July 1, 2016 (the "Term Bonds") are subject to mandatory redemption prior to stated maturity, on July 1 of the years and in the principal amounts as set forth in the following schedules, as drawn by lot by the Paying Agent:

Term Bonds Stated to Mature July 1, 2013:

<u>Year</u>	<u>Amount</u>
2012	\$15,000; and

Term Bonds Stated to Mature July 1, 2016:

<u>Year</u>	<u>Amount</u>
2014	\$20,000
2015	\$20,000.

Any such redemption shall be upon application of money available for the purpose in the Mandatory Sinking Fund established in Section 18 and shall be upon payment of the principal

amount to be redeemed, together with accrued interest thereon to the date fixed for redemption. In lieu of such mandatory redemption, the Paying Agent, in behalf of this School District, may purchase from money in the Sinking Fund, at a price not to exceed the principal amount plus accrued interest, or this School District may tender to the Paying Agent, all or part of the Term Bonds of the appropriate maturity subject to being drawn for redemption on any such date.

In the case of any partial redemption of Bonds of any maturity that is subject to mandatory sinking fund redemption, this School District shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Bonds due at maturity or credited against the principal amount of such Bonds scheduled to be called for mandatory sinking fund redemption on any particular date or dates, in each case in an integral multiple of \$5,000 principal amount.

If any of the Bonds is of a denomination larger than \$5,000, a portion of such bond may be redeemed, but such bond shall be redeemed only in \$5,000 principal amount or any integral multiple thereof. For the purpose of selecting any of the Bonds for redemption, each of the Bonds subject to redemption shall be treated as representing the number of Bonds that is equal to the principal amount thereof divided by \$5,000, each \$5,000 portion thereof being subject to redemption. In the case of partial redemption of any of the Bonds, payment of the redemption price will be made only upon surrender of such bond in exchange for Bonds of authorized denominations of the same series, maturity and interest rate and in aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Notice of redemption shall be deposited in first class mail not less than thirty (30) days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Such notice shall specify: (1) the series, maturity and numbers of the Bonds or portions thereof so called for redemption; (2) the date fixed for redemption; (3) the redemption price or prices applicable to the Bonds or portions thereof to be redeemed; and (4) that on the date fixed for redemption the principal amount to be redeemed will be payable at the principal corporate trust office or other designated office of the Paying Agent and that after such date interest thereon shall cease to accrue. Failure to mail any such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal, premium, if any, and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under this Resolution, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption, together with the redemption premium, if any.

If at the time of mailing of a notice of redemption the School District shall not have deposited with the Paying Agent, as sinking fund depository, money sufficient to redeem all Bonds called for redemption, the notice of redemption shall state that it is conditional, *i.e.*, that it is subject to the deposit of sufficient redemption money with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such money is so deposited. If the Bonds to be called for redemption shall have been refunded, money sufficient to redeem such Bonds shall be deemed to be on deposit with the Paying Agent for the purposes of this Section, and the notice of redemption need not state that it is conditional, if the redemption money has been deposited irrevocably with another bank or bank and trust company which shall have been given irrevocable instructions to transfer the same to the Paying Agent not later than the opening of business on the redemption date.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of the principal, premium, if any, and interest upon such redemption shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

SECTION 13. This School District appoints the Paying Agent as the paying agent with respect to the Bonds and directs that the principal of, premium, if any, and interest on the Bonds

shall be payable at the designated corporate trust office of the Paying Agent, in lawful money of the United States of America.

SECTION 14. The form of the Bonds, including the form of Assignment and the form of the Paying Agent's Certificate, shall be substantially as set forth in Exhibit B, which is attached hereto and made part hereof, with appropriate insertions, omissions and variations.

SECTION 15. The Bonds shall be executed in the name of and on behalf of this School District by the manual or facsimile signature of the President or Vice President of the Board of this School District, and the official seal or a facsimile of the official seal of this School District shall be impressed thereon or affixed thereto and the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of this School District shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest the Bonds.

SECTION 16. No bond constituting one of the Bonds shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such bond or note shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly signed by the Paying Agent; and the Paying Agent is authorized to register and authenticate the Bonds in accordance with the provisions hereof.

SECTION 17. This School District covenants to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to this Resolution, that this School District: (i) shall include the amount of the debt service on the Bonds, for each fiscal year of this School District in which such sums are payable, in its budget for that year, (ii) shall

appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter identified) or any other of its revenues or funds the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this School District shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this School District shall be specifically enforceable.

SECTION 18. A. There is created, pursuant to the requirements of the Act, a sinking fund for the Bonds, to be known as “Sinking Fund - General Obligation Bonds, Series of 2011” (the “Sinking Fund”), which Sinking Fund shall be administered in accordance with applicable provisions of the Act.

B. There is created, within and as a part of the Sinking Fund, a separate fund or account, designated as the “Mandatory Sinking Fund”, which shall consist of deposits made therein by the Paying Agent, as the sinking fund depository, from the Sinking Fund, as provided in the next succeeding paragraph of this Section, for application to the payment upon stated maturity of the Term Bonds that shall be outstanding, if any, on their stated maturity dates, and to mandatory redemption prior to stated maturity of the Term Bonds as provided in this Section.

The Paying Agent, as the sinking fund depository, shall deposit into the Mandatory Sinking Fund, for the benefit of the Term Bonds, from money deposited in the Sinking Fund by this School District, the following amounts at the following times:

Term Bonds Stated to Mature on July 1, 2013:

<u>Amount</u>	<u>Time of Deposit (On or Before July 1)</u>
\$15,000	2012
\$20,000	2013, and

Term Bonds Stated to Mature on July 1, 2016:

<u>Amount</u>	<u>Time of Deposit (On or Before July 1)</u>
\$20,000	2014
\$20,000	2015
\$20,000	2016,

or such lesser amount as on the appropriate date shall be equal to the principal amount of all Term Bonds of such maturity then outstanding.

This School District and the Paying Agent covenant that the Paying Agent, on May 15, 2012, and May 15, 2014, or as soon thereafter as shall suit the convenience of the Paying Agent and shall allow sufficient time for mailing of the requisite notice of redemption, as provided for in Section 12, shall select or draw, by lot, in a fair and equitable manner, for redemption on the following July 1, a principal amount of Term Bonds equal to the amount then required to be deposited into the Mandatory Sinking Fund for such maturity as set forth in this Section. The Paying Agent shall, upon selection of Term Bonds of the appropriate maturity so to be called for redemption prior to maturity, mail the requisite notice of redemption in behalf of this School District. This School District covenants to assume and to pay all costs and expenses related to the mandatory redemption of Term Bonds.

