

**REEDY CREEK IMPROVEMENT DISTRICT
(FLORIDA)**

**\$30,000,000
UTILITIES REVENUE BONDS
SERIES 2011-2**

DECEMBER 1, 2011

**REEDY CREEK IMPROVEMENT DISTRICT
(FLORIDA)**

**\$30,000,000
UTILITIES REVENUE BONDS
SERIES 2011-2**

CLOSING INDEX

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

1:00 P.M., November 16, 2011 at the office of Reedy
Creek Improvement District (Florida), 1900 Hotel
Plaza Blvd., Lake Buena Vista, FL 32830

**TIME, DATE AND PLACE
OF CLOSING**

11:00 A.M., December 1, 2011
Via Telephone Conference Call

PARTIES TO FINANCING

District:	Reedy Creek Improvement District
Bank:	JPMorgan Chase Bank, N.A.
District's Special Counsel:	Lee G. Schmudde, Esquire
Bond Counsel:	Greenberg Traurig, P.A.
District's Financial Advisor:	Dunlap & Associates, Inc.
Trustee:	U.S. Bank National Association
Trustee's Counsel:	Bryant Miller & Olive
Bank's Counsel:	Edwards Wildman Palmer LLP

RESOLUTION NO. 528

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE REEDY CREEK IMPROVEMENT DISTRICT AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED AN AGGREGATE PRINCIPAL AMOUNT OF \$35,000,000 (1) REEDY CREEK IMPROVEMENT DISTRICT (FLORIDA) UTILITIES REVENUE REFUNDING BONDS, SERIES 2011-1, TO PAY THE COST OF REFUNDING ALL OF THE OUTSTANDING REEDY CREEK IMPROVEMENT DISTRICT (FLORIDA) UTILITIES REVENUE BONDS, SERIES 1997-1; AND TO PAY RELATED COSTS AND THE COST OF REQUIRED DEPOSITS, IF ANY, INTO THE SERIES 2011-1 COSTS OF ISSUANCE ACCOUNT; AND (2) REEDY CREEK IMPROVEMENT DISTRICT (FLORIDA) UTILITIES REVENUE BONDS, SERIES 2011-2, TO PAY THE COSTS OF IMPROVEMENTS TO THE UTILITY SYSTEM AND TO PAY RELATED COSTS AND THE COST OF REQUIRED DEPOSITS, IF ANY, INTO THE SERIES 2011-2 COSTS OF ISSUANCE ACCOUNT AND THE DEBT SERVICE RESERVE ACCOUNT, APPOINTING A REGISTRAR AND PAYING AGENT IN CONNECTION THEREWITH; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE CONTRACT WITH THE PURCHASER OF THE SERIES 2011-1 BONDS AND THE PURCHASER OF THE SERIES 2011-2 BONDS, A TWELFTH SUPPLEMENTAL TRUST INDENTURE PROVIDING FOR THE ISSUANCE OF THE SERIES 2011-1 BONDS AND OTHER MATTERS RELATED TO THE ISSUANCE OF THE SERIES 2011-1 BONDS, A THIRTEENTH SUPPLEMENTAL TRUST INDENTURE PROVIDING FOR THE ISSUANCE OF THE SERIES 2011-2 BONDS AND OTHER MATTERS RELATED TO THE ISSUANCE OF THE SERIES 2011-2 BONDS, PROVIDING FOR THE SPECIFICATION OF THE INTEREST RATES, MATURITY DATES, AND THE REDEMPTION TERMS OF THE SERIES 2011-1 BONDS AND THE SERIES 2011-2 BONDS; RATIFYING, CONFIRMING AND APPROVING EXECUTION OF A RATE LOCK AGREEMENT TO ASSIST THE DISTRICT IN THE MANAGEMENT OF INTEREST COSTS ASSOCIATED WITH THE ISSUANCE OF THE SERIES 2011-2 BONDS; DECLARING THE DISTRICT'S OFFICIAL INTENT WITH RESPECT TO REIMBURSEMENTS FROM PROCEEDS OF THE BONDS OF TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES; AUTHORIZING THE PROPER OFFICERS OF THE DISTRICT TO DO ALL ACTS NECESSARY AND PROPER FOR CARRYING OUT THE TRANSACTIONS CONTEMPLATED BY THE RESOLUTION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board desires to authorize and proceed with the issuance in an aggregate principal amount not to exceed \$35,000,000 of its (A) Utilities Revenue Refunding Bonds, Series 2011-1 (the "Series 2011-1 Bonds") (i) which together with other available monies of the District, will be sufficient to refund all of the District's Utilities Revenue Bonds, Series 1997-1 (the "Refunded Bonds") and (ii) pay other related costs of such refunding, including the making of required deposits, if any, into the Series 2011-1 Costs of Issuance Account; and (B) Utilities Revenue Bonds, Series 2011-2 (the "Series 2011-2 Bonds") to (i) pay the cost of certain capital improvements to the Utility System (as more specifically described on Schedule I to the hereinafter described Thirteenth Supplemental Indenture, the "Improvements"), (ii) fund a portion of the Debt Service Reserve Account, and (iii) pay the costs of issuance of the Series 2011-2 Bonds Utilities Revenue Refunding Bonds, Series 2011-2 (the Series 2011-2 Bonds together with the Series 2011-1 Bonds, the "Series 2011 Bonds"); and

WHEREAS, the Series 2011-1 Bonds are to be issued pursuant to the Trust Indenture, dated as of November 1, 1987, as supplemented and amended to the date hereof (the "Original Indenture"), between the District and U.S. Bank National Association, as successor trustee (the "Trustee"), as proposed to be supplemented by a Twelfth Supplemental Indenture (the "Twelfth Supplemental Indenture") between the District and the Trustee, a proposed form of which is attached hereto as **Exhibit A**; and

WHEREAS, the Series 2011-2 Bonds are to be issued pursuant to the Original Indenture, as proposed to be supplemented by a Thirteenth Supplemental Trust Indenture (the "Thirteenth Supplemental Indenture") between the District and the Trustee, a proposed form of which is attached hereto as **Exhibit B** (the Original Indenture, the Twelfth Supplemental Indenture and the Thirteenth Supplemental Indenture are collectively referred to as the "Indenture"); and

WHEREAS, the Series 2011 Bonds will be secured by a first lien on the Net Revenues, as defined in the Original Indenture, on a parity with the District's Outstanding Utilities Revenue Bonds heretofore issued under the Original Indenture (the "Prior Bonds"); and

WHEREAS, JPMorgan Chase Bank, N.A. (the "Purchaser"), has submitted an offer or offers to purchase the Series 2011-1 Bonds and the Series 2011-2 Bonds pursuant to Purchase Contracts, in the form attached hereto as **Exhibit C-1** and **C-2**, respectively (collectively, the "Purchase Contract"); and

WHEREAS, the Board finds it desirable to authorize the issuance and sale of such Series 2011 Bonds under the Indenture in the amounts as provided herein and in the Purchase Contract at private, negotiated sales and to take all other actions related to such issuances and sales; and

WHEREAS, the Board wishes to approve the form and content of and authorize the execution and delivery of the Purchase Contract; and

WHEREAS, the Board wishes to approve the form and content of and authorize the execution and delivery of the Twelfth Supplemental Indenture and the Thirteenth Supplemental Indenture, providing, respectively, for the issuance of the Series 2011-1 Bonds and the Series 2011-2 Bonds and other matters; and

WHEREAS, because of the current volatility existing in the market for securities similar to the Series 2011-2 Bonds, the Board finds it appropriate to ratify, confirm and approve a rate lock agreement to manage the interest rate risk associated with the timing of the issuance of the Series 2011-2 Bonds (as more specifically defined in Section 16 hereof, a "Hedge Agreement"); and

WHEREAS, United States Treasury Regulation 1.150-2 (the "Regulation") prescribes conditions under which proceeds of bonds, notes or other indebtedness issued by political subdivisions, hereinafter referred to as "Bonds", will be deemed "spent" for the purposes of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), when used to reimburse advances made by such borrowers for capital expenditures paid before the issuance of such obligations, so that upon reimbursement the proceeds so used will not further be subject to requirements or restrictions as to unspent proceeds under those sections of the Code; and

WHEREAS, certain provisions of the Regulation require that there be a declaration of official intent within 60 days after a capital expenditure expected to be reimbursed from proceeds of Bonds, and that the reimbursement allocation on the books or records occur within 18 months after the later of the day the expenditure is paid or the day the property is placed in service but no later than three years after the expenditure is paid; and

WHEREAS, the District desires to take all steps necessary for compliance with the Regulation in connection with the issuance of the 2011-2 Bonds;

WHEREAS, the Board desires to take certain other actions with respect to, and to make other authorizations related to, the issuance of the Series 2011 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 and other applicable provisions of law (collectively, the Act").

Section 2. Definitions. Unless the context otherwise requires, all terms used herein in capitalized form shall have the same meanings ascribed to such terms in the Indenture.

Section 3. Findings. It is hereby ascertained, determined and declared that:

(A) The District is empowered under the Act to own, operate and maintain utilities systems including water, wastewater, gas, electric, chilled water, hot water, and solid waste disposal utilities systems for the benefit of the District and to derive Gross Revenues therefrom. The District now owns or leases, operates and maintains the System and derives Gross Revenues therefrom.

(B) The District is authorized under the Act to issue bonds and use the proceeds thereof to pay the cost of the Improvements and to pay the cost of refunding the Refunded Bonds.

(C) It is necessary, advisable, desirable, and in the best interests of the District that the Series 2011 Bonds in an amount not to exceed \$35,000,000 be authorized and issued (1) to finance the cost of refunding the Refunded Bonds, in the case of the Series 2011-1 Bonds, and (2) to finance the cost of the Improvements, in the case of the Series 2011-2 Bonds.

(D) The cost of the Improvements includes all items of cost set forth in the definition of "Costs of the Project" in the Indenture.

