

**REEDY CREEK IMPROVEMENT DISTRICT
AD VALOREM TAX REFUNDING BOND,
SERIES 2010**

CLOSING DATE: SEPTEMBER 23, 2010

**Bryant Miller Olive P.A.
135 West Central Blvd., Suite 700
Orlando, Florida 32801**

**REEDY CREEK IMPROVEMENT DISTRICT
(FLORIDA)
(Located in Orange and Osceola Counties)**

**\$12,150,000
Ad Valorem Tax Refunding Bonds
Series 2010**

**TIME, DATE AND PLACE
OF PRE-CLOSING**

September 22, 2010 immediately following
District Board meeting
Reedy Creek Improvement District
1900 Hotel Plaza Boulevard
Lake Buena Vista, Florida 32830
Telephone: (407) 828-3548
Fax: (407) 828-5076

**TIME, DATE AND PLACE
OF CLOSING**

10:00 A.M. September 23, 2010
BY PHONE

PARTIES TO FINANCING

District	Reedy Creek Improvement District
Bank:	Bank of America, N.A.
Special Counsel to District:	Lee G. Schmudde, Esq.
Bond Counsel:	Bryant Miller Olive P.A.
District's Financial Advisor	Dunlap & Associates, Inc.
Escrow Agent	U.S. Bank National Association

RESOLUTION NO. 516

A RESOLUTION OF THE REEDY CREEK IMPROVEMENT DISTRICT SUPPLEMENTING RESOLUTION NO. 245 ADOPTED ON NOVEMBER 15, 1991, AS AMENDED; AUTHORIZING THE ISSUANCE OF REEDY CREEK IMPROVEMENT DISTRICT AD VALOREM TAX REFUNDING BONDS SERIES 2010 IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$12,175,000 TO PROVIDE FOR THE REFUNDING OF ALL OR A PORTION OF THE DISTRICT'S AD VALOREM TAX BONDS, SERIES 1998B; DELEGATING TO THE PRESIDENT AND THE SECRETARY OR DISTRICT COMPTROLLER THE AUTHORIZATION TO AWARD THE SALE OF THE 2010 BONDS ON A NEGOTIATED BASIS TO BANK OF AMERICA; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH RESPECT TO THE 2010 BONDS AND AN ESCROW DEPOSIT AGREEMENT WITH RESPECT TO THE REFUNDED 1998B BONDS; AUTHORIZING THE DISTRICT TO ACT AS REGISTRAR, PAYING AGENT AND AUTHENTICATING AGENT WITH RESPECT TO SUCH BONDS; AUTHORIZING U.S.BANK NATIONAL ASSOCIATION TO ACT AS ESCROW AGENT WITH RESPECT TO THE REFUNDED 1998B BONDS; MAKING CERTAIN FINDINGS, REPRESENTATIONS AND COVENANTS WITH RESPECT THERETO; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors (the "Board") of the Reedy Creek Improvement District (the "District") previously adopted a Resolution on April 4, 1972 (the "1972 Resolution") authorizing the issuance of certain ad valorem tax bonds and additional bonds thereunder on a parity therewith; and

WHEREAS, on November 15, 1991, the District adopted Resolution No. 245 (the "1991 Resolution") providing for the amendment and restatement of the 1972 Resolution as provided therein; and

WHEREAS, on July 29, 1998, the District adopted Resolution No. 353 (the "1998B Resolution") supplementing and amending the 1991 Resolution (the 1991 Resolution as amended by the 1998B Resolution is hereinafter referred to as the "Bond Resolution") to authorize the issuance of the District's Ad Valorem Tax Refunding Bonds, Series 1998B; and

WHEREAS, as a result of a decline in interest rates the District now desires to issue bonds pursuant to the Bond Resolution and this Resolution, payable on a parity with the bonds outstanding under the Bond Resolution, in an aggregate principal amount not exceeding \$12,175,000 to provide for the refunding of all or a portion of the District's Ad Valorem Tax Refunding Bonds, Series 1998B (the "1998B Bonds") as more particularly described in Exhibit A hereto; and

WHEREAS, the District received proposals from a number of financial institutions in response to the District's request for proposals dated August 19, 2010; and

WHEREAS, the Board hereby determines, based on recommendations from Dunlap & Associates, Inc., the District's financial advisor and District staff, that the proposal from Bank of America, N.A. (the "Bank") dated September 7, 2010, to refund the 1998B Bonds (the "Commitment"), a copy of which is attached hereto as Exhibit E, contains the terms and provisions that are most favorable for the District; and

WHEREAS, the Board wishes to approve the form and content of and authorize the execution of an Escrow Deposit Agreement for the Refunded Bonds, the proposed form of which is attached hereto as Exhibit D, to provide for the payment of the Refunded Bonds and to appoint U.S. Bank National Association to act as escrow agent thereunder; and

WHEREAS, the Board wishes to approve the form of and authorize the execution, subject to the conditions hereinafter set forth, of a Loan Agreement substantially in the form of Exhibit C (the "Loan Agreement"), with the Bank, the purchaser of the Ad Valorem Tax Refunding Bonds, Series 2010 (the "2010 Bonds"); and

WHEREAS, because of the current conditions existing in the market for securities similar to the 2010 Bonds, the Board finds it appropriate to delegate to the President and the Secretary or the Deputy District Administrator/Comptroller, the authority to accept the offer from the Bank of America, N.A. to purchase the 2010 Bonds, pursuant to the terms of the Bond Resolution and the Loan Agreement; and

WHEREAS, the Board desires to designate the 2010 Bonds as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3)(B) of the Internal Revenue Service Code of 1986 (as amended);

WHEREAS, the Board desires to take certain other actions with respect to, and to make other authorizations related to, the issuance of the 2010 Bonds;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE REEDY CREEK IMPROVEMENT DISTRICT THAT:

Section 1. Authority. This Resolution is adopted pursuant to Chapter 67-764, Laws of Florida, Special Acts of 1967, Chapter 132, Florida Statutes, and other applicable provisions of law (collectively, the "Act") and the Bond Resolution.

Section 2. Definitions. All terms used herein in capitalized form, unless otherwise defined herein, shall have the same meanings as are ascribed to such terms in the Bond Resolution. All terms defined in the preamble hereto shall have the meanings ascribed therein. As used herein, the following terms shall have the meanings set forth below:

"1998B Bonds" means the Reedy Creek Improvement District Ad Valorem Tax Refunding Bonds, Series 1998B.

"Bank" means the Bank of America, N.A. and its successors and assigns.

"Closing Date" means the respective date of issuance of the 2010 Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context hereof, including interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published revenue rulings and private letter rulings) and applicable court decisions.

"District Comptroller" means the Deputy District Administrator/Comptroller of the District.

"Election Resolutions" means, collectively Resolution No. 349 adopted by the Board on April 22, 1998, and Resolution No. 350 adopted by the Board on May 27, 1998.