The amount required to be deposited in the Mandatory Sinking Fund hereunder, on any given date, shall be reduced by the principal amount of any Term Bonds of the appropriate maturity that shall have been purchased or tendered in lieu of mandatory redemption in the immediately preceding period, as provided in Section 12 hereof.

The principal amount of Term Bonds to be retired from money available in the Mandatory Sinking Fund shall be paid by the Paying Agent, as the sinking fund depository, in the usual and customary manner, from such money available in the Mandatory Sinking Fund.

SECTION 19. This School District appoints the Paying Agent as the sinking fund depository with respect to the Sinking Fund.

SECTION 20. This School District covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Bonds when due.

SECTION 21. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of this School District are authorized and directed, as required, necessary and/or appropriate: (a) to prepare, to certify and to file with the Department the debt statement required by the Act; (b) to prepare and to file with the Department any statements required by the Act that are necessary to qualify all or any portion of the debt of this School District that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit of this School District as self-liquidating or subsidized debt; (c) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings for the

required approval relating to the debt, of which debt the Bonds, upon issue, will be evidence, as required by the Act; (d) to pay or to cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

The Board of this School District authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by the Act. The President or Vice President and the Secretary or Assistant Secretary of the Board of this School District are hereby authorized to prepare and to execute, or to authorize the auditors of this School District to prepare and to execute, such borrowing base certificate.

SECTION 22. If applicable, as determined from the Proposal, the Board of this School District authorizes and directs the purchase of municipal bond guaranty insurance with respect to the Bonds. Proper officers of this School District are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, as contemplated in the Proposal, including the payment of the premium for such insurance.

SECTION 23. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of this School District are authorized and directed to contract with the Paying Agent for its services as paying agent with respect to the Bonds and as sinking fund depository in connection with the Sinking Fund.

SECTION 24. It is declared that the debt to be incurred hereby, together with any other indebtedness of this School District, is not in excess of any limitation imposed by the Act upon the incurring of debt by this School District.

SECTION 25. Proper officers of this School District are authorized and directed to deliver the Bonds and to authorize payment of all costs and expenses associated with issuance of the Bonds as provided for in the Proposal, but only after the Department has certified its approval pursuant to the provisions of the Act or at such time when the filing authorized to be submitted to the Department pursuant to the Act shall be deemed to have been approved pursuant to applicable provisions of the Act.

SECTION 26. This School District covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, or of any other obligations deemed to be part of the same "issue" as the Bonds under applicable federal tax regulations, that will cause the Bonds to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations implementing said Sections that duly have been published in the Federal Register or any other regulations implementing said Sections, and this School District further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on the Bonds.

This School District further covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, of the proceeds of any other obligations deemed to be part of

the same "issue" as the Bonds under applicable federal tax regulations, or of any property or facilities financed with the proceeds of the Bonds or of any such other obligations deemed to be part of the same "issue" as the Bonds, that will cause the Bonds to be or become "private activity bonds" within the meaning of Section 141 of the Code and the regulations implementing said Sections that duly have been published in the Federal Register, and this School District further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on the Bonds.

This School District determines that it does not reasonably expect to issue tax-exempt obligations that, together with all tax-exempt obligations reasonably expected to be issued by all entities that issue Bonds on behalf of the School District and all "subordinate entities" (within the meaning of Section 265(b)(3)(E) of the Code) of the School District, in the aggregate, will exceed Ten Million Dollars (\$10,000,000) during the 2011 calendar year (excluding obligations issued to refund (other than to advance refund) any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation) and, accordingly, hereby designates the Bonds (to the extent they are not "deemed designated" under Section 265(b)(3)(D)(ii) of the Code) as "qualified tax-exempt obligations," as defined in Section 265(b)(3)(B) of the Code, for the purposes and effect contemplated by Section 265 of the Code.

SECTION 27. This School District does elect to retire the Refunded Bonds, by optional redemption prior to stated maturity, on March 1, 2012 (the "Redemption Date") in accordance with

the Refunding Report and the rights reserved to this School District in the 2007 Bonds and in the 2007 Bonds Enabling Resolution.

Upon issuance and delivery of the Bonds, the Secretary or Assistant Secretary of the Board is hereby authorized and directed to instruct U.S. Bank National Association (the "Escrow Agent"), as escrow agent and paying agent for the Refunded Bonds, to issue a proper notice of redemption to effect the redemption of the Refunded Bonds on the Redemption Date. Such instructions may be embodied in the Bond Retirement Agreement (hereinafter defined).

This School District, simultaneously with delivery of the Bonds to the Purchaser, shall enter into a bond retirement agreement (the "Bond Retirement Agreement"), with the Escrow Agent, acting as escrow agent and paying agent for the 2007 Bonds. The Bond Retirement Agreement shall provide for a deposit of Bond proceeds into an escrow account with the Escrow Agent sufficient to pay the debt service due on the 2007 Bonds through the Redemption Date. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the School Board are authorized and directed to execute, to attest, and to seal, as appropriate, and to deliver the Bond Retirement Agreement simultaneously with such delivery of the Bonds. The School District approves the Bond Retirement Agreement in form satisfactory to the Solicitor and Bond Counsel for this School District and as shall be approved by the officers of the School Board executing the same. Such approval of such officers shall be conclusively presumed to have been given by their execution of the Bond Retirement Agreement.

The officers and agents of this School District are hereby authorized and directed to take all such actions as may be necessary and appropriate to accomplish the redemption and retirement of the Refunded Bonds.

SECTION 28. The Secretary of the Board of this School District is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Bonds, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Bonds (including the filing of PLANCON Part H, J and/or K, as applicable).

SECTION 29. This School District shall enter into, and hereby authorizes and directs the President or Vice President of the Board of this School District to execute, a Continuing Disclosure Certificate (the "Certificate") on behalf of this School District on or before the date of issuance and delivery of the Bonds. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted proposal for sale of the Bonds and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form presented to this meeting, which is hereby approved, together with any changes therein made and approved by the executing officer of the Board of this School District, whose execution and delivery thereof shall constitute conclusive evidence of such approval. A copy of the Certificate shall be filed with the Secretary of the Board of this School District and shall be and hereby is made part of this Resolution.

