

In the opinion of Greenberg Traurig, P.A. and Debi Rumph, Esquire, Co-Special Tax Counsel, assuming continuing compliance with certain tax covenants and the accuracy of certain representations of the School Board, under existing statutes, regulations, rulings and court decisions, the portion of the Basic Lease Payments designated and paid as interest to the Series 2017B Certificate holders will be excludable from gross income for federal income tax purposes. The portion of the Basic Lease Payments designated and paid as interest to the Series 2017B Certificate holders will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest portion of Basic Lease Payments will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations. No opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2017B Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder. See "TAX TREATMENT" herein for a description of certain other federal tax consequences of ownership of the Series 2017B Certificates. Co-Special Tax Counsel is further of the opinion that the Series 2017B Certificates and the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates will not be subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein; provided, however, that no opinion is expressed with respect to tax consequences under the laws of the State of Florida of any payments received with respect to the Series 2017B Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder.

**\$71,080,000**

CERTIFICATES OF PARTICIPATION, SERIES 2017B
Evidencing Undivided Proportionate Interests of the
Owners Thereof in Basic Lease Payments to be Made by
THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA,
as Lessee, Pursuant to a Master Lease Purchase Agreement
with Orange County School Board Leasing Corporation, as Lessor

Dated: Date of Delivery**Due: August 1, as shown on the inside cover**

The Certificates of Participation, Series 2017B (the "Series 2017B Certificates") offered hereby evidence undivided proportionate interests in a portion of the principal portion and interest portion of the Basic Lease Payments (as defined herein) to be made by The School Board of Orange County, Florida (the "School Board"), acting as the governing body of the School District of Orange County, Florida (the "District"), pursuant to a Master Lease Purchase Agreement, dated as of May 1, 1997, as amended (the "Master Lease") with the Orange County School Board Leasing Corporation (the "Corporation"), as amended and supplemented by (i) Schedule 2002A-1, as amended and restated as of September 1, 2017 ("Amended and Restated Schedule 2002A-1," and together with the Master Lease, the "Series 2002A-1 Lease") and (ii) Schedule 2002A-2, as amended and restated as of September 1, 2017 ("Amended and Restated Schedule 2002A-2," and together with the Master Lease, the "Series 2002A-2 Lease" and collectively, with the Series 2002A-1 Lease, the "Series 2002A Leases"), providing for the lease-purchase financing and refinancing of certain educational facilities by the School Board.

The School Board and the Corporation have authorized certain amendments to the Master Lease, Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2 that will only become effective upon the receipt by the School Board of certain consents to such amendments, as described herein. By purchasing the Series 2017B Certificates, the initial Beneficial Owners (defined below) of the Series 2017B Certificates shall be deemed to have consented to such prospective amendments to the Master Lease, Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2. See "CERTAIN AMENDMENTS TO THE MASTER LEASE, AMENDED AND RESTATED SCHEDULE 2002A-1 AND AMENDED AND RESTATED SCHEDULE 2002A-2" and "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Form of Amendment to Master Lease," "Form of Amended and Restated Schedule 2002A-1" and "Form of Amended and Restated Schedule 2002A-2" herein.

The Series 2017B Certificates are being issued pursuant to the provisions of the Master Trust Agreement, dated as of May 1, 1997, as amended and supplemented (the "Master Trust Agreement"), particularly as amended and supplemented by the Series 2017B Supplemental Trust Agreement, dated as of September 1, 2017 (together with the Master Trust Agreement, the "Trust Agreement"), each between the Corporation and U.S. Bank National Association (successor to SouthTrust Bank of Florida, National Association), Fort Lauderdale, Florida, as trustee (the "Trustee"). The interest portion of the Basic Lease Payments represented by the Series 2017B Certificates is payable on August 1 and February 1 of each year, commencing February 1, 2018 (each an "Interest Payment Date") by check or draft of the Trustee mailed to the Series 2017B Certificate holder of record as of the 15th calendar day, whether or not a Business Day, of the month preceding the applicable Interest Payment Date at the address then shown on the Certificate register. The Series 2017B Certificates will initially be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). Purchasers of the Series 2017B Certificates (the "Beneficial Owners") will not receive physical delivery of the Series 2017B Certificates. Ownership by the Beneficial Owners of the Series 2017B Certificates will be evidenced through a book-entry only system of registration. As long as Cede & Co. is the registered owner as nominee of DTC, payment of the principal portion and interest portion of the Basic Lease Payments represented by the Series 2017B Certificates will be made directly to Cede & Co., which will in turn remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners. The Series 2017B Certificates are being issued in denominations of \$5,000 or any integral multiple thereof.

The principal portion of the Basic Lease Payments represented by the Series 2017B Certificates is not subject to optional prepayment prior to maturity but is subject to extraordinary prepayment prior to maturity, as more particularly described herein.

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE BASIC LEASE PAYMENTS UNDER THE SERIES 2002A LEASES. LEASE PAYMENTS ARE PAYABLE FROM FUNDS SPECIFICALLY APPROPRIATED BY THE SCHOOL BOARD FOR SUCH PURPOSE FROM CURRENT OR OTHER FUNDS AUTHORIZED BY LAW AND REGULATIONS OF THE STATE OF FLORIDA DEPARTMENT OF EDUCATION. NONE OF THE DISTRICT, THE SCHOOL BOARD, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS OBLIGATED TO PAY, EXCEPT FROM SCHOOL BOARD APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE SERIES 2002A LEASES FROM ANY SOURCE OF TAXATION, AND THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD AND THE DISTRICT IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER, AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NONE OF THE CORPORATION, THE TRUSTEE OR ANY CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE SCHOOL BOARD TO PAY ANY SUMS, INCLUDING THE BASIC LEASE PAYMENTS DUE UNDER THE SERIES 2002A LEASES. SEE "RISK FACTORS" HEREIN.

SEE THE INSIDE COVER FOR CERTAIN ADDITIONAL INFORMATION RELATING TO THE SERIES 2002A LEASES, THE SERIES 2017B CERTIFICATES AND THE MATURITY SCHEDULE OF THE SERIES 2017B CERTIFICATES.

This cover page, and the inside cover page, contain certain information for quick reference only. They are not, and are not intended to be, a summary of the transaction. Investors must read the entire Offering Statement, including the appendices, to obtain information essential to the making of an informed investment decision.

The Series 2017B Certificates are offered when, as and if delivered and received by the Underwriters, subject to the approving legal opinion of Greenberg Traurig, P.A., Miami, Florida and Debi Rumph, Esquire, Orlando, Florida, Co-Special Tax Counsel, and certain other conditions. Certain legal matters will be passed upon for the School Board and the Corporation by their General Counsel, Diego "Woody" Rodriguez, Esq., Orlando, Florida and for the Underwriters by their Counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida. PFM Financial Advisors LLC, Orlando, Florida is acting as Financial Advisor to the School Board. It is expected that the Series 2017B Certificates will be available for delivery in New York, New York on or about September 6, 2017.

J.P. Morgan
BofA Merrill Lynch

Stifel, Nicolaus & Company, Incorporated
Wells Fargo Securities

DAC Bond

ADDITIONAL INFORMATION

The Series 2017B Certificates are being issued for the principal purpose of providing funds, together with other legally available funds, sufficient to refund, on an advanced basis, all of the School Board's outstanding Certificates of Participation, Series 2012B and thereby refinance a portion of the lease-purchase of certain educational facilities and related furniture, fixtures and equipment leased to the School Board, as more particularly described herein.

The initial terms of the Series 2002A Leases commenced on June 15, 2002 and continued through and including June 30, 2002, when they were automatically renewed and are automatically renewable annually through July 31, 2027, unless sooner terminated as described herein. The School Board may enter into other Leases under the Master Lease in addition to the Series 2002A Leases and has previously entered into the Prior Leases (as more particularly described herein). **For Fiscal Year 2016-17, of the District's 188 total operational schools, there were approximately 61 schools and 10 additions to schools and related facilities leased under the Master Lease. Based on the District's Pre-K through 12 pupil enrollment of approximately 189,640 students for Fiscal Year 2016-17, approximately 33% of the District's students attended classes in, or otherwise utilized, Facilities leased under the Master Lease during the Fiscal Year ended June 30, 2017 (see "THE MASTER LEASED FACILITIES" and "THE SERIES 2002A FACILITIES" herein).** When the School Board appropriates Lease Payments for any of its Facilities leased under the Master Lease, it must appropriate Lease Payments for all other Facilities leased under the Master Lease. Failure to appropriate funds to pay Lease Payments under any such Lease, or an event of default under any such Lease, will result in the termination of all Leases, including the Series 2002A Leases. Upon any such termination, any proceeds of the disposition of leased Facilities (other than certain designated Facilities) will be applied to the payment of the related Series of Certificates, all as further described herein. In no event will holders of Series 2017B Certificates have any interest in or right to any proceeds of the disposition of the Facilities leased under any Lease other than the Series 2002A-1 Lease. The proceeds of any such disposition of the Series 2002A-1 Facilities (as defined herein) will be applied to the payment of the Series 2017B Certificates, equally and ratably with the Series 2016A Certificates (as defined herein) allocable to the Series 2002A-1 Lease, as further described herein. Co-Special Tax Counsel will express no opinion as to tax exemption or the effect of securities laws of any payments received with respect to the Series 2017B Certificates following an event of non-appropriation or an event of default under the Master Lease which results in termination of the Lease Terms of the Series 2002A Leases. Transfers of the Series 2017B Certificates may be subject to compliance with the registration provisions of state and federal securities laws following an event of non-appropriation or an event of default under the Master Lease which results in termination of the Lease Terms of all Leases. (See "TAX TREATMENT" and "RISK FACTORS" herein).