"Escrow Agent" means U.S. Bank National Association, appointed hereunder to serve as escrow agent under the Escrow Deposit Agreement, its successors or assigns.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement, a proposed form of which is attached to this Resolution as Exhibit D between the District and the Escrow Agent, pursuant to which a portion of the proceeds of the 2010 Bonds, together with investment earnings thereon and certain other funds and investments will be held in irrevocable escrow for the payment of the principal of and interest on the Refunded 1998B Bonds.

"Paying Agent" means the District, serving hereunder as Paying Agent, Registrar and Authenticating Agent.

"President" means the President or Vice President of the Board.

"Rebate Year" means, with respect to the 2010 Bonds issued hereunder, the twelve-month period commencing on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary of such Closing Date in the following year, except that the first Rebate Year with respect to the 2010 Bonds shall commence on the Closing Date and the final Rebate Year shall end on the date of final maturity of such Series of 2010 Bonds; or such other period as regulations promulgated by the United States Department of Treasury may prescribe.

"Refunded 1998B Bonds" means the 1998B Bonds maturing on and after June 1, 2011.

"Secretary" means the Secretary to the Board.

Section 3. Findings and Awards.

A. The District is authorized by the Act to own, acquire, construct, equip, operate, improve and maintain roads located within or outside of the District and projects of all types and descriptions and facilities for the carrying out of the functions of the District and to issue ad valorem tax bonds to pay all or part of the cost of the acquisition, construction, maintenance and operation of any project authorized by the Act.

B. The primary livelihood of the residents and taxpayers of the District is tourism and the provision of improvements to the roads and other public ways of the District will enhance the District and benefit the residents and taxpayers thereof by promoting development and having a positive impact on the general economy of the District.

C. It is necessary, desirable, and in the best interest of the District that 2010 Bonds be issued to currently refund the Refunded 1998B Bonds.

D. The 2010 Bonds will not be issued until all conditions relating to the issuance of Additional Bonds under the Bond Resolution have been met, including, but not limited to, (i) the Maximum Bond Service Requirement on all Bonds issued under the Bond Resolution and then Outstanding and the 2010 Bonds shall not exceed eight-five percent (85%) of the estimated annual collections from Ad Valorem Taxes calculated as provided in the Bond Resolution, and (ii) the principal amount of 2010 Bonds together with all other Bonds then outstanding will not exceed in the aggregate fifty percent (50%) of the assessed value of the taxable property within the District, and when issued, the 2010 Bonds will be payable on a parity with the District's Outstanding unrefunded Ad Valorem Tax Bonds, Series 1998A, Ad Valorem Tax Refunding Bonds, Series 1998B, Ad Valorem Tax Refunding Bonds, Series 2001A, Ad Valorem Tax Bonds, Series 2004A, Ad Valorem Tax Bonds, Series 2004B, Ad Valorem Tax Bonds, Series 2005A, Ad Valorem Tax Refunding Bonds, Series 2005B Bonds and with any other additional parity bonds hereafter issued under the terms of the Bond Resolution.

E. The District will issue the 2010 Bonds with the intent that the interest thereon will be excludable from the gross income of the Holders thereof for federal income tax purposes.

F. It is hereby found, determined and declared that a negotiated sale of the 2010 Bonds to the Bank is in the best interest of the District because the limited size and duration of maturity of the 2010 Bonds will save the District considerable time and expense as compared to selling the 2010 Bonds in a public sale.

G. It is hereby ascertained, determined and declared that it is in the best interest of the District to authorize the President and the Secretary or District Comptroller to accept the offer from the Bank to purchase the 2010 Bonds at a private negotiated sale upon the terms and conditions set forth herein and in the Bank's letter proposal dated September 7, 2010 and attached hereto as Exhibit E.

H. The Bank will provide to the District prior to the execution of its commitment letter to purchase the 2010 Bonds a disclosure statement regarding the 2010 Bonds containing the information required by Section 218.385(6), Florida Statutes.

I. The District is authorized under the Act and Chapter 132, Florida Statutes, to issue refunding bonds and to deposit the proceeds thereof in escrow to provide for the payment when due of the principal of, interest on and redemption premiums, if any, in connection with the Refunded Bonds.

J. The 2010 Bonds to refund the Refunded 1998B Bonds shall only be issued at a lower average net interest cost rate than the average net interest cost rate of the Refunded 1998B Bonds and the rate of interest borne by the 2010 Bonds shall not exceed the maximum interest rate established pursuant to the terms of Section 215.84, Florida Statutes. It is estimated that the present value of the total debt service savings anticipated to accrue to the District from the issuance of the 2010 Bonds, calculated in accordance with Section 132.35(2), Florida Statutes, shall be at least 5.0% of the aggregate principal amount of the Refunded 1998B Bonds.

K. The principal amount of the 2010 Bonds to be used to refund the Refunded 1998B Bonds shall not exceed an amount sufficient to pay the sum of the principal amount of the Refunded 1998B Bonds that are outstanding on the date of issuance of the 2010 Bonds, the aggregate amount of unmatured interest payable on the Refunded 1998B Bonds to and including the date that they are called for redemption, the applicable redemption premiums related to the Refunded 1998B Bonds that are called for redemption, and the costs of issuance of the 2010 Bonds all in accordance with Section 132.35, Florida Statutes.

L. The sum of the present value of the total payments of both principal and interest to become due on the 2010 Bonds (excluding all such principal and interest payments as will be made with moneys held by the Escrow Agent under the Escrow Deposit Agreement) allocated to the refunding of the Refunded 1998B Bonds and the present value of costs of issuance of the 2010 Bonds, if any, not paid with proceeds of the 2010 Bonds, will be less than the present value of the principal and interest payments to become due at their stated maturities, or earlier mandatory redemption dates, on the Refunded 1998B Bonds.

M. The first installment of principal of the 2010 Bonds shall mature, or be subject to mandatory redemption, not later than the date of the first stated maturity or mandatory redemption of the Refunded 1998B Bonds occurring after the issuance of the 2010 Bonds.

N. The 2010 Bonds shall not be issued until such time as the District Comptroller shall have filed a certificate with the Board setting forth the present value of the total debt service savings which will result from the issuance of the 2010 Bonds to refund the Refunded 1998B Bonds, computed in accordance with the terms of Section 132.35, Florida Statutes, and demonstrating mathematically that the 2010 Bonds are issued at a lower net average interest cost rate than the Refunded 1998B Bonds.

O. The District does not reasonably expect to issue more than \$30,000,000 of tax-exempt obligations during calendar year 2010.

P. The 2010 Bonds shall only be issued at a rate of interest not exceeding the maximum interest rate established pursuant to the terms of section 215.84, Florida Statutes.