(E) Except for the pledge of the Net Revenues for the benefit of the Prior Bonds, the Net Revenues of the System are not now pledged to or encumbered by any obligation secured on a parity with the Series 2011 Bonds, except in accordance with the terms hereof.

(F) The Series 2011 Bonds shall be issued pursuant to the Indenture as *pari passu* additional bonds under Section 7.10 of the Original Indenture and this Resolution shall constitute a "Series Resolution" within the meaning and for the purposes of the Indenture.

(G) The principal of and interest on the Series 2011 Bonds and all of the reserve, sinking fund and other payments provided for in this Resolution, the Twelfth Supplemental Indenture and the Thirteenth Supplemental Indenture will be paid solely from the Trust Estate, all as provided in the Indenture, and neither the faith and credit nor the taxing power of the District, the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or premium, if any, or interest on the Series 2011 Bonds.

(H) The Series 2011-2 Bonds will not be issued until all conditions relating to the issuance of *pari passu* additional bonds under the Original Indenture have been met, including, but not limited to, with respect to the Series 2011-2 Bonds, a certification of the District Comptroller that the amount of Net Revenues, as adjusted pursuant to Section 7.10 of the Original Indenture, received during any twelve (12) consecutive months of the eighteen (18) months immediately preceding the issuance of the Series 2011-2 Bonds, will be at least equal to one hundred ten percent (110%) of the Maximum Annual Debt Service on the Outstanding Bonds under the Indenture (including for this purpose the Series 2011-2 Bonds).

(I) It is hereby found and declared that a negotiated sale of the Series 2011 Bonds is in the best interest of the District and is found to be necessary on the basis of the following reasons, as to which specific findings are hereby made:

(i) Due to the volatility of the municipal market, including the market for tax exempt securities such as the Series 2011 Bonds, the District must be able to enter the market at the most advantageous time, rather than at a specific advertised date, thereby permitting the District to obtain the best possible price and interest rate with respect to the Series 2011 Bonds.

(ii) The Purchaser has participated in structuring the issuance of the Series 2011 Bonds.

(J) The Purchaser will provide the District at the time of execution of each Purchase Contract disclosure statements regarding the Series 2011 Bonds containing the information required by Section 218.385(6), Florida Statutes.

(K) It is hereby ascertained, determined and declared that it is in the best interest of the District to authorize the President or Vice President of the Board and the Secretary or District Comptroller of the District to accept an offer by the Purchasers to purchase each series of the Series 2011 Bonds in the aggregate principal amount not to exceed \$35,000,000 at private negotiated sales upon the terms and conditions set forth herein.

Section 4. Resolution to Constitute a Contract. In consideration of the acceptance of the Series 2011 Bonds authorized to be issued under the Indenture by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the District and such Owners of Series 2011 Bonds. The covenants and agreements set forth herein to be performed by the District shall be for the equal benefit, protection and security of the Owners; and all Authorized Bonds issued under and pursuant to the Indenture shall be of equal rank with and without preference or priority over or distinction between any such Authorized Bonds over any other except as expressly provided therein and herein.

Section 5. Authorization of Refunding of the Refunded Bonds. There is hereby authorized the refunding of the Refunded Bonds on the terms and conditions provided in the Indenture. The President or Vice President of the Board and the Secretary or District Comptroller of the District are hereby delegated the power to specify the date upon which the Refunded Bonds are to be paid or redeemed.

Section 6. Authorization of Improvements. There is hereby authorized the Improvements as the same may be amended and supplemented, and subject to such modifications thereof and variations therefrom which, from time to time, may be determined by the Board to be necessary for or in the best interest of the District.

Section 7. Authorization of Series 2011-1 Bonds. Subject and pursuant to the provisions of the Indenture, this Resolution and any subsequent resolutions adopted by the Board in connection with the Series 2011-1 Bonds prior to the issuance thereof, Series 2011-1 Bonds of the District are hereby authorized to be issued in an aggregate principal amount which, together with the aggregate principal amount of the Series 2011-2 Bonds shall not exceed \$35,000,000, to refund the Refunded Bonds. The authority to determine the aggregate principal amount of the Series 2011-1 Bonds subject to the limitation set forth herein is hereby delegated to the President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, which terms shall be set forth in the Purchase Contract and the Twelfth Supplemental Indenture. The Series 2011-1 Bonds are to be issued under and pursuant to the Indenture and shall be designated "Reedy Creek Improvement District (Florida) Utilities Revenue Refunding Bonds, Series 2011-1."

Section 8. Authorization of Series 2011-2 Bonds. Subject and pursuant to the provisions of the Indenture, this Resolution and any subsequent resolutions adopted by the Board in connection with the Series 2011-2 Bonds prior to the issuance thereof, Series 2011-2 Bonds of the District are hereby authorized to be issued in an aggregate principal amount which, together with the aggregate principal amount of the Series 2011-1 Bonds, shall not exceed \$35,000,000, to finance the cost of the Improvements. The authority to determine the aggregate principal amount of the Series 2011-2 Bonds subject to the limitation set forth herein and of each maturity of the Series 2011-2 Bonds to be issued is hereby delegated to the President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, which terms shall be set forth in the

Purchase Contract and the Thirteenth Supplemental Indenture. The Series 2011-2 Bonds are to be issued under and pursuant to the Indenture and shall be designated "Reedy Creek Improvement District (Florida) Utilities Revenue Bonds, Series 2011-2."

Section 9. Interest Rates and Redemption Terms of the Series 2011 Bonds.

(a) The President or Vice President of the Board and the Secretary or District Comptroller of the District are hereby delegated the power to specify (i) the dated dates, interest rates, maturing amounts and related provisions with respect to the Series 2011-1 Bonds; and (ii) the terms of any optional redemption of the Series 2011-1 Bonds; *provided, however, that:*

(i) the final maturity of the Series 2011-1 Bonds shall be no later than October 1, 2019;

(ii) the purchase price paid by the Purchasers shall not be less than ninety-eight percent (98%) of the aggregate principal amount of Series 2011-1 Bonds contracted to be purchased (without consideration of original issue premium and original issue discount);

(iii) the present value savings realized by the refunding of the Refunded Bonds shall be at least 5.00% of the principal amount of the aggregate of the Refunded Bonds.

Such specification regarding the Series 2011-1 Bonds shall be conclusively evidenced by the delivery of the Twelfth Supplemental Indenture in accordance herewith.

(b) The President or Vice President of the Board and the Secretary or District Comptroller of the District are hereby delegated the power to specify (i) the dated dates, interest rates, maturing amounts and related provisions with respect to the Series 2011-2 Bonds; (ii) which, if any, of the Series 2011-2 Bonds are to be Term Bonds under the Indenture and the terms of any mandatory redemption thereof including Amortization Installments; and (iii) the terms of any optional redemption of the Series 2011-2 Bonds; *provided, however, that:*

(i) the final maturity of the Series 2011-2 Bonds shall not exceed approximately twenty (20) years;

(ii) the purchase price paid by the Purchasers shall not be less than ninety-eight percent (98%) of the aggregate principal amount of Series 2011-2 Bonds contracted to be purchased (without consideration of original issue premium and original issue discount);

(iii) the true interest cost of the Series 2011-2 Bonds shall not exceed 4.00% per annum.

Such specification regarding the Series 2011-2 Bonds shall be conclusively evidenced by the delivery of the Thirteenth Supplemental Indenture in accordance herewith.

Section 10. Security for the Series 2011 Bonds. The payment of the principal of and premium, if any, and interest on the Series 2011 Bonds shall be secured equally and ratably by a lien on and pledge of the Trust Estate under the Indenture with the Outstanding Parity Bonds and any other additional Bonds issued pursuant to Section 7.10 of the Original Indenture, without preference, priority or distinction of any Bond over any other Bond and insofar as such lien on and pledge of the Trust Estate includes a lien on and pledge of the Net Revenues of the System with any Parity Obligations issued or to be issued under Section 7.10 of the Original Indenture.

The Series 2011 Bonds and the obligation evidenced thereby shall not constitute a lien upon the District's System, or any part thereof, or on any other property of or in the District, but shall be limited obligations of the District secured solely by and payable solely from the Trust Estate. Neither the faith and credit nor the taxing power of the District or the State of Florida or of any political subdivision thereof is pledged to the payment of the principal of or premium, if any, or interest on the Series 2011 Bonds. The principal of or premium, if any, or interest on the Series 2011 Bonds shall not be deemed to constitute a general debt, liability or obligation of the District or the State of Florida or any political subdivision thereof.

Section 11. Indenture. It is the intention of the District that the Series 2011 Bonds be and they are hereby designated to be issued pursuant to the terms of the Indenture. Upon fulfillment of all of the terms and conditions of Section 7.10 of the Original Indenture and the authentication by the Trustee of the Series 2011 Bonds, the Series 2011 Bonds shall be entitled to all of the benefits of the Indenture as if such benefits were set forth fully in this Resolution.

Section 12. Appointment of Registrar and Paying Agent. The District hereby appoints U.S. Bank National Association as the Registrar and Paying Agent in connection with the Series 2011-1 Bonds under the terms of the Twelfth Supplemental Indenture and in connection with the Series 2011-2 Bonds under the terms of the Thirteenth Supplemental Indenture.

Section 13. Authorization of Execution and Delivery of Twelfth Supplemental Indenture. The District hereby approves the form and content of the Twelfth Supplemental Indenture. The President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, are hereby authorized and directed to execute and deliver, on behalf of the District, the Twelfth Supplemental Indenture substantially in the form attached hereto as **Exhibit A** with such changes, insertions or deletions and such completion of blanks therein as the officers executing the same, in their sole discretion, shall approve, such execution to be conclusive evidence of such approval.