MATURITY SCHEDULE

\$71,080,000 Serial Series 2017B Certificates

Due (August 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP Number*
2024	\$1,340,000	5.00%	1.78%	120.826	684517SA4
2025	1,375,000	5.00	1.97	122.072	684517SB2
2026	33,375,000	5.00	2.14	123.069	684517SC0
2027	34,990,000	5.00	2.30	123.787	684517SD8

* CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP data herein is provided for convenience of reference only. The School Board, the Financial Advisor and the Underwriters and their agents take no responsibility for the accuracy of such data.

THE SCHOOL DISTRICT OF ORANGE COUNTY, FLORIDA

BOARD MEMBERS

William Sublette, Chairman
Linda Kobert, Vice Chairman
Joie Cadle, Member
Kathleen B. Gordon, Member
Pam Gould, Member
Daryl Flynn, Member
Christine Moore, Member
Nancy Robinson, Member

**SUPERINTENDENT OF SCHOOLS
AND EX-OFFICIO SECRETARY
TO THE BOARD**

Barbara M. Jenkins, Ed. D.

CHIEF FINANCIAL OFFICER

Dale C. Kelly

DIRECTOR, TREASURY SERVICES

Steven Compton

GENERAL COUNSEL TO THE BOARD

Diego "Woody" Rodriguez, Esq.

CO-SPECIAL TAX COUNSEL

Greenberg Traurig, P.A.
Miami, Florida

Debi Rumph, Esquire
Orlando, Florida

FINANCIAL ADVISOR

PFM Financial Advisors LLC
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the School Board or the Underwriters to give any information or to make any representations, other than those contained in this Offering Statement, in connection with the offering contained herein, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Offering Statement does not constitute an offer to sell nor a solicitation of an offer to buy any securities, other than the securities offered hereby, or an offer or a solicitation of an offer of the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful. The information set forth herein has been obtained from the District, the School Board, the Corporation, DTC and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the District or the School Board with respect to the information provided by DTC or the Underwriters. The information and expressions of opinion stated herein are subject to change without notice, and neither the delivery of this Offering Statement nor any sale made hereunder under any circumstances shall create any implication that there has been no change in the affairs of the District or the School Board since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Offering Statement. The Underwriters have reviewed the information in this Offering Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE SERIES 2017B CERTIFICATES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER INDEPENDENT FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING STATEMENT OR APPROVED THE SERIES 2017B CERTIFICATES FOR SALE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2017B CERTIFICATES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFERING STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE SCHOOL BOARD, THE CORPORATION OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2017B CERTIFICATES.

THIS OFFERING STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS OFFERING STATEMENT SHOULD BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITES.

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OFFERING STATEMENT

Relating to

\$71,080,000

**CERTIFICATES OF PARTICIPATION, SERIES 2017B
Evidencing Undivided Proportionate Interests of the
Owners Thereof in Basic Lease Payments to be Made by
THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA,
as Lessee, Pursuant to a Master Lease Purchase Agreement
with Orange County School Board Leasing Corporation, as Lessor**

INTRODUCTION

This Offering Statement, including the cover page, inside cover page and appendices hereto, is provided to furnish information in connection with the sale and delivery of \$71,080,000 aggregate principal amount of Certificates of Participation, Series 2017B (the "Series 2017B Certificates"), as more particularly described under "SUMMARY INFORMATION" on the inside cover page hereof.

The Series 2017B Certificates evidence undivided proportionate interests of the owners thereof in a portion of the Basic Lease Payments to be made by The School Board of Orange County, Florida (the "School Board") under the Series 2002A Leases (defined below). The Series 2017B Certificates are being executed and delivered pursuant to the Master Trust Agreement, dated as of May 1, 1997, as amended and supplemented (the "Master Trust Agreement"), particularly as amended and supplemented by the Series 2017B Supplemental Trust Agreement, dated as of September 1, 2017 (the "Series 2017B Supplemental Trust Agreement," and together with the Master Trust Agreement, the "Trust Agreement"), each between the Orange County School Board Leasing Corporation, a Florida not-for-profit corporation (the "Corporation") and U.S. Bank National Association, Fort Lauderdale, Florida (successor to SouthTrust Bank of Florida, National Association), as trustee (the "Trustee").

The School Board and the Corporation have authorized certain amendments to the Master Lease, Amended and Restated Schedule 2002A-1 (defined below) and Amended and Restated Schedule 2002A-2 (defined below) that will only become effective upon the receipt by the School Board of certain consents to such amendments, as described herein. By purchasing the Series 2017B Certificates, the initial Beneficial Owners (defined below) of the Series 2017B Certificates shall be deemed to have consented to such prospective amendments to the Master Lease, Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2. See "CERTAIN AMENDMENTS TO THE MASTER LEASE, AMENDED AND RESTATED SCHEDULE 2002A-1 AND AMENDED AND RESTATED SCHEDULE 2002A-2" and "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Form of Amendment to Master Lease," "- Form of Amended and Restated Schedule 2002A-1" and "- Form of Amended and Restated Schedule 2002A-2" herein.

The School Board, as the governing body of the School District of Orange County, Florida (the "District"), entered into a Master Lease Purchase Agreement, dated as of May 1, 1997, as amended (the "Master Lease") between the Corporation, as lessor, and the School Board, as lessee, for the purpose of providing for the lease-purchase financing and refinancing from time to time of certain educational facilities, sites and equipment (the "Facilities") from the Corporation. Facilities to be leased from time to time will be identified on separate schedules (each a "Schedule") attached to the Master Lease. Upon execution and delivery thereof, each Schedule, together with the provisions of the Master Lease, will constitute a separate lease agreement (individually a "Lease" and collectively the "Leases").

The School Board has previously leased certain educational facilities as identified on (a) Schedule 1997A-1, as amended and restated as of July 1, 2013 (together with the Master Lease, the "Series 1997A-1 Lease"), which is automatically renewable annually through July 31, 2022, (b) Schedule 1997A-2, as amended and restated as of May 1, 2015 (together with the Master Lease, the "Series 1997A-2 Lease"), which is automatically renewable annually through July 31, 2022, (c) Schedule 1999A-1, as amended and restated as of May 1, 2016 (together with the Master Lease, the "Series 1999A-1 Lease"), which is automatically renewable annually through July 31, 2024, (d) Schedule 1999A-2, as amended and restated as of May 1, 2016 (together with the Master Lease, the "Series 1999A-2 Lease"), which is automatically renewable annually through July 31, 2024, (e) Schedule 2000A-1, as amended and restated as of May 1, 2015 (together with the Master Lease, the "Series 2000A-1 Lease"), which is automatically renewable annually through July 31, 2025, (f) Schedule 2000B, as amended and restated as of June 1, 2017 (together with the Master Lease, the "Series 2000B Lease"), which is automatically renewable annually through July 31, 2025, (g) Schedule 2002A-1, as amended and restated as of May 1, 2016 ("Current Schedule 2002A-1," and together with the Master Lease, the "Current Series 2002A-1 Lease") which is automatically renewable annually through July 31, 2027, (h) Schedule 2002A-2, as amended and restated as of May 1, 2016 ("Current Schedule 2002A-2," and together with the Master Lease, the "Current Series 2002A-2 Lease") which is automatically renewable annually through July 31, 2027, (i) Schedule 2002B, as amended and restated as of April 1, 2016 (together with the Master Lease, the "Series 2002B Lease") which is automatically renewable annually through July 31, 2027, (j) Schedule 2002-QZAB, dated as of December 11, 2002 (together with the Master Lease, the "Series 2002-QZAB Lease") which is automatically renewable annually through December 11, 2017, (k) Schedule 2004A-1, as amended and restated as of May 1, 2014 (together with the Master Lease, the "Series 2004A-1 Lease"), which is automatically renewable annually through August 1, 2029, (l) Schedule 2004A-2, as amended and restated as of May 1, 2014 (together with the Master Lease, the "Series 2004A-2 Lease"), which is automatically renewable annually through August 1, 2029; (m) Schedule 2006A, as amended and restated as of January 1, 2015 (together with the Master Lease, the "Series 2006A Lease"), which is automatically renewable annually through July 31, 2031, (n) Schedule 2007A/B, as amended and restated as of February 1, 2015, which is automatically renewable annually through July 31, 2032 (together with the Master Lease, the "Series 2007A/B Lease"), (o) Schedule 2009A, as amended and restated as of April 1, 2016, which is automatically renewable annually through July 31, 2034 together with the Master Lease, the "Series 2009A Lease"), (p) Schedule 2009B-1, dated as of November 1, 2009, which is automatically renewable annually through December 15, 2024 (together with the Master Lease, the "Series 2009B-1 Lease"), (q) Schedule 2009B-2, dated as of November 1, 2009, which is automatically renewable annually through December 15, 2024 (together with the Master

Lease, the "Series 2009B-2 Lease"), and (r) Schedule 2010A, as amended and restated as of November 1, 2012, which is automatically renewable annually through August 1, 2029 (together with the Master Lease, the "Series 2010A Lease"). The Series 1997A-1 Lease and the Series 1997A-2 Lease are collectively referred to herein as the "Series 1997A Leases," the Series 1999A-1 Lease and Series 1999A-2 Lease are herein collectively referred to herein as the "Series 1999A Leases," the Series 2004A-1 Lease and the Series 2004A-2 Lease are herein collectively referred to herein as the "Series 2004A Leases," and the Series 2009B-1 Lease and the Series 2009B-2 Lease are herein collectively referred to herein as the "Series 2009B Leases."