Section 4. Resolution to Constitute a Contract. In consideration of the acceptance of the 2010 Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution, together with the Bond Resolution, shall be deemed to be and shall constitute a contract between the District and the Bondholders of the 2010 Bonds. The covenants and agreements herein set forth to be performed by the District shall be for the equal benefit, protection and security of the Bondholders, and the 2010 Bonds shall be of equal rank and without preference, priority of or distinction over any other thereof, except as expressly provided herein.

Section 5. Authorization of Refunding. The current refunding of the Refunded 1998B Bonds is hereby authorized. The District hereby authorizes (i) the deposit and pledge of a sufficient portion of the proceeds of the 2010 Bonds, together with interest earnings thereon, and certain other funds of the District, if necessary, to pay the principal of and interest on the Refunded 1998B Bonds, (ii) the investment and reinvestment of a portion of the proceeds from the sale of 2010 Bonds in Government Obligations for the purpose of effecting the defeasance of the Refunded 1998B Bonds, (iii) the calling of the Refunded 1998B Bonds prior to their dates of maturity as set forth in the related Escrow Deposit Agreement, (iv) the disbursement of unneeded principal and income, if any, from the funds and accounts created and established pursuant to such Escrow Deposit Agreement to the District in accordance with the terms of such Escrow Deposit Agreement. The District hereby elects to call and redeem the Refunded 1998B Bonds in accordance with the terms of the related Escrow Deposit Agreement as approved by the Secretary and the District Comptroller.

Within 30 days after the respective delivery of the 2010 Bonds, the District hereby authorizes and directs the Escrow Agent to send a notice by first class mail of the refunding of the Refunded 1998B Bonds and the call schedule with respect thereto as set forth in the Escrow Deposit Agreement to the following information services: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, 23rd Floor, New York, New York 10007; Standard & Poor's, Securities Evaluations, Called Bond Department, 55 Water Street, 45th Floor, New York, New York 10041 and The Depository Trust Company, 55 Water Street, 25th Floor, New York, New York 10041. The Escrow Agent is hereby directed in the name of the District, to cause notice of such call to be given as required by law and by the terms of the Refunded 1998B Bonds and the Escrow Deposit Agreement.

Section 6. Authorization of 2010 Bonds. Subject and pursuant to the provisions of this Resolution and any subsequent resolutions adopted by the Board in connection with the 2010 Bonds and prior to the issuance thereof, (i) the 2010 Bonds of the District to be known as "Reedy Creek Improvement District, Ad Valorem Tax Refunding Bonds, Series 2010" are hereby

authorized to be issued in an aggregate principal amount not exceeding \$14,860,000 to refund the Refunded 1998B Bonds and the payment of a portion of the costs of issuance of the Series 2010 Bonds, with the exact principal amount to be determined in accordance with the terms hereof.

The District hereby designates the 2010 Bonds as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). The District and any subordinate entities of the District and any issuer of "tax-exempt" debt that issues "on behalf of" the District do not reasonably expect during the calendar year 2010 to issue more than \$30,000,000 of "tax-exempt" obligations including the 2010 Bonds, exclusive of any private activity bonds as defined in Section 141(a) of the Code (other than qualified 501(c)(3) bonds as defined in Section 145 of the Code).

Section 7. Delegation to President and Secretary or District Comptroller: Terms and Form of 2010 Bonds.

A. The President and the Secretary or the District Comptroller are hereby authorized and directed to award the sale of the 2010 Bonds to the Bank and to approve the terms thereof, including, without limitation, the principal amounts thereof, the series designations thereof, the date thereof, the interest rates with respect thereto, the purchase price thereof and the redemption terms with respect thereto in accordance with the terms of the Loan Agreement, provided, however, that in no event shall (i) the principal amount of the 2010 Bonds exceed \$14,860,000, (ii) the purchase price of the 2010 Bonds equals the par amount of the Bonds, (iv) the present value of the total savings anticipated to accrue to the District upon refunding the Refunded 1998B Bonds be less than 5.0% of the aggregate principal amount of the Refunded 1998B Bonds, or (v) the interest rates exceed the maximum rates permitted by applicable law.

B. The 2010 Bonds shall bear interest from their respective dates, payable semiannually on the first day of June and the first day of December of each year, commencing on the date provided in the Loan Agreement and approved by the President and the Secretary or the District Comptroller, at the rate, and shall mature in accordance with the schedules, set forth or incorporated by reference in the Loan Agreement and approved by the President and the Secretary or the District Comptroller, such approval to be conclusively evidenced by their execution of the Loan Agreement. The principal of the 2010 Bonds shall be payable either in annual or semiannual installments, as shall be set forth in the Loan Agreement and approved by the President and the Secretary or the District Comptroller, the execution thereof to be conclusive evidence of such approval.

The 2010 Bonds shall be issued as fully registered certificated bonds in the denomination of \$5,000 each or any integral multiple thereof and may be issued as current interest bonds. In all cases, interest on the 2010 Bonds shall be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

Section 8. Redemption Provisions. The 2010 Bonds shall not be subject to redemption at the option of the District prior to their stated date of maturity.

Section 9. Funds and Accounts.

A. Establishment of and Payments from the Series 2010 Rebate Account. There is hereby established and created a trust account within the Rebate Fund created pursuant to the Bond Resolution to be designated (i) "Reedy Creek Improvement District Ad Valorem Tax Refunding Bonds, Series 2010 Rebate Account" (hereinafter referred to as the "Series 2010 Rebate Account") into which amounts shall be deposited as set forth below.

The District covenants and agrees that it shall maintain and retain all records pertaining to and shall be responsible for making or having made all determinations and calculations of the Rebate Amount for the 2010 Bonds for each Rebate Year within twenty-five (25) days after the end of such Rebate Year and within twenty-five (25) days after the final maturity of the Series of 2010 Bonds. On or before the expiration of each such period, the District shall deposit into the Series 2010 Rebate Account from any legally available funds of the District, an amount equal to the Rebate Amount with respect to the 2010 Bonds for such Rebate Year. The District shall use such moneys deposited in the related Series 2010 Rebate Account only for the payment of the Rebate Amount with respect to such Series of 2010 Bonds to the United States as required by the Bond Resolution, which payments shall be made in installments, commencing not more than thirty (30) days after the end of the fifth Rebate Year and with subsequent payments to be made not later than five (5) years after the preceding payment was due, except that the final payment shall be made within sixty (60) days after the final maturity of the last obligation of the 2010 Bonds. In complying with the foregoing, the District may rely upon any instructions or opinions from Bond Counsel.

If any amount shall remain in a Series Rebate Account after payment in full of all such 2010 Bonds issued hereunder and after payment in full of the Rebate Amount with respect to the 2010 Bonds to the United States in accordance with the terms hereof, such amounts shall be available to the District for any lawful purpose.

Section 10. Application of Proceeds of 2010 Bonds. The proceeds from the sale of the 2010 Bonds shall be applied by the District as follows:

(i) Upon issuance of the 2010 Bonds there shall be paid to the Escrow Agent an amount to be provided in the Escrow Deposit Agreement for the defeasance of the Refunded 1998B Bonds; and

(ii) The balance of the proceeds from the sale of the 2010 Bonds shall be paid to the District and used to pay the costs of issuing the 2010 Bonds.