Section 14. Authorization of Execution and Delivery of Thirteenth Supplemental Indenture. The District hereby approves the form and content of the Thirteenth Supplemental Indenture. The President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, are hereby authorized and directed to execute and deliver, on behalf of the District, the Thirteenth Supplemental Indenture substantially in the form attached hereto as **Exhibit B** with such changes, insertions or deletions and such completion of blanks therein as the officers executing the same, in their sole discretion, shall approve, such execution to be conclusive evidence of such approval.

Section 15. Authorization of Execution and Delivery of the Purchase Contract. The District hereby approves the form and content of the Purchase Contract, attached hereto as composite Exhibit C. Subject to the limitations contained herein, the President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, are authorized and directed to execute and deliver each Contract substantially in the forms of Exhibit C-1 and C-2 with such changes, insertions or deletions and such completion of blanks therein as they, in their sole discretion, may approve, such execution to constitute conclusive evidence of such approval.

Section 16. Hedge Agreement. The District hereby ratifies, confirms and approves the acceptance of the Forward Rate Lock dated July 20, 2011, issued by JPMorgan Chase Bank, N.A., to the District to be used by the District as a hedging device not for investment but with respect to its obligation to pay the interest on the Series 2011-2 Bonds, for the purpose of reducing or otherwise managing the District's risk of interest rate changes (attached hereto Exhibit D, the "Hedge Agreement"). The President and the Secretary or the District Comptroller are hereby authorized and directed to take such actions (including, without limitation, approval of changes to the documents herein approved) and to execute such commitments, certificates, instruments and agreements as shall be necessary or desirable in connection with the Hedge Agreement.

Section 17. Authorization and Requirement of Declaration of Official Intent. The District hereby declares its official intent to reimburse itself from the proceeds of the 2011-2 Bonds for certain capital expenditures (including any costs of issuance of the 2011-2 Bonds) with respect to the acquisition and construction the Improvements paid within 60 days prior to the date of this Resolution and to be incurred subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation § 1.150-2. The obligations to be incurred to finance the Improvements are expected not to exceed an aggregate principal amount of \$30,000,000. For purposes of this Section 17, "reimbursement" or "reimburse" means the restoration to the District of money temporarily advanced from its other funds and spent for capital expenditures (including any issuance costs) before the issuance of the 2011-2 Bonds. Such terms do not include the refunding or retiring of Bonds previously issued and sold to, or borrowings from, unrelated entities (entities not in the same "controlled group" within the meaning of the Regulation).

Section 18. Authorizations. (A) The President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, are hereby authorized and directed, on behalf of the District, to execute the Series 2011-1 Bonds and the Series 2011-2 Bonds (including any temporary bond or bonds) as provided in the Indenture and any of such officers is hereby authorized and directed, upon the execution of the Series 2011-1 Bonds in the form and manner set forth in the Twelfth Supplemental Indenture and herein and the Series 2011-2 Bonds in the form and manner set forth in the Thirteenth Supplemental Indenture and herein, to deliver the Series 2011-1 Bonds and the Series 2011-2 Bonds in the amounts authorized to be issued hereunder, to the Trustee for authentication and delivery to or upon order of the Purchaser pursuant to the respective Purchase Contract, upon payment of the purchase price and upon compliance by the Purchaser with the terms of the related Purchase Contract.

(B) The President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, are each designated as agents of the Board and the District in connection with the issuance and delivery of the Series 2011 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 Series 2011 Bonds and for carrying out the transactions contemplated by this resolution, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution or the Indenture or any action relating to the Series 2011 Bonds heretofore taken by the Board. The President or Vice President of the Board, jointly with the Secretary or District Comptroller of the District, are hereby authorized to do all things necessary to provide for the issuance of the Series 2011 Bonds.

Section 19. It is hereby found and determined that all formal actions of the Board concerning and relating to the adoption of this Resolution and the consummation of the transactions contemplated by this Resolution were adopted in open meetings of the Board, and that all deliberations of the Board that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

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Section 20. Effective Date. This Resolution shall take effect immediately upon its passage in the manner provided by law.

ADOPTED this 27th day of July, 2011.

REEDY CREEK IMPROVEMENT DISTRICT

By: 
President, Board of Supervisors

Attest:


Secretary to the Board of Supervisors

EXHIBIT A

FORM OF TWELFTH SUPPLEMENTAL INDENTURE

[See Item 1.2(m) of the Series 2011-1 transcript]

EXHIBIT B

FORM OF THIRTEENTH SUPPLEMENTAL INDENTURE

[See Item 1.2(n) of this transcript]

EXHIBIT C-1
FORM OF PURCHASE CONTRACT
(Series 2011-1 Bonds)

[See Item 1.3 of Series 2011-1 transcript]

C-1

181,971,405
020269011600

EXHIBIT C-2
FORM OF PURCHASE CONTRACT
(Series 2011-2 Bonds)

[See Item 1.3 of this transcript]

THIRTEENTH SUPPLEMENTAL TRUST INDENTURE

by and between

REEDY CREEK IMPROVEMENT DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of December 1, 2011

181,992,952
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SCHEDULE I – IMPROVEMENTS
EXHIBIT A – FORM OF SERIES 2011-2 BONDS

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THIS THIRTEENTH SUPPLEMENTAL TRUST INDENTURE is entered into as of December 1, 2011, by and between **REEDY CREEK IMPROVEMENT DISTRICT**, a public corporation of the State of Florida (the "District"), and **U.S. BANK NATIONAL ASSOCIATION** (successor in interest to SunTrust Bank), a national banking association having a designated corporate trust office in the Orlando, Florida (the "Trustee"), and supplements the Trust Indenture, dated as of November 1, 1987, as heretofore supplemented by the Supplemental Trust Indenture, dated as of June 1, 1990, by the Second Supplemental Trust Indenture, dated as of November 15, 1991, by the Third Supplemental Trust Indenture, dated as of November 15, 1991, by the Fourth Supplemental Trust Indenture, dated as of January 1, 1994, by the Fifth Supplemental Trust Indenture, dated as of August 1, 1997, by the Sixth Supplemental Trust Indenture, dated as of September 15, 1999, by the Seventh Supplemental Trust Indenture, dated as of September 15, 1999, by the Eighth Supplemental Trust Indenture, dated as of June 15, 2003, by the Ninth Supplemental Trust Indenture, dated as of June 15, 2003, by the Tenth Supplemental Trust Indenture, dated as of May 1, 2005, and by the Eleventh Supplemental Trust Indenture, dated as of May 1, 2005, and by the Twelfth Supplemental Trust Indenture, dated as of August 1, 2011 (collectively, the "Original Indenture"), each by and between the District and the Trustee.

WITNESSETH

WHEREAS, the District has determined to issue a Series of Utilities Revenue Bonds in the aggregate principal amount of \$30,000,000 (the "Series 2011-2 Bonds"), the proceeds of which shall be used to (i) pay the cost of certain capital improvements to the Utility System (as more specifically described on Schedule I hereto, the "Improvements") and (ii) pay the costs of issuance of the Series 2011-2 Bonds, including the making of required deposits, if any, into the Series 2011-2 Cost of Issuance Account; and

WHEREAS, this Thirteenth Supplemental Indenture is entered into to supplement the Original Indenture to provide for the issuance of the Series 2011-2 Bonds on a parity with Outstanding Bonds heretofore and hereafter issued; and

WHEREAS, the District has taken all necessary action to make the Series 2011-2 Bonds, when authenticated by the Trustee and issued by the District, valid and binding obligations of the District and to constitute this Thirteenth Supplemental Indenture a valid and binding instrument for the authorization of and security for the Series 2011-2 Bonds.

NOW, THEREFORE, WITNESSETH, that the District does hereby covenant and agree with the Trustee and with the respective Holders, from time to time, of the Outstanding Series 2011-2 Bonds, as follows:

ARTICLE I

THIRTEENTH SUPPLEMENTAL TRUST INDENTURE

Section 1.01. Definitions. Unless otherwise defined herein, all capitalized terms shall have the same meanings ascribed to them in the Indenture. In addition, the following terms shall have the following meanings in this Thirteenth Supplemental Indenture:

"Bank" shall mean JPMorgan Chase Bank, N.A.

"Bond Counsel" shall mean Greenberg Traurig, P.A., or another counsel experienced in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.

"Business Day" shall mean a day of the week other than Saturday, Sunday or a day on which banking corporations located in the State of Florida or the State of New York are required or authorized to close or on which the New York Stock Exchange is closed.

"District" shall mean the Reedy Creek Improvement District.

"Improvements" shall mean the improvements to the System listed on Schedule I hereto.

"Indenture" shall mean the Trust Indenture, dated as of November 1, 1987, by and between the District and the Trustee, as supplemented and amended by the Supplemental Trust Indenture, dated as of June 1, 1990, by the Second Supplemental Trust Indenture, dated as of November 15, 1991, by the Third Supplemental Trust Indenture, dated as of November 15, 1991, by the Fourth Supplemental Trust Indenture, dated as of January 1, 1994, by the Fifth Supplemental Trust Indenture, dated as of August 1, 1997, by the Sixth Supplemental Trust Indenture, dated as of September 15, 1999, the Seventh Supplemental Trust Indenture, dated as of September 15, 1999, by the Eighth Supplemental Trust Indenture, dated as of June 15, 2003, and by the Ninth Supplemental Trust Indenture, dated as of June 15, 2003, by the Tenth Supplemental Trust Indenture, dated as of May 1, 2005, by the Eleventh Supplemental Trust Indenture, dated as of May 1, 2005, by the Twelfth Supplemental Trust Indenture dated as of August 1, 2011, and as further supplemented and amended by this Thirteenth Supplemental Indenture, and as hereafter supplemented and amended in accordance with its terms.

"Prime Rate" shall mean a rate of interest equal to the announced prime commercial lending rate per annum of the Bank. The Prime Rate is a reference rate for the information and use of the Bank in establishing the actual rate to be charged to the District. The Prime Rate is purely discretionary and is not necessarily the lowest or best rate charged any customer. The Prime Rate shall be adjusted from time to time without notice or demand as of the effective date of any announced change thereof.

