

RESOLUTION (1) PROVIDING FOR THE SALE AND ISSUANCE OF TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, AND A PAYMENT AMOUNT OF SUPPLEMENTAL INTEREST CERTIFICATES WITH RESPECT THERETO AS DETERMINED AS PROVIDED HEREIN AND FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS AND SUCH CERTIFICATES; (2) DELEGATING AUTHORITY TO THE FIRE CHIEF OF THE DISTRICT OR THEIR DESIGNEE TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; (3) APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS RELATED TO THE SALE AND ISSUANCE OF THE BONDS AND SUCH CERTIFICATES; AND (4) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RATIFYING ALL ACTIONS TAKEN TO FURTHER THIS RESOLUTION

WHEREAS, by the vote of a majority of the qualified electors of Tubac Fire District of Santa Cruz County, Arizona (the "District") voting at a special bond election held in and for the District on November 4, 2008 (the "Election"), the issuance of \$15,000,000 aggregate principal amount of general obligation bonds of the District has been authorized, \$6,795,000 of which has been sold and issued; and

WHEREAS, the District Board of the District (this "Board") has determined to sell and issue the remaining amount of the bonds authorized at the Election (the "Bonds"), for the purposes authorized at the Election; and

WHEREAS, this Board has further determined to sell and issue certain supplemental interest certificates with respect to the Bonds; and

WHEREAS, this Board will receive (i) a proposal from Stifel, Nicolaus & Company, Incorporated ("Stifel"), serving in the capacity of and designated as the underwriter (the "Underwriter") and not acting as a municipal advisor as defined in the "Registration of Municipal Advisors" rule promulgated by the United States Securities and Exchange Commission (the "MA Rule"), and has determined that all or a portion of the Bonds and certain supplemental interest certificates with respect thereto should be sold through negotiation to the Underwriter pursuant to the Strategic Alliance of Volume Expenditures (SAVE) Cooperative Response Proposal #C-005-2223 (the "SAVE Contract"); and (ii) a proposal from Stifel, serving in the capacity of and designated as the placement agent (the "Placement Agent") and not acting as a municipal advisor as defined in the MA Rule, and has determined that all or a portion of the

Bonds and certain supplemental interest certificates with respect thereto should be placed by the Placement Agent pursuant to the SAVE Contract; and

WHEREAS, pursuant to Securities and Exchange Commission Rule 15c2-12 (the “Rule”), Participating Underwriters (as defined in the Rule) are required to reasonably determine that issuers have entered into written undertakings (such as the hereinafter defined Continuing Disclosure Undertaking) to make ongoing disclosure in connection with offerings of obligations to investors subject to the Rule; and

WHEREAS, it is determined that procedures should be adopted in order to document practices and describe various procedures for preparing and disseminating such ongoing disclosure for the benefit of the holders of the District’s obligations and to assist the Participating Underwriters in complying with the Rule and such written undertakings (the “Procedures”); and

NOW, THEREFORE, IT IS RESOLVED BY THE DISTRICT BOARD OF TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Authorization.

(A) There is hereby authorized to be sold and issued one or more series of bonds of the District in the total aggregate principal amount of not to exceed \$4,420,000, to be designated as provided in this Resolution, all in accordance with this Resolution and applicable law.

(B) There is hereby further authorized to be sold and issued with respect to, and to evidence certain supplemental interest to be borne by, the Bonds, supplemental interest certificates to be designated as “Supplemental Interest Certificates” in the aggregate payment amount determined as provided herein (the “Certificates”), the interest evidenced by the Bonds as issued being designated as “A” interest and the interest evidenced by the Certificates as issued being designated herein as “B” interest, all in accordance with this Resolution and applicable law.

(C) Unless specified or unless the context otherwise requires, all references herein to “interest on the Bonds” shall be deemed to include interest designated as both “A” and “B” interest on the Bonds, the interest designated herein as “B” interest being evidenced by the Certificates.

Section 2. Terms.

(A) The Fire Chief of the District or his designee (collectively, the “Authorized Representatives”) are hereby authorized and directed to determine on behalf of the District: (1) the series name and designation of each series of the Bonds; (2) whether interest on each series of the Bonds will be excluded from gross income for federal income tax purposes; (3) the dated date and total principal and payment amounts of each series of the Bonds and the Certificates (but not to exceed \$4,420,000 total aggregate principal amount for all series of the Bonds); (4) the final principal and maturity and payment date schedules of each series of the

Bonds and the Certificates (but none of the Bonds to mature later than July 1, 2044); (5) the interest rate on each maturity of the Bonds and the interest accrual period and approximate yield with respect to each payment date for the Certificates (but not to exceed in the aggregate the rate allowed by the ballot question approved at the Election) and the dates for payment of such interest (the “interest payment dates”); (6) the provisions for redemption in advance of maturity of each series of the Bonds; (7) which of the Bonds and the Certificates, if any, will be sold pursuant to the hereinafter defined Bond Purchase Agreement (referred to herein as the “Publicly Sold Bonds”), and which of the Bonds and the Certificates, if any, will be placed pursuant to the hereinafter defined Placement Agent Agreement (referred to herein as the “Privately Placed Bonds”); (8) if any of the Bonds and the Certificates are placed pursuant to the Placement Agent Agreement, the entity or entities with which the Bonds and the Certificates will be placed (collectively, the “Purchasers”); (9) the sales price and terms of the Bonds and the Certificates (including for underwriter’s compensation, placement agent compensation, original issue discount and original issue premium); and (10) the provision for credit enhancement, if any, for the Bonds and the Certificates upon the advice of the Underwriter; provided, however, that such determinations must result in a yield for federal income tax purposes of not to exceed six percent (6%) with respect to the Bonds that are sold such that interest thereon will be excluded from gross income for federal income tax purposes.

(B) (1) The Publicly Sold Bonds shall be issued in the denomination of \$5,000 of principal amount or integral multiples thereof and only in fully registered form.

(2) The principal of and premium, if any, on the Publicly Sold Bonds shall be payable at maturity or prior redemption upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent (as defined herein).