This School District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Certificate. Notwithstanding any other provision of this Resolution, failure

of this School District to comply with the Certificate shall not be considered an event of default with respect to the Bonds; however, any registered owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause this School District to comply with its obligations under this Section and such Certificate.

SECTION 30. Any reference in this Resolution to an officer or member of the Board of this School District shall be deemed to refer to his or her duly qualified successor in office, if applicable.

SECTION 31. The Board, acting on behalf of this School District, hereby approves the Preliminary Official Statement for the Bonds in the form presented at this meeting; deems the same to have been final as of its date, except for the omission of information whose omission therefrom is permitted by SEC Rule 15c2-12; and authorizes the President or the Vice President of the Board to approve an Official Statement with respect to the Bonds, dated as of the date of adoption of this Resolution and substantially in the form and with the content of such Preliminary Official Statement, but with such insertions and amendments as shall be necessary or appropriate to reflect the final terms and provisions of the Bonds and the accepted Proposal(s). Such authorized officer of this Board shall evidence his or her approval of the Official Statement by affixing his or her signature thereto as such officer, and such execution of the Official Statement by such officer shall constitute conclusive evidence of the approval of the Official Statement by such officer on behalf of the Board.

SECTION 32. The Bonds shall be made available for purchase under a book-entry-only system available through The Depository Trust Company, a New York corporation (“DTC”). If applicable, at or prior to settlement for the Bonds, this School District and the Paying Agent shall execute or signify their approval of a Letter of Representations in substantially the form on file with the Secretary of the School District (the “Representation Letter”). The appropriate officers of this School District and the Paying Agent shall take such action as may be necessary from time to time to comply with the terms and provisions of the Representation Letter, and any successor paying agent for the Bonds, in its written acceptance of its duties under this Resolution, shall agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

SECTION 33. Notwithstanding the foregoing provisions of this Resolution, the Bonds shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Bonds of each maturity, and the following provisions shall apply with respect to the registration, transfer and payment of the Bonds:

(a) Except as provided in subparagraph (g) below, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds of the same series, interest rate and maturity registered in the name of such nominee or nominees of DTC.

(b) No person other than DTC or its nominee shall be entitled to receive from this School District or the Paying Agent either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof, unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books (the "Register") maintained by the Paying Agent in connection with discontinuing the book-entry system as provided in subparagraph (g) below or otherwise.

(c) So long as any Bonds are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Bonds shall be made to DTC or its nominee in accordance with the Representation Letter on the dates provided for such payments under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of this School District or the Paying Agent with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Paying Agent, upon request, a written confirmation of such partial redemption and

thereafter the records maintained by the Paying Agent shall be conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(d) This School District and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Bonds under this Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by holders of Bonds and for all other purposes whatsoever; and neither this School District nor the Paying Agent shall be affected by any notice to the contrary. Neither this School District nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Register as being a registered owner of Bonds, with respect to (1) the Bonds, (2) the accuracy of any records maintained by DTC or any such participant, (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (4) any notice which is permitted or required to be given to holders of the Bonds under this Resolution, (5) the selection by DTC or any such participant of any person to

receive payment in the event of a partial redemption of the Bonds, and (6) any consent given or other action taken by DTC as holder of the Bonds.

(e) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the holders of such Bonds under this Resolution shall be given to DTC as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to holders of Bonds pursuant to this Resolution by this School District or the Paying Agent with respect to any consent or other action to be taken by holders of Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that this School District or the Paying Agent may establish a special record date for such consent or other action. This School District or the Paying Agent shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(g) The book-entry system for registration of the ownership of the Bonds may be discontinued at any time if either (1) after notice to this School District and the Paying Agent, DTC determines to resign as securities depository for the Bonds, or (2) after notice to DTC and the Paying Agent, this School District determines that continuation of the system of book-entry transfers through DTC (or through a

successor securities depository) is not in the best interests of this School District. In either of such events (unless in the case described in clause (2) above, this School District appoints a successor securities depository), the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of this School District or the Paying Agent for the accuracy of such designation. Whenever DTC requests this School District and the Paying Agent to do so, this School District and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

SECTION 34. Any reference in this resolution to an officer or member of the Board of this School District shall be deemed to refer to his or her duly qualified successor in office, if applicable.

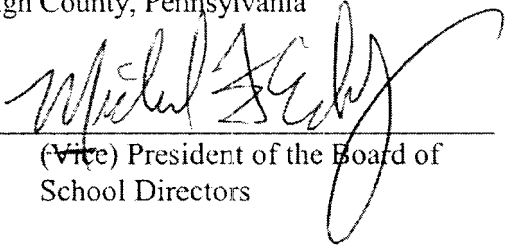
SECTION 35. This Resolution shall be effective in accordance with the Act.

SECTION 36. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of this School District that such remainder shall be and shall remain in full force and effect.

SECTION 37. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.


DULY ADOPTED, by the Board of this School District, in lawful session duly assembled,
this 7th day of November, 2011.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: 

(Vice) President of the Board of
School Directors

ATTEST:



(Assistant) Secretary of the Board of
School Directors

(SEAL)

EXHIBIT A

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania

\$9,995,000 Aggregate Principal Amount
General Obligation Bonds, Series of 2011
Dated December 13, 2011

<u>Maturity Date</u>	<u>Aggregate Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Yields to Maturity</u>
July 1, 2013	\$ 35,000	2.000%	0.650%
July 1, 2016	\$ 60,000	2.000%	1.450%
July 1, 2017	\$ 25,000	2.000%	1.772%
July 1, 2018	\$ 10,000	2.000%	2.000%
July 1, 2019	\$ 100,000	2.250%	2.181%
July 1, 2020	\$ 160,000	2.500%	2.438%
July 1, 2021	\$ 160,000	2.500%	2.550%
July 1, 2022	\$ 165,000	2.625%	2.700%
July 1, 2023	\$2,255,000	3.000%	2.928%
July 1, 2024	\$3,805,000	3.000%	3.000%
July 1, 2025	\$3,220,000	3.125%	3.125%

EXHIBIT B

(FORM OF BOND)

[The following Legend is to be printed on any Bonds registered in the name of The Depository Trust Company or Cede & Co., its nominee: **“Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the registered owner hereof, Cede & Co., has an interest herein.”**]