Section 11. Form of 2010 Bonds. The 2010 Bonds shall be in substantially the form provided in Exhibit B hereto, subject to such changes, omissions and insertions and such filling

of blanks as the officers executing the same shall approve, such execution to be conclusive evidence of such approval.

Section 12. Approval of Loan Agreement for 2010 Bonds. The form of the Loan Agreement presented hereto as Exhibit C, by the Bank is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in such Loan Agreement by the President and the Secretary or the District Comptroller, in a manner consistent with the provisions of Sections 7 and 8 of this Resolution, such execution to be conclusive evidence of such approval. Upon receipt of a disclosure statement from the Banks, the President and the Secretary or the District Comptroller are hereby authorized to accept an offer of the Bank to purchase the 2010 Bonds in an aggregate principal amount not exceeding \$12,175,000, and at a purchase price of not less than par, upon the terms and conditions set forth in the Loan Agreement, and, so long as the present value of the total savings to accrue to the District upon refunding the Refunded 1998B Bonds shall be not less than 5.0% of the aggregate principal amount of the Refunded 1998B Bonds. The President and the Secretary or the District Comptroller are hereby authorized to execute and deliver the Loan Agreement for and on behalf of the District pursuant to the terms hereof and of the Loan Agreement.

Section 13. Paying Agent, Registrar and Authenticating Agent. The Board hereby appoints itself as the initial Paying Agent, Registrar and Authenticating Agent in connection with the 2010 Bonds under the terms of the Bond Resolution.

Section 14. Escrow Deposit Agreement. The Board hereby approves the form and content of the Escrow Deposit Agreement attached hereto as Exhibit D. The President and Secretary to the Board are hereby authorized to execute on behalf of the Board, the Escrow Deposit Agreement substantially in the form attached hereto with such changes, omissions and insertions, including, without limitation, the filling of blanks therein and attachment of schedules thereto, as they, in their sole discretion, may approve, such execution to be conclusive evidence of such approval.

Section 15. Escrow Agent. The Board hereby appoints U.S. Bank National Association, as Escrow Agent in connection with the Refunded 1998B Bonds under the terms of the Escrow Deposit Agreement.

Section 16. Authorizations.

A. The President and the Secretary or the District Comptroller are hereby authorized and directed to sign the Loan Agreement at the place provided therein and to approve such changes, in accordance with the terms of this Resolution, to the Loan Agreement as they may deem advisable. The signature of the President and the Secretary or the District Comptroller on the Loan Agreement shall be conclusive evidence of the acceptance of the terms thereof. The President and the Secretary or the District Comptroller are hereby authorized and directed to deliver the Loan Agreement immediately followings the execution thereof pursuant to the terms hereof to the Bank.

B. The President and the Secretary or their duly authorized alternative officers are hereby authorized and directed on behalf of the District to execute the 2010 Bonds (including any temporary bond or bonds) as provided in the Bond Resolution and herein and any of such officers is hereby authorized and directed upon the execution of the 2010 Bonds in substantially the form and manner set forth herein, to deliver the 2010 Bonds in the amounts authorized to be issued hereunder to the Registrar for authentication and delivery to or upon the order of the Bank pursuant to the Loan Agreement upon payment of the purchase price.

C. The President and Secretary or the District Comptroller, and such other officers of the Board legally authorized to take action in their absence, are each designated as agents of the Board and the District in connection with the issuance and delivery of the 2010 Bonds and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents and contracts on behalf of the Board and the District that are necessary or desirable in connection with the execution and delivery of the 2010 Bonds, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution or the Bond Resolution or any action relating to the 2010 Bonds heretofore taken by the Board. Such officers and those so designated are hereby charged with the responsibility for the issuance of the 2010 Bonds.

Section 17. Severability. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the 2010 Bonds issued hereunder.

Section 18. Third Party Beneficiaries. Except as herein otherwise expressly provided, nothing in this Resolution expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto, and the owners and holders of the 2010 Bonds issued under and secured by this Resolution, any right, remedy or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto, and the Holders from time to time of the 2010 Bonds issued hereunder.

Section 19. Controlling Law: Members of Governing Body of Issuer Not Liable. All covenants, stipulations, obligations and agreements of the District contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the District to the full extent authorized by the Act and provided by the constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Board or the District in his individual capacity, and, to the extent permitted by law, neither the members of the Board nor any official executing the 2010 Bonds shall be liable personally on the 2010 Bonds or this Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution by the Board or such members thereof.

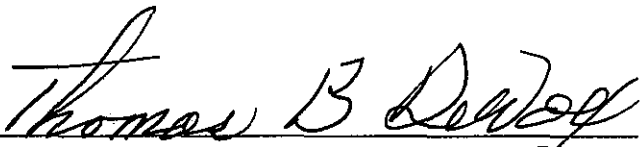
Section 20. Repeal of Inconsistent Resolutions. All resolutions or portions thereof previously adopted by the Board, other than the Bond Resolution, which are inconsistent with the provisions of this resolution are hereby repealed to the extent of such inconsistency.

Section 21. Effective Date. This Resolution shall become effective immediately upon its adoption.

This Resolution is hereby approved and adopted by the Board of Supervisors of the Reedy Creek Improvement District, this 22nd day of September, 2010.

REEDY CREEK IMPROVEMENT DISTRICT

(SEAL)



President, Board of Supervisors

ATTEST



Secretary, Board of Supervisors

EXHIBIT A

Refunding Project Description

Current refunding of the following Series 1998B Bonds dated September 1, 1998:

\$14,480,000 Series 1998B Serial Bonds

Date (June 1)	Principal Payment
2011	\$2,135,000
2012	2,235,000
2013	2,350,000
2014	2,460,000
2015	2,590,000
2016	2,710,000

The Refunded Series 1998B Bonds will be called for optional redemption on November 1, 2010, at the par amount thereof, without premium, together with accrued interest thereon.

LOAN AGREEMENT

This LOAN AGREEMENT (the "Agreement") is made and entered into as of September 23, 2010, and is by and between the Reedy Creek Improvement District, a public corporation and special taxing district of the State of Florida, and its successors and assigns (the "District"), and Bank of America, N.A., a national banking association, and its successors and assigns, as holder(s) of the hereinafter defined Bond (the "Bank").

The parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

ARTICLE I DEFINITION OF TERMS

Section 1.01 Definitions. The words and terms used in this Agreement shall have the meanings as set forth in the recitals above and the following words and terms as used in this Agreement shall have the following meanings:

"Agreement" shall mean this Loan Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Ad Valorem Taxes" shall have the meaning as set forth in the Bond Resolution.