(3) The Publicly Sold Bonds shall bear interest designated as “A” interest at the respective rates from their date to the maturity or prior redemption of each Publicly Sold Bond, payable commencing on the first interest payment date. Interest on the Publicly Sold Bonds designated as “A” interest shall be payable by check, dated as of the interest payment date, mailed to the registered owners thereof, as shown on the registration books maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the fifteenth (15th) day of the month next preceding that interest payment date (the “regular record date”). Any such interest on a Publicly Sold Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Publicly Sold Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Publicly Sold Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of Publicly Sold Bonds not less than ten (10) days prior thereto.

(4) The principal of, and premium, if any, and “A” interest on, the Publicly Sold Bonds shall be payable in lawful money of the United States of America.

(C) (1) Except as provided on a more restrictive basis in the definitive form of the Privately Placed Bonds, the Privately Placed Bonds shall be issued in the denomination of \$100,000 of principal amount or integral multiples of \$5,000 in excess thereof and only in fully registered form. Privately Placed Bonds may be in denominations of less than \$100,000 if necessary to accommodate redemption.

(2) Except as provided in the definitive form of the Privately Placed Bonds, the principal of and premium, if any, on the Privately Placed Bonds shall be payable at maturity or prior redemption upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent or, if provided in the definitive form of the Privately Placed Bonds, at the main administrative office of the District.

(3) The Privately Placed Bonds shall bear interest designated as “A” interest at the respective rates from their date to the maturity or prior redemption of each Privately Placed Bond, payable commencing on the first interest payment date. Except as provided in the definitive form of the Privately Placed Bonds, interest on the Privately Placed Bonds designated as “A” interest shall be payable by check, dated as of the interest payment date, mailed to the registered owners thereof, as shown, if applicable, on the registration books maintained, if necessary, by the Bond Registrar and Paying Agent at the address appearing therein, if applicable, at the close of business on the fifteenth (15th) day of the month next preceding that interest payment date (the “regular record date”). Any such interest on a Privately Placed Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Privately Placed Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Privately Placed Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of Privately Placed Bonds not less than ten (10) days prior thereto.

(4) The principal of, and premium, if any, and “A” interest on, the Privately Placed Bonds shall be payable in lawful money of the United States of America.

(D) (1) In addition to such interest designated as “A” interest, the Bonds shall bear supplemental interest designated as “B” interest evidenced by the Certificates which shall be owned, transferred, and presented for payment separately from the Bonds and shall evidence that portion of interest designated as “B” interest on the Bonds coming due for the interest accrual periods specified above which the registered owners thereof are entitled to receive.

(2) The Certificates shall be dated their date of initial authentication and delivery.

(3) The Certificates shall be issued in the denomination of \$1,000 of interest designated as “B” interest due on a particular “B” interest payment date or integral multiples thereof and only in fully registered form.

(4) The interest designated as “B” interest evidenced by the Certificates shall be payable in lawful money of the United States of America to the registered owner of each Certificate, upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent or, if provided in the definitive form of the Certificates, at the main administrative office of the District.

Section 3. Prepayment/Prior Redemption; Defeasance.

(A) The Certificates shall not be subject to prepayment prior to their stated payment dates.

(B) (1) Notice of optional redemption of any Bond shall be mailed by first class mail, postage prepaid, not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption to the registered owner of the Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any Bond for which notice was given properly. Such notice may provide that the redemption is conditional upon moneys for payment of the redemption price being held in separate accounts by the Bond Registrar and Paying Agent.

(2) On the date designated for redemption by notice given as herein provided, the Bonds or portions thereof to be redeemed shall become and be due and payable at the redemption price for such Bonds or such portions thereof on such date, and, if moneys for payment of the redemption price are held in separate accounts by the Bond Registrar and Paying Agent, interest on such Bonds or such portions thereof shall cease to accrue, such Bonds or such portions thereof shall cease to be entitled to any benefit or security hereunder, the registered owners of such Bonds or such portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon and such Bonds or such portions thereof shall be deemed paid and no longer outstanding.

(3) The District may redeem, and the Bond Registrar and Paying Agent shall select, by lot in such manner as the Bond Registrar and Paying Agent may determine, any amount which is included in a Bond in the denomination in excess of, but divisible by, \$5,000. In that event, the registered owner shall submit the Bond for partial redemption and the Bond Registrar and Paying Agent shall make such partial payment and shall cause to be issued a new Bond in a principal amount which reflects the redemption so made, to be authenticated and delivered to the registered owner thereof.

(C) Any Bond or portion thereof in authorized denominations shall be deemed paid and defeased and thereafter shall have no claim on ad valorem taxes levied on taxable property in the District: (i) if there is deposited with a bank or comparable financial institution, in trust, moneys or obligations issued by or guaranteed by the United States government (“Defeasance Obligations”) or both which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant in the case of a deposit in trust of Defeasance Obligations, to pay the principal of and interest and any premium on such Bond or portion thereof as the same matures, comes due or becomes payable upon prior redemption; and (ii) if such defeased Bond or portion

thereof is to be redeemed, notice of such redemption has been given in accordance with provisions hereof or the District has submitted to the Bond Registrar and Paying Agent instructions expressed to be irrevocable as to the date upon which such Bond or portion thereof is to be redeemed and as to the giving of notice of such redemption. Bonds the payment of which has been provided for in accordance with this Section shall no longer be deemed payable or outstanding hereunder and thereafter such Bonds shall be entitled to payment only from the moneys or Defeasance Obligations deposited to provide for the payment of such Bonds.

Section 4. Security. For the purpose of paying the principal of, and premium, if any, and interest on (including that evidenced by the Certificates) and costs of administration of the registration and payment of the Bonds and the Certificates, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, premium, if any, interest and administration costs of and on the Bonds and the Certificates as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected. Taxes in an amount sufficient to pay the interest on all of the Bonds (including that evidenced by the Certificates) then outstanding, the installments of the principal of the Bonds becoming due and payable in the ensuing year, and the annual portion of such sinking fund as may be set up for retirement of the Bonds, shall be levied, assessed and collected as other taxes of the District. The proceeds of such taxes shall be kept in a special fund designated the “Debt Service Fund” of the District and shall be used only for the payment of principal, interest, premium, if any, or costs as above-stated. After the Bonds are issued, this Board shall enter on its minutes a record of the Bonds sold and shall determine annually the amount of the tax levy to pay the Bonds and certify such amount to the Board of Supervisors of Santa Cruz County, Arizona (the “County”).