Pursuant to the applicable provisions of Florida law, including particularly Chapters 1001-1013, Florida Statutes, and a resolution duly adopted by the School Board on July 25, 2017 (the "Resolution"), the School Board has authorized the execution and delivery of (i) Schedule 2002A-1, as amended and restated as of September 1, 2017, which amends and restates the Current Schedule 2002A-1 in its entirety ("Amended and Restated Schedule 2002A-1," and together with the Master Lease, the "Series 2002A-1 Lease") and (ii) Schedule 2002A-2, as amended and restated as of September 1, 2017, which amends and restates the Current Schedule 2002A-2 in its entirety ("Amended and Restated Schedule 2002A-2," and together with the Master Lease, the "Series 2002A-2 Lease" and collectively with the Series 2002A-1 Lease, the "Series 2002A Leases"). The initial terms of the Series 2002A Leases commenced on June 15, 2002 and continued through and including June 30, 2002, when they were automatically renewed and are automatically renewable annually through July 31, 2027, unless sooner terminated as described herein. See "THE SERIES 2002A LEASES." The Facilities being refinanced with a portion of the proceeds of the Series 2017B Certificates and lease-purchased under the Series 2002A-1 Lease include five elementary schools, a middle school addition and a high school (collectively, the "Series 2002A-1 Facilities"). The Facilities being refinanced with a portion of the proceeds of the Series 2017B Certificates and lease-purchased under the Series 2002A-2 Lease include various improvements and renovations at educational facilities throughout the District (the "Series 2002A-2 Facilities," and together with the Series 2002A-1 Facilities, the "Series 2002A Facilities"). See "THE SERIES 2002A LEASES" and "THE SERIES 2002A FACILITIES."

The School Board has acquired title to the sites on which the Series 2002A Facilities are located. See "THE SERIES 2002A FACILITIES." Pursuant to the Series 2002A-1 Ground Lease, dated as of June 15, 2002, as amended (the "Series 2002A-1 Ground Lease"), the School Board is leasing the sites on which the Series 2002A-1 Facilities are located (the "Series 2002A-1 Facility Sites") to the Corporation for an initial term which commenced on June 15, 2002, and ends on July 31, 2032, subject to a five-year extension and Permitted Encumbrances (as defined in the Series 2002A-1 Ground Lease), and subject to earlier termination or extension as set forth therein. See "THE SERIES 2002A FACILITIES – Series 2002A-1 Facilities" and "APPENDIX C – FORMS OF CERTAIN LEGAL DOCUMENTS – Series 2002A-1 Ground Lease."

Pursuant to the Series 2002A Assignment Agreement, dated as of June 15, 2002 (the "Series 2002A Assignment"), between the Corporation and the Trustee, the Corporation has irrevocably assigned to the Trustee for the benefit of the owners of the Series 2017B Certificates, the Series 2016A Certificates allocable to the Series 2002A Leases and the owners of any other Certificates which evidence an interest in the Series 2002A Leases substantially all of its right, title and interest in and to the Series 2002A-1 Ground Lease and the Series 2002A Leases

including the right to receive the Basic Lease Payments and all other amounts due under the Series 2002A Leases, as herein described. See "APPENDIX C – FORMS OF CERTAIN LEGAL DOCUMENTS - Series 2002A Assignment Agreement."

Brief descriptions of the District, the School Board and the Series 2002A Facilities are included in this Offering Statement together with summaries of certain provisions of the Series 2017B Certificates, the Series 2002A Leases, the Trust Agreement, the Series 2002A-1 Ground Lease and the Series 2002A Assignment. Such descriptions and summaries do not purport to be comprehensive or definitive. All references herein to the Series 2002A Leases, the Trust Agreement, the Series 2002A-1 Ground Lease and the Series 2002A Assignment are qualified in their entirety by reference to the respective complete documents. Copies of the documents may be obtained upon written request and payment of the costs of duplication to the Trustee at U.S. Bank National Association, 550 West Cypress Creek Road, Suite 380, Fort Lauderdale, Florida 33301, or to the District at 445 West Amelia Street, Orlando, Florida 32801, Director, Treasury Services. Capitalized terms used herein and not otherwise defined will have the meanings given them in "APPENDIX C - CERTAIN LEGAL DOCUMENTS."

PURPOSE OF THE SERIES 2017B CERTIFICATES

The Series 2017B Certificates are being issued for the principal purpose of providing funds, together with other legally available funds, sufficient to (a) refund, on an advanced basis, all of the outstanding Certificates of Participation, Series 2012B (the "Refunded Certificates") and, therefore, refinance a portion of the cost of the acquisition, construction and equipping of the Series 2002A Facilities and reduce the corresponding Basic Lease Payments due under the Series 2002A Leases, and (b) pay costs associated with the issuance of the Series 2017B Certificates. See "ESTIMATED SOURCES AND USES OF FUNDS," "PLAN OF REFUNDING" and "THE SERIES 2002A FACILITIES" herein.

PLAN OF REFUNDING

The Refunded Certificates will be called for prepayment prior to maturity on August 1, 2022, at a prepayment price equal to the par amount of the Refunded Certificates, plus accrued interest to the prepayment date.

Upon the issuance of the Series 2017B Certificates, a portion of the proceeds of the Series 2017B Certificates, together with other legally available funds, will be deposited into an escrow deposit trust fund created pursuant to an Escrow Deposit Agreement, by and between the School Board and U.S. Bank National Association, as Escrow Agent (the "Escrow Deposit Agreement"), and such proceeds and other funds will be applied to the purchase of certain United States Treasury obligations (the "Refunding Securities") which, together with the interest earnings thereon and cash deposit therein, will be sufficient to pay the Basic Lease Payments represented by the Refunded Certificates to their prepayment date. Co-Special Tax Counsel will render an opinion to the effect that, assuming the deposit and application of the Refunding Securities and uninvested cash in accordance with the terms of the Escrow Deposit Agreement provision having been made for the payment of the Basic Lease Payments represented by the Refunded Certificates, the Refunded Certificates will be deemed to be paid and the obligations

under the Series 2002A Leases to pay Basic Lease Payments represented by the Refunded Certificates will have been released and discharged with respect to the Refunded Certificates. Such opinion will be rendered in reliance upon the verification report of Robert Thomas CPA, LLC, Shawnee Mission, Kansas, described herein under the heading "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of the arithmetic computations showing the adequacy of the proceeds of the Series 2017B Certificates and other funds to be deposited with the Escrow Agent pursuant to the Escrow Deposit Agreement to pay the principal portion and interest portion of the Basic Lease Payments represented by the Refunded Certificates, as described under "PLAN OF REFUNDING," and the yield on the Series 2017B Certificates and the Escrow Securities have been verified by Robert Thomas CPA, LLC, Shawnee Mission, Kansas.

THE SERIES 2017B CERTIFICATES

General

The Series 2017B Certificates will be dated their date of delivery, will mature in the years and principal amounts and accrue interest at the rates set forth on the inside cover page of this Offering Statement. The Series 2017B Certificates shall initially be issued exclusively in "book-entry" form in denominations of \$5,000 or integral multiples thereof and ownership of one fully registered Series 2017B Certificate for each maturity as set forth on the inside cover page, each in the aggregate principal amount of such maturity, and will be initially registered in the name of "Cede & Co." as nominee of DTC.

The principal portion due on the Series 2017B Certificates at maturity or earlier prepayment represents an undivided proportionate interest in the principal portion of the Basic Lease Payments due on the applicable dates set forth in the Series 2002A Leases, equally and ratably with the Series 2016A Certificates allocable to the Series 2002A Leases. The interest portion due on the Series 2017B Certificates is payable on February 1 and August 1 of each year (each an "Interest Payment Date"), commencing on February 1, 2018, to and including the date of maturity or earlier prepayment thereof. Such interest portion represents undivided proportionate interests in the interest portion of Basic Lease Payments due on the July 25 and January 25 prior to each Interest Payment Date, commencing January 25, 2018, to and including the maturity or earlier prepayment of the Series 2017B Certificates, equally and ratably with the Series 2016A Certificates allocable to the Series 2002A Leases.