"Series 2011-2 Bonds" shall mean the Utilities Revenue Bonds, Series 2011-2 authorized to be issued by Section 2.01 hereof.

"Series 2011-2 Improvements Account" shall mean the Improvements Account by that name created within the Construction Fund pursuant to Article IV hereof.

"Taxable Rate" means a rate equal to the Prime Rate times that percentage which after the Determination of Taxability will result in the same after-tax yield to the Owner of the Series 2011-2 Bonds as before said Determination of Taxability.

"Thirteenth Supplemental Indenture" shall mean this Thirteenth Supplemental Trust Indenture, which supplements and amends the Indenture.

Section 1.02 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall clearly indicate to the contrary:

(a) Words importing the singular number shall include the plural number and vice versa;

(b) the word "person" shall include corporations and associations, including public bodies, as well as natural persons;

(c) "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Thirteenth Supplemental Indenture and not solely to the particular portion thereof in which any such word is used; and

(d) unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this Thirteenth Supplemental Indenture.

ARTICLE II

AUTHORIZATION, ISSUANCE AND FORM OF SERIES 2011-2 BONDS

Section 2.01 Authorization of Series 2011-2 Bonds, Designation and Series. The Series 2011-2 Bonds are hereby authorized to be issued in an aggregate principal amount of Thirty Million Dollars (\$30,000,000) issued under and secured by the Indenture. Such Series of Bonds shall be designated "Reedy Creek Improvement District (Florida) Utilities Revenue Bonds, Series 2011-2."

Section 2.02 Purposes. The Series 2011-2 Bonds are being issued for the purpose of (i) paying the cost of the Improvements and (ii) paying the costs of issuance of the Series 2011-2 Bonds.

Section 2.03 Date of Series 2011-2 Bonds. The Series 2011-2 Bonds issued before the first Interest Payment Date shall be dated and bear interest from December 1, 2011. Such Series 2011-2 Bonds issued on or subsequent to the first Interest Payment Date shall bear interest from such Interest Payment Date or from any subsequent Interest Payment Date next preceding the date of authentication thereof.

Section 2.04 Maturities, Principal Amounts and Interest Rates. The Series 2011-2 Bonds shall bear interest at such rates and shall mature (subject to the right of prior redemption as hereinafter set forth) on October 1 in the years and in the amounts set forth below:

Year	Principal Amount	Interest Rate
2020	\$4,500,000	3.49%
2021	4,700,000	3.49
2022	4,900,000	3.49
2023	5,100,000	3.49
2024	5,300,000	3.49
2025	5,500,000	3.49

Section 2.05 Interest Payments. (a) The Series 2011-2 Bonds shall bear interest from their dates, payable semiannually on the first day of April and the first day of October of each year, commencing on April 1, 2012, at the rates provided above. If the date for payment shall be other than a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

(b) In the event a Determination of Taxability (as hereinafter defined) shall have occurred, the rate of interest on the Series 2011-2 Bonds shall be increased to the Taxable Rate, effective retroactively to the date on which the interest payable on the Series 2011-2 Bonds is includable for federal income tax purposes in the gross income of the owner thereof. In addition, the Owner of the Series 2011-2 Bonds or any former Owners of Series 2011-2 Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States of America by the Owner or former Owners of Series 2011-2 Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the District within sixty (60) days following the Determination of Taxability and demand by the Owner. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Series 2011-2 Bonds is includable for federal income tax purposes in the gross income of the Owner thereof, which notice or notification is not contested by either the District or any Owner of the Series 2011-2 Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Series 2011-2 Bonds is includable for federal income tax purposes in the gross income of the Owner thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the

admission in writing by the District to the effect that interest on the Series 2011-2 Bonds is includable for federal income tax purposes in the gross income of the Owner thereof.

In the alternative, in the event that interest on the Series 2011-2 Bonds during any period becomes partially taxable as a result of a Determination of Taxability applicable to less than all of the Series 2011-2 Bonds, then the interest rate on the Series 2011-2 Bonds shall be increased during such period by an amount equal to: $(A-B) \times C$ where:

(A) "A" equals the Taxable Rate (expressed as a percentage);

(B) "B" equals the interest rate on the Series 2011-2 Bonds (expressed as a percentage); and

(C) "C" equals the portion of the Series 2011-2 Bonds the interest on which has become taxable as the result of such tax change (expressed as a decimal).

In addition, the Owner of the Series 2011-2 Bonds or any former Owner of Series 2011-2 Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owner or former Owners of Series 2011-2 Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the District within sixty (60) days following the Determination of Taxability and demand by the Owner.

(c) In the event that the maximum effective federal corporate tax rate (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Series 2011-2 Bonds on a tax-exempt basis, changes from the Maximum Corporate Tax Rate then in effect, which causes a reduction in yield on the Series 2011-2 Bonds, the interest rate on the Series 2011-2 Bonds that is bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Series 2011-2 Bonds by a fraction equal to $(1-A \text{ divided by } 1-B)$, where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and B equals the Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment.

So long as any portion of the principal amount of the Series 2011-2 Bonds or interest thereon remains unpaid (i) if any law, rule, regulation or executive order is enacted or promulgated by any public body or governmental agency which changes the basis of taxation of interest on the Series 2011-2 Bonds or causes a reduction in yield on the Series 2011-2 Bonds (other than by reason of a change described above) to the Owner or any former Owners of the Series 2011-2 Bonds, including without limitation the imposition of any excise tax or surcharge thereon or change in reserve or capital adequacy requirements, or (ii) if, as result of action by any public body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, the Owner or any former Owners of Series 2011-2 Bonds (other than by reason of a change described above or by reason of any action or failure to act on the part of the Owner or any former Owner of the Series 2011-2 Bonds), by reason of the ownership of the Series 2011-2 Bonds, the District shall reimburse any such Owner within five (5) days after receipt by the District of written demand for such payment, and, to the extent

permitted by law, the District agrees to indemnify each such Owner against any loss, cost, charge or expense with respect to any such change. The determination of the after-tax yield calculation shall be calculated by the Owner, and such calculation, in the absence of manifest error, shall be binding on the District and the Owner.

(d) Any amount payable to the Owner hereunder which is not paid when due shall bear interest at the "Default Rate." For purposes of the Series 2011-2 Bonds, the term "Default Rate" shall mean the higher of (1) Prime Rate plus 4% and (2) the "Adjusted One-Month LIBOR Rate" (as hereinafter defined) plus 4%. "Adjusted One-Month LIBOR Rate" shall mean the sum of 2.50% plus the quotient of (a) the LIBOR Rate on the immediately preceding business day for dollar deposits with a maturity equal to one-month, divided by (b) one minus the "Reserve Requirement" applicable to dollar deposits in the London interbank market with a maturity equal to one month. The Default Rate shall be determined as of the day immediately following the date on which any amount payable to the Owner hereunder is not paid when due.

The Series 2011-2 Bonds shall bear interest at the interest rate set forth in Section 2.04; provided, however, that if any principal of or interest on the Series 2011-2 Bonds is not paid when due, the Series 2011-2 Bonds and any amount so in default shall bear interest at the Default Rate until such default is cured. Anything provided herein or in the Series 2011-2 Bonds to the contrary notwithstanding, in no event shall the Series 2011-2 Bonds bear interest in excess of the Maximum Rate. In the event the Interest Rate exceeds the Maximum Rate, the Series 2011-2 Bonds shall continue to bear interest at the Maximum Rate regardless of the reduction of the Interest Rate to a rate less than the Maximum Rate until such time as interest shall accrue on the Series 2011-2 Bonds in an amount (the "Excess Interest") that would have accrued thereon had the Interest Rate not been limited by the Maximum Rate. Upon the Maturity Date, in consideration for the limitation of the rate of interest otherwise payable on the Series 2011-2 Bonds, the Issuer shall pay to the Owner of the Series 2011-2 Bonds a fee equal to the unpaid amount of all unpaid deferred Excess Interest.

"Maximum Rate" means the maximum rate of interest permitted for non-rated governmental bonds as set forth in Section 215.84(3), Florida Statutes, as may be amended from time to time.

Section 2.06 Denominations, Numbers and Form. The Series 2011-2 Bonds shall be issued as fully registered Bonds in denominations of \$100,000 and any integral multiple of \$5,000 in excess thereof. All Series 2011-2 Bonds shall be numbered consecutively from one upward in order of issuance. The text of the Series 2011-2 Bonds, the Trustee's certificate of authentication thereon and the form of assignment for such Series 2011-2 Bonds shall be substantially in the form set forth as Exhibit A hereto, in each case with such omissions, insertions and variations as may be approved by the officers of the Board executing the same. Execution thereof by such officers shall constitute conclusive evidence of such approval.

Section 2.07 Place of Payment. Except as provided in Section 2.08 hereof, the principal of and redemption premium, if any, on the Series 2011-2 Bonds shall be payable upon presentation and surrender of the Series 2011-2 Bonds at the designated corporate trust office of the Paying Agent. Interest on the Series 2011-2 Bonds shall be paid by check or draft drawn

upon the Paying Agent and mailed by the Paying Agent to the registered owners of the Series 2011-2 Bonds at their addresses as they appear in the registration books maintained by the Registrar, on the Regular Record Date or Special Record Date, as the case may be. Payment of interest on the Series 2011-2 Bonds may, at the option of any registered owner of Series 2011-2 Bonds in an aggregate principal amount of at least \$1,000,000, be transmitted by the Paying Agent by wire transfer to such Bondowner to the bank account number on file with the Registrar.