Section 5. Use of Proceeds. Except for any premium deposited into the Debt Service Fund, the net proceeds of the sale of the Bonds and the Certificates related thereto, after payment of the expenses of issuance, shall be set aside and deposited in a separate fund entitled the “Capital Fund” of the District. This Resolution shall be construed as consent of this Board to invest such funds, pending use, in any of the securities allowed by Section 35-323, Arizona Revised Statutes, as amended. The proceeds of the Bonds and the Certificates related thereto shall be expended only for the purposes set forth in the ballot used at the Election.

Section 6. Form of Bonds and Certificates.

(A) Pursuant to Section 35-491, Arizona Revised Statutes, a fully-registered bond form and certificate form, respectively, is hereby adopted as an alternative to any other form of bond provided by law. The Publicly Sold Bonds (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in Exhibit A attached hereto. The Privately Placed Bonds (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in Exhibit B attached hereto; provided, however, that the Authorized Representatives may provide for changes in the definitive form of the Privately Placed Bonds initially delivered to the Purchasers as necessary for the purposes hereof. The Certificates (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in Exhibit C attached hereto. Each of such forms complies with the provisions of

Section 35-491, Arizona Revised Statutes. There may be such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by those officers executing the Bonds and the Certificates in such form. Execution thereof by such officers shall constitute conclusive evidence of such approval.

(B) The Bonds and the Certificates may have notations, legends or endorsements required by law, securities exchange rule or usage. Each Bond and each Certificate shall show both the date of the issue and the date of authentication and registration of each Bond and each Certificate.

(C) The Bonds and the Certificates are prohibited from being converted to coupon or bearer bonds or certificates, respectively, without the consent of this Board and approval of Bond Counsel to the District.

Section 7. Execution of Bonds and Certificates and Other Documents.

(A) (1) The Bonds and the Certificates shall be executed for and on behalf of the District by the Chairperson or any other member of this Board. Such signature may be by mechanical reproduction; however, such officer shall manually sign a certificate adopting as and for such signature on the Bonds and the Certificates the respective mechanically reproduced signature affixed to the Bonds and the Certificates.

(2) If an officer whose signature is on a Bond or a Certificate no longer holds that office at the time such Bond or such Certificate is authenticated and registered, the Bond or the Certificate, as the case may be, shall nevertheless be valid and binding so long as such Bond or such Certificate would otherwise be valid and binding.

(3) A Bond or a Certificate shall not be valid or binding until authenticated by the manual signature of an authorized representative of the Bond Registrar and Paying Agent, or, with respect to the Privately Placed Bonds and the Certificates related thereto, the Fire Chief of the District if serving in the capacity of Bond Registrar and Paying Agent. The signature of the authorized representative of the Bond Registrar and Paying Agent, or, with respect to the Privately Placed Bonds and the Certificates related thereto, the Fire Chief of the District if serving in the capacity of Bond Registrar and Paying Agent, shall be conclusive evidence that the Bond or the Certificate, as the case may be, has been authenticated and issued pursuant to this Resolution.

(B) The Chairperson or any other member of this Board is hereby authorized to approve, execute and deliver or, in the case of those documents to which the District is not a party, to approve the execution and delivery by the parties thereto of the documents and agreements referred to herein calling for such execution and delivery.

(C) The Chairperson of this Board and the Authorized Representatives are hereby authorized and directed to execute and deliver a standard form of letter of representations with The Depository Trust Company with respect to the matters provided in Section 11(H) hereof.

Section 8. Mutilated, Lost or Destroyed Bonds or Certificates. In case any Bond or any Certificate becomes mutilated or destroyed or lost, the District shall cause to be executed and delivered a new Bond or new Certificate, as the case may be, of like series, type, date, maturity or payment date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or mutilated Certificate, as the case may be, or in lieu of and in substitution for such Bond or such Certificate, as the case may be, destroyed or lost, upon the registered owner paying the reasonable expenses and charges of the District in connection therewith and, in the case of a Bond or a Certificate, as the case may be, destroyed or lost, filing with the Bond Registrar and Paying Agent or the Fire Chief of the District, as applicable, by the registered owner evidence satisfactory to the Bond Registrar and Paying Agent or the Fire Chief of the District, as applicable, that such Bond or such Certificate, as the case may be, was destroyed or lost, and furnishing the Bond Registrar and Paying Agent with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes.

Section 9. Acceptance of Proposals.

(A) The Authorized Representatives are hereby authorized to accept a proposal of the Underwriter for the purchase of the Publicly Sold Bonds and the Certificates related thereto, and the Publicly Sold Bonds and the Certificates related thereto are hereby ordered sold to the Underwriter in accordance with the terms of the Bond Purchase Agreement presented to this Board at the meeting at which this Resolution was adopted (the “Bond Purchase Agreement”), and in accordance with the SAVE Contract. The Chairperson, any other member of this Board, or the Authorized Representatives are hereby authorized to execute and deliver the Bond Purchase Agreement, for and on behalf of the District, in substantially the form submitted to this Board at the meeting at which this Resolution was adopted and in a final form satisfactory to the Chairperson, such other member of this Board or the Authorized Representatives, and such execution and delivery by the Chairperson, such member of this Board, or the Authorized Representatives shall indicate the approval thereof on behalf of the District by the Authorized Representatives.

(B) The Authorized Representatives are hereby authorized to accept a proposal of the Placement Agent for the placement of the Privately Placed Bonds and the Certificates related thereto, and the Privately Placed Bonds and the Certificates related thereto are hereby ordered placed with the Purchasers in accordance with the terms of the Placement Agent Agreement with the Placement Agent, in form and substance reasonably satisfactory to the Authorized Representatives and Bond Counsel to the District (the “Placement Agent Agreement”), and in accordance with the SAVE Contract. The Chairperson, any other member of this Board, or the Authorized Representatives are hereby authorized to execute and deliver the Placement Agent Agreement, for and on behalf of the District, in form and substance reasonably satisfactory to the Authorized Representatives and Bond Counsel to the District, and such execution and delivery by the Chairperson, such member of this Board, or the Authorized Representatives shall indicate the approval thereof on behalf of the District by the Authorized Representatives.