Number

\$

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH
SOUTHERN LEHIGH SCHOOL DISTRICT
GENERAL OBLIGATION BOND, SERIES OF 2011

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE OF BONDS</u>	<u>CUSIP</u>
%		December 13, 2011	
REGISTERED OWNER:	CEDE & CO.		
PRINCIPAL SUM:	_____ DOLLARS (\$_____)		

SOUTHERN LEHIGH SCHOOL DISTRICT, Lehigh County, Pennsylvania (the “Issuer”), a school district existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”), for value received, promises to pay to the order of the registered owner named hereon, or registered assigns, on the maturity date stated hereon, upon presentation and

surrender hereof, the principal sum stated hereon, unless this General Obligation Bond, Series of 2011 (the "Bond"), shall be redeemable and duly shall have been called for earlier redemption and payment of the redemption price shall have been made or provided for, and to pay initially on July 1, 2012, and thereafter semiannually on January 1 and July 1 of each year, to the registered owner hereof, interest on said principal sum, at the rate per annum stated hereon, until said principal sum has been paid or provision for payment thereof duly has been made. Interest on this Bond shall be payable from the interest payment date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date; or (b) this Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Bond shall bear interest from such interest payment date; or (c) this Bond is registered and authenticated on or prior to the Record Date next preceding July 1, 2012, in which event this Bond shall bear interest from December 13, 2011; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Bond shall be in default, in which event this Bond shall bear interest from the date to which interest was last paid on this Bond. The interest on this Bond is payable by check drawn on U.S. Bank National Association (the "Paying Agent"), or its successor. The principal of and premium, if any, on this Bond, when due, are payable upon surrender hereof at the designated corporate trust office of the Paying Agent. Payment of the interest hereon shall be made to the registered owner hereof whose name and address shall appear, at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such interest payment date,

unless the Issuer shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of this Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. Principal, premium, if any, and interest with respect to this Bond are payable in lawful money of the United States of America.

This Bond is one of a series of bonds of the Issuer, known generally as “General Obligation Bonds, Series of 2011” (the “Bonds”), all of like date and tenor, except as to numbers, denominations, dates of maturity, rates of interest, and provisions for redemption, in the aggregate principal amount of Nine Million Nine Hundred Ninety-five Thousand Dollars (\$9,995,000).

The Bonds have been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the “Debt Act”), of the Commonwealth, and by virtue of a duly adopted resolution (the “Resolution”) of the Issuer. The Debt Act, as such shall have been in effect when the Bonds were authorized, and the Resolution shall constitute a contract between the Issuer and registered owners, from time to time, of the Bonds.

The Issuer has covenanted, in the Resolution, to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to the Resolution, that the Issuer shall: (i) include the amount of the debt service for the Bonds, for each fiscal year of the Issuer in which such sums are payable, in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid, from the sinking fund established under the Resolution or any other of its revenues

or funds, the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Issuer has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

This Bond shall not be entitled to any benefit under the Resolution, nor shall it be valid, obligatory or enforceable for any purpose, until this Bond shall have been authenticated by the Paying Agent.

The Bonds are issuable only in the form of registered bonds, without coupons, in the denominations of \$5,000 principal amount or any integral multiple thereof. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate upon surrender of such Bonds to the Paying Agent, with written instructions satisfactory to the Paying Agent.

The Issuer and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the Issuer and the Paying Agent shall not be affected by any notice to the contrary.

This Bond may be transferred by the registered owner hereof upon surrender of this Bond to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered bond or

bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive.

The Issuer and the Paying Agent shall not be required to issue or to register the transfer of or exchange any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption, as hereinafter provided, or to register the transfer of or exchange any portion of any bond selected for redemption until after the redemption date.

The Bonds stated to mature on or after July 1, 2017, are subject to redemption prior to maturity, at the option of the Issuer, as a whole, or from time to time, in part, in any order of maturity selected by the Issuer, on January 1, 2017, or on any date thereafter. If less than all Bonds of any particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption.

The Bonds stated to mature on July 1, 2013, and on July 1, 2016, are subject to mandatory redemption prior to maturity, in the amounts and on July 1 of the years set forth in the following schedules as drawn by lot by the Paying Agent in behalf of the Issuer:

Bonds Maturing on July 1, 2013:

<u>Year</u>	<u>Amount</u>
2012	\$15,000; and

Bonds Maturing on July 1, 2016:

<u>Year</u>	<u>Amount</u>
2014	\$20,000
2015	\$20,000.

Any such redemption shall be upon application of money available for the purpose in the Mandatory Sinking Fund established under the Resolution and shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption. In lieu of such mandatory redemption, the Paying Agent, as sinking fund depository, in behalf of the Issuer, may purchase, from money available for the purpose in the Sinking Fund established under the Resolution, at a price not to exceed the principal amount plus accrued interest, or the Issuer may tender to the Paying Agent, all or part of the Bonds subject to being drawn for redemption in any such year.

In the case of any partial redemption of Bonds of any maturity that is subject to mandatory sinking fund redemption, the Issuer shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Bonds due at maturity or credited against the principal amount of such Bonds scheduled to be called for mandatory sinking fund redemption on any particular date or dates in each case in an integral multiple of \$5,000 principal amount.

If this Bond is of a denomination larger than \$5,000, a portion of this Bond may be redeemed. For the purposes of redemption, this Bond shall be treated as representing the number of Bonds that is equal to the principal amount hereof divided by \$5,000, each \$5,000 portion of this Bond being subject to redemption. In the case of partial redemption of this Bond, payment of the redemption price shall be made only upon surrender of this Bond in exchange for Bonds of authorized denominations of the same maturity and interest rate and in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; Provided, however, that should this Bond be registered in the name of The Depository Trust Company ("DTC") or Cede & Co., as nominee for DTC, or any other nominee of DTC, or any other successor securities depository or its

nominee, this Bond need not be surrendered for payment and exchange in the event of a partial redemption hereof and the records of the Paying Agent shall be conclusive as to the amount of this Bond which shall have been redeemed.

Notice of redemption shall be deposited in first class mail not less than 30 days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Failure to mail any notice of redemption or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal, premium, if any, and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Resolution, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption, together with the redemption premium, if any.