The principal portion or Prepayment Price of the Series 2017B Certificates is payable at the designated corporate trust office of the Trustee. The interest portion of the Basic Lease Payments represented by the Series 2017B Certificates is payable by check or draft of the Trustee, mailed to the registered owner at the address shown on the Certificate register maintained by the Trustee as of the 15th calendar day, whether or not a Business Day, of the month preceding the applicable Interest Payment Date (the "Record Date"). Such interest may be paid by wire transfer within the United States to the registered owners of \$1,000,000 or more

in aggregate principal amount of Series 2017B Certificates upon their request in writing received no later than the Record Date prior to any Interest Payment Date. The Trustee may charge a reasonable fee for the cost of the wire transfer. Notwithstanding the above, reference is made to the book-entry system of registration described under "BOOK-ENTRY ONLY SYSTEM" below.

Prepayment

No Optional Prepayment. The Series 2017B Certificates are not subject to prepayment prior to maturity.

Extraordinary Prepayment. The principal portion of Basic Lease Payments represented by the Series 2017B Certificates due under the Series 2002A Leases shall be subject to prepayment in the event the either or both of the Series 2002A Leases terminates prior to payment in full of all of the Basic Lease Payments due thereunder to the extent the Trustee has moneys available for such purpose pursuant to the Trust Agreement and the Series 2002A Leases to the extent and subject to the limitations provided in the Series 2002A Leases.

No Extraordinary Prepayment in the Event of Damage, Destruction or Condemnation of the Series 2002A Facilities. The Series 2017B Certificates are not subject to extraordinary prepayment prior to maturity in the event of damage, destruction or condemnation of the Series 2002A Facilities. See "THE SERIES 2002A LEASES - Lease Payments" for information regarding the use of any insurance or condemnation proceeds related to the Series 2002A Facilities in the event of damage, destruction or condemnation of such Facilities.

Selection of Series 2017B Certificates to be Prepaid. Except as otherwise provided in the Trust Agreement, the particular Series 2017B Certificates to be prepaid shall be determined in accordance with the designation by the School Board of the principal portion of the Basic Lease Payment represented by the Series 2017B Certificates to be prepaid and the particular Series 2017B Certificates or portions thereof to be prepaid shall be in such order of maturity as shall correspond to the due dates of the principal portions of the Basic Lease Payments due under the Series 2002A Leases designated by the School Board.

Investors should note that while DTC is the registered owner of the Series 2017B Certificates, partial prepayments of the Series 2017B Certificates will be determined in accordance with DTC's procedures. The School Board intends that prepayment allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the School Board and the Beneficial Owners of the Series 2017B Certificates be made in accordance with the method of selection of Series 2017B Certificates for a partial prepayment described above. However, the selection of the Series 2017B Certificates for prepayment in DTC's book-entry only system is subject to DTC's practices and procedures as in effect at the time of any such partial prepayment. The School Board can provide no assurance that DTC or the DTC Participants or any other intermediaries will allocate prepayments among Beneficial Owners in accordance with the method of selection of Series 2017B Certificates for a partial prepayment described above.

Notice of Prepayment. When prepayment of Series 2017B Certificates is required, the Trustee will mail a copy of the notice required by the Trust Agreement, postage prepaid, not less than five days before the Prepayment Date in the case of extraordinary prepayment resulting from termination of the Series 2002A Leases as a result of non-appropriation or default by the School Board, to the holders of any Series 2017B Certificates or portions thereof to be prepaid, at their last addresses appearing upon the Series 2017B Certificates registry books, but any defect in the notice to a particular Series 2017B Certificate holder will not affect the validity of the proceedings for the prepayment of Series 2017B Certificates.

As long as a book-entry system is used for determining beneficial ownership of Series 2017B Certificates, notice of prepayment will only be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the prepayment of the Series 2017B Certificates.

Effect of Prepayment. If, on the Prepayment Date, moneys for the payment of the Prepayment Price of the Series 2017B Certificates or portions thereof to be prepaid are held by the Trustee and available therefor on the Prepayment Date and if notice of prepayment has been given as described above, then from and after the Prepayment Date, the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates or the portion thereof called for prepayment will cease to accrue. If such moneys are not available on the Prepayment Date, the principal portion represented by such Series 2017B Certificates or portions thereof will continue to bear interest until paid at the same rate as would have accrued had it not been called for prepayment.

BOOK-ENTRY ONLY SYSTEM

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE SCHOOL BOARD AND THE CORPORATION BELIEVE TO BE RELIABLE, BUT NEITHER THE SCHOOL BOARD NOR THE CORPORATION TAKE ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company ("DTC") will act as securities depository for the Series 2017B Certificates. The Series 2017B Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Series 2017B Certificates and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100

countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2017B Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2017B Certificates on DTC's records. The ownership interest of each actual purchaser of each Series 2017B Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017B Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2017B Certificates, except in the event that use of the book-entry system for the Series 2017B Certificates is discontinued.

To facilitate subsequent transfers, all Series 2017B Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017B Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee does not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017B Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017B Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements made among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017B Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017B Certificates, such as prepayments, defaults, and proposed amendments to the documents relating to the Series 2017B Certificates. For

example, Beneficial Owners of Series 2017B Certificates may wish to ascertain that the nominee holding the Series 2017B Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017B Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017B Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Series 2017B Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the School Board or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the School Board, subject to any statutory and regulatory requirements as may be in effect from time to time. Distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School Board and/or the Trustee for the Series 2017B Certificates. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2017B Certificates at any time by giving reasonable notice to the School Board. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2017B Certificates are required to be printed and delivered.

The School Board may decide to discontinue use of the book-entry transfers through DTC (or a successor securities depository) upon compliance with applicable DTC policies and procedures. In that event, Series 2017B Certificates will be printed and delivered to DTC.

SECURITY FOR THE SERIES 2017B CERTIFICATES

General

The Series 2017B Certificates evidence undivided proportionate interests in the principal portion and interest portion of the Basic Lease Payments made by the School Board under the Series 2002A Leases, equally and ratably with the Series 2016A Certificates allocable to the Series 2002A Leases. The Series 2017B Certificates are equally and ratably secured by and

payable solely from the Trust Estate established for the Series 2017B Certificates (the "Series 2017B Trust Estate") pursuant to the Trust Agreement. The Series 2017B Trust Estate consists of all estate, right, title and interest of the Trustee in and to the Basic Lease Payments under the Series 2002A Leases represented by the Series 2017B Certificates, and all amounts held in the funds and accounts under the Trust Agreement in accordance with the provisions of the Series 2002A Leases and the Trust Agreement, including investment earnings thereon, and any and all monies received by the Trustee pursuant to the Trust Agreement allocable to the Series 2017B Certificates which are not required to be remitted to the School Board or the Corporation pursuant to the Master Lease or the Trust Agreement.

Neither the Corporation nor the School Board will mortgage or otherwise grant a security interest in the Series 2002A Facilities to the Trustee. Upon termination of the Series 2002A Leases upon the occurrence of an event of non-appropriation or in the case of certain events of default, however, the Series 2002A Leases provides that the School Board must surrender possession of the Series 2002A-1 Facilities (but not the Series 2002A-2 Facilities) to the Trustee as an assignee of the Corporation for disposition by sale or re-letting of its interest in such Series 2002A-1 Facilities as provided in the Trust Agreement. Any proceeds of any such disposition of the Series 2002A-1 Facilities will be applied to the payment of the Series 2017B Certificates, equally and ratably with the Series 2016A Certificates allocable to the Series 2002A-1 Lease, after payment of the expenses of the Trustee in accordance with the terms of the Series 2002A-1 Lease. The School Board may not be dispossessed of the Series 2002A-2 Facilities or any personal property financed or refinanced, in whole or in part, with proceeds of the Series 2017B Certificates. See "THE SERIES 2002A FACILITIES" herein for a description of the Series 2002A-1 Facilities against which the Trustee has rights. See also "THE SERIES 2002A LEASES – Effect of Termination for Non-Appropriation or Default."

Lease Payments

All Lease Payments and all other amounts required to be paid by the School Board under (i) the Series 1997A Leases, the Series 1999A Leases, the Series 2000A Lease, the Series 2000B Lease, the Series 2002-QZAB Lease, the Series 2002B Lease, the Series 2004A Leases, the Series 2006A Lease, the Series 2007A/B Lease, the Series 2009A Lease, the Series 2009B Leases and the Series 2010A Lease (collectively, the "Prior Leases"), (ii) the Series 2002A Leases and (iii) all other Leases will be made from funds authorized by law and regulations of the State of Florida Department of Education to be used for such purpose and budgeted and appropriated for such purpose by the School Board. Revenues available to the District for operational purposes and capital projects such as the Series 2002A Facilities are also used to pay other outstanding obligations of the District. See "REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT - Liabilities."

