



James L. Birchall  
Direct Dial 205-244-5222  
Direct Fax 205-244-5422  
jbirchall@joneswalker.com

June 27, 2012

Ms. Kimberly Creech  
Clerk/Treasurer  
Baldwin County, Alabama  
Suite 12  
312 Courthouse Sq  
Bay Minette, AL 36507

RE: Baldwin County, \$25,000,000 General Obligation Taxable Warrant, Series 2012-B

Dear Kim:

Enclosed please find the County's transcript in connection with the above-referenced issue. Please call me if you should have any questions about the transcript.

My firm and I appreciate having had the opportunity to work with the County and appreciate the fine assistance you gave us.

Very truly yours,

James L. Birchall

JLB/mg

Enclosure

JONES, WALKER, WAECHTER, POTTEVENT, CARRÈRE & DENÈGRE L.L.P.

1819 5TH AVENUE NORTH • SUITE 1100 • BIRMINGHAM, ALABAMA 35203 • 205-244-5200 • FAX 205-244-5400 • E-mail info@joneswalker.com • www.joneswalker.com

ALABAMA ARIZONA DISTRICT OF COLUMBIA FLORIDA LOUISIANA TEXAS

{BH133091.1}

## **INDEX OF DOCUMENTS**

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**\$25,000,000  
BALDWIN COUNTY  
GENERAL OBLIGATION TAXABLE WARRANT  
SERIES 2012-B**

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**Dated and Delivered June 6, 2012**

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1. Specimen Warrant
2. Opinion of Bond Counsel
3. Authorizing Resolution of the County Commission on June 5, 2012
4. Certificate of Officers
5. Debt Certificate
6. Certificates of Revenue Commissioner and Judge of Probate
7. Investment Letter and Receipt for Warrant
8. County Government Bond Financing Review Form

**UNITED STATES OF AMERICA  
STATE OF ALABAMA  
BALDWIN COUNTY  
GENERAL OBLIGATION TAXABLE WARRANT  
SERIES 2012-B**

**No. R-1**

**\$25,000,000**

**BALDWIN COUNTY**, a political subdivision organized and existing under and by virtue of the laws of the State of Alabama (herein called the "County"), for value received, hereby acknowledges itself indebted to and does hereby order and direct the County Administrator of the County to pay, solely out of the special warrant fund hereinafter described, to Regions Bank (herein called the "Payee"), its successors and assigns, the principal sum of

**TWENTY FIVE MILLION DOLLARS  
(\$25,000,000)**

and to pay solely from said warrant fund interest on the unpaid balance of said principal amount from the date hereof until payment in full, at a fixed per annum rate of interest (computed on the basis of the actual number of days elapsed over a 360-day year) equal to the Applicable Rate (as defined herein), said principal and interest being payable in installments as follows:

(a) On December 15, 2012 and on the 15<sup>th</sup> day (or next business day) of June, 2013, December, 2013, June, 2014 and December, 2014, the interest accrued on the outstanding principal balance of this Warrant to each such date of payment; and

(b) On June 15, 2015, the entire outstanding principal balance of this Warrant plus all accrued interest thereon.

Payment of the principal hereof and interest hereon shall be made at the office of the Payee in Mobile, Alabama, or at such other place as shall be designated to the County in writing by the Payee, provided that the final payment of principal of and interest on this Warrant shall be made only upon presentation and surrender of this Warrant to the County for cancellation.

The County may, on any date, pay in advance the entire unpaid principal balance of this Warrant or any lesser portion or portions thereof by paying to the Payee the principal amount to be prepaid, plus interest accrued on such principal amount to the date of such prepayment, without premium or penalty. Written notice of the call for prepayment of this Warrant by the County shall be given not less than five days prior to the date fixed for prepayment.

This Warrant is issued pursuant to the Constitution and laws of the State of Alabama, including the provisions of Amendment No. 750 to the ALABAMA CONSTITUTION OF 1901, as amended, and Section 11-28-1 et seq. of the ALA. CODE (1975), as amended, and a resolution and proceedings of the governing body of the County duly passed, held and conducted (the "Authorizing Proceedings") for the purposes described in the Authorizing Proceedings.

The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the County and the full faith and credit of the County are pledged to the payment of the principal of and interest on the Warrant.

Upon the occurrence of an Extraordinary Event the County shall (1) provide notice to the Payee of such Extraordinary Event, and (2) at the option of the Payee, purchase this Warrant on the Tender Date for a purchase price equal to the outstanding principal amount thereof and interest accrued thereon to such Tender Date. The County acknowledges and agrees that the determination by Payee of whether to require the purchase of this Warrant upon the occurrence of any Extraordinary Event shall be made by the Payee in the exercise of its sole discretion.

For purposes of this Warrant, the following terms shall have the following meanings:

Applicable Rate shall mean a fixed per annum rate of interest equal to one and thirty-eight one-hundredths of one percent (1.38%), provided, however, if any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to the Prime Rate plus three percent (3%), as adjusted, from the scheduled date of payment to the date such payment thereof is made.

Indebtedness means (a) all indebtedness, whether or not represented by bonds, warrants, notes or other securities, for the repayment of borrowed money, (b) all leases, which, in accordance with generally accepted accounting principles, are to be capitalized, installment sale agreements and other similar obligations for the payment of the purchase price of property or assets purchased, (c) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person or otherwise to assure a creditor against loss; (d) obligations secured by any Lien or other charge or encumbrance on property, whether or not the obligations have been assumed by or is a primary obligation of the County; (e) indebtedness and reimbursement obligations with respect to letters of credit issued for the account of the County and, without duplication, all drafts drawn thereunder; provided, however, that "Indebtedness" shall not include (i) trade payables and similar unsecured current obligations incurred in the ordinary course of business, (ii) deferred compensation payables, or (iii) any increase in the liabilities of the County as a result of unrealized losses on interest rate swap or hedge agreements.

Lien means any lien, mortgage, pledge, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement, including, without limitation, the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to real property.

Matters Contested in Good Faith means matters (a) then being contested in good faith by appropriate proceedings diligently and continuously pursued, (b) the enforcement of which is effectively stayed during the period of the contest and (c) with respect to which the County obtains a payment bond of a corporate surety or establishes sufficient reserves.

Person shall include natural persons, sole proprietorships, corporations (which shall be deemed to include business trusts), limited liability companies and partnerships, unincorporated organizations, associations, companies, institutions, entities, joint ventures, partnerships, governments (whether national, federal, state, county, city, municipal or otherwise) and any governmental instrumentality, division, agency, body or department.



Extraordinary Event shall mean the occurrence of any one of the following:

(1) Moody's Investors Services, Inc. assigns a rating of "A1" or lower to the long-term debt of the County, or (2) the failure by the County to pay, when due, any amount of the principal or interest on this Warrant or (3) the failure by the County to make any payment or payments of any Indebtedness when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness, except for Matters Contested in Good Faith.

Prime Rate shall mean the rate of interest designated from time to time by Payee as its commercial prime interest rate, with the understanding that the prime interest rate of Payee is an interest rate established from time to time for lending purposes after taking into account such factors as Payee may in its sole discretion from time to time deem appropriate and is not necessarily the best or lowest rate offered by Payee.

Tender Date shall mean that date ninety (90) days after the date of delivery of the notice of any Extraordinary Event to the Payee.

The County has established in the Authorizing Proceedings a special fund designated "Series 2012-B General Obligation Taxable Warrant Fund" for the payment of the principal of and interest on the Warrant, and has obligated itself to pay or cause to be paid into said Fund from the taxes and revenues of the County sums sufficient to provide for the payment of the principal of and interest on this Warrant as the same matures and comes due.