"Bond" means the District's Ad Valorem Tax Refunding Bond, Series 2010 in the form attached to the Supplemental Resolution.

"Bond Counsel" means an attorney-at-law or firm of such attorneys having expertise in the legal aspects of the issuance of indebtedness by states and political subdivisions thereof.

"Bond Resolution" means the District's Resolution 245 duly adopted on November 15, 1991, as supplemented by the Supplemental Resolution.

"Business Day" means any day except any Saturday or Sunday or day on which the Principal Office of the Bank is lawfully closed.

"Closing Date" means the date so indicated in the Bond.

"Code" means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations, whether temporary, proposed or final, promulgated thereunder or applicable thereto.

"Event of Default" shall mean an event of default specified in Section 21 of Resolution 245 of the District.

"Loan" shall mean the loan by the Bank to the District contemplated hereby.

"Loan Amount" means \$12,150,000.

"Loan Documents" means this Agreement, the Bond Resolution and the Bond.

"Notice Address" means,

As to the District:	Reedy Creek Improvement District
	PO Box 10,170
	1900 Hotel Plaza Blvd
	Lake Buena Vista, FL 32830
As to the Bank:	Bank of America, N.A.
	9000 Southside Boulevard
	Building 100
	Jacksonville, Florida 32256

or to such other address as either party may have specified in writing to the other using the procedures specified in Section 7.06.

"Principal Office" means, with respect to the Bank, the office located at 9000 Southside Boulevard, Building 100, Jacksonville, Florida, 32256, or such other office as the Bank may designate to the District in writing.

"State" means the State of Florida.

"Supplemental Resolution" means Resolution 516 duly adopted by the District on September 22, 2010.

Section 1.02 Titles and Headings. The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II REPRESENTATIONS OF TOWN

The District represents and warrants to the Bank that:

Section 2.01 Powers of District. The District is a public corporation and special taxing district of the State, duly organized and validly existing under the laws of the State. The District has the power to borrow the amount provided for in this Agreement, to execute and deliver the Loan Documents, to secure the Bond in the manner contemplated hereby and to perform and

observe all the terms and conditions of the Loan Documents on its part to be performed and observed.

Section 2.02 Authorization of Loan. The District had, has, or will have, as the case may be, at all relevant times, full legal right, power, and authority to execute the Loan Documents, to make the Bond, and to carry out and consummate all other transactions contemplated hereby, and the District has complied and will comply with all provisions of applicable law in all material matters relating to such transactions. The District has duly authorized the borrowing of the amount provided for in this Agreement, the execution and delivery of this Agreement, and the making and delivery of the Bond to the Bank and to that end the District warrants that it will take all action and will do all things which it is authorized by law to take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Bond. The Bond has been duly authorized, executed, issued and delivered to the Bank and constitutes the legal, valid and binding obligation of the District enforceable in accordance with the terms thereof and the terms hereof, and is entitled to the benefits and security of this Agreement, subject to the provisions of the bankruptcy laws of the United States of America and to other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights, heretofore or hereinafter enacted, to the extent constitutionally applicable, and provided that its enforcement may also be subject to equitable principles that may affect remedies or other equitable relief, or to the exercise of judicial discretion in appropriate cases. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the issuance of the Bond or the execution and delivery of or the performance by the District of its obligations under this Agreement and the Bond have been obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect.

The Loan Agreement and the Bond evidencing the District's repayment obligation to the Bank under the Loan Agreement shall constitute an Additional Bond within the meaning of the Bond Resolution issued in compliance with the terms, conditions and limitations contained in Section 15E thereof which shall have an equal lien on the tax proceeds deposited in the Ad Valorem Taxes Fund created by the Bond Resolution and rank equally in all respects with the Bonds, as defined in the Bond resolution, initially issued thereunder.

Section 2.03 No Violation of Law or Contract. The District is not in default in any material respect under any agreement or other instrument to which it is a party or by which it may be bound, the breach of which could result in a material and adverse impact on the financial condition of the District or the ability of the District to perform its obligations hereunder and under the Bond. The making and performing by the District of this Agreement and the Bond will not violate any applicable provision of law, and will not result in a material breach of any of the terms of any agreement or instrument to which the District is a party or by which the District is bound, the breach of which could result in a material and adverse impact on the financial condition of the District or the ability of the District to perform its obligations

hereunder and under the Bond.

Section 2.04 Pending or Threatened Litigation. There are no actions or proceedings pending against the District or affecting the District or, to the knowledge of the District, threatened, which, either in any case or in the aggregate, might result in any material adverse change in the financial condition of the District, or which question the validity of this Agreement or the Bond or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby.

Section 2.05 Financial Information. The financial information regarding the District furnished to the Bank by the District in connection with the Loan is complete and accurate, and there has been no material and adverse change in the financial condition of the District from that presented in such information.

ARTICLE III COVENANTS OF THE DISTRICT

Section 3.01 Affirmative Covenants. For so long as any of the principal amount of or interest on the Bond is outstanding or any duty or obligation of the District hereunder or under the Bond remains unpaid or unperformed, the District covenants to the Bank as follows:

(a) **Payment.** The District shall pay the principal of and the interest on the Bond at the time and place and in the manner provided herein and in the Bond.

(b) **Use of Proceeds.** Proceeds from the Bond will be used only to currently refund the District's outstanding Ad Valorem Tax refunding Bonds, Series 1998B and to pay closing costs of the Loan.

(c) **Notice of Defaults.** The District shall within ten (10) days after it acquires knowledge thereof, notify the Bank in writing at its Notice Address upon the happening, occurrence, or existence of any Event of Default, and any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Bank with such written notice, a detailed statement by a responsible officer of the District of all relevant facts and the action being taken or proposed to be taken by the District with respect thereto.

(d) **Maintenance of Existence.** The District will take all legal action within its control in order to maintain its existence until all amounts due and owing from the District to the Bank under this Agreement and the Bond have been paid in full.

(e) **Records.** The District agrees that any and all records of the District with respect to the Loan shall be open to inspection by the Bank or its representatives at all reasonable times at the offices the District.

(f) Financial Statements. The District will cause an audit to be completed of its books and accounts and shall furnish to the Bank audited year-end financial statements of the District certified by an independent certified public accountant to the effect that such audit has been conducted in accordance with generally accepted auditing standards and stating whether such financial statements present fairly in all material respects the financial position of the District and the results of its operations and cash flows for the periods covered by the audit report, all in conformity with generally accepted accounting principles applied on a consistent basis. The District shall provide the Bank with the District's audited financial statements for each fiscal year ending on or after September 30, 2010 within 270 days after the end thereof.

(g) Notice of Liabilities. The District shall promptly inform the Bank in writing of any actual or potential contingent liabilities or pending or threatened litigation of any amount that could reasonably be expected to have a material and adverse effect upon the financial condition of the District or upon the ability of the District to perform its obligation hereunder and under the Bond.