(C) The Publicly Sold Bonds and the Certificates related thereto shall be delivered to the Underwriter upon receipt of payment therefor and satisfaction of the other

conditions for delivery thereof in accordance with the terms of the sale provided in the Bond Purchase Agreement. The Privately Placed Bonds and the Certificates related thereto shall be delivered to the Purchasers upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the placement provided in the Placement Agent Agreement.

Section 10. Official Statement and Continuing Disclosure.

(A) (1) The preparation, distribution and use of the Preliminary Official Statement relating to the Publicly Sold Bonds and the Certificates related thereto in substantially the form presented to this Board before the meeting at which this Resolution was adopted is in all respects hereby ratified, approved and confirmed, and the Authorized Representatives are hereby authorized to deem the same “final” for purposes of applicable securities laws when finalized.

(2) The Underwriter is authorized to prepare or cause to be prepared, and the Authorized Representatives are authorized and directed to approve, on behalf of this Board, and the Chairperson or any other member of this Board is authorized to execute, a final Official Statement in substantially the form of the Preliminary Official Statement, modified to reflect matters related to the sale of the Publicly Sold Bonds and the Certificates related thereto, for distribution and use in connection with the offering and sale of the Publicly Sold Bonds and the Certificates related thereto. The execution of such final Official Statement by the Chairperson or such other member of this Board shall be deemed to evidence conclusively the approval of the status, form and contents thereof by this Board.

(B) Subject to annual appropriation to cover the costs of preparing and mailing as necessary therefor, the District will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking, to be dated the date of issuance of the Publicly Sold Bonds and the Certificates related thereto (the “Continuing Disclosure Undertaking”). The Chairperson or any other member of this Board is hereby authorized, for and on behalf of the Board, to execute and deliver the Continuing Disclosure Undertaking in substantially the form submitted to this Board at the meeting at which this Resolution was adopted, with such additions, deletions and modifications as shall be approved by the Chairperson or any other member of this Board, and such execution and delivery shall constitute evidence of the approval of such officer of any departures from the form submitted to this Board at the time of adoption of this Resolution. Notwithstanding any other provision of this Resolution, failure of the District (if obligated pursuant to the Continuing Disclosure Undertaking) to comply with the Continuing Disclosure Undertaking shall not be considered an event of default; however, any Beneficial Owner (as defined herein) may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Publicly Sold Bonds or Certificates related thereto (including persons holding Publicly Sold Bonds or Certificates related thereto through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Publicly Sold Bonds or Certificates related thereto for federal income tax purposes.

Section 11. Bond Registrar and Paying Agent.

(A) The Authorized Representatives are hereby authorized to appoint the initial bond registrar and paying agent with respect to the Publicly Sold Bonds and the Certificates related thereto and, if necessary, with respect to the Privately Placed Bonds and the Certificates related thereto (the “Bond Registrar and Paying Agent”), and the Chairperson, any other member of this Board, or the Authorized Representatives are hereby requested to enter into an agreement therewith covering such services in a standard form, with such additions, deletions and modifications as shall be approved by the Chairperson, any other member of this Board, or the Authorized Representatives, and such execution and delivery shall constitute conclusive evidence of the approval of such officer of any departures from such form. The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond and each Certificate.

(B) The Privately Placed Bonds and the Certificates related thereto may be transferred in whole to a registered owner without the necessity of obtaining the consent of District; provided, that such transferee represents to the District that (i) it has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment in the Privately Placed Bonds and the Certificates related thereto, (ii) it understands that neither this Resolution nor the Privately Placed Bonds and the Certificates related thereto will be registered pursuant to the Securities Act of 1933, as amended, (iii) it is either an “accredited investor” within the meaning of Regulation D promulgated pursuant to the Securities Act of 1933, as amended, or a qualified institutional buyer within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended, and (iv) its present intention is to acquire such interest (A) for investment for its own account, or (B) for resale in a transaction exempt from registration under the Securities Act of 1933, as amended; *provided, however*, that there shall only be one registered owner at any time of each Privately Placed Bond and Certificate related thereto issued pursuant hereto.

(C) A Bond or a Certificate may be transferred on the registration books upon delivery and surrender of the Bond or the Certificate, as the case may be, to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of the Bond or the Certificate, as the case may be, to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of the Bond or the Certificate, as the case may be. No transfer of any Bond or any Certificate shall be effective until entered on the registration books.

(D) In the event of the transfer of a Bond, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same series and maturity and of authorized denominations (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Resolution.

(E) In the event of the transfer of a Certificate, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Certificate or Certificates of the authorized denominations and of the same payment date for the aggregate amount of “B” interest which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Resolution.

(F) All costs and expenses of initial registration and payment of the Bonds and the Certificates shall be borne by the District, but the District and the Bond Registrar and Paying Agent shall charge the registered owner of such Bond or such Certificate, as the case may be, for every subsequent transfer of a Bond or a Certificate, as the case may be, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer and may require that such transfer fee, tax or other charge be paid before any such Bond or such Certificate, as the case may be, shall be delivered.

(G) The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bond during a period beginning with the opening of business on any regular record date and ending with the close of business on the corresponding interest payment date.

(H) The Publicly Sold Bonds and the Certificates related thereto shall be subject to a Book-Entry System (as defined herein) of ownership and transfer, except as provided in subsection (3) of this subsection. The general provisions for effecting the Book-Entry System are as follows:

(1) The District hereby designates The Depository Trust Company, New York, New York, as the initial Depository (as defined herein) hereunder.

(2) Notwithstanding the provisions of this Section or of the Publicly Sold Bonds and the Certificates related thereto to the contrary and so long as the Publicly Sold Bonds and the Certificates related thereto are subject to a Book-Entry System, the Publicly Sold Bonds and the Certificates related thereto shall initially be evidenced by one typewritten certificate for each maturity or payment date, respectively, in an amount equal to the aggregate principal or payment amount thereof, respectively. The Publicly Sold Bonds and the Certificates related thereto so initially delivered shall be registered in the name of “Cede & Co.” as nominee for The Depository Trust Company. The Publicly Sold Bonds and the Certificates related thereto may not thereafter be transferred or exchanged on the registration books of the District maintained by the Bond Registrar and Paying Agent except:

(a) to any successor Depository designated pursuant to subsection (3) of this subsection;

(b) to any successor nominee designated by a Depository; or

(c) if the District shall elect to discontinue the Book-Entry System pursuant to subsection (3) of this subsection, the District shall cause the Bond Registrar and Paying Agent to authenticate and deliver replacement Publicly Sold Bonds or Certificates related thereto in fully registered form in authorized denominations in the names of the Beneficial Owners or their nominees, as certified by the Depository, at the expense of the District; thereafter the other applicable provisions of this Resolution regarding registration, transfer and exchange of the Publicly Sold Bonds and the Certificates related thereto shall apply.