The Issuer, in the Resolution, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on the Bonds shall be deposited not later than the date fixed for the disbursement thereof. The Issuer has covenanted, in the Resolution, to make payments from such sinking fund or from any other of its revenues or funds, at such times and in such annual amounts as shall be sufficient for prompt and full payment of all obligations of this Bond.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Bond or in creation of the debt of which this Bond is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Bond, together with any other indebtedness of the Issuer, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Issuer.

This Bond is designated by the Issuer (to the extent it is not “deemed designated”) as a “qualified tax-exempt obligation”, as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”), for purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of the President or Vice President of the Board, and its official seal or facsimile thereof to be affixed hereto and the manual or facsimile signature of the Secretary or Assistant Secretary of the Board to be affixed hereto in attestation thereof, all as of December 13, 2011.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: _____
(Vice) President of the Board of School Directors

ATTEST:

(Assistant) Secretary of the Board of
School Directors

(SEAL)

(FORM OF PAYING AGENT'S CERTIFICATE)

CERTIFICATE OF AUTHENTICATION AND CERTIFICATE AS TO OPINION

It is certified that:

(i) This Bond is one of the Bonds described in the within-mentioned Resolution; and

(ii) An original Opinion issued by Rhoads & Sinon LLP, dated and delivered on the date of the original delivery of, and payment for, such Bonds that is on file at such designated corporate trust office where the same may be inspected.

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

By: _____
Authorized Representative

Date of Registration and Authentication:

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

_____ (the "Transferee")
Name

Address

Social Security or Federal Employer Identification No. _____ the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, as attorney, to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution that is a participant in a signature guarantee program recognized by the Securities Transfer Association.

NOTICE: No transfer will be made in the name of the Transferee unless the signature(s) to this assignment correspond(s) with the name(s) appearing upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust and the name of the trustee must be supplied.

CERTIFICATE

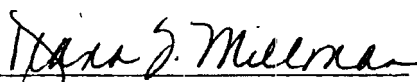
I, the undersigned, (~~Assistant~~) Secretary of the Board of School Directors of Southern Lehigh School District, Lehigh County, Pennsylvania, (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that duly was adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on November 7, 2011; said Resolution duly has been recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and such notice; and said Resolution has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. Ch. 7, as amended, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the School District or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting, all as required by such Act.

I further certify that: the total number of members of the Board of School Directors of the School District is nine (9); the vote of members of the Board of School Directors of the School District upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of School Directors of the School District voted upon said Resolution in the following manner:

Michael Eddinger	-	YEA	
William Hayes	-	YEA	
Corinne Gunkle	-	YEA	
Jeffrey Dimmig	-	YEA	
Dr. Thomas McLoughlin	-	YEA	
William Miracle	-	YEA	
Dorothy Mohr	-	YEA	
John Quigley	-	YEA	
Dr. Elizabeth Stelts	-	YEA	;

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, this 7th day of November, 2011.


(~~Assistant~~) Secretary of the Board
of School Directors

(SEAL)

Proof of Publication Notice in The Morning Call, Inc.

Under Act No. 587, Approved May 16, 1929, and its amendments

COPY OF NOTICE OR ADVERTISEMENT

NOTICE

NOTICE IS GIVEN that the Board of School Directors of Southern Lehigh School District, Lehigh County, Pennsylvania (the 'School District'), proposes to adopt, at a public meeting to be held not less than three (3) days nor more than thirty (30) days following the date of publication of this notice, a resolution (the 'Resolution'), the caption and summary of such proposed Resolution being as follows:

A RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF THIS SCHOOL DISTRICT INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY GENERAL OBLIGATION BONDS, SERIES OF 2011, IN THE AGGREGATE PRINCIPAL AMOUNT OF TEN MILLION DOLLARS (\$10,000,000) TO CURRENTLY REFUND THIS SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2007 AND TO PAY RELATED COSTS, FEES AND EXPENSES; ACCEPTING A CERTAIN PROPOSAL FOR PURCHASE OF SUCH BONDS AT PRIVATE SALE UPON INVITED BIDDING; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF SUCH BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT IN SUPPORT OF SUCH BONDS; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITARY FOR SUCH BONDS; SETTING FORTH CERTAIN COVENANTS AND REPRESENTATIONS RELATING TO THE BONDS; AUTHORIZING APPROPRIATE OFFICERS OF THE BOARD OF SCHOOL DIRECTORS TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH ISSUANCE OF SUCH BONDS; AUTHORIZING REDEMPTION AND RETIREMENT OF THE REFUNDED BONDS BY OPTIONAL REDEMPTION PRIOR TO STATED MATURITY, AS APPLICABLE AND APPROPRIATE, AND AUTHORIZING AND DIRECTING THE EXECUTION OF RELATED AGREEMENTS AND INSTRUMENTS; AND REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INsofar AS THE SAME SHALL BE INCONSISTENT HEREWITH.

The full text of such proposed Resolution may be examined or inspected by any citizen, in the office of the Secretary of the Board of School Directors of the School District, at the School District's Administration Offices, located at 5775 Main Street, Center Valley, Pennsylvania, on any regular business day, Monday through Friday, between the hours of 8:00 a.m. and 4:00 p.m., prevailing time.

Attention is directed to the fact that the Resolution, in the form available for inspection, contains certain blanks, as permitted by the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82, as amended (the 'Act'), that relate to the purchase price for the General Obligation Bonds, Series of 2011 (the 'Bonds'), proposed to be issued by the School District, the name of the purchaser, the principal maturity dates, amounts and rates of interest applicable to the Bonds, and the redemption provisions of the Bonds. Such blanks will be completed, by amendment of the Resolution prior to or during final consideration, with information to be determined from the proposal to be presented for purchase of the Bonds. Additional amendments may be made with respect to the Resolution prior to or during its final passage.