If the date for payment of the principal of, and premium, if any, on any of the Series 2011-2 Bonds shall be other than a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 2.08 Registration of Series 2011-2 Bonds. In accordance with the directions of the Bank, ownership of one fully registered Series 2011-2 Bond, in the aggregate principal amount of the Series 2011-2 Bond, shall be registered in the name of the Bank. The ownership of the Series 2011-2 Bond may only be transferred and the Trustee will transfer the ownership of the Series 2011-2 Bond, upon written request of the Bank to the Trustee specifying the name, address and taxpayer identification number of the transferee, and the Trustee will keep and maintain at all times a record setting forth the identification of the Owner of the Series 2011-2 Bond.

ARTICLE III

TERMS OF REDEMPTION

Section 3.01 Redemption. The Series 2011-2 Bonds may not be called for redemption by the District except as provided herein.

Section 3.02 Optional Redemption.

(a) *Prior to October 1, 2021.* Prior to October 1, 2021, the Series 2011-2 Bonds shall be subject to redemption in the event that the District pays to the Owner the following redemption premium. For purposes of the foregoing, the term "redemption premium" shall mean the sum of the differences between (a) each scheduled interest payment which would have been made on the redeemed amount if such redemption had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Owner shall be deemed to have entered into as of the date of such redemption (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Owner shall be deemed to have entered into when the redeemed amount was originally funded, with each such difference discounted to a present value as of the date of redemption using the fixed interest rate of the Replacement Swap as the applicable discount rate. The District acknowledges that the Owner might not fund or hedge its fixed-rate loan portfolio or any redemption thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any redemption irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan

evidenced by the Series 2011-2 Bonds. All calculations and determinations by the Owner of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

(b) *On and after October 1, 2021.* On and after October 1, 2021, The Series 2011-2 Bonds may be redeemed prior to their maturity, at the option of the District, in whole or in part on any date at a redemption price equal to the principal amount of the respective Series 2011-2 Bonds to be redeemed, plus accrued interest to the redemption date.

(c) Notice of redemption under this Section 3.02 may be conditional and shall be delivered to the Owner no later than five days prior to the proposed redemption date.

ARTICLE IV

FUNDS AND ACCOUNTS; APPLICATION OF PROCEEDS

Section 4.01 Funds and Accounts. In addition to the funds and accounts created pursuant to Sections 4.01 and 5.03 of the Indenture, there is hereby created and established the following accounts to be held by the District: (a) the "Series 2011-2 Improvements Account" within the Construction Fund and (b) the "Series 2011-2 Cost of Issuance Account" within the Cost of Issuance Fund.

Section 4.02 Application of Proceeds. The proceeds of the Series 2011-2 Bonds shall be paid or applied as follows:

(a) \$83,500.00 shall be deposited in the Series 2011-2 Cost of Issuance Account in the Cost of Issuance Fund to pay the costs of issuance of the Series 2011-2 Bonds; and

(b) The balance of \$29,916,500.00 shall be deposited in the Series 2011-2 Improvements Account in the Construction Fund to pay the Costs of the Improvements in accordance with Article IV of the Indenture.

ARTICLE V

SECURITY; INDENTURE APPLICABLE

Section 5.01 Security for Series 2011-2 Bonds. The Series 2011-2 Bonds shall be issued pursuant to the Indenture and shall be equally and ratably secured as to the lien on and pledge of the Trust Estate under the Indenture and this Thirteenth Supplemental Indenture with Outstanding Bonds heretofore and hereafter issued pursuant to the Indenture, without preference, priority or distinction of any Bond over any other Bond and insofar as such lien on and pledge of the Trust Estate includes a lien on and pledge of the Net Revenues of the system with any Parity Obligations issued or to be issued under the Indenture.

Section 5.02 Indenture. The Indenture shall be for the benefit and security of the owners of the Series 2011-2 Bonds authorized herein as well as holders of other Bonds Outstanding thereunder and all of the provisions of the Indenture, except to the extent the same are inconsistent with the provisions of this Thirteenth Supplemental Indenture, are hereby made a part of this Thirteenth Supplemental Indenture as fully and to the same extent as if such provisions were incorporated verbatim herein.

ARTICLE VI

RESERVED

ARTICLE VII

MISCELLANEOUS

Section 7.01 Limitation of Rights. With the exception of the rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Thirteenth Supplemental Indenture is intended or shall be construed to give any person other than the parties hereto and the Owners of the Series 2011-2 Bonds any legal or equitable right, remedy or claim under or in respect to this Thirteenth Supplemental Indenture or all of the covenants, conditions and agreements herein contained; this Thirteenth Supplemental Indenture and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Owners of the Series 2011-2 Bonds as herein provided.

Section 7.02 Successors and Assigns. This Thirteenth Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

Section 7.03 Severability. If any provision of this Thirteenth Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof

Section 7.04 Applicable Law. This Thirteenth Supplemental Indenture shall be governed by the applicable laws of the State of Florida.

Section 7.05 Counterparts. This Thirteenth Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

Section 7.06 Reserved.

Section 7.07 Amendments and Supplements. This Thirteenth Supplemental Indenture may be amended or supplemented in accordance with the provisions of Article XI of the Indenture.

Section 7.08 Tax Covenants. The District, for the sole and exclusive benefit of the Owners of the Series 2011-2 Bonds, covenants and agrees as follows:

(a) It shall not direct or permit at any time any of the proceeds of the Series 2011-2 Bonds or any other funds of the District to be used directly or indirectly to acquire any securities or "investment property" (as that term is defined in Section 148 of the Code), and shall not use or permit the use of any amounts received by the District in any manner, and shall not take or permit to be taken any action or actions which would cause any Series 2011-2 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, or direct or permit any action inconsistent with the applicable regulations thereunder as amended from time to time and as applicable to such Series 2011-2 Bonds. In furtherance of the covenant contained in the preceding sentence, the District agrees to comply with the provisions of the "Arbitrage Certificate" (the "Tax Certificate") executed by the District on the date of the issuance and delivery of the Series 2011-2 Bonds, as such Tax Certificate may be amended from time to time, as a source of guidance for achieving compliance with the Code.

(b) It shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Series 2011-2 Bonds pursuant to Section 148(f) of the Code from amounts available in the funds and accounts established under the Indenture or otherwise available therefor. The District shall keep (or cause to be kept), accurate records of each investment in "investment property" acquired, directly or indirectly, with the proceeds of the Series 2011-2 Bonds.

(c) Notwithstanding any other provision of the Indenture to the contrary, so long as necessary to maintain the exclusion from gross income of interest on the Series 2011-2 Bonds for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Series 2011-2 Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Section 12.01 of the Indenture.

(d) The District shall at all times do and perform all acts and things necessary or desirable and within its power in order to assure that interest paid on the Series 2011-2 Bonds shall, for the purposes of federal income taxation, be excludable from the gross income of the recipients thereof and exempt from such taxation. In particular, the District shall not permit at any time any proceeds of the Series 2011-2 Bonds or any other funds of the District to be used, directly or indirectly, and shall not take or permit to be taken any other action or actions which would result in the exclusion of any Series 2011-2 Bond from the treatment afforded by Section 103(a) of the Code.

IN WITNESS WHEREOF, the District and the Trustee have caused this Thirteenth Supplemental Indenture to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

REEDY CREEK IMPROVEMENT DISTRICT

ATTEST:

By William Warren
William Warren
Its Secretary

By Donald R. Greer
Donald R. Greer
Its President, Board of Supervisors

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

By: M. Janice Entsminger
M. Janice Entsminger
Vice President

SCHEDULE I
IMPROVEMENTS

31,992,952
20269011600

Utility Funding Needs

	FY 12	FY 13	FY 14	FY 15	Total
New Service					
Four Seasons Resort		\$ 3,450			\$ 3,450
Golden Oak/ NERP	100	1,332	228	470	2,130
DVC Expansions	800	915	725		2,440
Downtown Disney		10,000			10,000
Regulatory					-
Wastewater Treatment Plant	3,000	6,000			9,000
Potable Water 2 MG Reservoir				2,000	2,000
Infrastructure					
Reclaimed Water Extensions		460	710	470	1,640
Alternative Water Supply				5,000	5,000
Natural Gas line Interconnections		1,500			1,500
	\$3,900	\$ 23,657	\$ 1,663	\$ 7,940	\$ 37,160

**EXHIBIT A
FORM OF SERIES 2011-2 BOND**

NO.

\$

**UNITED STATES OF AMERICA
STATE OF FLORIDA
REEDY CREEK IMPROVEMENT DISTRICT (FLORIDA)
UTILITIES REVENUE BONDS, SERIES 2011-2**

Interest Rate*	Maturity Dates	Dated Date
%	October 1 as provided on Schedule I	December 1, 2011

* Subject to adjustment as provided in the hereinafter defined Indenture

REGISTERED OWNER:

PRINCIPAL AMOUNT:

Reedy Creek Improvement District (hereinafter called the "Issuer"), for value received, hereby promises to pay to the Registered Owner identified above, or to its registered assigns or legal representatives, to the extent and from the sources pledged therefor, as described herein, on the Maturity Dates identified above (or earlier as hereinafter provided), the Principal Amount identified above at the times and in the amounts as shown on Schedule I attached hereto, and upon final payment, upon presentation and surrender hereof at the principal office of U.S. Bank National Association (successor in interest to SunTrust Bank), Orlando, Florida, or its successors, as Paying Agent (in such capacity, the "Paying Agent") under that certain Trust Indenture, dated as of November 1, 1987, as heretofore amended and supplemented and as may hereafter be amended and supplemented (the "Indenture") and under that certain Thirteenth Supplemental Trust Indenture dated as of December 1, 2011 (the "Thirteenth Supplemental Trust Indenture," together with the Indenture, the "Indenture"), each between the Issuer and U.S. Bank National Association (successor in interest to SunTrust Bank) (in such capacity, the "Trustee"), and to pay, to the extent and from the sources herein described, interest on the principal sum from the date hereof, or from the most recent interest payment date hereof, or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, until payment of the Principal Amount, or until provision for the payment thereof has been duly made, such interest being payable semiannually on the first day of April and the first day of October of each year, commencing on April 1, 2012. Interest will be paid by check or draft mailed by the Paying Agent to the Registered Owner hereof at its address as it appears on the registration books of the Issuer maintained by the Registrar at the close of business on the fifteenth day (whether or not a business day) of the calendar 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

Issuer shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by the Trustee. Notice of such special record date shall be mailed, first class postage prepaid, by the Trustee to the registered owners of Bonds at their addresses as they appear on the registration books of the Issuer maintained by the Registrar not less than ten (10) days preceding such special record date, as provided in the Indenture.