(3) The Bond Registrar and Paying Agent, pursuant to a request from the District for the removal or replacement of the Depository, and upon thirty (30) days' notice to the Depository, may remove or replace the Depository. The Bond Registrar and Paying Agent shall remove or replace the Depository at any time pursuant to the request of the District. The Depository may determine not to continue to act as Depository for the Publicly Sold Bonds and the Certificates related thereto upon thirty (30) days' written notice to the District and the Bond Registrar and Paying Agent. If the use of the Book-Entry System is discontinued, then after the Bond Registrar and Paying Agent has made provision for notification of the Beneficial Owners of their book entry interests in the Publicly Sold Bonds and the Certificates related thereto by appropriate notice to the then Depository, the District and the Bond Registrar and Paying Agent shall permit withdrawal of the Publicly Sold Bonds and the Certificates related thereto from the Depository and authenticate and deliver the Publicly Sold Bond certificates and the related Certificate certificates in fully registered form and in denominations authorized by this Section to the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Publicly Sold Bond certificates and related Certificate certificates) of the District.

(4) So long as the Book-Entry System is used for the Publicly Sold Bonds and the Certificates related thereto, the District and the Bond Registrar and Paying Agent shall give any notice of redemption or any other notices required to be given to registered owners of Publicly Sold Bonds or Certificates related thereto only to the Depository or its nominee registered as the owner thereof. Any failure of the Depository to advise any of its participants, or of any participant to notify the Beneficial Owner, of any such notice and its content or effect shall not affect the validity of the redemption of the Publicly Sold Bonds or the Certificates related thereto to be redeemed or of any other action premised on such notice. Neither the District nor the Bond Registrar and Paying Agent shall be responsible or liable for the failure of the Depository or any participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Publicly Sold Bonds or the Certificates related thereto or any error or delay relating thereto.

(5) Notwithstanding any other provision of this Section or Section 3(B) hereof or of the Publicly Sold Bonds to the contrary, so long as the Publicly Sold Bonds are subject to a Book-Entry System, it shall not be necessary for the

registered owner to present the applicable Publicly Sold Bond for payment of mandatory redemption installments, if any. The mandatory redemption installments may be noted on books kept by the Bond Registrar and Paying Agent and the Depository for such purpose, and the Publicly Sold Bonds shall be tendered to the Bond Registrar and Paying Agent at their maturity.

(6) For purposes of this Section, “Beneficial Owners” shall mean actual purchasers of the Publicly Sold Bonds and the Certificates related thereto whose ownership interest is evidenced only in the Book-Entry System maintained by the Depository, “Book-Entry System” shall mean a system for clearing and settlement of securities transactions among participants of a Depository (and other parties having custodial relationships with such participants) through electronic or manual book-entry changes in accounts of such participants maintained by the Depository hereunder for recording ownership of the Publicly Sold Bonds and the Certificates related thereto by Beneficial Owners and transfers of ownership interests in the Publicly Sold Bonds, and “Depository” shall mean The Depository Trust Company, New York, New York or any successor depository designated pursuant to this Section.

Section 12. General Federal Tax Law Covenants.

(A) The District shall execute and deliver on the date of original issuance of the Bonds and the Certificates a Certificate Relating To Federal Tax Matters (the “Tax Certificate”) and comply with the provisions thereof and of this Section 12 only with respect to those of the Bonds that are sold such that the interest with respect thereto is excluded from gross income for federal income tax purposes. As will be provided in further detail in the Tax Certificate, the District will not make or direct the making of any investment or other use of the proceeds of any Bonds or Certificates which would cause such Bonds or Certificates to be “arbitrage bonds” as that term is defined in Section 148 (or any successor provision thereto) of the Code (as defined herein) or “private activity bonds” as that term is defined in Section 141 (or any successor provision thereto) of the Code, and the District will comply with the requirements of such Code sections and related regulations throughout the term of the Bonds and the Certificates. (Particularly, the District shall be the owner of the facilities financed with the proceeds of the sale of the Bonds and the Certificates (the “Facilities”) for federal income tax purposes. Except as otherwise advised in a Bond Counsel’s Opinion (as defined herein), the District shall not enter into (i) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the management or service contract complies with the requirements of such authority as may control at the time or (ii) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal of and interest on (including interest evidenced by the Certificates) the Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Bonds or the Certificates, or amounts treated as proceeds of the Bonds or the Certificates, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Bonds and the Certificates are being issued, (ii) may be so used in making investments of a bona fide debt

service fund or (iii) may be invested in obligations issued by the United States Treasury. The District shall comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Bonds and the Certificates (initially those in Section 13 hereof) for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds (including that evidenced by the Certificates). In consideration of the purchase and acceptance of the Bonds and the Certificates by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, the District shall, and the appropriate officials of the District are hereby directed to, take all action required or to refrain from taking any action prohibited by the Code which would adversely affect in any respect such exclusion.

(B) (1) The District shall take all necessary and desirable steps, as determined by the District, to comply with the requirements hereunder in order to ensure that interest on the Bonds (including that evidenced by the Certificates) is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event the District receives a Bond Counsel's Opinion that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds (including that evidenced by the Certificates), or (ii) compliance with some other requirement will meet the requirements of the Code. In the event the District receives such a Bond Counsel's Opinion, this Resolution shall be amended to conform to the requirements set forth in such opinion.

(2) If for any reason any requirement hereunder is not complied with, the District shall take all necessary and desirable steps, as determined by the District, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the District shall pay any required interest or penalty under Regulations Section 1.148-3(h) relating to the Code.

(C) Written procedures for post-issuance compliance with the requirements of the Code that are applicable to the Bonds and the Certificates have been adopted and shall be complied with.

Section 13. Arbitrage Rebate Procedures. The District shall comply with the provisions of this Section 13 only with respect to those of the Bonds that are sold such that the interest with respect thereto is excluded from gross income for federal income tax purposes. References to the Bonds in this Section 13 are to such Bonds.