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the County. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or its legal representative, and neither the County nor any agent of the County shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the County upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or its legal representative addressed to the County, such transfer to be recorded on said book of registration and endorsed hereon by the County. Upon presentation to the County for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the County, duly executed by the registered owner or its attorney duly authorized in writing, and the County shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description and that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant and the adoption of the Authorizing Proceedings have happened, do exist and have been performed in time, form and manner as so required.

IN WITNESS WHEREOF, the County, acting by and through its governing body, has caused this Warrant to be executed in its name and on its behalf by its Chairman and its county seal to be hereunto affixed and attested by its County Administrator, and has caused this Warrant to be dated June 6, 2012.

**BALDWIN COUNTY**

By   
Its Chairman

Attest:

  
County Administrator

**REGISTRATION CERTIFICATE**

I hereby certify that this Warrant has been duly registered by me as a claim against Baldwin County and the Warrant Fund referred to herein.

  
County Administrator of Baldwin County

**REGISTRATION OF OWNERSHIP**

This Warrant is recorded and registered on the registry books of Baldwin County in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

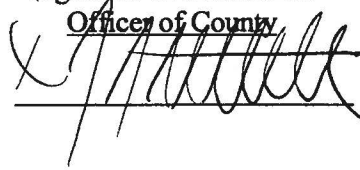
Date of  
Registration

June 6, 2012

In Whose Name  
Registered

Regions Bank

Signature of Authorized  
Officer of County



ENDORSEMENT BY COUNTY OF UNPAID PRINCIPAL  
AND ACCRUED INTEREST ON DATE OF TRANSFER

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Accrued Interest on Date of Transfer</u>	<u>Signature of Authorized Officer of County</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

JONES, WALKER, WAECHTER, POITEVENT, CARRERE & DENEGRÉ, LLP  
ONE FEDERAL PLACE  
1819 FIFTH AVENUE NORTH, SUITE 1100  
BIRMINGHAM, ALABAMA 35203

June 6, 2012

Regions Bank  
Mobile, Alabama

Baldwin County Commission  
Bay Minette, Alabama

Re: \$25,000,000 General Obligation Taxable Warrant, Series 2012-B, dated June 6, 2012, issued by  
Baldwin County, Alabama

Ladies and Gentlemen:

This opinion is rendered in connection with the issuance of the above-referenced taxable warrant (the "Warrant") by Baldwin County, Alabama (the "County"), a political subdivision organized under the laws of the State of Alabama. The Warrant is issued pursuant to a resolution and order duly adopted by the governing body of the County (the "Warrant Resolution").

We have examined the following: the proceedings of the County for adoption of the Warrant Resolution and other certificates, documents and proofs considered by us to be pertinent. In rendering this opinion we have relied upon statements set forth in certificates executed by public officials and by officers of the County.

Based upon the foregoing and upon our examination of the aforesaid proceedings and other papers submitted to us, and in reliance on the aforesaid certificates and assuming compliance with the covenants and representations in the Warrant Resolution, we are of the opinion, as of the date hereof and under existing law, that:

- (1) The Warrant is a valid and binding order upon the County Administrator of the County for the payment of the principal thereof and the interest thereon and evidences and orders paid the valid general obligation indebtedness of the County.
- (2) Interest on the Warrant is includable in gross income for federal income taxation.
- (3) Interest on the Warrant is exempt from present income taxation in the State of Alabama.

The rights of the registered owner of the Warrant and the enforceability thereof are subject to the exercise of judicial discretion, to the valid exercise of the constitutional powers of the United States of America and the sovereign police powers of the State of Alabama, and to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights heretofore or hereafter enacted.

The opinions within are (a) limited to matters stated herein and no opinion may be inferred beyond the matters expressly stated, (b) given as of the date hereof and with the express understanding that we have no obligation to advise you or any of your successors or assigns of any changes in law or fact subsequent to the date hereof, even though such changes may affect the opinions expressed herein, (c) rendered to you solely in connection with the subject transactions and may not be relied upon by you or by any other person for any other purpose, and (d) rendered as an expression of our professional judgment as to the legal issues explicitly addressed herein, by the rendering of which we do not become an insurer or guarantor of that expression of professional judgment or of the outcome of any legal dispute that may arise with respect to any of the matters herein contained.

Faithfully yours,

*Jones, Walker, Wacker, Portant, Canine & Denegre, L.L.P.*

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**EXCERPTS FROM THE MINUTES OF A REGULAR MEETING  
OF THE BALDWIN COUNTY COMMISSION**

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The Baldwin County Commission, the governing body of Baldwin County, met in regular public session at the Baldwin County Administration Building, County Commission Chambers, located at 322 Courthouse Square in the City of Bay Minette at 8:30 o'clock a.m. on the 5th day of June, 2012. The meeting was called to order by the Chairman, and the roll was called with the following results:

Present:        Robert E. (Bob) James, Chairman  
                  J. Tucker Dorsey, Vice-Chairman  
                  Frank Burt, Jr.  
                  Charles F. Gruber

Absent:         None

The Chairman stated that a quorum was present and that the meeting was open for the transaction of business.

\*   \*   \*

Thereupon, the following resolution and order was introduced in writing by the Chairman, and considered by the County Commission:

**RESOLUTION AND ORDER NO. 2012-073**

**A RESOLUTION AND ORDER AUTHORIZING THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF A \$25,000,000 GENERAL OBLIGATION TAXABLE WARRANT, SERIES 2012-B, DATED JUNE 6, 2012, TO REGIONS BANK FOR THE PURCHASE OF A PORTION OF THE MEGASITE PROPERTY**

BE IT RESOLVED AND ORDERED BY THE COUNTY COMMISSION (the "Commission") OF BALDWIN COUNTY, ALABAMA (the "County") as follows:

**Section 1. Findings and Representations.**

The County, by and through its Commission, does hereby find and determine, represent and warrant as follows:

(a) Pursuant to Amendment No. 750 of the ALABAMA CONSTITUTION OF 1901, as amended, and §11-28-1 et seq. of the ALA. CODE (1975) and in order to promote local economic and industrial development within the County, it is necessary, desirable and in the County's best public interest to purchase approximately 2,072 acres of certain real property (the "Real Property") which will be improved and developed for use by industry of any kind or as an industrial park through the issuance of its \$25,000,000 General Obligation Taxable Warrant, Series 2012-B, dated the date of delivery (the "Warrant").

(b) The Real Property is more particularly described on Exhibit A attached hereto and incorporated herein by reference, and will comprise a portion of an area heretofore designated as an industrial Mega-Site (the "Mega-Site").

(c) The County has not identified any private entities to whom, or in aid of, it will lend its credit or grant any public funds or thing of value in connection with the Mega-Site. The County will hold a public hearing in compliance with Amendment No. 750 to the ALABAMA CONSTITUTION OF 1901, as amended, once those private entities are known.

(d) The net assessed valuation of the taxable property in the County for the preceding fiscal year (ended September 30, 2011) and on the basis of which, taxes became due and payable on October 1, 2011, was not less than \$3,881,195,126.

(e) The Warrant shall be a general obligation of the County for which its full faith and credit is pledged. The total indebtedness of the County chargeable against the debt limitation for the County prescribed by Section 224 of the Constitution of Alabama, as amended, is less than 5% thereof.

**Section 2. Authorization and Description of Warrant; Payments of Warrant.**

(a) The County is hereby authorized to borrow from Regions Bank the amount of \$25,000,000 for the purposes set forth in Section 1 hereof, and the County shall issue therefor the Warrant described above to Regions Bank.

(b) The Warrant shall be dated the date of issuance; shall bear interest at the per annum rate or rates; shall be payable in installments of principal and interest in such amounts, at such times and in such manner; shall be subject to redemption prior to maturity; shall be subject to mandatory tender; and shall be registered and transferred; all as provided in the form of the Warrant in Section 3.

(c) The principal of and interest on the Warrant shall be payable in lawful money of the United States of America, at the designated office of the registered owner thereof at par and without discount, exchange or deduction or charge therefor.