Advertisement related to the final passage of the Resolution, in final form, including amendments, will be made in accordance with requirements of the Act. This Notice is given in accordance with requirements of and in compliance with the Act.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania
By: **Diana S. Millman**, Secretary of the
Board of School Directors

#45362 — 11/4

STATE OF PENNSYLVANIA

COUNTY OF LEHIGH

} SS:

Sharon A Repsher, Billing & Collections Manager of THE

MORNING CALL, INC., of the County and State aforesaid, being duly sworn, deposes and says that THE MORNING CALL is a newspaper of general circulation as defined by the aforesaid Act, whose place of business is 101 North Sixth Street, City of Allentown, County and State aforesaid, and that the said newspaper was established in 1888 since which date THE MORNING CALL has been regularly issued in said County, and that the printed notice or advertisement attached hereto is exactly the same as was printed and published in regular editions and issues of the said THE MORNING CALL on the following dates, viz.:

and the 4TH day of NOVEMBER A.D. 20 11

Affiant further deposes that he is the designated agent duly authorized by THE MORNING CALL, INC., a corporation, publisher of said THE MORNING CALL, a newspaper of general circulation, to verify the foregoing statement under oath, and the affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.

Sharon A. Repsher

Designated Agent, THE MORNING CALL, INC.

SWORN to and subscribed before me this 4th day of

NOVEMBER 20 11

Gayle M. Jenkins
Notary Public

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal

Gayle M. Jenkins, Notary Public

City of Allentown, Lehigh County

My Commission Expires Jan. 29, 2013

MEMBER PENNSYLVANIA ASSOCIATION OF NOTARIES

My Commission Expires:

PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE MORNING CALL, INC., publisher of THE MORNING CALL, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid notice and publication costs and certifies that the same have been duly paid.

THE MORNING CALL, INC. a Corporation.

Publishers of THE MORNING CALL

A Newspaper of General Circulation

By

Proof of Publication Notice in The Morning Call, Inc.

Under Act No. 587, Approved May 16, 1929, and its amendments

COPY OF NOTICE OR ADVERTISEMENT

STATE OF PENNSYLVANIA }
COUNTY OF LEHIGH } SS:

NOTICE

NOTICE IS GIVEN that the Board of School Directors of Southern Lehigh School District, Lehigh County, Pennsylvania (the 'School District'), at a meeting duly called and held on November 7, 2011, finally adopted a resolution (the 'Resolution'), the caption and summary of which is as follows:

'A RESOLUTION'

OF THE BOARD OF SCHOOL DIRECTORS OF THIS SCHOOL DISTRICT INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY GENERAL OBLIGATION BONDS, SERIES OF 2011, IN THE AGGREGATE PRINCIPAL AMOUNT OF NINE MILLION NINE HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$9,995,000) TO CURRENTLY REFUND THIS SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2007 AND TO PAY RELATED COSTS, FEES AND EXPENSES; ACCEPTING A CERTAIN PROPOSAL FOR PURCHASE OF SUCH BONDS AT PRIVATE SALE UPON INVITED BIDDING; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF SUCH BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT IN SUPPORT OF SUCH BONDS; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITARY FOR SUCH BONDS; SETTING FORTH CERTAIN COVENANTS AND REPRESENTATIONS RELATING TO THE BONDS; AUTHORIZING APPROPRIATE OFFICERS OF THE BOARD OF SCHOOL DIRECTORS TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH ISSUANCE OF SUCH BONDS; AUTHORIZING REDEMPTION AND RETIREMENT OF THE REFUNDED BONDS, AS APPLICABLE AND APPROPRIATE, AND AUTHORIZING AND DIRECTING THE EXECUTION OF RELATED AGREEMENTS AND INSTRUMENTS; AND REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

Notice is also given that the Resolution was amended during final passage to incorporate the purchase price for the General Obligation Bonds, Series of 2011 (the 'Bonds'), to decrease the aggregate principal amount of Bonds from \$10,000,000 to \$9,995,000, to incorporate redemption provisions, the name of the purchaser, annual principal maturities and interest rates applicable to the Bonds as accepted by the School District. The purchase price of the Bonds is \$9,857,788.04 (98.63% of principal amount), plus net original issue premium of \$17,658.95. The annual interest rates on the Bonds range from 2.00% to 3.125%, with yields to maturity ranging from 0.65% to 3.125%.

The final form of the Resolution, as adopted, may be inspected by any citizen, at the School District's Administration Offices, located at 5775 Main Street, Center Valley, Pennsylvania, on any regular business day, Monday through Friday, between the hours of 8:00 a.m. and 4:00 p.m. This Notice is given in accordance with requirements of and in compliance with the Local Government Unit Debt Act.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania
By: Diana Millman, Board Secretary

#43002 — 11/11

Sharon A Repsher, Billing & Collections Manager of THE

MORNING CALL, INC., of the County and State aforesaid, being duly sworn, deposes and says that THE MORNING CALL is a newspaper of general circulation as defined by the aforesaid Act, whose place of business is 101 North Sixth Street, City of Allentown, County and State aforesaid, and that the said newspaper was established in 1888 since which date THE MORNING CALL has been regularly issued in said County, and that the printed notice or advertisement attached hereto is exactly the same as was printed and published in regular editions and issues of the said THE MORNING CALL on the following dates, viz.:

and the 11th day of NOVEMBER A.D. 20 11

Affiant further deposes that he is the designated agent duly authorized by THE MORNING CALL, INC., a corporation, publisher of said THE MORNING CALL, a newspaper of general circulation, to verify the foregoing statement under oath, and the affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.

Sharon A Repsher

Designated Agent, THE MORNING CALL, INC.

SWORN to and subscribed before me this 11th day of

NOVEMBER 20 11

Gayle M. Jenkins
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Gayle M. Jenkins, Notary Public
City of Allentown, Lehigh County
My Commission Expires Jan. 29, 2013
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

My Commission Expires:

PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE MORNING CALL, INC., publisher of THE MORNING CALL, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid notice and publication costs and certifies that the same have been duly paid.

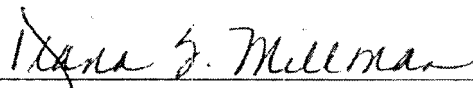
THE MORNING CALL, INC. a Corporation,
Publishers of THE MORNING CALL
A Newspaper of General Circulation

By

CERTIFICATE

I, the undersigned, (~~Assistant~~) Secretary of the Board of School Directors of SOUTHERN LEHIGH SCHOOL DISTRICT, Lehigh County, Pennsylvania (the "School District"), certify that attached hereto and made part hereof is a true and correct copy of the anticipated bid or proposal which was submitted to and authorized to be accepted by officials of the School District, with respect to the sale of a proposed issue of general obligation bonds of the School District, at private sale upon invitation.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, as the (~~Assistant~~) Secretary of the Board of School Directors of the School District, this 7th day of November, 2011.