The Master Trust, as supplemented by the Series 2002A Supplemental Trust Agreement, dated as of May 1, 2002, provided for the establishment and maintenance of a Series 2002A Lease Payment Account for deposit of Basic Lease Payments appropriated and paid under the Series 2002A Leases. Lease Payments due under the schedules to the Master Lease are subject to annual appropriation by the School Board on an all-or-none basis and are payable solely from legally available funds appropriated by the School Board for such purposes; provided that Lease Payments with respect to a particular Lease and Series of Certificates may be additionally and

separately secured by a Credit Facility. Additional Facilities may be financed through the sale of additional Series of Certificates under the Master Trust Agreement. THE SCHOOL BOARD MAY NOT BUDGET AND APPROPRIATE LEASE PAYMENTS FOR A PORTION OF THE FACILITIES LEASED UNDER THE MASTER LEASE; IT MUST BUDGET AND APPROPRIATE LEASE PAYMENTS FOR ALL SUCH FACILITIES OR NONE OF THEM. THERE CAN BE NO ASSURANCE THAT SUFFICIENT FUNDS WILL BE APPROPRIATED OR OTHERWISE BE MADE AVAILABLE TO MAKE ALL OF THE LEASE PAYMENTS DUE UNDER THE MASTER LEASE.

Limited Obligation of the School Board

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS TO MAKE LEASE PAYMENTS. LEASE PAYMENTS ARE PAYABLE FROM FUNDS SPECIFICALLY APPROPRIATED BY THE SCHOOL BOARD FOR SUCH PURPOSE FROM CURRENT OR OTHER FUNDS AUTHORIZED BY LAW AND REGULATIONS OF THE STATE OF FLORIDA DEPARTMENT OF EDUCATION. NONE OF THE DISTRICT, THE SCHOOL BOARD, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS OBLIGATED TO PAY, EXCEPT FROM SCHOOL BOARD APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE SERIES 2002A LEASES FROM ANY SOURCE OF TAXATION, AND NEITHER THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD NOR THE DISTRICT IS PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER, AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NONE OF THE CORPORATION, THE TRUSTEE OR ANY CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE SCHOOL BOARD TO PAY ANY SUMS, INCLUDING THE BASIC LEASE PAYMENTS, DUE UNDER THE SERIES 2002A LEASES. SEE "RISK FACTORS" HEREIN.

Additional Leases

As noted above, the School Board may enter into other Leases under the Master Lease in addition to the Prior Leases and the Series 2002A Leases. See "THE MASTER LEASE PROGRAM" herein. Failure to appropriate funds to make Lease Payments under any additional Lease will, and certain events of default under an additional Lease may, result in the termination of the Lease Term of all Leases, including the Series 2002A Leases. Upon any such termination of the Lease Term of all Leases, the School Board must surrender all Facilities (excluding certain designated Facilities such as the Series 2002A-2 Facilities), to the Trustee for sale or re-letting of the Trustee's interest. The proceeds of any such disposition of the Series 2002A-1 Facilities will be applied to the payment of the Series 2017B Certificates, equally and ratably with the Series 2016A Certificates allocable to the Series 2002A-1 Lease, after payment of the expenses of the Trustee in accordance with the terms of the Series 2002A-1 Lease. The School Board may not be dispossessed of the Series 2002A-2 Facilities or any personal property financed, in whole or in part, with proceeds of the Series 2017B Certificates.

In no event will owners of the Series 2017B Certificates have any interest in or right to any proceeds of the disposition of any Facilities other than the Series 2002A-1 Facilities. There

can be no assurance that the remedies available to the Trustee upon any such termination of the Lease Term of all Leases and the disposition of the Series 2002A-1 Facilities will produce sufficient amounts to pay the outstanding Series 2017B Certificates.

For a discussion of remedies available to the Trustee upon the occurrence of an event of the non-appropriation of funds to pay Lease Payments or upon the occurrence of an event of default, see "THE SERIES 2002A LEASES - Termination of Lease Term" and "Effect of Termination for Non-Appropriation or Default" and "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Master Lease."

In addition to Leases entered into under the Master Lease, the School Board has previously, and may in the future, enter into leases and lease-purchase agreements outside of the Master Lease. See "REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT - Liabilities." Failure to make payments under any such lease agreement, or an event of default under any such lease agreement, will not affect the Lease Term or cause the termination of the Series 2002A Leases or any other Leases under the Master Lease. See "THE MASTER LEASE PROGRAM" herein.

Additional Certificates; Outstanding Certificates

With respect to any additional Lease, one or more series of additional Certificates may be authorized by the Corporation at the request of the School Board and executed and delivered by the Trustee for the purpose of: (a) financing or refinancing the cost of acquisition, construction, installation and equipping of any Facilities; (b) financing the cost of completing the acquisition, construction, installation and equipping of any Facilities; (c) financing the cost of increasing, improving, modifying, expanding or replacing any Facilities; (d) paying or providing for the payment of the principal portion and interest portion of the Basic Lease Payments with respect to, or the Purchase Option Price (as described under "SECURITY FOR THE SERIES 2017B CERTIFICATES - Optional Prepayment Price") of, all or a portion of the Facilities financed from the proceeds of any series of Certificates previously executed and delivered; (e) funding a Reserve Account in an amount equal to the applicable Reserve Account Requirement, if any; (f) capitalizing the interest portion of Basic Lease Payments during construction; and/or (g) paying the applicable Costs of Issuance. The aggregate principal amount of additional Certificates which may be executed and delivered under the provisions of the Master Trust Agreement is not limited, except as may be provided with respect to a particular Series of additional Certificates in any Supplemental Trust Agreement creating such Series.

Unless otherwise set forth in the Supplemental Trust Agreement authorizing the issuance of a Series of Certificates, each Certificate within a Series of Certificates executed and delivered pursuant to the Master Trust Agreement shall rank *pari passu* and be equally and ratably secured under the Master Trust Agreement with each other Certificate of such Series, but not with any Certificates of any other Series, without preference, priority, or distinction of any such Certificate over any other such Certificate, except that to the extent that Basic Lease Payments available for payment to all Certificate holders are less than all amounts owed with respect to all Series of Certificates on any Payment Date, such amounts available shall be applied ratably to Certificate holders of all Series in accordance with the ratio that the principal balance of each

Series of Certificates outstanding bears to the total amount of Certificates Outstanding under the Master Trust Agreement.

In addition to the Series 2017B Certificates, the School Board has authorized various Series of Certificates and refunding Certificates (collectively, the "Prior Certificates"), in connection with the execution and delivery of the Prior Leases and the Series 2002A Leases. The following table contains a list of the outstanding Prior Certificates and the Series 2017B Certificates, the corresponding Lease or Leases and the Outstanding principal amounts of such Prior Certificates:

Prior Certificates	Prior Lease(s)	Amount Outstanding ⁽¹⁾
Series 2008B Certificates	Series 2007A/B Lease	105,000,000
Series 2008D Certificates	Series 2002B Lease	915,000
Series 2008E Certificates	Series 1997A-1 Lease	12,090,000
Series 2009A Certificates	Series 2009A Lease	490,000
Series 2009B Certificates	Series 2009B Leases ⁽³⁾	35,820,000
Series 2010A Certificates	Series 2010A Lease ⁽⁴⁾	36,229,000
Series 2012A Certificates	Series 1997A-2 Lease and Series 2000A-1 Lease	7,840,000
Series 2013A Certificates	Series 2004A Leases	14,405,000
Series 2014A Certificates	Series 2004A Leases	63,840,000
Series 2015A Certificates	Series 1997A-2 and Series 1999A Leases	102,795,000
Series 2015B Certificates	Series 2000A-1 Lease	57,645,000
Series 2015C Certificates	Series 2006A Lease	132,340,000
Series 2015D Certificates	Series 2007A/B Lease	114,170,000
Series 2016A Certificates	Series 1999A Leases and Series 2002A Leases	99,975,000
Series 2016B Certificates	Series 2002B Lease	36,785,000
Series 2016C Certificates	Series 2009A Lease	182,355,000
Series 2017A Certificates	Series 2000B Lease	37,441,829
Series 2017B Certificates	Series 2002A Leases	71,080,000
Total		<u>\$1,111,215,829</u>

⁽¹⁾ As of August 1, 2017, except that the issuance of the Series 2017B Certificates and the refunding of the Refunded Certificates is reflected.

⁽²⁾ The School Board designated the Series 2002-QZAB Lease as a "qualified zone academy bond" ("QZAB") pursuant to Section 1397E of the Internal Revenue Code of 1986, as amended (the "Code"). Such QZAB does not accrue interest. Pursuant to Section 1397E of the Code, the holders of such QZAB Certificates receive a tax credit equal to the applicable tax credit rate on the date the Series 2002-QZAB Certificates were issued multiplied by the face amount of the Series 2002-QZAB Certificates held by the holder thereof on each applicable credit allowance date.

⁽³⁾ The School Board designated the Series 2009B Leases as "qualified school construction bonds" ("QSCBs") pursuant to Section 54F of the Code. Pursuant to Section 54A of the Code, the holders of such QSCB Certificates receive a tax credit equal to the applicable tax credit rate on the date such QSCB Certificates were issued multiplied by the face amount of the QSCB Certificates held by the holder thereof on each applicable credit allowance date, plus a supplemental coupon of 1.15%.