**Section 3. Form of Warrant.**

(a) The Warrant shall be in substantially the following form:



**UNITED STATES OF AMERICA  
STATE OF ALABAMA  
BALDWIN COUNTY  
GENERAL OBLIGATION TAXABLE WARRANT  
SERIES 2012-B**

**No. R-1**

**\$25,000,000**

**BALDWIN COUNTY**, a political subdivision organized and existing under and by virtue of the laws of the State of Alabama (herein called the "County"), for value received, hereby acknowledges itself indebted to and does hereby order and direct the County Administrator of the County to pay, solely out of the special warrant fund hereinafter described, to Regions Bank (herein called the "Payee"), its successors and assigns, the principal sum of

**TWENTY FIVE MILLION DOLLARS  
(\$25,000,000)**

and to pay solely from said warrant fund interest on the unpaid balance of said principal amount from the date hereof until payment in full, at a fixed per annum rate of interest (computed on the basis of the actual number of days elapsed over a 360-day year) equal to the Applicable Rate (as defined herein), said principal and interest being payable in installments as follows:

(a) On December 15, 2012 and on the 15<sup>th</sup> day (or next business day) of June, 2013, December, 2013, June, 2014 and December, 2014, the interest accrued on the outstanding principal balance of this Warrant to each such date of payment; and

(b) On June 15, 2015, the entire outstanding principal balance of this Warrant plus all accrued interest thereon.

Payment of the principal hereof and interest hereon shall be made at the office of the Payee in Mobile, Alabama, or at such other place as shall be designated to the County in writing by the Payee, provided that the final payment of principal of and interest on this Warrant shall be made only upon presentation and surrender of this Warrant to the County for cancellation.

The County may, on any date, pay in advance the entire unpaid principal balance of this Warrant or any lesser portion or portions thereof by paying to the Payee the principal amount to be prepaid, plus interest accrued on such principal amount to the date of such prepayment, without premium or penalty. Written notice of the call for prepayment of this Warrant by the County shall be given not less than five days prior to the date fixed for prepayment.

This Warrant is issued pursuant to the Constitution and laws of the State of Alabama, including the provisions of Amendment No. 750 to the ALABAMA CONSTITUTION OF 1901, as amended, and Section 11-28-1 et seq. of the ALA. CODE (1975), as amended, and a resolution and proceedings of the governing body of the County duly passed, held and conducted (the "Authorizing Proceedings") for the purposes described in the Authorizing Proceedings.

The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the County and the full faith and credit of the County are pledged to the payment of the principal of and interest on the Warrant.

Upon the occurrence of an Extraordinary Event the County shall (1) provide notice to the Payee of such Extraordinary Event, and (2) at the option of the Payee, purchase this Warrant on the Tender Date for a purchase price equal to the outstanding principal amount thereof and interest accrued thereon to such Tender Date. The County acknowledges and agrees that the determination by Payee of whether to require the purchase of this Warrant upon the occurrence of any Extraordinary Event shall be made by the Payee in the exercise of its sole discretion.

For purposes of this Warrant, the following terms shall have the following meanings:

Applicable Rate shall mean a fixed per annum rate of interest equal to one and thirty-eight one-hundredths of one percent (1.38%), provided, however, if any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to the Prime Rate plus three percent (3%), as adjusted, from the scheduled date of payment to the date such payment thereof is made.

Indebtedness means (a) all indebtedness, whether or not represented by bonds, warrants, notes or other securities, for the repayment of borrowed money, (b) all leases, which, in accordance with generally accepted accounting principles, are to be capitalized, installment sale agreements and other similar obligations for the payment of the purchase price of property or assets purchased, (c) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person or otherwise to assure a creditor against loss; (d) obligations secured by any Lien or other charge or encumbrance on property, whether or not the obligations have been assumed by or is a primary obligation of the County; (e) indebtedness and reimbursement obligations with respect to letters of credit issued for the account of the County and, without duplication, all drafts drawn thereunder; provided, however, that "Indebtedness" shall not include (i) trade payables and similar unsecured current obligations incurred in the ordinary course of business, (ii) deferred compensation payables, or (iii) any increase in the liabilities of the County as a result of unrealized losses on interest rate swap or hedge agreements.

Lien means any lien, mortgage, pledge, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement, including, without limitation, the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to real property.

Matters Contested in Good Faith means matters (a) then being contested in good faith by appropriate proceedings diligently and continuously pursued, (b) the enforcement of which is effectively stayed during the period of the contest and (c) with respect to which the County obtains a payment bond of a corporate surety or establishes sufficient reserves.

Person shall include natural persons, sole proprietorships, corporations (which shall be deemed to include business trusts), limited liability companies and partnerships, unincorporated organizations, associations, companies, institutions, entities, joint ventures, partnerships, governments (whether national, federal, state, county, city, municipal or otherwise) and any governmental instrumentality, division, agency, body or department.

Extraordinary Event shall mean the occurrence of any one of the following:

(1) Moody's Investors Services, Inc. assigns a rating of "A1" or lower to the long-term debt of the County, or (2) the failure by the County to pay, when due, any amount of the principal or interest on this Warrant or (3) the failure by the County to make any payment or payments of any Indebtedness when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness, except for Matters Contested in Good Faith.

Prime Rate shall mean the rate of interest designated from time to time by Payee as its commercial prime interest rate, with the understanding that the prime interest rate of Payee is an interest rate established from time to time for lending purposes after taking into account such factors as Payee may in its sole discretion from time to time deem appropriate and is not necessarily the best or lowest rate offered by Payee.

Tender Date shall mean that date ninety (90) days after the date of delivery of the notice of any Extraordinary Event to the Payee.

The County has established in the Authorizing Proceedings a special fund designated "Series 2012-B General Obligation Taxable Warrant Fund" for the payment of the principal of and interest on the Warrant, and has obligated itself to pay or cause to be paid into said Fund from the taxes and revenues of the County sums sufficient to provide for the payment of the principal of and interest on this Warrant as the same matures and comes due.

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the County. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or its legal representative, and neither the County nor any agent of the County shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the County upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or its legal representative addressed to the County, such transfer to be recorded on said book of registration and endorsed hereon by the County. Upon presentation to the County for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the County, duly executed by the registered owner or its attorney duly authorized in writing, and the County shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description and that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant and the adoption of the Authorizing Proceedings have happened, do exist and have been performed in time, form and manner as so required.

IN WITNESS WHEREOF, the County, acting by and through its governing body, has caused this Warrant to be executed in its name and on its behalf by its Chairman and its county seal to be hereunto affixed and attested by its County Administrator, and has caused this Warrant to be dated June 6, 2012.



**BALDWIN COUNTY**

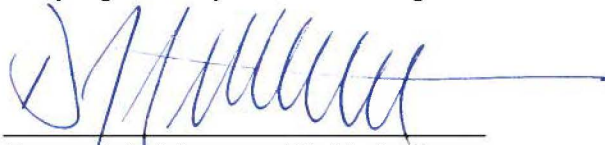
By   
Its Chairman

Attest:

  
County Administrator

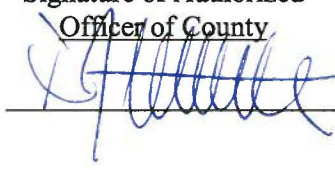
REGISTRATION CERTIFICATE

I hereby certify that this Warrant has been duly registered by me as a claim against Baldwin County and the Warrant Fund referred to herein.