(A) Terms not otherwise defined in Subsection (B) hereof shall have the meanings given to them in the Tax Certificate.

(B) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the District.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issuance of the Bonds and shall end on the date selected by the District, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

Bond Yield is as indicated in the Tax Certificate. Bond Yield shall be recomputed if required by Regulations Section 1.148-4(b)(4) or 4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations Section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Bonds as determined under Regulations Section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Bonds and using semiannual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the District from the sale of the Bonds and the Certificates but excluding amounts used to pay accrued interest on the Bonds and the Certificates within one year of the date of issuance of the Bonds and the Certificates;

(ii) transferred proceeds of the Bonds under Regulations Section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Bonds within the meaning of Regulations Section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Bonds and the Certificates, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Bonds and the Certificates in the event the District encounters financial difficulties and other replacement proceeds within the meaning of Regulations Section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code Section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations Section 1.148-1(b).

Issue Price is as indicated in the Tax Certificate and shall be determined as provided in Regulations Section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Bonds.

Payment shall mean any payment within the meaning of Regulations Section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations Section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under Section 148(f)(4) of the Code or Regulations Section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations Section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the Sections 1.148-1 through 1.148-11 and Section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(C) Within 60 days after the end of each Bond Year, the District shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Bonds (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Bond, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(D) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(E) For purposes of Subsection (D), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (F) or (G), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code Section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(F) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(G) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the District or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the District or any other person for purposes of satisfying the requirements in the Regulations that the District receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Bonds (e.g., a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the District uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations Section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The District retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the District and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(H) This Board further authorizes the employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of such Code.

Section 14. Adoption of Procedures; Reservation of Rights. The Procedures are hereby adopted in substantially the form presented to this Board to establish policies and procedures related to the purposes set forth in the Recitals hereto. The right to use discretion as necessary and appropriate to make exceptions or request additional provisions with respect to the Procedures as may be determined is hereby reserved. The right to change the Procedures from time to time, without notice, is also reserved

Section 15. Resolution a Contract; Severability; Ratification of Actions.

(A) This Resolution shall constitute a contract between the District and the registered owners of the Bonds and the Certificates and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the registered owners of the Bonds and the Certificates then outstanding.

(B) If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. This Board hereby declares that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Bonds and the Certificates pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

(C) All actions of the officers and agents of the District including this Board which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Bonds and the Certificates as contemplated by this Resolution (including entering into any agreements for administrative or procedural requirements requested by the Purchasers), whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the District and the County are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the District and the County as may be necessary to carry out the terms and intent of this Resolution and to give effect to and consummate the transactions contemplated by this Resolution.

PASSED, ADOPTED AND APPROVED by the District Board of Tubac Fire District of Santa Cruz County, Arizona, on December 20, 2023.

.....
Chairperson of the District Board of Tubac Fire
District of Santa Cruz County, Arizona

ATTEST:

.....
Clerk, District Board, Tubac Fire
District of Santa Cruz County, Arizona

EXHIBIT A

[FORM OF PUBLICLY SOLD BOND]

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND 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 INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

REGISTERED
NO.

REGISTERED
\$.....

UNITED STATES OF AMERICA
STATE OF ARIZONA

TUBAC FIRE DISTRICT
OF SANTA CRUZ COUNTY, ARIZONA
GENERAL OBLIGATION BOND, PROJECT OF 2008, SERIES B (2024)**

“A” Interest Rate:	Maturity Date:	Dated:	CUSIP:
.....%	July 1,, 2024

REGISTERED OWNER: CEDE & CO.*

PRINCIPAL AMOUNT: DOLLARS

Tubac Fire District of Santa Cruz County, Arizona, a fire district duly created under Title 48, Chapter 5, Article 1, Arizona Revised Statutes, as amended (the “District”), for value received, hereby promises to pay to the aforesaid registered owner, or registered assigns, the aforesaid principal amount on the aforesaid maturity date unless earlier redeemed, and to pay interest designated as “A” interest on the principal amount from the date as of which this Bond is dated as indicated hereinabove at the aforesaid interest rate (computed on the basis of a 360-day year of twelve 30-day months) on 1,, and on each 1 and 1 thereafter (each an “interest payment date”) to the maturity or redemption prior to maturity of

* Insert so long as DTC is the Securities Depository.
** The series name and designation of this Bond is subject to change as determined in the Resolution to which this Form is attached as Exhibit A.

this Bond. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the designated corporate trust office of, as the initial “Bond Registrar and Paying Agent.” Interest on the bonds of the issue of which this Bond is one, evidenced by this Bond designated as “A” interest is payable by check, dated as of the interest payment date, mailed to the registered owner hereof, as shown on the registration books maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (the “regular record date”). Any such interest on this Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of that overdue interest, and notice of the special record date shall be given to registered owners of the Bonds not less than 10 days prior thereto.

The principal of, and interest designated as “A” interest and premium, if any, on, this Bond are payable in lawful money of the United States of America, on the respective dates when principal and interest become due.

This Bond is one of a series of bonds indicated above (the “Bonds”) in the aggregate principal amount of \$...,000 of like tenor except as to amount, maturity date, redemption feature, rate of interest, number and other matters described herein, issued by the District pursuant to a resolution of the District Board of the District, duly adopted prior to the issuance hereof, all of the terms of which are hereby incorporated herein (the “Resolution”), and pursuant to the Constitution and laws of the State of Arizona relative to the issuance and sale of bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the purpose of paying the principal of, and premium, if any, and interest on and costs of administration of the registration and payment of this Bond, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on this Bond as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected.

(In addition to the interest designated as “A” interest at the rate indicated above, the Bonds shall bear supplemental interest designated as “B” interest during the interest accrual period set forth below, payable on the date and in the amount as follows:

<u>Interest Accrual Period</u>	<u>“B” Interest Payment Date</u>	<u>Amount of “B” Interest Payable on “B” Interest Payment Date</u>
..... 1,, through and including, 1,	\$.....,000

Such interest is evidenced by fully registered Supplemental Interest Certificates which shall be owned, transferred and presented for payment separately from this Bond.)