(h) Insurance. The District shall maintain such liability, casualty and other insurance as is reasonable and prudent for similarly situated governmental entities of the State of Florida.

(i) Compliance with Laws. The District shall comply with all applicable federal, state and local laws and regulatory requirements, the violation of which could reasonably be expected to have a material and adverse effect upon the financial condition of the District or upon the ability of the District to perform its obligation hereunder and under the Bond.

(j) Payment of Document Taxes. In the event the Bond or this Agreement should be subject to the excise tax on documents or the intangible personal property tax of the State, the District shall pay such taxes or reimburse the Bank for any such taxes paid by it.

Section 3.02 Negative Covenants. For so long as any of the principal amount of or interest on the Bond is outstanding or any duty or obligation of the District hereunder or under the Bond remains unpaid or unperformed, the District covenants to the Bank as follows:

(a) No Amendment to Bond Resolution. The District shall not amend the Bond Resolution without the prior written consent of the Bank.

(b) No Adverse Borrowings. The District shall not issue or incur any indebtedness or obligation if such would materially and adversely affect the ability of the District to pay debt service on the Bond or any other amounts owing by the District under this Agreement.

Section 3.03 Automatic Payment Procedure. On the due date thereof, the District hereby authorizes the Bank to automatically deduct from a bank account of the District designated to the Bank the amount of any payment of principal or interest due from the District to the Bank under this Agreement or the Bond. If the funds in the account are insufficient to cover any payment, the Bank shall not be obligated to advance funds to cover the payment. The

Bank covenants that it shall not debit the District's account for any amount in excess of the principal and interest due from the District to the Bank as the same becomes due.

Section 3.04 Registration and Exchange of Bond. The Bond is owned by Bank of America, N.A. The ownership of the Bond may only be transferred, and the District will transfer the ownership of the Bond, upon written request of the Bank specifying the name, address and taxpayer identification number of the transferee, and the District will keep a record setting forth the identification of the owner of the Bond.

Section 3.05 Bond Mutilated, Destroyed, Stolen or Lost. In case the Bond shall become mutilated, or be destroyed, stolen or lost, the District shall issue and deliver a new Bond, in exchange and in substitution for such mutilated Bond, or in lieu of and in substitution for the Bond destroyed, stolen or lost and upon the Bank furnishing the District proof of ownership thereof and indemnity reasonably satisfactory to the District and paying such expenses as the District may incur all in accordance with the Bond resolution.

Section 3.06 Payment of Principal and Interest. The District promises that it will promptly pay the principal of and interest on the Bond at the place, on the dates and in the manner provided therein.

Section 3.07 Officers and Employees of the District Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Loan Agreement or the Bond or for any claim based hereon or thereon or otherwise in respect thereof, shall be had against any officer, agent or employee, as such, of the District past, present or future, it being expressly understood (a) that the obligation of the District under this Agreement and under the Bond is solely a corporate one, (b) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the officers, agents, or employees, as such, of the District, or any of them, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (c) that any and all such personal liability of, and any and all such rights and claims against, every such officer, agent, or employee, as such, of the District under or by reason of the obligations, covenants or agreements contained in this Agreement and under the Bond, or implied therefrom, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the issuance of the Bond on the part of the District.

Section 3.08 Business Days. In any case where the due date of interest on or principal of the Bond is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Bank.

Section 3.09 Tax Representations, Warranties and Covenants of the District.

(a) The District hereby covenants and represents that it has taken and caused to be taken and shall make and take and cause to be made and taken all actions that may be required

of it for the interest on the Bond to be and remain excluded from the gross income of the Bank for federal income tax purposes to the extent set forth in the Code, and that to the best of its knowledge it has not taken or permitted to be taken on its behalf, and covenants that to the best of its ability and within its control, it shall not make or take, or permit to be made or taken on its behalf, any action which, if made or taken, would adversely affect such exclusion under the provisions of the Code.

The District acknowledges that the continued exclusion of interest on the Bond from gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Sections 103(b)(2) and 148 of the Code. The District hereby acknowledges responsibility to take all reasonable actions necessary to comply with these requirements. The District hereby agrees and covenants that it shall not permit at any time or times any of the proceeds of the Bond or other funds of the District to be intentionally used, directly or indirectly, to acquire or to replace funds which were used directly or indirectly to acquire any higher yielding investments (as defined in Section 148 of the Code), the acquisition of which would cause the Bond to be an arbitrage bond for purposes of Sections 103(b)(2) and 148 of the Code. The District further agrees and covenants that it shall do and perform all acts and things necessary in order to assure that the requirements of Sections 103(b)(2) and 148 of the Code are met.

Specifically, without intending to limit in any way the generality of the foregoing, the District covenants and agrees:

(1) to pay to the United States of America at the times required pursuant to Section 148(f) of the Code, the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code) (other than investments attributed to an excess described in this sentence) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the Bond, plus any income attributable to such excess (the "Rebate Amount");

(2) to maintain and retain all records pertaining to and to be responsible for making or causing to be made all determinations and calculations of the Rebate Amount and required payments of the Rebate Amount as shall be necessary to comply with the Code; and

(3) to comply with all representations and restrictions contained in any Certificate as to Arbitrage and Other Tax Matters executed by the District in connection with the Bond.

The District understands that the foregoing covenants impose continuing obligations on it to comply with the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of the Code so long as such requirements are applicable.

(b) The District will comply with, and timely make or cause to be made all filings required by, all effective rules, rulings or regulations promulgated by the Department of the Treasury or the Internal Revenue Service.

(c) The District will not use, invest, direct or permit the investment of the proceeds of the Bond or any investment earnings thereon in a manner that will result in the Bond becoming a "private activity bond" within the meaning of Sections 141 and 145 of the Code.

(d) The District will not use or permit to be used more than ten percent (10%) of the proceeds of the Bond (including any amounts used to pay costs associated with issuing the Bond), including all investment income earned on such proceeds directly or indirectly, in any trade or business carried on by any person who is not the District or a state or political subdivision or instrumentality thereof as those terms are used in Section 103 of the Code (an "Exempt Person").

(e) The District will not use or permit the use of any portion of the proceeds of the Bond, including all investment income earned on such proceeds, directly or indirectly, to make or finance loans to persons who are not Exempt Persons.

(f) The District has not entered into, and will not enter into, any arrangement with any person or organization (other than an Exempt Person) which provides for such person or organization to manage, operate, or provide services with respect to more than 10% of the property financed with the proceeds of the Bond (a "Service Contract"), unless the guidelines set forth in Revenue Procedure 97-13 (or the guidelines set forth in Revenue Procedure 93-19, to the extent applicable, or any new, revised or additional guidelines applicable to Service Contracts) (the "Guidelines"), are satisfied, except to the extent it obtains a private letter ruling from the Internal Revenue Service or an opinion of nationally recognized Bond Counsel which allows for a variation from the Guidelines.