  
County Administrator of Baldwin County

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of Baldwin County in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Authorized Officer of County</u>
<u>June 6, 2012</u>	<u>Regions Bank</u>	
<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>

ENDORSEMENT BY COUNTY OF UNPAID PRINCIPAL  
AND ACCRUED INTEREST ON DATE OF TRANSFER

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Accrued Interest on Date of Transfer</u>	<u>Signature of Authorized Officer of County</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Section 4. Execution of the Warrant.**

The Warrant shall be manually executed in the name and on behalf of the County by the Chairman and shall be manually attested by the County Administrator of the County, and the official seal of the County shall be manually imprinted thereon. The Registration Certificate shall be manually executed by the County Administrator. The Registration of Ownership of the Warrant shall be manually executed by the County Administrator of the County who shall make the endorsements provided at the time of any transfer. Said officers are hereby directed to so manually execute, attest and register the Warrant and to make the appropriate endorsements and notations, if any, thereon.

**Section 5. Warrant Fund.**

(a) The Warrant and the interest thereon shall constitute a general obligation debt of the County. The Warrant is an obligation of the County to which the full faith and credit of the County is pledged.

(b) To secure the payment of the principal of and interest on the Warrant and to secure for the benefit of the registered owner of the Warrant the faithful performance of all of the covenants and provisions contained herein, in the manner and to the extent so provided, the County (1) does hereby pledge unto the registered owner of the Warrant and its registered assigns the full faith and credit of the County, (2) does hereby create and establish a special fund designated the "Series 2012-B General Obligation Taxable Warrant Fund" (the "Warrant Fund"), which shall be held by Regions Bank, as custodian and paying agent of the Warrant and (3) does hereby covenant and agree to pay or cause to be paid into the Warrant Fund a sufficient amount of the revenues and taxes of the County.

(c) The County further covenants and agrees to collect or cause to be collected all taxes and revenues when due and to apply the same as provided in this Resolution.

**Section 6. Expenses of Collection; Interest After Maturity.**

The County covenants and agrees that, if the principal of and interest on the Warrant are not paid promptly as such principal and interest matures and comes due, it will pay to the registered owner of the Warrant or its registered assignees all expenses incident to the collection of any unpaid portion thereof, including a reasonable attorney's fee. If any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to the Prime Rate plus three percent (3%), as adjusted, from the scheduled date of payment to the date such payment thereof is made.

**Section 7. No Federal Tax Exemption for Interest**

The interest received by the registered owner of the Warrant is includable as gross income for federal income taxation purposes under the Internal Revenue Code of 1986, as amended (the "Code"). The Warrant is not "tax-exempt."



## **Section 8. Authorization of Issuance of Warrant.**

The Chairman and the County Administrator, or either of them, are hereby authorized and directed to effect delivery of the Warrant to Regions Bank and in connection therewith to deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrant and the absence of pending or threatened litigation with respect thereto. The Chairman and the County Administrator are hereby authorized and directed to execute such other agreements as may reasonably be requested by Regions Bank.

The County Administrator of the County shall give a receipt to the said purchaser for the purchase price paid, and such receipt shall be full acquittal to the said purchaser and the said purchaser shall not be required to see to or be responsible for the application of the proceeds of the Warrant. Nevertheless, the proceeds of the Warrant shall be applied solely to the purposes herein referenced.

## **Section 9. Special Agreements of the County**

From the date of issuance of the Warrant until the principal of and interest on the Warrant shall have been paid in full, or provision shall have been made for such payment, the County hereby covenants and agrees as follows:

(a) Visitation. The County shall permit (after having received reasonable advance written notice from the Payee), any employees, agents or other representatives of the Payee and any attorneys, accountants or other agents or representatives designated by the Payee to (a) have access to and visit and inspect any of the accounting systems, books of account, financial records and property of the County, (b) examine and make abstracts from any such accounting systems, books and records, and (c) discuss the affairs, finances and accounts thereof with the officers, employees or agents of the County, all at such reasonable business times as the Payee deems necessary or advisable to protect its interests; provided, however, that the foregoing shall not require the County to divulge confidential information.

(b) Annual Financial Statements. As soon as available, and in any event within ten days after receipt by the County, it shall provide the Payee the financial statements of the County, including the balance sheet as of the end of such fiscal year and the related statements of operations and changes in net assets for such fiscal year, prepared by the Alabama Department of Examiners of Public Accounts, consistently applied and fairly presenting the financial condition of the County, as of the end of such fiscal year.

(c) Governmental Authorizations: Permits and Licenses. The County has, and shall preserve and maintain, all licenses, permits, approvals, registrations, contracts, consents, franchises, qualifications, accreditations and other authorizations necessary for the lawful conduct of its corporate purposes and operations, wherever now conducted and as planned to be conducted, pursuant to all applicable statutes, laws, ordinances, rules and regulations.

(d) Insurance. The County shall maintain insurance, to the extent commercially available at reasonable rates, on its property and with respect to itself, of such type and in such amounts or in excess of such amounts as are customarily carried by and insures against such risks as are customarily insured against by governmental entities of like size and character to the County.

**Section 10. Events of Default**

The County agrees that the occurrence of any of the following events shall be an event of default with respect to the Warrant whereupon the registered owner of the Warrant may exercise all remedies available at law or in equity consequent thereupon:

(i) failure to pay the principal of or interest on the Warrant on the date which any installment of principal of or interest on the Warrant shall become due and payable; or

(ii) the occurrence of any of the following: the appointment of a receiver, liquidator or trustee of the County or any of its property or assets; or a general assignment by the County for the benefit of the creditors thereof; or the commencement of proceedings by the County, or against the County and not dismissed or not stayed for a period of 60 days, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or any jurisdiction, now or hereafter in effect.

**Section 11. Approval of County Government Bond Financing Review Form.**

The County Government Bond Financing Review Form attached hereto as Exhibit B and incorporated herein by reference is hereby adopted and approved, and the Chairman is authorized to sign the same and file said form with the Alabama Department of Examiners of Public Accounts.

**Section 12. Severability.**

The provisions of this Resolution are severable. In the event that any one or more of such provisions or the provisions of the Warrant shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this Resolution or of the Warrant, and this Resolution and the Warrant shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

**Section 13. Repeal of Conflicting Provisions.**

All resolutions, proceedings and orders or parts thereof in conflict with this Resolution are, to the extent of such conflict, hereby repealed.

**Section 14. Provisions of Resolution a Contract.**

The terms, provisions and conditions set forth in this Resolution constitute a contract between the County and the registered owner of the Warrant and shall remain in effect until the principal of and interest on the Warrant shall have been paid in full.

**Section 15. No Limitation on Transfer.**

Anything herein to the contrary notwithstanding, the County shall have the unconditional right to transfer, mortgage, pledge and assign the Real Property, or any portion thereof, at any time without notice to or consent of Regions Bank.





After said resolution and order had been discussed and considered in full by the Commission, it was moved by Commissioner BURT that said resolution and order be now adopted. The motion was seconded by Commissioner GRUBER. The question being put as to the adoption of said motion and the passage and adoption of said resolution and order, the roll was called with the following results:

Ayes: Robert E. (Bob) James, Chairman  
J. Tucker Dorsey, Vice-Chairman  
Frank Burt, Jr.  
Charles F. Gruber


Nays: None

The Chairman thereupon declared said motion carried and the resolution and order passed and adopted as introduced and read.

Adopted this 5th day of June, 2012.

  
Chairman  
Vice-Chairman  
Member  
Member

Authenticated and Attested:

  
County Administrator

STATE OF ALABAMA  
BALDWIN COUNTY

CERTIFICATE OF CHAIRMAN

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Chairman of the Baldwin County Commission. I do further certify that as Chairman of the Baldwin County Commission I have access to all original records of the County and I am duly authorized to make certified copies of its records on its behalf, the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from the minutes of a regular meeting of the Baldwin County Commission duly held on the 5th day of June, 2012, the original of which is on file and of record in the minute book of the Baldwin County Commission in my custody, the resolution and order set forth in such excerpts is a complete, verbatim and compared copy of such resolution and order as introduced and adopted by the County Commission on such date, and said resolution and order is in full force and effect and has not been repealed, amended or changed.