The Bonds maturing before and on July 1,, are not subject to redemption prior to maturity. The Bonds maturing on or after July 1,, are subject to optional redemption prior to maturity, in whole or in part, on July 1,, or any date thereafter, by the payment of a redemption price equal to the principal amount of each such Bond redeemed plus interest accrued to the date fixed for redemption plus a premium (calculated as a percentage of the principal amount of such Bonds to be redeemed) to be computed as follows:

<u>Redemption Dates</u>	<u>Premium</u>
July 1,, and January 1,%
July 1,, and thereafter	0.0

The Bonds maturing on July 1,, shall be redeemed prior to maturity on July 1, in the years and amounts set forth below, by payment of the principal amount of each Bond to be redeemed plus interest accrued to the date fixed for redemption, but without a premium:

<u>Year</u>	<u>Amount</u>
	\$

A remaining principal amount of \$.....,000 of Bonds maturing on July 1,, shall mature on July 1,

Not more than seventy-five (75) nor less than sixty (60) days prior to the mandatory redemption date for the Bonds maturing on July 1,, the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar

and Paying Agent may determine) from all the Bonds maturing on July 1,, outstanding a principal amount of the Bonds maturing on July 1,, equal to the aggregate principal amount of the Bonds maturing on July 1,, to be redeemed and shall redeem such Bonds maturing on July 1,, on the next July 1 and give notice of such redemption.

Notice of redemption of any such Bond will be mailed not more than 60 nor less than 30 days prior to the date set for redemption to the registered owner of such Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any such Bond for which notice was properly given.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Bond may be transferred on the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of this Bond, the Bond Registrar and Paying Agent shall transfer the ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denominations (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Bond shall be delivered.

The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning with the opening of business on a regular record date and ending with the close of business on the corresponding interest payment date.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified, recited and declared (i) that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the issuance of this Bond and of the series of which it is one, have happened, have been done, do exist and have been performed in regular and due form and time as required by law; (ii) that the obligation evidenced by the series of Bonds of which this is

one, together with all other existing indebtedness of the District, does not exceed any applicable constitutional or statutory limitation and (iii) that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon taxable property within the District, over and above all other taxes authorized or limited by law, sufficient to pay the principal hereof and the interest hereon as each becomes due.

IN WITNESS WHEREOF, TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, has caused this Bond to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District.

TUBAC FIRE DISTRICT OF SANTA CRUZ
COUNTY, ARIZONA

By.....(Facsimile).....
Chairperson, District Board

(Form of Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the Tubac Fire District of Santa Cruz County, Arizona General Obligation Bonds, Project of 2008, Series B (2024).

Date of Authentication:

.....,
as Bond Registrar and Paying Agent

By.....
Authorized Representative

(Form of Assignment)

ASSIGNMENT

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

.....
(Name and Address of Transferee)

the within Bond and irrevocably constitutes and appoints
attorney to transfer the within Bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated:
.....
Signature

Signature Guaranteed:
.....
Signature

[Insert proper legend]

Note: The signature(s) on this assignment must correspond with the name(s) as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

4The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - Custodian
(Cust) (Minor)

under Uniform Gifts to Minors Act
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER
SHALL BE PAID BY THE TRANSFEROR

(the “regular record date”). Any such interest on this Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of that overdue interest, and notice of the special record date shall be given to registered owners of the Bonds not less than 10 days prior thereto.

The principal of, and interest designated as “A” interest and premium, if any, on, this Bond are payable in lawful money of the United States of America, on the respective dates when principal and interest become due.

This Bond is one of a series of bonds indicated above (the “Bonds”) in the aggregate principal amount of \$.....,000 of like tenor except as to amount, maturity date, redemption feature, rate of interest, number and other matters described herein, issued by the District pursuant to a resolution of the District Board of the District, duly adopted prior to the issuance hereof, all of the terms of which are hereby incorporated herein (the “Resolution”), and pursuant to the Constitution and laws of the State of Arizona relative to the issuance and sale of bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the purpose of paying the principal of, and premium, if any, and interest on and costs of administration of the registration and payment of this Bond, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on this Bond as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected.

(In addition to the interest designated as “A” interest at the rate indicated above, the Bonds shall bear supplemental interest designated as “B” interest during the interest accrual period set forth below, payable on the date and in the amount as follows:

<u>Interest Accrual Period</u>	<u>“B” Interest Payment Date</u>	<u>Amount of “B” Interest Payable on “B” Interest Payment Date</u>
..... 1,, through and including, 1,	\$.....,000

Such interest is evidenced by fully registered Supplemental Interest Certificates which shall be owned, transferred and presented for payment separately from this Bond.)

[The Bonds are not subject to redemption prior to maturity.] [The Bonds are subject to optional redemption prior to maturity, in whole or in part, on July 1,, or any date thereafter, by the payment of a redemption price equal to the principal amount of each such Bond redeemed plus interest accrued to the date fixed for redemption plus a premium (calculated as a percentage of the principal amount of such Bonds to be redeemed) to be computed as follows:

<u>Redemption Dates</u>	<u>Premium</u>
July 1,, and January 1,%
July 1,, and thereafter	0.0]

[The Bonds maturing on July 1,, shall be redeemed prior to maturity on July 1, in the years and amounts set forth below, by payment of the principal amount of each Bond to be redeemed plus interest accrued to the date fixed for redemption, but without a premium:

<u>Year</u>	<u>Amount</u>
	\$

A remaining principal amount of \$.....,000 of Bonds maturing on July 1,, shall mature on July 1,,]

Not more than seventy-five (75) nor less than sixty (60) days prior to the mandatory redemption date for the Bonds maturing on July 1,, the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar and Paying Agent may determine) from all the Bonds maturing on July 1,, outstanding a principal amount of the Bonds maturing on July 1,, equal to the aggregate principal amount of the Bonds maturing on July 1,, to be redeemed and shall redeem such Bonds maturing on July 1,, on the next July 1 and give notice of such redemption.

Notice of redemption of any such Bond will be mailed not more than 60 nor less than 30 days prior to the date set for redemption to the registered owner of such Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any such Bond for which notice was properly given.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Bond may be transferred in accordance with the terms of the Resolution on the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of this Bond, the Bond Registrar and Paying Agent shall transfer the ownership in the registration books and shall authenticate and deliver in the name of the transferee a new fully registered Bond of the same maturity and of the remaining principal amount payable at maturity in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Bond shall be delivered.