(g) The District will not cause the Bond to be treated as "federally guaranteed" for purposes of Section 149 of the Code, as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to "federally guaranteed" obligations described in Section 149 of the Code. For purposes of this paragraph, the Bond shall be treated as "federally guaranteed" if (i) all or any portion of the principal or interest is or will be guaranteed directly or indirectly by the United States of America or any agency or instrumentality thereof, or (ii) 5% or more of the proceeds of the Bond will be (A) used in making loans the payment of principal or interest with respect to which is to be guaranteed in whole or in part by the United States of America or any agency or instrumentality thereof, or (B) invested directly or indirectly in federally insured deposits or accounts, and (iii) such guarantee is not described in Section 149(b)(3) of the Code.

The terms "debt service," "gross proceeds," "net proceeds," "proceeds," and "yield" have

the meanings assigned to them for purposes of Section 148 of the Code.

Section 3.10 Section 265 Designation of Bond.

The reasonably anticipated amount of tax-exempt obligations (other than obligations described in clause (ii) of Section 265(b)(3)(C) of the Code), which have been or will be issued by the District and all entities which are subordinate to or which issue obligations on behalf of the District during 2010 does not exceed \$30,000,000, and the District hereby designates the Bond as a "qualified tax-exempt obligation" ("QTEO") for purposes of Section 265(b)(3)(B)(i) of the Code, and the District covenants and agrees not to take any action or to fail to take any action if such action or failure would cause the Bond to no longer be a QTEO.

**ARTICLE IV
CONDITIONS OF LENDING**

The obligations of the Bank to lend hereunder are subject to the following conditions precedent:

Section 4.01 Representations and Warranties. The representations and warranties set forth in this Agreement and the Bond are and shall be true and correct on and as of the date hereof and as of the date of each Advance.

Section 4.02 No Default. On the date hereof, and as of the date of each Advance, the District shall be in compliance with all the terms and provisions set forth in the Loan Documents on its part to be observed or performed, and no Event of Default nor any event that, upon notice or lapse of time or both, would constitute such an Event of Default, shall have occurred and be continuing at such time.

Section 4.03 Supporting Documents. On or prior to the date hereof, the Bank shall have received the following supporting documents, all of which shall be satisfactory in form and substance to the Bank (such satisfaction to be evidenced by the purchase of the Bond by the Bank):

(a) the opinion of the attorney for the District or bond counsel to the District, regarding the due authorization, execution, delivery, validity and enforceability of the Bond Resolution, this Agreement and the Bond;

(b) the opinion of counsel to the District to the effect that, (1) the interest on such Bond is excluded from gross income for federal income tax purposes and such Bond is not an item of tax preference under Section 57 of the Code, (2) the Bond and the income thereon are exempt from the Florida excise tax on documents and intangible personal property tax and (3) the Bond is a QTEO; and

(c) such additional supporting documents as the Bank may reasonably request.

ARTICLE V FUNDING THE LOAN

Section 5.01 The Loan. The Bank hereby agrees to lend to the District the Loan Amount on the date hereof and upon the terms and conditions set forth in this Agreement. The District agrees to repay the principal amount borrowed plus interest thereon, upon the terms and conditions set forth in this Agreement and the Bond.

Section 5.02 Description and Payment Terms of the Bond. To evidence the obligation of the District to repay the Loan, the District shall make and deliver to the Bank the Bond in the Supplemental Resolution.

ARTICLE VI EVENTS OF DEFAULT

Section 6.01 Reserved.

Section 6.02 Effect of Event of Default.

Upon the happening of an Event of Default the Bank shall have the remedies available as provided in the Bond Resolution.

ARTICLE VII MISCELLANEOUS

Section 7.01 No Waiver; Cumulative Remedies. No failure or delay on the part of the Bank in exercising any right, power, remedy hereunder or under the Bond shall operate as a waiver of the Bank's rights, powers and remedies hereunder or under the Bond Resolution, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof, or the exercise of any other right, power or remedy hereunder or thereunder. The remedies herein and therein provided are cumulative and not exclusive of any remedies provided by law or in equity.

Section 7.02 Amendments, Changes or Modifications to the Agreement. This Agreement shall not be amended, changed or modified except in writing signed by the Bank and the District. The District agrees to pay all of the Bank's costs and reasonable attorneys' fees incurred in modifying and/or amending this Agreement at the District's request or behest.

Section 7.03 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement, and, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 7.04 Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any other provisions or sections hereof, and this Agreement shall be construed and enforced to the end that the transactions contemplated hereby be effected and the obligations contemplated hereby be enforced, as if such illegal or invalid clause, provision or section had not been contained herein.

Section 7.05 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the District in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Bond is outstanding.

Section 7.06 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy, electronic telephone line facsimile transmission or other similar electronic or digital transmission method (provided customary evidence of receipt is obtained); the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid. In each case notice shall be sent to the Notice Address.

Section 7.07 Applicable Law; Venue. This Agreement shall be construed pursuant to and governed by the substantive laws of the State. The District and the Bank waive any objection either might otherwise have to venue of any action lying in Orange or Osceola County, Florida.

Section 7.08 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the successors in interest and permitted assigns of the parties. The District shall have no rights to assign any of its rights or obligations hereunder without the prior written consent of the Bank.

Section 7.09 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 7.10 Attorneys Fees. To the extent legally permissible, the District and the Bank agree that in any suit, action or proceeding brought in connection with this Agreement or the Bond (including any appeal(s)), the prevailing party shall be entitled to recover costs and attorneys' fees from the other party.

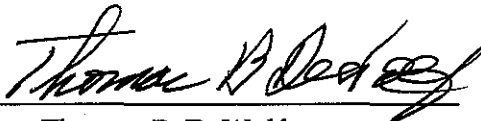
Section 7.11 Entire Agreement. Except as otherwise expressly provided, this Agreement and the Bond embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter

hereof.

Section 7.12 Further Assurances. The parties to this Agreement will execute and deliver, or cause to be executed and delivered, such additional or further documents, agreements or instruments and shall cooperate with one another in all respects for the purpose of out the transactions contemplated by this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date of first set forth above.

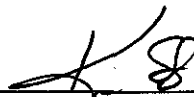
REEDY CREEK IMPROVEMENT DISTRICT

By: 

Name: Thomas B. DeWolf

Title: President, Board of Supervisors

BANK OF AMERICA, N.A.

By: 

Name: Kathryn Sikes

Title: Senior Vice President

**UNITED STATES OF AMERICA
STATE OF FLORIDA
REEDY CREEK IMPROVEMENT DISTRICT
AD VALOREM TAX REFUNDING BOND,
SERIES 2010**

INTEREST RATE:	MATURITY DATE:	ORIGINAL DATED DATE
1.58%	June 1, 2016	September 23, 2010

REGISTERED OWNER: BANK OF AMERICA, N.A.