IN WITNESS WHEREOF, I have hereunto set my hand as Chairman of the Baldwin County Commission this 5th day of June, 2012.



  
Chairman

**EXHIBIT A**

**[Description of Real Property]**



**COMMITMENT**  
Issued by  
***First American Title Insurance Company***

**SCHEDULE A**

Agent's File No.: 12-15620

1. Commitment Date: May 9, 2012 @ 8:00 AM

	<u>AMOUNT</u>
2. Policy or Policies to be Issued:	
<input checked="" type="checkbox"/> Owner's Policy:                      (ALTA 2006)	\$ 25,975,000.00
Proposed Insured:	

Baldwin County, a Political Subdivision of the State of Alabama

<input type="checkbox"/> Loan Policy:                      (ALTA 2006)	\$
Proposed Insured:	

3. Title to the Fee Simple estate or interest in said Land is at the effective date hereof vested in:

Parcel A: Dugald, L.L.C.

Parcel B: Regions Bank, Edward Brown Crosby and William Neil Crosby, as Co-Trustees of Trust Number Two as created under Last Will & Testament of J. D. Crosby, deceased, Probate Case No. 4831

Parcel C: E. Brown Crosby

Parcel D: Iberiabank, as Trustee of the William Neil Crosby Revocable Trust of 2008, and Iberiabank, as Trustee of the Mary Joe Crosby Revocable Trust of 2008

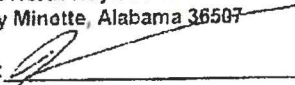
4. The Land referred to in this Commitment is described as follows:

SEE ATTACHED EXHIBIT "A"

Dated: May 17, 2012

Page 1 of 3

Alabama Land Title Company, Inc.  
112 North Hoyle Ave.  
Bay Minette, Alabama 36507

By:   
Authorized Signatory

## COMMITMENT

Issued by

*First American Title Insurance Company*

### EXHIBIT A

Agent's File No.: 12-15620

#### PARCEL A:

Southeast Quarter of Southwest Quarter; Southwest Quarter of Southeast Quarter; Southeast Quarter of Southeast Quarter of Section 23, Township 1 South, Range 3 East, Baldwin County, Alabama.

Northeast Quarter; North half of Southeast Quarter; Northeast Quarter of Southwest Quarter and East half of Northwest Quarter of Section 26, Township 1 South, Range 3 East, Baldwin County, Alabama.

Southwest Quarter of Northwest Quarter and Northwest Quarter of Southwest Quarter of Section 25, Township 1 South, Range 3 East, Baldwin County, Alabama.

Southeast Quarter of Northeast Quarter of Section 23, Township 1 South, Range 3 East and Southwest Quarter of Northwest Quarter of Section 24, Township 1 South, Range 3 East, Baldwin County, Alabama.

#### PARCEL B:

Northwest Quarter of Northwest Quarter of Section 25, Township 1 South, Range 3 East, Baldwin County, Alabama.

Southwest Quarter of Southwest Quarter and Northwest Quarter of Northwest Quarter of Section 24, Township 1 South, Range 3 East, Baldwin County, Alabama.

North half of Northeast Quarter; Northwest Quarter; North half of Southwest Quarter of Section 23, Township 1 South, Range 3 East, Baldwin County, Alabama.

Northeast Quarter; Northeast Quarter of Southeast Quarter; East half of Southeast Quarter of Northwest Quarter; that part of Northwest Quarter of Southeast Quarter of Northwest Quarter lying East of Highway 47; that part of Northeast Quarter of Northwest Quarter lying East of Highway 47, Jack Springs Road, in Section 22, Township 1 South, Range 3 East, Baldwin County, Alabama.

All of Section 14, Township 1 South, Range 3 East lying South of I-65, Baldwin County, Alabama.

All of Southeast Quarter of Section 11, Township 1 South, Range 3 East lying South of I-65, Baldwin County, Alabama.

#### PARCEL C:

Southwest Quarter of Northeast Quarter and Northwest Quarter of Southeast Quarter of Section 23, Township 1 South, Range 3 East, Baldwin County, Alabama.

#### PARCEL D:

Northeast Quarter of Southeast Quarter of Section 23, Township 1 South, Range 3 East, and Northwest Quarter of Southwest Quarter of Section 24, Township 1 South, Range 3 East, Baldwin County, Alabama.

**EXHIBIT B**

**[County Government Bond Financing Review Form]**

# COUNTY GOVERNMENT BOND FINANCING REVIEW FORM

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. The County Commission has considered whether it can satisfy its financial obligations for the life of the bonds.	<u>X</u>	___	___
2. In the case of limited obligation indebtedness, the County Commission has identified the source for the debt service payments for the life of the bonds.	___	___	<u>X</u>
3. In the case of general obligation indebtedness, the County Commission has indicated that the full faith and credit of the County has been pledged for the debt service payments for the life of the bonds.	<u>X</u>	___	___
4. The County Commission has considered the period of usefulness of the improvement or property for which the bonds are to be issued in light of the duration of the term of the bonds under the bond financing agreement.	<u>X</u>	___	___
5. The County Commission acknowledges that bond proceeds shall not be used for general operating expenses of the County.	<u>X</u>	___	___
6. The County Commission has received from the bond underwriter, bond counsel, issuer's counsel, trustee, and any others associated with the issuance of bonds an itemized listing of their respective fees and all other costs which shall not be subject to change prior to the sale or issuance of bonds.	<u>X</u>	___	___
7. The County Commission has received from the bond underwriter a clear and understandable written proposal explaining all details of the proposed bond issue, its repayment schedule, and any external factors which could affect the total cost to the County if it issues the bonds.	___	___	<u>X</u>
8. The County Commission has considered the effect, if any, that the bonds will have on the County's constitutional debt limit.	<u>X</u>	___	___
9. The County Commission has received from the bond underwriter information demonstrating that the estimated interest rate on the bonds is reasonable and, that if information regarding similar recent issuances is available, the interest rates are comparable with other similar issuances based on current bond market conditions on the date of the execution of the bond financing agreement.	___	___	<u>X</u>



***Complete the following section if the proceeds of the proposed bonds are to be used in whole or in part for the purpose of refinancing or refunding outstanding bonds:***

10. The County Commission understands how the issuance of refunding bonds may extend the County's initial debt repayment period and the total cost paid by the County by the end of the refunding period.

\_\_\_ \_\_\_ X

11. The County Commission has considered whether the refunding bonds will create net present value savings for the County, including the costs of refinancing.

\_\_\_ \_\_\_ X

***Complete the following section in connection with a swap agreement:***

12. The County Commission has complied with paragraph a. of subdivision (2) of Section 41-1-42, *Code of Alabama 1975*.

\_\_\_ \_\_\_ X

13. The County Commission has reviewed or had explained by the adviser selected all documentation provided pertaining to the swap agreement.

\_\_\_ \_\_\_ X

14. The County Commission has designated an employee or official who will have primary responsibility for the consideration, execution, and monitoring of interest rate swaps and financial hedges entered into by the County.

\_\_\_ \_\_\_ X

Name of Employee/Official \_\_\_\_\_

15. The County Commission has determined whether the County's obligations under the swap agreement constitute a general obligation indebtedness of the County and whether the source of payment is sufficient.

\_\_\_ \_\_\_ X

16. The County Commission has sought and received specific information disclosing the potential risks inherent in the swap agreement including those risks commonly referred to in the derivatives industry as "basis risk," "tax risk," "interest rate risk," "counterparty risk," "termination risk," "market-access risk," "rollover or anticipation risk," and "credit risk."

\_\_\_ \_\_\_ X



I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that all above items have been considered by the County Commission, and that the County Commission has voted to enter into the bond financing agreement or swap agreement by an affirmative vote of a majority of the members of the County Commission.