⁽⁴⁾ The School Board designated the Series 2010A Lease as a "qualified school construction bond" pursuant to Section 54F of the Code. Pursuant to Section 6431 of the Code, the School Board made an election to qualify to receive federal subsidy payments from the United States Treasury pursuant to Section 6431(f) of the Code (the "QSCB Interest Subsidy") on each interest payment date for the Series 2010A Certificates. The expected QSCB Interest Subsidy will be in an amount equal to the lesser of the amount of interest payable with respect to the Series 2010A Certificates on such date or the amount of interest which would have been payable with respect to the Series 2010A Certificates if the interest were determined at the applicable tax credit rate for the Series 2010A Certificates pursuant to Section 54A(b)(3) of the Code. However, see "RISK FACTORS - Effect of Sequestration on Lease Payments" herein for more information regarding subsidy reductions due to the federal government's sequester of budgeted funds.

Optional Prepayment Price

The School Board has the right to pay all or a portion of the Basic Lease Payments represented by the Series 2017B Certificates and in connection therewith remove all or a portion of the Series 2002A Facilities from the related Series 2002A Lease and with respect to the Series 2002A-1 Facilities from the lien of the Series 2002A-1 Ground Lease by paying the Purchase Option Price for the specific Series 2002A Facilities being purchased or, to the extent permitted by law, by substituting other facilities for the Series 2002A Facilities being acquired. The Purchase Option Price, as of each Lease Payment Date, is (i) the Basic Lease Payment then due plus the amount designated in the Series 2002A Leases, as the Remaining Principal Portion of the Purchase Option Price; (ii) minus any credits pursuant to the provisions of the Series 2002A Leases; (iii) plus an amount equal to the interest to accrue with respect to the Series 2017B Certificates to be paid as a result of the release of such Series 2002A Facilities from the related Series 2002A Lease, from such Lease Payment Date to the next available date for paying the Series 2017B Certificates; and (iv) plus an amount equal to any other amounts then due and owing under the related Series 2002A Leases, relating to such Series 2002A Facility. See also "CERTAIN AMENDMENTS TO THE MASTER LEASE, AMENDED AND RESTATED SCHEDULE 2002A-1 AND AMENDED AND RESTATED SCHEDULE 2002A-2" for information regarding an amendment to Amended and Restated Schedule 2002A-1 allowing for the release of Series 2002A-1 Facilities under certain other circumstances.

Non-Appropriation Risk

THE SCHOOL BOARD IS NOT LEGALLY REQUIRED TO APPROPRIATE MONEYS FOR THE PURPOSE OF MAKING LEASE PAYMENTS. UNDER THE MASTER LEASE, THE SCHOOL BOARD MAY NOT BUDGET AND APPROPRIATE AVAILABLE REVENUES TO MAKE LEASE PAYMENTS SELECTIVELY ON A LEASE BY LEASE BASIS, IT MUST APPROPRIATE SUCH REVENUES FOR ALL LEASES OR NONE OF THEM. FOR A DISCUSSION OF REMEDIES AVAILABLE TO THE TRUSTEE IN THE EVENT OF THE NON-APPROPRIATION OF FUNDS TO PAY LEASE PAYMENTS, SEE "THE SERIES 2002A LEASES - TERMINATION AND DEFEASANCE OF LEASE TERM" AND "EFFECT OF TERMINATION FOR NON-APPROPRIATION OR DEFAULT" HEREIN. THERE CAN BE NO ASSURANCE THAT THE REMEDIES AVAILABLE TO THE TRUSTEE IN THE EVENT OF NON-APPROPRIATION WILL PRODUCE SUFFICIENT AMOUNTS TO FULLY PAY THE OUTSTANDING SERIES 2017B CERTIFICATES.

No Reserve Account for Series 2017B Certificates

There is no Reserve Account for the Series 2017B Certificates. However, pursuant to a Supplemental Trust Agreement authorizing the issuance of any additional Series of Certificates, there may be established and maintained a separate Reserve Account to secure the payment of the principal and/or interest portion of the Basic Lease Payments related to such Series of Certificates. Each such Reserve Account shall secure only the Series of Certificates for which it has been established. See "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Master Trust Agreement."

Interest Rate Exchange Agreements

2008B Interest Rate Exchange Agreement. In connection with the issuance of the Series 2008B Certificates, the School Board entered into an ISDA Master Agreement with Citibank, N.A. New York ("Citibank") (together with all schedules and confirmations thereto, the "2008B Interest Rate Exchange Agreement"), which had an effective date of April 11, 2008. The 2008B Interest Rate Exchange Agreement generally provides, subject to the terms and conditions thereof, for payment by the School Board to Citibank of a fixed rate of interest of 4.412% and for payment by Citibank to the School Board of interest at a variable rate based on the SIFMA Index, in each case based on an amortizing notional amount of \$105,000,000. The scheduled termination date of the 2008B Interest Rate Exchange Agreement is August 1, 2032. The scheduled payments of the School Board when due pursuant to the 2008B Interest Rate Exchange Agreement is guaranteed by a surety bond (the "2008B Swap Policy") issued by Assured Guaranty Corp. The 2008B Swap Policy does not guarantee termination payments under the 2008B Interest Rate Exchange Agreement unless the termination is at the direction of Assured Guaranty Corp.

2008E Interest Rate Exchange Agreement. In connection with a future refinancing of a portion of the Series 1997A Certificates, the School Board entered into an ISDA Master Agreement between UBS AG ("UBS") and the School Board (together with all schedules and confirmations thereto, the "Series 1997A Interest Rate Exchange Agreement"), dated April 27, 2005, having a notional amount related to a portion of the Series 1997A Certificates payable from Basic Lease Payments under the Series 1997A-1 Lease. In exchange for an upfront payment from UBS to the School Board, the School Board granted UBS the option to put the District into a fixed payer interest rate swap. UBS exercised the option to commence the swap on August 1, 2007. Accordingly, the School Board issued the Series 2007C Certificates to refund a portion of the outstanding Series 1997A Certificates, which, when combined with the fixed payer swap, are expected to result in Lease Payments approximately equal to the payments on the refunded Series 1997A Certificates. The Series 1997A Interest Rate Exchange Agreement was amended and restated in connection with the issuance of the Series 2008E Certificates and the refunding of the Series 2007C Certificates and is herein referred to as the "2008E Interest Rate Exchange Agreement." The 2008E Interest Rate Exchange Agreement generally provides, subject to the terms and conditions thereof, for payment by the School Board to UBS of a fixed rate of interest of 5.112% and for payment by UBS to the School Board of interest at a variable rate based on the SIFMA Index, in each case based on an amortizing notional amount of \$51,020,000. The scheduled termination date of the 2008E Interest Rate Exchange Agreement is August 1, 2022.

Payments made by the School Board under the above described agreements constitute Additional Lease Payments under the Master Lease and are secured by the Leases to which the respective interest rate exchange agreement relates. Each agreement described above is subject to termination prior to the scheduled termination date thereof under certain circumstances. If a termination event were to occur under one or more of such agreements, the School Board may be confronted with the need to appropriate a significant termination payment or payments within a single fiscal year. Such an obligation could have a material adverse effect on the School Board's ability to make lease payments, including payments required under the Series 2002A Leases. For additional information on the 2008B Interest Rate Exchange Agreement and the 2008E

Interest Rate Exchange Agreement, see Notes 6 and 7 to the District's basic financial statements attached hereto as APPENDIX B.

CERTAIN AMENDMENTS TO THE MASTER LEASE, AMENDED AND RESTATED SCHEDULE 2002A-1 AND AMENDED AND RESTATED SCHEDULE 2002A-2

Pursuant to the Resolution and a resolution adopted by the Corporation on February 23, 2016, the School Board and the Corporation have authorized an Amendment to Master Lease Agreement (the "Amendment to Master Lease"), between the School Board, the Corporation and the Trustee. The Amendment to Master Lease generally provides for certain amendments to the Master Lease which (i) revise the property insurance requirements for the Facilities in order to reflect the current insurance market in Florida (see "RISK FACTORS - Property Insurance" herein) and (ii) provides that except in certain enumerated circumstances, the terms of the Master Lease or any Schedule thereto shall not be waived, altered, modified, supplemented or amended except upon receipt of the consent of the holders of a majority of the principal amount of Certificates Outstanding who are affected thereby (or in the case of insured Certificates, the related Credit Facility Issuer in lieu of the holders of the Certificates it insures). See "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Form of Amendment to Master Lease" for the specific amendments to the Master Lease. Upon receipt of consents to the Amendment to the Master Lease from Beneficial Owners of not less than a majority in principal amount of Certificates then Outstanding under the Trust Agreement, together with required consents, if any, of municipal bond insurers, such amendments will become effective. **At the time of issuance of the Series 2017B Certificates, the initial Beneficial Owners of the Series 2017B Certificates, through their purchase of the Series 2017B Certificates, shall be deemed to have consented to the amendments set forth in the Amendment to the Master Lease. Upon their issuance, the Series 2017B Certificates will represent approximately 6.40% of the Certificates Outstanding for purposes of the consent to the Amendment to the Master Lease. Additionally, the School Board has received the consent from Beneficial Owners of approximately 18.38% of certain of the Prior Certificates for purposes of the Amendment to the Master Lease. The School Board is also seeking consent to the amendment set forth in the Amendment to Master Lease from a certain Credit Facility Issuer that represents approximately 9.49% of all Certificates Outstanding for purposes of the Amendment to Master Lease. However, at this time, the School Board cannot predict, if or when, the amendments contained in the Amendment to Master Lease will become effective.**

In addition, Amended and Restated Schedule 2002A-1 contains certain amendments intended to (i) allow for the substitution of Facilities upon meeting certain conditions (see "THE SERIES 2002A FACILITIES - Substitution of the Series 2002A-1 Facilities" for the requirements for such substitution as contemplated in the amendment provision) and (ii) allow for the release of the Series 2002A-1 Facilities at such time as the total construction cost of the remaining Series 2002A-1 Facilities exceeds the principal portion of the Basic Lease Payments payable under the related Series 2002A-1 Lease. Upon receipt of consent to such amendments to Amended and Restated Schedule 2002A-1 from Beneficial Owners of not less than a majority in principal amount of Certificates then Outstanding under the Series 2002A-1 Lease, such

amendments will become effective. See "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Form of Amended and Restated Schedule 2002A-1" for the specific amendments.