**PRINCIPAL
AMOUNT: TWELVE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS
 (\$12,150,000)**

Reedy Creek Improvement District (hereinafter called the "District"), for value received, hereby promises to pay to the Registered Owner above, or to its registered assigns or legal representatives, to the extent and from the sources pledged therefor, as described herein, on the Maturity Date identified above (or earlier as hereinafter provided), the Principal Amount identified above, upon presentation and surrender hereof at the principal office of the District, as Registrar and Paying Agent (the "Registrar") and to pay to the extent and from the sources herein described, interest on the principal sum from the date hereof, subject to adjustment as provided herein, or from the sources herein described interest on the principal sum, or until provisions for the payment thereof has been duly made, such interest being payable semi-annually on the first day of June and the first day of December of each year, commencing on December 1, 2010. Interest will be paid by check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the District maintained by the Bond Registrar at the close of business on the fifteenth (15) day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the 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 person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice by deposit in the U.S. mails, postage prepaid, by the District to the Registered Owners of 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 (whether or not a business day) preceding the date of mailing. Payment of interest on the Bonds may, at the option of any owner of Bonds, be transmitted by wire transfer to such Owner to the bank account number on file with the Paying Agent as of the Record Date. If any date for the payment of principal of,

premium, if any, or interest on any Bonds is not a business day, the date for such payment shall be the next succeeding business day and payment on such date shall have the same force and effect as if made on the nominal date of payment. Payment of an amortization installment shall not require presentment by the Owner and the District shall otherwise maintain records of such payment.

In all cases, interest on the Bond shall be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

As used in this Bond:

(1) "Code" means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations, whether temporary, proposed or final, promulgated thereunder or applicable thereto;

(2) "Determination of Taxability" shall mean interest on this Bond is determined or declared, by the Internal Revenue Service or a court of competent jurisdiction to be included in the gross income of the Owner for federal income tax purposes under the Code.

All payments by the City pursuant to this Note shall apply first to accrued interest, then to other charges due the Bank, and the balance thereof shall apply to the principal sum due.

Upon the occurrence of a Determination of Taxability, the interest rate on this Bond shall be adjusted to a rate equal to 154% of the interest rate otherwise borne hereby (the "Adjusted Interest Rate"), as of and from the date such Determination of Taxability would be applicable with respect to this Bond (the "Accrual Date"); and (i) the District shall on the next interest payment date (or if this Bond shall have matured, within 30 days after demand by the Bank) hereon pay to the Bank an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on this Bond at the Adjusted Interest Rate from the Accrual Date to such next interest payment date, and (B) the actual interest paid by the District on this Bond from the Accrual Date to such next interest payment date, and (2) any interest and penalties required to be paid as a result of any additional State of Florida and federal income taxes imposed upon such Bank and/or former Bank arising as a result of such Determination of Taxability; and (ii) from and after the Date of the Determination of Taxability, this Bond shall continue to bear interest at the Adjusted Interest Rate for the period such determination continues to be applicable with respect to this Bond. This adjustment shall survive payment of this Bond until such time as the federal statute of limitations under which the interest on this Bond could be declared taxable under the Code shall have expired.

The District shall also be obligated to pay as a part of the indebtedness evidenced by this Bond a late payment fee in the amount of 4% of any payment not paid within 15 days of the due date, which late payment shall be due and payable immediately.

The Bonds are not subject to optional redemption by the District prior to maturity.

The Bond is subject to mandatory redemption by lot prior to its scheduled final maturity, on June 1 in the years and in the amortization installments set forth below at a redemption price of 100% of the amortization installment plus accrued interest to the date of redemption:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2012	\$2,350,000	2015	2,470,000
2013	2,390,000	2016	2,510,000
2014	2,430,000		

This Bond is one of an authorized issue of bonds in the aggregate principal amount of \$12,150,000 of like date, tenor and effect, except as to number, maturity (unless all bonds mature on the same date) and interest rate (unless all bonds bear the same interest rate), issued to provide for the refunding of all of the District's Ad Valorem Tax Refunding Bonds, Series 1998B and the payment of the costs of issuance of the Series 2010 Bonds, pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Chapter 67-764, Laws of Florida, Special Acts of 1967 (the "Act") and Chapter 132, Florida Statutes, and other applicable provisions of law and resolutions duly adopted by the Board of Supervisors of the District in connection with the issuance of the Bonds on November 15, 1991, and September 22, 2010 (collectively, the "Resolutions"). The terms and provisions of the Loan Agreement by and between the District and the Owner of the Bond are incorporated herein by reference as if set forth herein verbatim. This Bond is subject to all the terms and conditions of the Resolutions and the Loan Agreement, and capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Resolutions.

The Resolutions provide that the Bonds, together with the interest thereon, are payable from and secured by a lien upon and pledge of the first proceeds collected by the District from ad valorem taxes levied at a rate not exceeding thirty (30) mills on the dollar per annum on the assessed value of all taxable property in the District on a parity with the lien thereon and pledge thereof in favor of the holders of the District's outstanding Ad Valorem Tax Refunding Bonds, Series 2001A, the District's outstanding Ad Valorem Tax Bonds, Series 2004A and the District's outstanding Ad Valorem Tax Bonds, Series 2004B, the District's outstanding Ad Valorem Tax Bonds, Series 2005A and the District's outstanding Ad Valorem Tax Refunding Bonds, Series 2005B and with any other bonds issued on a parity pursuant to the Resolution.

Reference is made to the Resolutions for the provisions, among others, relating to the terms, lien and security for the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the holders of the Bonds, and the extent of and limitations on the District's rights, duties and obligations, to all of which provisions the registered owner hereof assents by acceptance hereof.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolutions until the Certificate of Authentication endorsed hereon shall have been signed by the Registrar.

The registration may be transferred upon the registration books upon delivery thereof to the principal office of the Registrar accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar duly executed by the owner of this Bond or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of this Bond, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of a Bond, the Registrar shall at the earliest practical time in accordance with the provisions of the Resolutions enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same source of funds. The District and the Registrar may charge the owner of such Bond for the registration of every transfer or exchange of a Bond an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the District) to be paid with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bond shall be delivered.

It is hereby certified and recited that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Florida, that all acts, conditions and things required to exist, to happen, and to be performed precedent to the issuance of this Bond exist, have happened been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable hereto, and that the issuance of the Bonds of this issue does not violate any constitutional or statutory limitation, or provision.

This Bond is and has all the qualities and incidents of an investment security under the Uniform Commercial Code Investment of the State of Florida.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Reedy Creek Improvement District has issued this Bond and has caused the same to be signed by its President and attested and countersigned by its Secretary, either manually and with their facsimile signatures, and a facsimile of its seal to be reproduced hereon, all as of the 23rd day of September, 2010.

REEDY CREEK IMPROVEMENT DISTRICT

By: Thomas B. Davoe
President

[SEAL]

ATTESTED AND COUNTERSIGNED:

By: Rita Warren
Secretary