Signature \_\_\_\_\_

Printed Name Robert E. James

Title chairman

Date of Issuance of Bonds or Swap Agreement June 6, 2012

*In preparing this form, the County Commission shall consult with and obtain advice from either an attorney for the County, the County Administrator, or, at the option of the County Commission, a certified public accountant (CPA) regarding any and all bond or swap proposals received by the County. The person or persons utilized by the County Commission for advice and consultation shall review all documents to be included at the execution of the bond financing agreement or swap agreement.*

I, the adviser/consultant utilized by the County Commission, do hereby acknowledge that I have reviewed all documents to be included at the execution of the bond financing agreement or swap agreement.

Signature \_\_\_\_\_

Printed Name David A. Z. Brewer

Title County Administrator

Company Name Baldwin County

*A copy of this form shall be submitted to the State of Alabama, Department of Examiners of Public Accounts within 10 business days of the issuance of the bonds or swap agreement. This form shall be kept on file at the Office of Examiners of Public Accounts and shall be available for public inspection for a period of seven years.*

**Mailing Address: State of Alabama Department of  
Examiners of Public Accounts  
P. O. Box 302251  
Montgomery, AL 36130-2251**

**Detailed Itemization of Costs and Fees**

*In accordance with Act Number 2009-757, Acts of Alabama, the following detailed itemization of costs and fees and acknowledgments shall be included with the bond financing agreement documents of any County Commission in the State of Alabama.*

**Costs and Fees which will be paid directly by the County Commission**

Expense/Payee	Amount

**Costs and Fees which will be paid directly from bond proceeds**

Expense/Payee	Amount

**Detailed Itemization of Costs and Fees (continued)**

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

**Commission**

Signature \_\_\_\_\_

Printed Name Robert E. James

Title/County Chairman, Baldwin County

Date of Issuance of Bonds June 6, 2012

I, the authorized signatory for the bond underwriter, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

**Bond Underwriter:**

Signature n/a

Printed Name n/a

Title/Company n/a

## Swap Agreement – Statement from Authorized Signatory

*In accordance with Act Number 2009-757, Acts of Alabama, the following acknowledgment from the authorized signatory for the bond underwriter or authorized signatory of the provider of the swap agreement shall be included with documentation necessary to effectuate a swap agreement with any County Commission in the State of Alabama.*

In connection with the swap agreement being entered into by \_\_\_\_\_ (County Commission) on \_\_\_\_\_ (Date of Issuance), I/We do hereby acknowledge the following:

Yes    No    N/A

- |   |       |       |          |
|---|-------|-------|----------|
| 1. I/We have provided the County Commission with a disclosure of the potential risks inherent in the swap agreement.  | _____ | _____ | <u>X</u> |
| 2. I/We have disclosed all fees associated with the swap agreement to the County Commission.  | _____ | _____ | <u>X</u> |
| 3. I/We have provided the County Commission with documentation necessary to effectuate the swap agreement including master agreements, schedules, credit support annexes, confirmations, legal opinions, fairness opinions, and any other information necessary to comply with subdivisions (3) and (5) of subsection (c) of Section 3 of Act Number 2009-757, <i>Acts of Alabama</i> . | _____ | _____ | <u>X</u> |

### Bond Underwriter/Swap Agreement Provider:

Signature \_\_\_\_\_ n/a

Printed Name \_\_\_\_\_ n/a

Title \_\_\_\_\_ n/a

Company Name \_\_\_\_\_ n/a

## CERTIFICATE OF OFFICERS

The undersigned officers of Baldwin County do hereby certify as follows:

1. The following terms, when used in this certificate, shall have the following meanings:

"Authorizing Resolution" means the resolution and order duly adopted by the County Commission of the County on June 5, 2012, authorizing the issuance and sale of the Series 2012-B Warrant.

"County" means Baldwin County, an Alabama political subdivision.

"Series 2012-B Warrant" means the County's General Obligation Taxable Warrant, Series 2012-B, dated June 6, 2012, in the aggregate principal amount of \$25,000,000.

2. The following are, and have been since prior to June 1, 2012, the duly elected, qualified and acting officers of the County:

<u>Name</u>	<u>Office</u>
Robert E. James	Chairman
Tucker Dorsey	Vice-Chairman
Frank Burt, Jr.	Member
Charles F. Gruber	Member
David A. Z. Brewer	County Administrator
Kimberly Creech	County Clerk/Treasurer

3. Each of the aforesaid officers of the County has duly qualified and each is the acting officer holding the office stated immediately following his or her name.

4. The seal affixed hereto is the official corporate seal of the County and the undersigned Chairman is the official custodian thereof and is duly authorized to affix the same to deeds, bonds, contracts, proceedings, warrants and other documents of the County. The undersigned Chairman has access to all original records of the County and is duly authorized to make certified copies of its records on its behalf.

5. The County Commission of the County adopted the Authorizing Resolution at a regular meeting of said Commission duly called and held in strict compliance with the laws of Alabama, a quorum having been present at said meeting and all members present having voted in favor of the Authorizing Resolution. The Authorizing Resolution is in full force and effect and has not been repealed, amended or changed. Regular meetings of the County Commission are held on the first and third Tuesdays of each month at 8:30 a.m. in the Commission Chambers at 322 Courthouse Square in Bay Minette, Alabama.

6. Pursuant to the authority of the Authorizing Resolution, the undersigned Chairman and County Administrator have manually executed the Series 2012-B Warrant. The undersigned Chairman has manually imprinted the corporate seal of the County on the Series 2012-B Warrant. The Series 2012-B Warrant was in the form therefor provided in the Authorizing Resolution and has been in all respects duly executed pursuant to the authority of the Authorizing Resolution. No bonds or warrants other than the Series 2012-B Warrant are outstanding under or are secured by the Authorizing Resolution.

7. On the date the Series 2012-B Warrant was executed, we then were and now are the duly elected, qualified and acting officers of the County indicated by our signatures thereon and hereon. The seal affixed on such instrument is the official corporate seal of the County.

8. We have no knowledge or information of any agreement, representation, condition, understanding or stipulation, whether oral or written or expressed or implied, respecting the authorization by the County of the Series 2012-B Warrant or the disposition or other dealing with the proceeds of the sale of the Series 2012-B Warrant, other than as set forth in the closing papers in connection with the Series 2012-B Warrant and the other documents which have been furnished to Jones, Walker, Waechter, Poitevent, Carrere & Denegre, LLP, Bond Counsel, for their examination preliminary to their approval of the legality of the Series 2012-B Warrant and their opinion with respect to the inclusion of interest on the Series 2012-B Warrant as gross income for federal income taxation purposes and the exclusion of interest on the Series 2012-B Warrant from gross income for State of Alabama income taxation purposes. None of the proceedings or records which have been certified to the attorneys approving the legality of the Series 2012-B Warrant have been repealed, amended or changed. There has been no change in the facts affecting the Series 2012-B Warrant.

9. On the date of this certificate the Series 2012-B Warrant was authenticated and registered by the County and delivered to Regions Bank, the purchaser of the Series 2012-B Warrant.