Both Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2 contain amendments intended to allow for the amendment of such Schedule without consent of the holders of the affected Certificates for the purpose of (a) adding a legal description and/or the permitted encumbrances for a Facility Site which has already been designated in such Schedule, (b) adding additional Facilities to be financed under such Schedule, (c) substituting Facilities in accordance with Section 6.4 of the Master Lease, or (d) releasing a Facility or portion thereof if such Facility or portion thereof has been released from the lien of the Master Lease in accordance with the provisions thereof. Upon receipt of consent to such amendments to Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2 from holders of not less than a majority in principal amount of Certificates then Outstanding under the Series 2002A-1 Lease and the Series 2002A-2 Lease, such amendments will become effective. See "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Form of Amended and Restated Schedule 2002A-1" and "- Form of Amended and Restated Schedule 2002A-2" for the specific amendments.

At the time of issuance of the Series 2017B Certificates, the initial Beneficial Owners of the Series 2017B Certificates, through their purchase of the Series 2017B Certificates, shall be deemed to have consented to the amendments set forth in the Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2. The Series 2017B Certificates will represent approximately 79.9% of the Certificates Outstanding under the Series 2002A Leases. As such, the amendments set forth in Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2 will become effective immediately upon the issuance of the Series 2017B Certificates.

Purchasers of the Series 2017B Certificates should carefully review the proposed amendments. See "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Form of Amendment to Master Lease," "- Form of Amended and Restated Schedule 2002A-1" and "- Form of Amended and Restated Schedule 2002A-2." Notwithstanding the foregoing, the consent of a majority of Certificate holders evidencing an interest in the Series 2002A Leases will not be required for the release of any Series 2002A Facilities not subject to the exercise of remedies upon an event of default or event of non-appropriation by the School Board.

THE MASTER LEASED FACILITIES

The Series 2002A Facilities are being financed and refinanced under the School Board's existing Master Lease as part of the School Board's master lease purchase program (the "Master Lease Program") with the Corporation. The Facilities financed or refinanced by the School Board under the Master Lease Program are subject to annual appropriation on an all-or-none basis. **For Fiscal Year 2016-17, of the District's 188 total operational schools, there were approximately 61 schools and 10 additions to schools and related facilities leased under the Master Lease. Based on the District's Pre-K through 12 pupil enrollment of approximately 189,640 students for Fiscal Year 2016-17, approximately 33% of the District's students attended classes in, or otherwise utilized, Facilities leased under the Master Lease during**

the Fiscal Year ended June 30, 2017. Under certain conditions set forth in the Master Lease, the School Board may substitute or add components to the Facilities and modify the plans and specification thereof. For a complete description of the Facilities under the Master Lease Program, see "THE SERIES 2002A FACILITIES" and "THE PRIOR FACILITIES" herein.

Pursuant to the Master Lease, the School Board does not have the ability to appropriate Basic Lease Payments for one Facility or some combination of Facilities only. The School Board's annual appropriation for Basic Lease Payments must be for all Facilities under the Master Lease Program. In the event the School Board decides not to appropriate funds in its annual budget for all of such financed Facilities, the School Board would, at the Trustee's option, have to surrender such Facilities, including the Series 2002A-1 Facilities (except for certain designated Facilities (including the Series 2002A-2 Facilities), currently consisting approximately six percent of the Facilities subject to the Master Lease Program), to the Trustee for the benefit of the Owners of the Certificates which financed and/or refinanced such Facilities.

THE SERIES 2002A FACILITIES

The Series 2017B Certificates are being issued to refinance the acquisition, construction and lease-purchase of the Series 2002A Facilities. In certain circumstances, the School Board may substitute portions of the Series 2002A Facilities. See "- Substitution of the Series 2002A-1 Facilities" below.

The Series 2002A-1 Facilities

The Series 2002A-1 Facilities consist of four elementary schools, a middle school addition and a high school. Set forth below is a brief, general description of the schools and facilities comprising the Series 2002A-1 Facilities.

Dillard Street Elementary School Replacement. This school provided partial relief to elementary schools in the northwest area of Orange County (the "County") in addition to providing additional capacity to the then-existing Dillard Street Elementary School. The school was designed in accordance with the District's two-story elementary school prototype reflecting the District's "right-sizing" criteria. The design capacity was 934 student stations to house a maximum enrollment of 934 students. The school opened in January, 2004.

Southwest Middle School Addition. This school addition provided additional capacity to Southwest Middle School in the southwest area of the County. Capacity was increased in accordance with the District's middle school prototype reflecting the District's "right-sizing" criteria. Student station design capacity of 1180 was increased to 1510 student stations housing a maximum enrollment of 1364 students. The school opened in December, 2004.

Winter Park High School Replacement. This project renovated and remodeled existing buildings for greater program efficiency. The design capacity was 2784 student stations housing a maximum enrollment of 2645 students. The school opened in June, 2004.

Tildenville Elementary School Relief. This school provided partial relief to elementary schools in the west area of the County in addition to providing additional capacity to the then-

existing Tildenville area elementary schools. The school was designed in accordance with the District's two-story elementary school prototype reflecting the District's "right-sizing" criteria. The design capacity was 934 student stations housing a maximum enrollment of 934 students. The school opened in August, 2005.

West Creek Elementary School (f/k/a Hunter's Creek Elementary School Relief). This school provided relief to elementary schools in the south area of the County in addition to providing additional capacity to the then-existing Hunter's Creek Elementary School. The design of this school was based on the District's "right-sizing" criteria. The design capacity was 943 student stations housing a maximum enrollment of 934 students. The school opened in August, 2004.

Hunter's Creek Elementary School. A comprehensive project known as Hunter's Creek Elementary Comprehensive Project was constructed on the site of existing Hunter's Creek Elementary School. The campus is located in the County at 4650 Town Center Boulevard. A new permanent classroom building was added to the campus to replace the existing portable classrooms. Existing Buildings 1-4 received utilities, remodeling, classroom technology, and life safety upgrades. A new administration entry point was added at existing Building 1 to provide a single secure entry point to the school. Building 2, the Kitchen/Cafeteria, received a new bread/milk storage room and cold storage room. Also included are related drives, parking lots, playing fields, outdoor activity areas and site utilities. The school opened in February, 2011.

East Lake Elementary School (f/k/a Columbia/Bonneville Elementary School Relief). This school provided relief to Columbia and Bonneville elementary schools in the east area of the County. This school was constructed in accordance with the District's two-story elementary school prototype reflecting the District's "right-sizing" criteria. The design capacity was 934 student stations to house a maximum enrollment of 934 students. The school opened in August, 2005.

The Series 2002A-2 Facilities

The Series 2002A-2 Facilities consist of miscellaneous construction throughout the District to extend the useful lives of certain educational facilities in the District and the addition of new student stations.

Substitution of the Series 2002A-1 Facilities

The following reflects the amendments to Section 6.4 of the Master Lease set forth in Amended and Restated Schedule 2002A-1. See "CERTAIN LEGAL DOCUMENTS - Master Lease" for current the provision.