The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning with the opening of business on a regular record date and ending with the close of business on the corresponding interest payment date.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified, recited and declared (i) that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the issuance of this Bond and of the series of which it is one, have happened, have been done, do exist and have been performed in regular and due form and time as required by law; (ii) that the obligation evidenced by the series of Bonds of which this is one, together with all other existing indebtedness of the District, does not exceed any applicable constitutional or statutory limitation and (iii) that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon taxable property within the District, over and above all other taxes authorized or limited by law, sufficient to pay the principal hereof and the interest hereon as each becomes due.

IN WITNESS WHEREOF, TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, has caused this Bond to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District.

TUBAC FIRE DISTRICT OF SANTA CRUZ
COUNTY, ARIZONA

By.....(Facsimile).....
Chairperson, District Board

(Form of Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the Tubac Fire District of Santa Cruz County, Arizona General Obligation Bonds, Project of 2008, Series B (2024).

Date of Authentication:

.....,
as Bond Registrar and Paying Agent

By.....
Authorized Representative

(Form of Assignment)

ASSIGNMENT

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

.....
(Name and Address of Transferee)

the within Bond and irrevocably constitutes and appoints
attorney to transfer the within Bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated:
Signature

Signature Guaranteed:
.....
Signature

[Insert proper legend]

Note: The signature(s) on this assignment must correspond with the name(s) as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - Custodian
(Cust) (Minor)

under Uniform Gifts to Minors Act
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER
SHALL BE PAID BY THE TRANSFEROR

EXHIBIT C

[FORM OF SUPPLEMENTAL INTEREST CERTIFICATE*]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“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 INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED
NO.

REGISTERED
\$......

UNITED STATES OF AMERICA
STATE OF ARIZONA

TUBAC FIRE DISTRICT
OF SANTA CRUZ COUNTY, ARIZONA
GENERAL OBLIGATION BOND, PROJECT OF 2008, SERIES B (2024)
SUPPLEMENTAL INTEREST CERTIFICATE

Payment Date:

Dated:

CUSIP:

.....

....., 2024

.....

REGISTERED OWNER: CEDE & CO.

“B” INTEREST AMOUNT: DOLLARS

Tubac Fire District of Santa Cruz County, Arizona, a fire district duly created under Title 48, Chapter 5, Article 1, Arizona Revised Statutes, as amended (the “District”), for value received, hereby promises to pay to the aforesaid registered owner, or registered assigns, on the payment date specified above, the amount specified above, which evidences a portion of the interest designated as “B” interest (computed on the basis of a 360-day year of twelve 30-day months) which shall become due and payable on such payment date on the outstanding principal amount of the District’s General Obligation Bonds, Project of 2008, Series B (2024), dated

* As provided in the Resolution to which this Form is attached as Exhibit C, this Certificate will be modified to conform with the terms of the Publicly Sold Bonds and the Privately Placed Bonds to which this Certificate will relate.

....., 2024, issued in the principal amount of \$.....,000 (the “Bonds”), for the period beginning from the January 1 or July 1, as applicable, immediately preceding such payment date through the day immediately prior to such payment date.

The interest designated as “B” interest on the Bonds evidenced by this Certificate shall be payable to the registered owner hereof upon presentation and surrender of this Certificate at the designated corporate trust office of, or its successor, as the initial “Bond Registrar and Paying Agent.” If the date for making such payment shall be a legal holiday or a day on which the principal office of the Bond Registrar and Paying Agent is authorized or required by law to remain closed, such payment may be made on the next succeeding day which is not a legal holiday or a day on which such principal office is authorized or required by law to remain closed.

The Bonds and the interest designated as “B” interest thereon evidenced by the Supplemental Interest Certificates of which this is one (the “Certificates”) have been authorized by, and issued pursuant to, a resolution passed and adopted by the District Board of the District prior to the issuance of the Bonds all of the terms of which are hereby incorporated herein (the “Resolution”), and pursuant to the Constitution and laws of the State of Arizona relative to the issuance and sale of bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling. The Certificates are issued as fully registered Certificates, and are payable and evidence interest borne by the Bonds designated as “B” interest with respect to the Bonds, all as specifically set forth in the Resolution.

The Certificates are not subject to prepayment prior to their payment date.

For the purpose of paying the principal of, and premium, if any, and interest on (including this interest) and costs of administration of the registration and payment of the Bonds and the Certificates, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on the Bonds and the Certificates as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Certificate as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Certificate may be transferred upon the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Certificate to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of any Certificate shall be effective until entered on the registration books.

In the event of the transfer of a Certificate, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver

in the name of the transferee or transferees one or more new fully registered Certificates of authorized denominations and of the same payment date for the aggregate amount of "B" interest which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Certificate, for every transfer of a Certificate, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Certificate shall be delivered.

This Certificate shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified, recited and declared (i) that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the issuance of this Certificate and of the series of which it is one, have happened, have been done, do exist and have been performed in regular and due form and time as required by law; (ii) that the obligation evidenced by the series of Certificates of which this is one, together with all other existing indebtedness of the District, does not exceed any applicable constitutional or statutory limitation and (iii) that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon taxable property within the District, over and above all other taxes authorized or limited by law, sufficient to pay this Certificate as it becomes due.

IN WITNESS WHEREOF, TUBAC FIRE DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, has caused this Certificate to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District.

TUBAC FIRE DISTRICT OF SANTA CRUZ
COUNTY, ARIZONA

By _____ (Facsimile) _____
Chairperson, District Board

(Form of Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This Supplemental Interest Certificate is one of the Certificates evidencing the “B” interest described in the within-mentioned Resolution.

Date of Authentication:

.....,
as Bond Registrar and Paying Agent

By.....
Authorized Representative

(Form of Assignment)

ASSIGNMENT

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

.....

(Name and Address of Transferee)

the within Certificate and irrevocably constitutes and appoints
attorney to transfer the within Certificate on the books kept for registration thereof, with full
power of substitution in the premises.

Dated:

.....

Signature

Signature Guaranteed:

.....

[Insert proper legend]

.....

Signature

Note: The signature(s) on this assignment must correspond with the name(s) as it appears upon the face of the within Certificate in every particular, without alteration or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - Custodian
(Cust) (Minor)

under Uniform Gifts to Minors Act
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER
SHALL BE PAID BY THE TRANSFEROR