10. There is no litigation pending or threatened, restraining or enjoining, or in any manner questioning or affecting any one or more of the following matters:

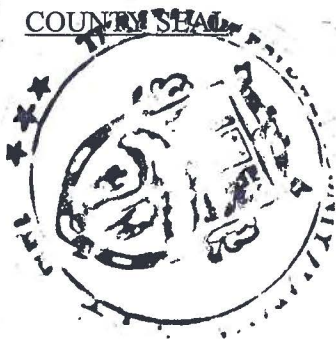
(a) the corporate existence or organization of the County, or any of its powers exercised pursuant to the Authorizing Resolution or the election or title of any officer or member of the governing body of the County;

(b) the Authorizing Resolution or any other proceedings of the County Commission of the County relative to any matter referred to in this certificate;

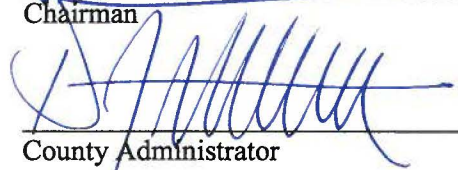
(c) the Series 2012-B Warrant, the authority of the County to issue the Series 2012-B Warrant, the validity, issuance, execution and sale of the Series 2012-B Warrant, the taxing powers of the County to pay the Series 2012-B Warrant or the purposes for which the proceeds of the Series 2012-B Warrant are to be used; or

(d) any other matters referred to in this certificate.

IN WITNESS WHEREOF, we have hereunto set our hands and the official corporate seal of the County, this 6th day of June, 2012.



  
Chairman

  
County Administrator

  
County Clerk/Treasurer

## DEBT CERTIFICATE

The undersigned Chairman, Clerk/Treasurer and Administrator of Baldwin County (the "County") do hereby certify as follows:

1. The assessed value of the taxable property in the County as assessed for County ad valorem taxation and on which taxes were due and payable on October 1, 2011 was not less than \$3,881,195,126.

2. On the date hereof the following represents all general obligation warrant indebtedness of the County:

	<u>Principal Outstanding</u>	<u>Final Maturity</u>
General Obligation Taxable Warrant, Series 2012-B, dated June 6, 2012	\$25,000,000.00	June 15, 2015
General Obligation Warrants, Series 2010, dated January 1, 2010	\$18,365,000.00	January 1, 2025
General Obligation Warrants, Series 2008-B, dated May 1, 2008	\$24,715,000.00	May 1, 2033
General Obligation Warrant, Series 2008-C, dated September 30, 2008	\$4,428,923.66	September 15, 2028
General Obligation Warrant, Series 2008-A, dated December 4, 2007	\$6,153,658.56	November 30, 2017
General Obligation Taxable Warrant, Series 2007, dated June 7, 2007	\$875,000.00	June 1, 2014
General Obligation Warrants, Series 2007-A, dated March 1, 2007	\$13,045,000.00	February 1, 2032
General Obligation Warrants, Series 2006-A, dated January 1, 2006	\$19,775,000.00	January 1, 2026
General Obligation Warrants, Series 2004, dated April 1, 2004	\$4,680,000.00	February 1, 2016
General Obligation Warrants, Series 2004-B, dated June 1, 2004	\$10,745,000.00	June 1, 2026
General Obligation Warrant, Series 2002, dated December 30, 2002	<u>\$10,000.00</u>	October 1, 2012
TOTAL	\$127,792,582.22	



3. The County has the following other outstanding miscellaneous obligations:[1]

- (a) compensated absences and accrued wages of \$2,101,926.80;
- (b) other post-employment benefits of \$1,207,838.02;
- (c) landfill closure and post-closure liability of \$4,997,355.90;
- (d) annual pension liability cost of \$2,806,337.71 as of September 30, 2010;
- (e) certain capital lease and note obligations of not more than \$5,252,653.20 and
- (f) and other miscellaneous obligations of not more than \$500,000.

Such foregoing amounts are as of the date hereof. The aggregate of all such amounts is approximately \$134,572,135.13 in principal amount. The County has outstanding no other bonds, warrants, obligations, indebtedness, notes, contracts, long term leases or loan purchase obligations of any nature whatsoever that would count against the County's constitutional debt limit.

- [1] The Public Building Authority of Baldwin County issued its \$6,405,000 Building Revenue Warrants, Series 2007-A, dated June 1, 2007 in order to finance the cost of acquiring, constructing and equipping an office building for lease on a year-to-year basis to the County and a sublease, on a year-to-year basis to the Alabama Department of Human Resources. The County is obligated to pay rent solely from amounts received under the sublease from the Alabama Department of Human Resources. The County is not obligated to pay any amounts from its general revenues and such lease obligation is not a constitutional debt of the County.

This 6<sup>th</sup> day of June, 2012.

**BALDWIN COUNTY**



Chairman

County Administrator

County Clerk/Treasurer


STATE OF ALABAMA     )  
                                      )  
BALDWIN COUNTY        )

**CERTIFICATE OF REVENUE COMMISSIONER**

The undersigned Revenue Commissioner of Baldwin County, Alabama, does hereby certify that according to the official books and records on file in my office in the County Courthouse in said County, the net assessed valuation as of September 30, 2011 of taxable real and personal property (not including motor vehicles) located in Baldwin County (excluding all property not subject to taxation such as homestead and industrial exemptions and Act. No. 48 and Act No. 91 property), and on the basis of which taxes became due and payable on and after October 1, 2011 was as follows:

2011 TOTAL NET ASSESSED VALUATION, not less than: \$ 3,570,497,540

WITNESS my hand, this 31st day of May, 2012.

  
\_\_\_\_\_  
Revenue Commissioner of Baldwin County

STATE OF ALABAMA )


## CERTIFICATE OF JUDGE OF PROBATE

COUNTY OF BALDWIN )

The undersigned duly elected, qualified and acting Judge of Probate of Baldwin County, Alabama does hereby certify that the net assessed value of motor vehicles within Baldwin County, Alabama, as assessed for taxes during the tax year shown was as follows:

2011 Total Net Assessed Valuation of Motor Vehicles, Not Less Than: \$ 319,697,586.00

WITNESS MY HAND as Judge of Probate of Baldwin County, Alabama, this 30 day of May, 2011. 2012

  
\_\_\_\_\_  
Judge of Probate of Baldwin County,  
Alabama

Baldwin County Commission  
Bay Minette, Alabama

Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.  
Birmingham, Alabama

Re: \$25,000,000 General Obligation Taxable Warrant, Series 2012-B, dated June 6, 2012

Ladies and Gentlemen:

We have purchased, and do hereby acknowledge receipt on this date of, the above-referenced Warrant issued by Baldwin County, a political subdivision of the State of Alabama (the "Issuer"). We have been provided with and have reviewed the resolution and order and proceedings adopted and taken by the governing body of the Issuer on June 5, 2012 authorizing the issuance of the Warrant and describing the security therefor (the "Authorizing Resolution"). We understand and agree, under the Authorizing Resolution (capitalized terms being used herein as in the Authorizing Resolution) that the Warrant is a general obligation of the Issuer and the Warrant shall constitute a charge on the full faith and credit of the Issuer.

We have had full and free access to all books, records and audits of the Issuer and have been provided with and have evaluated such financial, corporate and general information respecting the Issuer and the Warrant as we deem necessary to enable us to make an informed investment judgment with respect to the purchase of the Warrant.

The engagement of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., as bond counsel did not include services related to the compilation, verification or furnishing to us of information regarding the merits and risks of investment in the Warrant. We have regularly bought and sold securities similar to the Warrant for our own account and have knowledge and experience in financial and business matters sufficient to enable us to evaluate such merits and risks.

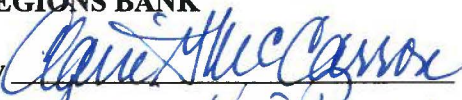
We are purchasing the Warrant for our own account and not for resale and we have no present intention of reselling or otherwise distributing the Warrant or any interest therein to any person or entity which is not owned by Regions Bank. In the event that in the future we decide to sell the Warrant or any interest therein, we are aware that the Warrant is a security and that the seller is obligated, under federal and state security laws, among other things, to fully and accurately disclose to all persons to whom he offers to sell securities all facts material to their decision to purchase such securities. Prior to making any sale of the Warrant or any interest therein, we intend to consult with our counsel knowledgeable in the requirements of such securities laws and to be guided by the advice of such counsel. We hereby represent that we will not sell, transfer, or otherwise distribute the Warrant or any interest in any thereof in violation of any applicable federal or state securities laws.