(~~Assistant~~) Secretary of the Board of
School Directors

(SEAL)

Exhibit A
WINNING BID FORM
(All-or-None Bid)
\$10,000,000*
SOUTHERN LEHIGH SCHOOL DISTRICT,
LEHIGH COUNTY
GENERAL OBLIGATION BONDS, SERIES OF 2011

November 7, 2011

Board of School Directors
 Southern Lehigh School District
 c/o Concord Public Financial Advisors, Inc.
 2938 Columbia Avenue
 Lancaster, PA 17603

Ladies and Gentlemen:

Subject to the provisions of and in accordance with the terms of the Invitation to Bid, dated October 28, 2011 of the Southern Lehigh School District, Pennsylvania (the "Issuer") for its General Obligation Bonds, Series of 2011 (the "Bonds"), which is incorporated herein and hereby made a part hereof:

We hereby confirm that we have agreed to purchase all, but not less than all, of the \$10,000,000* aggregate principal amount of the Bonds described in the Invitation to Bid and to pay therefore the amount of \$ _____ constituting _____% of the par value of the Bonds, which percent includes any original issue discounts/premiums listed below, but which will be adjusted to reflect the changes resulting from the establishment of a Final Maturity Schedule, plus the interest accrued, on the Bonds from December 13, 2011 to the date of their delivery. This offer is for the Bonds bearing interest at the rates and in the form of serial Bonds and term Bonds as follows:

<u>Maturity Date</u>	<u>Principal Amount(1)</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>	<u>Reoffering Yield</u>	<u>Term Maturity Date</u>
7/1/2012	15,000	2 %	_____	_____	_____
7/1/2013	15,000	2 %	_____	_____	_____
7/1/2014	15,000	2 %	_____	_____	_____
7/1/2015	15,000	2 %	_____	_____	_____
7/1/2016	15,000	2 %	_____	_____	_____
7/1/2017	15,000	2 %	_____	_____	_____
7/1/2018	50,000	2 %	_____	_____	_____
7/1/2019	145,000	2.25 %	_____	_____	_____
7/1/2020	150,000	2.5 %	_____	_____	_____
7/1/2021	150,000	2.5 %	_____	_____	_____
7/1/2022	155,000	2.625 %	_____	_____	_____
7/1/2023	2,245,000	3 %	_____	_____	_____
7/1/2024	3,795,000	3 %	_____	_____	_____
7/1/2025	3,220,000	3.125 %	_____	_____	_____

*Preliminary Issue Size

(1) Aggregate principal amount and principal amortization amounts may be adjusted as set forth in the Invitation to Bid.

We acknowledge and have agreed that we will comply with all the terms established in the Invitation to Bid. The Issuer may, but is not obligated to, waive informalities and technical defects in any bid.

We acknowledge and have agreed that after we submit this proposal, the Issuer may modify the aggregate principal amount of the Bonds and/or the principal amounts of each maturity of the Bonds, subject to the limitations set forth in the Invitation to Bid.

We further acknowledge and have agreed that in the event that any adjustments are made to the principal amount of the Bonds, we will purchase all of the Bonds, taking into account such adjustments on the above specified terms of this proposal for the Bonds.

As the winning bidder, we confirm that we have agreed to wire \$100,000 to the Issuer by 5:00 p.m. this date, as security against any loss of the Issuer resulting from failure of the undersigned bidder to comply with terms of the bid.

As the winning bidder, we confirm that we have agreed to immediately furnish the additional information described under the caption "Information Required From Winning Bidder; Reoffering Price" in the Invitation to Bid.

As the winning bidder, we confirm that we have agreed to provide to the Issuer as soon as possible after the sale of the Bonds a complete list of syndicate members, if any, the actual allocation of the Bonds and the orders placed by the syndicate members.

We have noted that payment of the purchase price is to be made in immediately available Federal Funds at the time of delivery of the Bonds.

In the event we have bid on behalf of a bidding syndicate, we represent that we have full and complete authority to submit the bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group.

Please check where appropriate.

This Bid for Bonds is made subject to a credit rating without insurance. (Issuer will pay Moody's rating fee. Any other rating fees to be paid for by bidder).

OR

This Bid for Bonds is made subject to an insurance commitment for municipal bond insurance with the insurance premium to be paid by the Issuer from the proceeds of the Bonds. Please check where appropriate.

AGC; AGM.

We desire 30 copies (not exceeding 150) of the Official Statement for the Bonds (as provided in the Invitation to Bid). We understand that we may obtain additional copies at our own expense.

We further certify (or declare) under penalty of perjury under the laws of the Commonwealth of Pennsylvania that our bid and this proposal is genuine, and not a sham or collusive, nor made in the interest of or on behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure for itself an advantage over any other bidder.

Respectfully submitted,

UBS Financial Services

Name of Bidder

By: Vincent Pietanza

Name and Title: Associate Director

Address: 400 Harbor Blvd

Wilmington, NC

Telephone: 252-373-6466

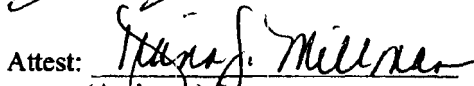
Facsimile: _____



The above Bid is hereby accepted by the School Board of the Southern Lehigh School District, Lehigh County, Pennsylvania, with Final Maturity Schedule as shown on the attached Exhibit A.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: 
Business Manager

Attest: 
(Assistant) Secretary

Bond Report
\$10,000,000.00
Southern Lehigh SD, PA
General Obligation Bonds, Series of 2011
S&P: / Moody: Aa2 / Fitch:
Description: SOUTHERN WINNING BID
Sale Date: 11/07/2011 11:15:00 AM EST
UBS Financial Servic

Delivery Date: 12/13/2011
First Int Date: 07/01/2012

Dated Date: 12/13/2011
Int Accrue Date: 12/13/2011

Submitted via Parity:

No. of Bonds	Maturity Date	Coupon	Price or Basis	Computed Price Yield	Conc.	Takedown	Price To Date
	07/01/2012						
30	07/01/2013	2.0000	0.6500	102.0780		0.5000	
	07/01/2014						
	07/01/2015						
45	07/01/2016	2.0000	1.4500	102.4120		0.7500	
15	07/01/2017	2.0000	1.7500	101.2020		1.0000	01/01/2017
50	07/01/2018	2.0000	2.0000	100.0000		1.0000	07/01/2018
145	07/01/2019	2.2500	2.1500	100.4750		1.0000	01/01/2017
150	07/01/2020	2.5000	2.4000	100.4720		1.0000	01/01/2017
150	07/01/2021	2.5000	2.5500	99.5770		1.0000	07/01/2021
155	07/01/2022	2.6250	2.7000	99.3140		1.0000	07/01/2022
2,245	07/01/2023	3.0000	2.8500	100.6990		1.1250	01/01/2017
3,795	07/01/2024	3.0000	3.0000	100.0000		1.1250	07/01/2024
3,220	07/01/2025	3.1250	3.1250	100.0000		1.1250	07/01/2025

Summary

	Total	Per \$100		
Par Amount:	10,000,000.00	100.000000		
Gross Prod:	10,017,280.60	100.172806		
Spread:	137,280.60	1.372806		
Bid:	9,880,000.00	98.800000		
Accrued Int:	0.00	0.000000		
Bond Yrs:	123,235.00			
Avg Life:	12.3235	12 Years	3 Months	26 Days
Gross Int Cost:	3,717,650.94			
+ Net Discount:	120,000.00	(+Prod:17,280.60 -Spread:137,280.60)		
Net Int Cost:	3,837,650.94			
NIC:	3.114092			
TIC - NIC Date*:	3.132589			
Avg Takedown:	11.131250			

Call Schedule

Bonds due 07/01/2017 to 07/01/2025 callable 01/01/2017 at par.

Bond Yield to Maturity Report
\$10,000,000.00
Southern Lehigh SD, PA
General Obligation Bonds, Series of 2011
S&P: / Moody: Aa2 / Fitch:
Description: SOUTHERN WINNING BID
Sale Date: 11/07/2011 11:15:00 AM EST
UBS Financial Servic

Delivery Date: 12/13/2011
First Int Date: 07/01/2012

Dated Date: 12/13/2011
Int Accrue Date: 12/13/2011
Submitted via Party:

No. of Bonds	Maturity Date	Coupon	Price or Basis	Computed Price/Yield	Price to Date	Yield to Maturity
	07/01/2012					
30	07/01/2013	2.0000	0.6500	102.0780		0.6500
	07/01/2014					
	07/01/2015					
45	07/01/2016	2.0000	1.4500	102.4120		1.4500
15	07/01/2017	* 2.0000	1.7500	101.2020	01/01/2017	1.7720
50	07/01/2018	* 2.0000	2.0000	100.0000	07/01/2018	2.0000
145	07/01/2019	* 2.2500	2.1500	100.4750	01/01/2017	2.1810
150	07/01/2020	* 2.5000	2.4000	100.4720	01/01/2017	2.4380
150	07/01/2021	* 2.5000	2.5500	99.5770	07/01/2021	2.5500
155	07/01/2022	* 2.6250	2.7000	99.3140	07/01/2022	2.7000
2,245	07/01/2023	* 3.0000	2.8500	100.6990	01/01/2017	2.9280
3,795	07/01/2024	* 3.0000	3.0000	100.0000	07/01/2024	3.0000
3,220	07/01/2025	* 3.1250	3.1250	100.0000	07/01/2025	3.1250

*Callable

**Southern Lehigh School Distr
General Obligation Bonds, Series of 2011**

	22	23	24	25	26	24	25	26	27
Date	Principal	Rate	Yield to Maturity	Price	Proceeds	Interest	Debt Service	Annual Debt Service	
3/1/2012									0.00
7/1/2012	15,000	2.000	0.650	1.02078	15,311.70	164,783.44	179,783.44		
1/1/2013						149,653.13	149,653.13	329,436.57	
7/1/2013	20,000	2.000	0.650	1.02078	20,415.60	149,653.13	169,653.13		
1/1/2014						149,453.13	149,453.13	319,106.26	
7/1/2014	20,000	2.000	1.450	1.02412	20,482.40	149,453.13	169,453.13		
1/1/2015						149,253.13	149,253.13	318,706.26	
7/1/2015	20,000	2.000	1.450	1.02412	20,482.40	149,253.13	169,253.13		
1/1/2016						149,053.13	149,053.13	318,306.26	
7/1/2016	20,000	2.000	1.450	1.02412	20,482.40	149,053.13	169,053.13		
1/1/2017						148,853.13	148,853.13	317,906.26	
7/1/2017	25,000	2.000	1.772	1.01202	25,300.50	148,853.13	173,853.13		
1/1/2018						148,603.13	148,603.13	322,456.26	
7/1/2018	10,000	2.000	2.000	1.00000	10,000.00	148,603.13	158,603.13		
1/1/2019						148,503.13	148,503.13	307,106.26	
7/1/2019	100,000	2.250	2.181	1.00475	100,475.00	148,503.13	248,503.13		
1/1/2020						147,378.13	147,378.13	395,881.26	
7/1/2020	160,000	2.500	2.438	1.00472	160,755.20	147,378.13	307,378.13		
1/1/2021						145,378.13	145,378.13	452,756.26	
7/1/2021	160,000	2.500	2.550	0.99577	159,323.20	145,378.13	305,378.13		
1/1/2022						143,378.13	143,378.13	448,756.26	
7/1/2022	165,000	2.625	2.700	0.99314	163,868.10	143,378.13	308,378.13		
1/1/2023						141,212.50	141,212.50	449,590.63	
7/1/2023	2,255,000	3.000	2.928	1.00699	2,270,762.45	141,212.50	2,396,212.50		
1/1/2024						107,387.50	107,387.50	2,503,600.00	
7/1/2024	3,805,000	3.000	3.000	1.00000	3,805,000.00	107,387.50	3,912,387.50		
1/1/2025						50,312.50	50,312.50	3,962,700.00	
7/1/2025	3,220,000	3.125	3.125	1.00000	3,220,000.00	50,312.50	3,270,312.50		
1/1/2026						0.00		3,270,312.50	
Totals	9,995,000				10,012,658.95	3,721,621.04	13,716,621.04	13,716,621.04	

PE% 24.59%
CARF% 37.21%

2011 WAM 12.330248 Yrs
2007 WAM 12.330648 Yrs

Calculation of Purchase Price	
Bonds	9,995,000.00
Premium	17,658.95
Discount	<u>137,211.96</u>
Purch. Price	9,875,446.99