This Bond is subject to all the terms and conditions of the Indenture and Resolution No. 528 of the District adopted by its Board of Supervisors on July 27, 2011 (the "Resolution"), and capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Indenture.

This Bond and the interest and premium, if any, hereon is payable solely from and secured by a lien upon and pledge of the Trust Estate, as defined in the Indenture, on a parity with any Outstanding Bonds heretofore and hereafter issued under the Indenture. As to lien on and pledge of the Net Revenues of the System, the Series 2011-2 Bonds, and any Outstanding Bonds heretofore and hereafter issued are secured on a parity with any additional Parity Obligations under the Indenture, all to the extent of and in the manner provided in the Indenture. Reference is hereby made to the Indenture for the provisions, among others, relating to the terms, lien and security for the Series 2011-2 Bonds, the rights and remedies of the Registered Owners of such Bonds, the extent of and limitations on the Issuer's rights, duties and obligations, and the provisions permitting the issuance of additional parity indebtedness, to all of which provisions the Registered Owner hereof for himself and his successors in interest assents by acceptance of this Bond.

This Bond shall not be deemed to constitute a general obligation or a pledge of the faith and credit of the Issuer, the State of Florida or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation, and it is expressly agreed by the Registered Owner of this Bond that such Registered Owner shall never have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for the payment of the principal of, interest on or premium, if any, with respect to this Bond or for the payment of any amounts provided for in the Indenture or the Resolution. It is further agreed between the Issuer and the Registered Owner of this Bond that this Bond and the indebtedness evidenced hereby shall not constitute a lien upon the System, as defined in the Indenture, or any part thereof, or any other property of or in the Issuer, but shall constitute a lien only on the Trust Estate, as defined in the Indenture, and certain other funds and investment earnings thereon, all in the manner and to the extent provided in the Indenture and the Resolution. Neither the members of the governing body of the Issuer nor any person executing the Bonds shall be liable personally on the Bonds by reason of their issuance.

Optional Redemption

(a) *Prior to October 1, 2021.* Prior to October 1, 2021, the Series 2011-2 Bonds shall be subject to redemption, in whole or in part on any date, and if in part, in inverse order of

maturity of principal installments, in the event that the District pays to the Owner the following redemption premium. For purposes of the foregoing, the term "redemption premium" shall mean the sum of the differences between (a) each scheduled interest payment which would have been made on the redeemed amount if such redemption had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Owner shall be deemed to have entered into as of the date of such redemption (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Owner shall be deemed to have entered into when the redeemed amount was originally funded, with each such difference discounted to a present value as of the date of redemption using the fixed interest rate of the Replacement Swap as the applicable discount rate. The District acknowledges that the Owner might not fund or hedge its fixed-rate loan portfolio or any redemption thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any redemption irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan evidenced by the Series 2011-2 Bonds. All calculations and determinations by the Owner of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

(b) *On and after October 1, 2021.* On and after October 1, 2021, the Series 2011-2 Bonds may be redeemed prior to their maturity, at the option of the District, in whole or in part on any date, and if in part, in inverse order of maturity of principal installments, at a redemption price equal to the principal amount of the respective Series 2011-2 Bonds to be redeemed, plus accrued interest to the redemption date.

Notice of redemption under Section 3.02 of the Thirteenth Supplemental Trust Indenture may be conditional and shall be delivered to the Owner no later than five days prior to the proposed redemption date.

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

The registration of this Bond 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 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 or exchange of a Bond, the Registrar, on behalf of the Issuer, shall in accordance with the provisions of the Indenture enter the transfer or exchange in the name of the new transferee or transferees and issue 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 Issuer 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 to be paid with respect to the registration of such exchange or transfer, and may require that such amounts be paid before any such new Bond shall be delivered. Neither the Issuer nor the Registrar, as Registrar, shall be required (a) to transfer or exchange Bonds within 15 days next preceding any selection of Bonds to be redeemed or thereafter until after the mailing of any notice of redemption, or (b) to transfer or exchange any Bonds called for redemption.

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 and have 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 Securities Law 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 the President of its Board of Supervisors, and attested and countersigned by the Secretary to its Board of Supervisors, either manually or with their facsimile signatures, and its seal to be impressed hereon, all as of the [_____] day of [_____], 2011.

REEDY CREEK IMPROVEMENT DISTRICT

(SEAL)

By _____
President of Board of Supervisors

ATTESTED AND COUNTERSIGNED:

By: _____
Secretary to Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds designated in and executed under the provisions of the within mentioned Indenture.

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

By: _____
Authorized Officer

Date of Authentication: _____

ABBREVIATIONS

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 the right of survivorship and not as tenants in common

UNIFORM TRANS MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Trans to Minors Act _____
(State)

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

CONTRACT OF PURCHASE

\$30,000,000

**REEDY CREEK IMPROVEMENT DISTRICT (FLORIDA)
UTILITIES REVENUE BONDS, SERIES 2011-2**

November 16, 2011

Reedy Creek Improvement District
1900 Hotel Plaza Boulevard
Lake Buena Vista, Florida 32830
Attention: District Administrator

Sir:

The undersigned, JPMorgan Chase Bank, N.A. (the "Purchaser"), hereby enters into this Contract of Purchase (the "Contract of Purchase") with Reedy Creek Improvement District (the "District") and is binding upon the District and the Purchaser.

Subject to fulfillment of the terms and conditions set forth in the Term Sheet dated June 9, 2011, attached hereto as Exhibit A, as modified and supplemented by the Thirteenth Supplemental Trust Indenture, the Purchaser has agreed to purchase up to \$30,000,000 aggregate principal amount of the Reedy Creek Improvement District (Florida) Utilities Revenue Bonds, Series 2011-2 (the "Bonds"), maturing in such amounts, on October 1 in the years and bearing interest at the rates per annum, all as shown on Exhibit B attached hereto, payable on the first day of April and on the first day of October of each year commencing April 1, 2012.

In accordance with Section 218.385, Florida Statutes, the Purchaser hereby discloses the required information as provided in Exhibit C attached hereto. The District makes the representations and statements in compliance with Section 218.385(2) and (3), Florida Statutes, as amended, as provided in Exhibit D attached hereto.

All notices, demands, formal actions or other communications hereunder shall be in writing and mailed, telecopied or delivered to:

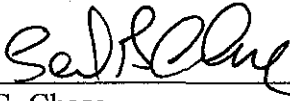
Reedy Creek Improvement District
1900 Hotel Plaza Boulevard
Lake Buena Vista, Florida 32830
Attention: District Administrator

JPMorgan Chase Bank, N.A.
420 S. Orange Ave., Suite 250
Orlando, Florida 32801
Attn: Leif Chase

(or such other addresses as may be designated in writing to the other party)

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By: 
Leif G. Chase
Senior Vice President

ACCEPTED:

REEDY CREEK IMPROVEMENT DISTRICT


By: 
Name: *Donald R. Green*
Title: *President*

EXHIBIT A

June 9, 2011



CREDIT FACILITY PROPOSAL

Direct Purchase of Tax-Exempt Non-Bank Qualified Bond issued by Reedy Creek Improvement District in the amount of up to \$30,000,000



June 9, 2011

Ann Blakeslee, Comptroller
Reedy Creek Improvement District
1900 Hotel Plaza Boulevard
Lake Buena Vista, FL 32830

Dear Ann:

On behalf of JPMorgan Chase Bank, National Association ("JPMorgan Chase"), we are pleased to propose for discussion indicative terms to Reedy Creek Improvement District (the "Borrower") for the direct purchase of a "non-bank qualified" tax exempt bond to be issued by the District in an amount up to \$30,000,000 subject to the following terms and conditions described herein (the "Proposal").

JPMorgan Chase has been the market leader in public finance credit for over 35 years. JPMorgan Chase ranks among the largest providers of credit facilities in the Municipal market today. Our deep familiarity with this sector is viewed as a strong benefit by the Municipal clients with whom we do business. We believe that our experience in providing credit support, coupled with our long experience in deal execution, will ensure an efficient, cost-effective transaction for Reedy Creek Improvement District. Client references are available upon request.

The proposed indicative terms provided here for discussion do not represent an offer or commitment to lend on the part of JPMorgan Chase, and would be subject due diligence, credit analysis and approval, and documentation of detailed terms and conditions satisfactory to JPMorgan Chase. Should any part of this proposal conflict with Reedy Creek Improvement District's structuring parameters, we would be happy to discuss mutually acceptable alternatives.

Should you have any questions about any aspect of this proposal, please do not hesitate to contact me at 407-236-5464. Thank you and we look forward to working with Reedy Creek Improvement District and its financing team.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Leif G. Chase".

Leif G. Chase
Senior Vice President



REEDY CREEK IMPROVEMENT DISTRICT

Direct Purchase Tax-Exempt Non-Bank Qualified Bond

Summary of Terms and Conditions

June 9, 2011

This Summary of Terms and Conditions (the "Term Sheet") is confidential and is intended as a statement of indicative terms only, and is provided to facilitate additional discussion. It is a proposal only and not a commitment by JPMorgan Chase Bank, N.A. (the "Bank") to provide financing, liquidity support or credit enhancement. *The Bank shall not have any commitment or obligation hereunder unless and until it executes a commitment letter or a definitive loan agreement.* The pricing and terms included in this Term Sheet are based on market conditions on the date hereof and are subject to change.