This 6th day of June, 2012.

REGIONS BANK

By

Its

  
Senior Vice President

**RECEIPT FOR WARRANT**

The undersigned representative, duly authorized to execute and deliver this instrument, hereby acknowledges receipt on behalf of Regions Bank of the \$25,000,000 General Obligation Taxable Warrant, Series 2012-B, dated June 6, 2012 issued by Baldwin County, Alabama pursuant to that certain resolution and order dated June 5, 2012.

This 6th day of June, 2012.

**REGIONS BANK**

By   
Its Duly Authorized Representative

# COUNTY GOVERNMENT BOND FINANCING REVIEW FORM

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. The County Commission has considered whether it can satisfy its financial obligations for the life of the bonds.	<u>X</u>	_____	_____
2. In the case of limited obligation indebtedness, the County Commission has identified the source for the debt service payments for the life of the bonds.	_____	_____	<u>X</u>
3. In the case of general obligation indebtedness, the County Commission has indicated that the full faith and credit of the County has been pledged for the debt service payments for the life of the bonds.	<u>X</u>	_____	_____
4. The County Commission has considered the period of usefulness of the improvement or property for which the bonds are to be issued in light of the duration of the term of the bonds under the bond financing agreement.	<u>X</u>	_____	_____
5. The County Commission acknowledges that bond proceeds shall not be used for general operating expenses of the County.	<u>X</u>	_____	_____
6. The County Commission has received from the bond underwriter, bond counsel, issuer's counsel, trustee, and any others associated with the issuance of bonds an itemized listing of their respective fees and all other costs which shall not be subject to change prior to the sale or issuance of bonds.	<u>X</u>	_____	_____
7. The County Commission has received from the bond underwriter a clear and understandable written proposal explaining all details of the proposed bond issue, its repayment schedule, and any external factors which could affect the total cost to the County if it issues the bonds.	<u>X</u>	_____	_____
8. The County Commission has considered the effect, if any, that the bonds will have on the County's constitutional debt limit.	<u>X</u>	_____	_____
9. The County Commission has received from the bond underwriter information demonstrating that the estimated interest rate on the bonds is reasonable and, that if information regarding similar recent issuances is available, the interest rates are comparable with other similar issuances based on current bond market conditions on the date of the execution of the bond financing agreement.	<u>X</u>	_____	_____



**Complete the following section if the proceeds of the proposed bonds are to be used in whole or in part for the purpose of refinancing or refunding outstanding bonds:**

10. The County Commission understands how the issuance of refunding bonds may extend the County's initial debt repayment period and the total cost paid by the County by the end of the refunding period. \_\_\_\_\_ X
11. The County Commission has considered whether the refunding bonds will create net present value savings for the County, including the costs of refinancing. \_\_\_\_\_ X

**Complete the following section in connection with a swap agreement:**

12. The County Commission has complied with paragraph a. of subdivision (2) of Section 41-1-42, *Code of Alabama 1975*. \_\_\_\_\_ X
13. The County Commission has reviewed or had explained by the adviser selected all documentation provided pertaining to the swap agreement. \_\_\_\_\_ X
14. The County Commission has designated an employee or official who will have primary responsibility for the consideration, execution, and monitoring of interest rate swaps and financial hedges entered into by the County. \_\_\_\_\_ X
- Name of Employee/Official \_\_\_\_\_
15. The County Commission has determined whether the County's obligations under the swap agreement constitute a general obligation indebtedness of the County and whether the source of payment is sufficient. \_\_\_\_\_ X
16. The County Commission has sought and received specific information disclosing the potential risks inherent in the swap agreement including those risks commonly referred to in the derivatives industry as "basis risk," "tax risk," "interest rate risk," "counterparty risk," "termination risk," "market-access risk," "rollover or anticipation risk," and "credit risk." \_\_\_\_\_ X

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that all above items have been considered by the County Commission, and that the County Commission has voted to enter into the bond financing agreement or swap agreement by an affirmative vote of a majority of the members of the County Commission.

Signature

Printed Name Robert E. James

Title Chairman

Date of Issuance of Bonds or Swap Agreement June 6, 2012

*In preparing this form, the County Commission shall consult with and obtain advice from either an attorney for the County, the County Administrator, or, at the option of the County Commission, a certified public accountant (CPA) regarding any and all bond or swap proposals received by the County. The person or persons utilized by the County Commission for advice and consultation shall review all documents to be included at the execution of the bond financing agreement or swap agreement.*

I, the adviser/consultant utilized by the County Commission, do hereby acknowledge that I have reviewed all documents to be included at the execution of the bond financing agreement or swap agreement.

Signature

Printed Name David A. Z. Brewer

Title County Administrator

Company Name Baldwin County



*A copy of this form shall be submitted to the State of Alabama, Department of Examiners of Public Accounts within 10 business days of the issuance of the bonds or swap agreement. This form shall be kept on file at the Office of Examiners of Public Accounts and shall be available for public inspection for a period of seven years.*

**Mailing Address: State of Alabama Department of  
Examiners of Public Accounts  
P. O. Box 302251  
Montgomery, AL 36130-2251**



### Detailed Itemization of Costs and Fees

*In accordance with Act Number 2009-757, Acts of Alabama, the following detailed itemization of costs and fees and acknowledgments shall be included with the bond financing agreement documents of any County Commission in the State of Alabama.*

### Costs and Fees which will be paid directly by the County Commission

[illegible]

**Costs and Fees which will be paid directly from bond proceeds**

[illegible]

**Detailed Itemization of Costs and Fees (continued)**

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

**Commission**

Signature

Printed Name Robert E. James

Title/County Chairman/Baldwin County

Date of Issuance of Bonds June 6, 2012



I, the authorized signatory for the bond underwriter, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

**Bond Underwriter:**

Signature

Printed Name Claire McCarron

Title/Company Senior Vice-President, Regions Bank

## **Swap Agreement – Statement from Authorized Signatory**

*In accordance with Act Number 2009-757, Acts of Alabama, the following acknowledgment from the authorized signatory for the bond underwriter or authorized signatory of the provider of the swap agreement shall be included with documentation necessary to effectuate a swap agreement with any County Commission in the State of Alabama.*

In connection with the swap agreement being entered into by \_\_\_\_\_ (County Commission) on \_\_\_\_\_ (Date of Issuance), I/We do hereby acknowledge the following:

- |   | Yes   | No    | N/A    |
|---|-------|-------|--------|
| 1. I/We have provided the County Commission with a disclosure of the potential risks inherent in the swap agreement.  | _____ | _____ | _____X |
| 2. I/We have disclosed all fees associated with the swap agreement to the County Commission.  | _____ | _____ | _____X |
| 3. I/We have provided the County Commission with documentation necessary to effectuate the swap agreement including master agreements, schedules, credit support annexes, confirmations, legal opinions, fairness opinions, and any other information necessary to comply with subdivisions (3) and (5) of subsection (c) of Section 3 of Act Number 2009-757, <i>Acts of Alabama</i> . | _____ | _____ | _____X |

### **Bond Underwriter/Swap Agreement Provider:**

Signature \_\_\_\_\_

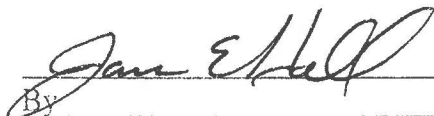
Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Company Name \_\_\_\_\_

Receipt of Review Form

I, the undersigned, acknowledge receipt of an executed copy of the County Government Bond Financing Review Form in connection with the issuance by Baldwin County of its \$25,000,000 General Obligation Taxable Warrant, Series 2012-B, dated June 6, 2012.

By 

Its \_\_\_\_\_

State of Alabama  
Department of Examiners of Public Accounts  
Montgomery, Alabama