Borrower: Reedy Creek Improvement District (The "Borrower")

Purchaser: JPMorgan Chase Bank, N.A. ("JPMorgan Chase" or the "Bank"). Please refer to Exhibit I for information on the Bank.

Bond: An amount not to exceed \$30,000,000 Direct Purchase Tax-Exempt Non-Bank Qualified Bond (the "Bond"). The Bond will not be designated by the Authority as a "qualified tax exempt obligation" under Section 265(b)(3)(B) of the Internal Revenue Code and the Bank will take physical delivery of the Bond at closing.

The Bond will be issued pursuant to the existing Indenture and Related Bond documents. The Trust Indenture may provide multiple interest rate modes, including a Bank Rate Mode, from which the Borrower may select. The Bond will initially be issued under the Bank Rate Mode and will bear interest at the rate(s) set forth in Exhibit II, and will be subject to renewal or tender. If the Bond is put and/or called prior to its final maturity, the requirements set forth under the heading "Additional Conditions" herein must be complied with.

Purpose: Proceeds of the Bond will be used to fund various capital improvement projects within the District's Utility System (the "Project"); and to fund certain costs of issuance of the Bond.

Bond Maturity Date: Approximately 14 years after issuance with a final maturity of October 1, 2025, subject to bond counsel opinion on useful life of assets being financed

Bond Day/Year: Actual/360 Fixed Rate Option.

Interest Rates and Other Fees: The initial interest rate on the Bond, based on the option selected by the Borrower, and Other Fees are set forth in Exhibit II.

Maximum Interest Rate: No limitation shall exist in any Trust Indenture or Resolution that restricts the Bank Rate to any rate lower than other such maximum rate permitted by law.

Interest Rate Clawback: Bank will require the inclusion of a customary clawback provision as protection against the possibility of the interest rate payable on advances exceeding the maximum permissible rate thereof.

**Indicative Pricing
Perishability:** Rates and fees on Exhibit II are indicative as of June 6, 2011, are subject to market conditions at all times until Bank shall commit in writing otherwise, and in any event should not be regarded as indicative after July 31, 2011.

Drawdown: The Bond will be fully drawn on the date of issuance.

**Bond Amortization/
Repayment:** Annual principal payments on a 14 year schedule schedule at a rate as denoted in the fixed rate section, plus actual accrued interest. Final amortization schedule will be agreed to by the Bank and the borrower. Any change in the amortization schedule may result in a change in the interest rate noted in Exhibit II.

Notwithstanding the foregoing, the Bond shall be required to be repaid in full on the Tender Date and shall be subject to acceleration if any payment is not paid by the Borrower when due.

Prepayment: The Bond may be prepaid in whole or in part, without premium or penalty, on any Optional Call Date as defined in Exhibit II. Any prepayment on any date other than the Option Call Date is subject to breakage costs, if any, as described in the sections labeled Yield Protection herein.

Security: The Bond will be secured by a pledge of Net Revenues derived from operation of the District Utility System on parity with all other outstanding Utility Revenue Bonds (Series 1997, Series 2003, and Series 2005). The obligations of the Borrower under the Bond will be evidenced by a Promissory Note of the Borrower. The obligation must be an accelerable instrument and not subject to other bondholder voting limitations.

**Conditions
Precedent:** Usual and customary conditions to issuance of the Bond including acceptable legal documentation which shall include an opinion of bond counsel that the Bond is exempt from federal and State of Florida taxation.

Additionally, the Borrower must have absence of default or unmatured default, absence of material litigation and lack of material adverse change from the Borrower's financial condition and operations as reflected in the financial statements of the Borrower as of September 30, 2010. Additional conditions precedent to the Bank's purchase of the Bond will include:

1. The Bank not becoming aware of any information affecting either the Borrower or this transaction which is inconsistent in a material manner with what has been previously disclosed to the Bank and such information is true and correct in all material respects.
2. The absence of any situation occurring which would, in the opinion of the Bank, materially adversely affect the Borrower or this transaction.
3. The Borrower currently maintains all necessary approvals, orders, authorizations, consents, licenses, certificates and permits from all applicable governmental authorities, which are or may be required to operate its facilities.
4. The Borrower shall have delivered other customary closing documentation, including, without limitation, legal opinions of counsel to the Borrower, acceptable to the Bank.
5. The Borrower shall have delivered a Promissory Note, Loan Agreement and any other documents required to secured and support the Borrower's obligations under the Facility, and an opinion of Borrower's Counsel as to the execution and delivery of the Promissory Note, Loan Agreement and all other loan documents, each in form and substance acceptable to the Bank.
6. The Bond shall not be separately rated by any bond rating agency.
7. Receipt of satisfactory opinion of Bond counsel that the Bond is exempt from federal and State of Florida taxation and that the Bond is secured by a pledge of Net Revenues derived from the operation of the Borrower's Utility System on a parity with all other outstanding Utility Revenue Bonds of the Borrower. Further, the Bank will sign a customary investment letter relating to the private placement of the Bond.

Additional Conditions:

The Bond shall not be rated by any rating agency, shall not be initially registered to participate in DTC, shall not contain a CUSIP number and shall not be marketed during any period in which the Bond is held by the Bank pursuant to any Official Statement, Offering Memorandum or any other disclosure documentation.

Upon exercise of a call by the Borrower or upon full prepayment of the Bond in accordance with the related documents, the Bank shall deliver the form of the Bond registered in the name of the Bank and the Note to the Trustee and such Bond shall be marked as 'paid'.

Representations and Warranties:

Usual representations and warranties for like situated borrowers and the Facility's type and tenor, including, without limitation, absence of material adverse change, absence of material litigation, absence of default or potential default and continued accuracy of representations.

Representations and warranties relating to Absence of Sovereign Immunity (or waiver of sovereign immunity, if applicable) will also be required for all governmental entities.

Bond Documents:

The terms of this financing will be evidenced by agreements, instruments and documents ("Bond Documents") usual and customary for a Direct Purchase Tax-Exempt Non-Bank Qualified Bond. The Bond Documents must be acceptable to the Bank and its counsel.

Covenants

The facility will include customary affirmative covenants including, without limitation, the delivery of financial statements, reports, accountants' letters, projections, officers' certificates and other information requested by the Bank; payment of other obligations; continuation of business and maintenance of existence and material rights and privileges; compliance with laws and material contractual obligations; maintenance of property and insurance; maintenance of books and records; right of the Bank to inspect property and books and records; notices of defaults, litigation and other material events; compliance with environmental laws, and compliance with all covenants of the Trust Indenture.

The Facility will contain customary negative covenants, including, without limitation, restrictions on the following: liens and encumbrances; indebtedness and guarantees; sale and transfer of assets; consolidations and mergers; investments, loans and advances; capital expenditures; operating leases; transactions with affiliates; changes in line of business; prepayment of other debt and would include financial covenants deemed appropriate by Bank which provide an ongoing assessment of the strength and performance of Borrower.

Reporting Covenants:

Unless otherwise requested, the Borrower will provide the following items in an electronic format acceptable to the Bank.

1. Annual, audited, consolidated and consolidating financial statements of the Borrower within 180 days of the fiscal year end.
2. Additional information as reasonably requested by the Bank.

Financial Covenants:

The Covenants Agreement or similar agreement will incorporate by reference covenants contained in the Trust Indenture, and other Related Bond Documents and said covenants and provisions will be deemed to be for the benefit of the Bank. Any amendments to, or waiver of, said provisions will require the consent of the Bank.

The Bank will also require the following covenants, which will be defined in the loan documentation.

1. Rate Covenant of 1.10x (per existing Trust Indenture)
2. Additional Bonds Test (MADS) of 1.10x (per existing Trust Indenture)
3. Fully funded Debt Service Reserve (MADS) (per existing Trust Indenture)

Events of Default:

The Events of Default will be those usual and customary for like situated borrowers and the Facility's type and tenor, including, without limitation, failure to pay principal, interest, and other facility obligations when due; failure of representations and warranties; breach of covenants in facility bond documents; failure to pay judgments when due; commencement bankruptcy, or similar proceeding or act of insolvency; compromise of guaranty, collateral or other credit support; merger, dissolution or similar corporate event; cross-default to payment and terms of other Utility Revenue Bond obligations; and material adverse change in Borrower's financial condition, business, reputation or in market conditions.

Participations:

The Bank does not anticipate selling participations in the Bond. However, the Bank may, in its sole discretion, sell participations in the Bond and disclose information to prospective participants and share, at its option, any fees with such participants.

Governing Law:

All aspects of the credit(s) being discussed including this Term Sheet and any Bond Documents would be governed by the laws of the State of Florida.

Counsel: JPMorgan Chase will engage Edwards Angell Palmer & Dodge LLP as the Bank's legal counsel. Richard Miller and/or Mark-David Adams will be acting in the capacity of lead attorney representing the Bank. The Bank will agree to cap legal expenses at \$5,000 plus expenses not to exceed \$500, based on the scope of the financing as presented.

Richard J. Miller, P.A. & Mark David Adams, P.A.
Edwards Angell Palmer & Dodge LLP
525 Okeechobee Boulevard
Suite 1600
West Palm Beach, Florida 33401
561-820-0274
888-325-9184
rmiller@eapdlaw.com
madams@eapdlaw.com

Expenses: Upon the acceptance of a commitment, all legal expenses of the Bank (including those of in-house counsel), plus costs and expenses and other documentation fees incurred as a direct or indirect result of the preparation and review of the Bond documents, will be reimbursed by the Borrower whether or not the Bond closes.

Expected Timing of Bank Credit Decision: Satisfactory due diligence, in the Bank's sole discretion, consists of, but may not be limited to, a full review of requested financial statements and financing documents and discussions with management.

Should the Borrower request financing substantially on the terms outlined herein, Bank's credit decision would be made within approximately one week after such request and completion of due diligence.

Any offer or commitment, if and when made, will be in a separate writing so stating, following credit decision by Bank. No offer or commitment should be implied or relied upon prior to the Bank's issuance of an express written commitment.

Tax Gross Up: If interest on the Bond is determined to be taxable for any reason the interest on the Bond will increase from the effective date of such taxability to the taxable equivalent rate per annum.

Change In Law: If there is a change in the Internal Revenue Code, the regulations promulgated there under or in the interpretation thereof by any court, administrative authority or other governmental authority (other than a taxable event) which takes effect after the Acceptance Date of this letter and which changes the effective yield on the Bond to the Bank, including but not limited to, changes in federal income tax rates, the interest rate on the Bond will increase accordingly to compensate for such changes in effective yield on the Bond.

Yield Protection: The Bond shall contain customary provisions (a) protecting the Bank against increased costs or loss of yield resulting from changes in reserve, tax, capital adequacy and other requirements of law and from the imposition of or changes in withholding or other taxes and (b) indemnifying the Bank for "breakage costs" incurred in connection with, among other things, any prepayment of the Bond in whole or in part on a day other than the last day of a monthly interest period at the Tender Date with respect thereto.

Information Sharing:

The Borrower agrees that the Bank may provide any information or knowledge the Bank may have about the Borrower or about any matter relating to the facilities described in this Term Sheet to JPMorgan Chase & Co., or any of its subsidiaries or affiliates or their successors, or to any one or more purchasers, potential purchasers, participants or assignees of facilities described in this letter. The Borrower agrees that the Bank may at any time sell, assign or transfer one or more interests or participations in all or any part of its rights and obligations in the facilities described in this letter to one or more purchasers whether or not related to the Bank.

Confidentiality Statement:

The terms of this Term Sheet are for Borrower's confidential use and may not be disclosed by it to any other person other than its employees, attorneys, board members and financial advisors (but not other commercial lenders), and then only in connection with the transactions being discussed and on a confidential basis, except where disclosure is required by law, or where the Bank consents to the proposed disclosure; *provided, however*, that the Borrower (and each employee, representative or other agent of the Borrower) may disclose to any and all persons, without limitation of any kind, the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are or have been provided to the Borrower relating to such tax treatment or tax structure, except that, with respect to any document or similar item that in either case contains information concerning such tax treatment or tax structure of the transactions contemplated hereby as well as other information, this proviso will only apply to such portions of the document or similar item that relate to such tax treatment or tax structure of the transactions contemplated hereby.

The Bank may, from time to time, be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which the Borrower may have conflicting interests regarding the transaction described herein and otherwise. The Bank confirms that it will not use confidential information obtained from the Borrower by virtue of the potential transaction contemplated by this commitment or our other relationships with the Borrower in connection with the performance by Bank of such services for other companies. The Bank will not use in connection with the potential transaction contemplated by this commitment, or furnish to you, confidential information obtained from other companies.

* * *

This Term Sheet is intended as an outline only and does not purport to summarize all the conditions, covenants, representations, warranties and other provisions which would be contained in definitive legal documentation for the financing contemplated hereby.

Exhibit I

INFORMATION ON JPMORGAN CHASE

**Bank's Credit
Ratings:****Public Ratings for JPMorgan Chase Bank, N.A.**

	S&P	Moody's	Fitch
Long Term Ratings:	AA-	Aa1	AA-
Short Term Ratings:	A-1+	P-1	F1+
Outlook:	Stable	Negative	Stable

*All three rating agencies upgraded JPMorgan ratings during February and March 2007. Standard and Poor's subsequently downgraded the Bank's Long Term Rating while maintaining the negative outlook on December 19, 2008. On February 25, 2011, S&P changed its outlook from negative to stable. Moody's downgraded the Bank's Long Term Rating from Aaa on January 15, 2009 and changed the outlook from Stable on March 4, 2009.

Annual Report:

The Bank's most recent annual report can be accessed via the following website:

<http://www.jpmorgan.com>

Bank Contacts:

Leif G. Chase
Senior Vice President
420 S. Orange Ave., Ste 250
Orlando, FL 32801
(407) 236-5464
(407) 218-5355
(407) 325-1817
EMAIL: leif.g.chase@chase.com

Jackie Watson
Vice President - Underwriter
420 S. Orange Ave., Ste 250
Orlando, FL 32801
407-236-5382
jackie.watson@chase.com



Exhibit II

Pricing and Other Fee Information

Interest Rates ¹

Fixed Rate Option: Fixed rates are available and will be based on current market conditions. Based on current rates, the following indicative Fixed Rates (as of June 6, 2011) are available and subject to change daily:

Option	Optional Call Date	Rate Lock Period ³	Fixed Rate ²
Option 1	October 1, 2025	October 1, 2025 ³	3.36%
Option 2	October 1, 2020	October 1, 2025 ⁴	3.44%
Option 3	October 1, 2020	October 1, 2025 ⁵	3.46%
Option 4	October 1, 2016	October 1, 2025 ⁶	3.54%
Option 5	October 1, 2016	October 1, 2025 ⁷	3.58%

1. Interest Rates are based on a 360-day year and are quoted on a per annum basis.
2. Rates based on agreed upon Bond amortization.
3. The Loan may be prepaid at anytime subject to our standard "breakage costs".
4. The Loan will be subject to Optional Call by the Borrower at par on October 1, 2020. The Loan may be prepaid subject to our standard "breakage costs" on any day other than an Optional Call Date.
5. The Loan will be subject to Optional Call by the Borrower at par on or after October 1, 2020. The Loan may be prepaid subject to our standard "breakage costs" on any day other than an Optional Call Date.
6. The Loan will be subject to Optional Call by the Borrower at par on October 1, 2016. The Loan may be prepaid subject to our standard "breakage costs" on any day other than an Optional Call Date.
7. The Loan will be subject to Optional Call by the Borrower at par on or after October 1, 2016. The Loan may be prepaid subject to our standard "breakage costs" on any day other than an Optional Call Date.

Other Interest or Fees

Default Rate: Base Rate* + 4.00%

* Base Rate (a/k/a the 'Corporate Bank Floating Rate') is defined as the higher of (i) JPMorgan Chase Bank's Prime Rate and (ii) Adjusted One Month LIBOR Rate. Adjusted One Month LIBOR Rate is defined as the sum of 2.50% plus the quotient of (a) the LIBOR Rate on the immediately preceding business day for dollar deposits with a maturity equal to one-month, divided by (b) one minus the Reserve Requirement applicable to dollar deposits in the London interbank market with a maturity equal to one month.

Exhibit III

Forward Rate Lock

This forward-starting fixed rate lock-in is attached to and made a part of that certain Term Sheet dated June 9, 2011 issued by the Lender, JPMorgan Chase Bank, N.A., and accepted by the Borrower, Reedy Creek Improvement District.

Rate Lock Date: July 20, 2011
Rate Lock Funding Date: December 1, 2011
Rate Lock Amount: \$30,000,000.00
Rate: 3.49%

In order to lock the rate for this transaction, Borrower agrees that if for any reason (other than Lender's gross negligence or willful misconduct) the full Rate Lock Amount is not funded in accordance with the terms of the financing documents by the Rate Lock Funding Date, then Borrower shall pay to Lender a Reinvestment Premium within 5 business days of Lender's written request. "Reinvestment Premium" means the difference of:

- (i) the net present value of the Scheduled Payments discounted at the 14-Year Interest Rate Swap rate as reported on the Federal Reserve H.15 report effective on the Rate Lock Date and
- (ii) the net present value of the Scheduled Payments discounted at the 14-Year Interest Rate Swap rate as reported on the Federal Reserve H.15 report as effective on the Rate Lock Funding Date.

If (ii) is greater than (i) then, no Reinvestment Premium is due. If (i) is greater than (ii), the difference shall be paid to Lender as stated above. "Scheduled Payments" means the principal amortization shown on the attached Numbers titled Exhibit A.

JPMorgan Chase Bank, N.A.

By: Jackie L. Watson
Name: Jackie Watson
Title: Vice President

The Reedy Creek Improvement District

By: Ann G. Blakeslee
Name: Ann G. Blakeslee
Title: Deputy District Administrator

EXHIBIT B

\$30,000,000 Utilities Revenue Bonds, Series 2011-2

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
October 1, 2020	\$4,500,000	3.49%
October 1, 2021	4,700,000	3.49
October 1, 2022	4,900,000	3.49
October 1, 2023	5,100,000	3.49
October 1, 2024	5,300,000	3.49
October 1, 2025	5,500,000	3.49

EXHIBIT C

[See Item 4.3 of this transcript]

EXHIBIT D

TRUTH-IN BONDING STATEMENT

**REEDY CREEK IMPROVEMENT DISTRICT
(FLORIDA)
\$30,000,000
UTILITIES REVENUE BONDS
SERIES 2011-2**

The District is proposing to issue \$30,000,000 aggregate principal amount of its Utilities Revenue Bonds, Series 2011-2 (the "Series 2011-2 Bonds") for the purpose of providing funds to (i) pay the cost of certain capital improvements to the District's Utility System and (ii) pay the costs of issuance of the Series 2011-2 Bonds.

The Series 2011-2 Bonds are expected to be repaid over a period of approximately fourteen years. At a forecasted interest rate of 3.49% per annum, total interest paid over the life of the debt or obligation will be \$11,988,150.

The source of repayment or security for the Series 2011-2 Bonds is funds derived from operation of the District's Utility System on a parity with all of the District's outstanding Utilities Revenue Bonds and Utilities Revenue Refunding Bonds. Authorizing this debt or obligation will result in, on average, \$3,011,618 of the District's revenues derived from the District Utility System lawfully available in each fiscal year not being available to finance the other services of the District each year for fourteen years.

The foregoing Truth-in-Bonding Statement is prepared pursuant to Section 218.385(2) and (3), Florida Statutes, for informational purposes only and shall not affect or control the actual terms of the Series 2011-2 Bonds.