To the extent permitted by law, on or after the Completion Date, the School Board may substitute for any portion of the Facilities other facilities owned by the School Board, provided such substituted facilities: (a) have the same or greater remaining useful life; (b) have a fair market value equal to or greater than the portion of the Facilities for which they are substituted (based on an MAI appraisal performed by an appraiser jointly selected by the School Board and the Trustee); (c) are of substantial equal usefulness as the Facilities to be replaced and provide

essential governmental services; (d) are free and clear of all liens and encumbrances, except Permitted Encumbrances, and (e) are approved by the State Department of Education. In addition, to the extent permitted by law, prior to the Completion Date the School Board may release and/or substitute for any Facilities to be acquired, constructed and installed under a particular Schedule other facilities to be acquired, constructed and installed, provided that (1) any substituted facilities satisfy the requirements of clauses (a), (c), (d) and (e) above and (2) following such substitution and/or release, the sum of (x) with respect to Facilities for which a Certificate of Acceptance has not been delivered, the Cost of the acquisition, construction and installation of the Facilities plus (y) with respect to Facilities for which a Certificate of Acceptance has been delivered, the fair market value of the Facilities, financed under the Schedule from which the Facilities are to be substituted and/or released is greater than or equal to the remaining principal portion of Basic Lease Payments due under such Schedule. In order to effect such substitution, the Facilities to be replaced shall be released from the encumbrance of the related Lease and Ground Lease by appropriate instrument executed by the School Board and the Corporation (or Trustee as assignee of the Corporation) in form sufficient to leave good and marketable fee simple title to such Facilities in the School Board subject only to Permitted Encumbrances, and the Facilities to be substituted shall likewise be incorporated in the appropriate Lease and Ground Lease modifications. The related Schedule shall be appropriately amended, and the related Ground Lease shall be amended or canceled and replaced, to reflect such substitution.

There shall also be delivered at the time of substitution an Opinion of Counsel as described in the Master Lease with respect to the substitute Facility Site. The foregoing conditions with respect to substitution only apply to Facilities against which the Trustee has rights.

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THE PRIOR FACILITIES

The following provides a summarized description of the Facilities being lease-purchased under the Prior Leases and subject to the Master Lease. Under certain conditions set forth in the Master Lease, the School Board may substitute Facilities, modify the plans and specifications therefor or eliminate Facilities.

Series 1997A-1 Facilities

Bay Meadows Elementary School
Clay Springs Elementary School
Frangus Elementary School
Hidden Oaks Elementary School
John Young Elementary School
Little River Elementary School
Shingle Creek Elementary School
Waterbridge Elementary School
Windy Ridge Elementary School
University High School Expansion
Southwest Middle School
Colonial 9th Grade Center
Dr. Phillips 9th Grade Center
Cypress Creek Senior High School

Series 1997A-2 Facilities

Rosemont Elementary School
Southwood Elementary School
Lake Whitney Elementary School
Sunrise Elementary School
Riverdale Elementary School
Lake Gem Elementary
Pinewood Elementary School
Lake George Elementary School
Lakeville Elementary School
Corner Lakes PUD Middle School
Meadow Woods PUD Middle School
Chain of Lakes Middle School
Metro West

Series 1999A-1 Facilities

Land Acquisition
Columbia Sunrise Relief/Avalon Elementary School
Blankner K-8 Replacement
Ventura Elementary Relief/Three Points Elementary School
Colonial High School Expansion/Replacement
Waterford Elementary Modular Replacement
Lakeview Middle School Replacement

Series 1999A-2 Facilities*

Modular Educational Facilities

Series 2000A-1 Facilities

Boone High School
Howard Middle School
Jones High School
Camelot Elementary School

Series 2000B-1 Facilities

Freedom High School

Series 2002A-1 Facilities

Columbia Bonneville Relief/East Lake Elementary School
Dillard Street Elementary
Hunters Creek Elementary Relief/West Creek Elementary School
Southwest MS Addition'
Tildenville Relief/Whispering Oaks Elementary School
Winter Park High School

Series 2002A-2 Facilities*

Immediate Needs Repair/Renovation

Series 2002B Facilities

CEP Building East
CEP Building West
Glenridge Middle School
Hiawassee Elementary School

Series 2003 Facilities*

Refinance Zions Leases (modular buildings)

Series 2004A-1 Facilities

Meadow Woods Middle School Relief
Cypress Springs Relief/Andover Elementary School
Millenia Elementary School
North Lake Park Elementary School Relief
Oakshire/Meadow Woods Elementary School Relief

Series 2004A-2 Facilities*

Replacement Portables

Series 2006A Facilities

Apopka/Rock Springs/Zellwood Elementary School Relief
Camelot/Waterford Elementary School Relief
Whispering Oaks/Windermere Relief I - Elementary School Relief
Northlake Park II Elementary School Relief
West Orange High School Replacement

Series 2007A/B Facilities

Audubon Park Elementary School Relief
Stone Lake Elementary School Relief
East River High School
East Technical Center
Memorial Middle School Replacement
Apopka High School Replacement

Series 2009B-1 Facilities

Walker Middle School

Series 2009A Facilities

Shingle Creek Elementary School
Edgewater High School
Oak Ridge High School

Series 2009B-2 Facilities*

Comprehensive Needs (Various Facilities)

Series 2010A Facilities

Arbor Ridge K-8 School
Eccleston Elementary School
Sun Blaze Elementary School

* Facilities so designated are not subject to any rights the Trustee or Certificate holders may have upon the occurrence of certain events of a default or upon a non-appropriation of funds under the Master Lease.

ESTIMATED SOURCES AND USES OF FUNDS

It is estimated that proceeds received from the sale and delivery of the Series 2017B Certificates, together with other legally available funds, will be used as follows:

Estimated Sources:

Aggregate Principal Amount	\$71,080,000.00
Plus Bond Premium	16,604,908.45
Other Legally Available Funds ⁽¹⁾	<u>369,128.47</u>
Total Sources of Funds	<u><u>\$88,054,036.92</u></u>

Estimated Uses:

Deposit to Escrow Account ⁽²⁾	\$87,647,336.17
Cost of Issuance Account ⁽³⁾	<u>406,700.75</u>
Total Uses of Funds	<u><u>\$88,054,036.92</u></u>

⁽¹⁾ Represents funds on deposit in certain accounts for the benefit of the Refunded Certificates.

⁽²⁾ To be applied to refund the Refunded Certificates. See "PLAN OF REFUNDING" herein.

⁽³⁾ Includes, without limitation, printing costs, legal, accounting and financial advisory fees, Underwriters' discount and other costs associated with the issuance of the Series 2017B Certificates.

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SERIES 2017B CERTIFICATES PAYMENT SCHEDULE*

Set forth below are the annual payment requirements on the Series 2017B Certificates:

<u>Period Ended August 1</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Aggregate Annual Lease Payments</u>
2018		\$3,208,472	\$3,208,472
2019		3,554,000	3,554,000
2020		3,554,000	3,554,000
2021		3,554,000	3,554,000
2022		3,554,000	3,554,000
2023		3,554,000	3,554,000
2024	\$1,340,000	3,554,000	4,894,000
2025	1,375,000	3,487,000	4,862,000
2026	33,375,000	3,418,250	36,793,250
2027	34,990,000	1,749,500	36,739,500
Total	<u>\$71,080,000</u>	<u>\$33,187,222</u>	<u>\$104,267,222</u>

* Figures may not add due to rounding.

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COMBINED PRIOR CERTIFICATES PAYMENT SCHEDULE*

Payment requirements on the Series 2008B Certificates, the Series 2008D Certificates, the Series 2008E Certificates, the Series 2009A Certificates, the Series 2009B Certificates, the Series 2010A Certificates, the Series 2012A Certificates, the Series 2012B Certificates and the Series 2013A Certificates are as follows:

Year Ending August 1	Series 2008B ⁽¹⁾ Certificates	Series 2008D Certificates	Series 2008E ⁽²⁾ Certificates	Series 2009A Certificates	Series 2009B ⁽³⁾ Certificates	Series 2010A ⁽⁴⁾ Certificates	Series 2012A Certificates	Series 2012B Certificates ⁽⁵⁾	Series 2013A Certificates
2018	\$5,078,850	\$953,888	\$665,192	\$254,600	\$2,799,930	\$3,696,502	\$4,217,000	\$369,128	\$2,617,250
2019	5,078,850		665,192	265,200	2,799,930	3,696,502	4,215,750		2,620,050
2020	5,078,850		666,108		2,799,930	3,696,502			2,619,550
2021	5,078,850		664,276		2,799,930	3,696,502			2,619,050
2022	5,078,850		12,755,192		2,799,930	3,696,502			2,618,300
2023	5,078,850				2,799,930	3,696,502			2,622,050
2024	5,078,850				2,799,930	3,696,502			54,800
2025	5,078,850					3,696,502			1,424,800
2026	5,078,850					3,696,502			
2027	5,078,850					3,696,502			
2028	13,713,850					3,696,502			
2029	13,696,175					3,696,502			
2030	13,679,152								
2031	13,661,814								
2032	71,268,193								
2033									
2034									
Totals	\$176,807,684	\$953,888	\$15,415,959	\$519,800	\$19,599,510	\$44,358,025	\$8,432,750	\$369,128	\$17,195,850

* Figures may not add due to rounding.

⁽¹⁾ Assumes the Series 2008B Certificates bear interest at 4.837% based on the 2008B Interest Rate Exchange Agreement and historical market data. However, a change in market conditions could result in the actual debt service on such Certificates being greater than shown above.

⁽²⁾ The Series 2008E Certificates are assumed to bear interest at 5.502% based on the 2008E Interest Rate Exchange Agreement and historical market data. However, a change in market conditions could result in the actual debt service on such Certificates being greater than shown above.

⁽³⁾ Based on a principal amount of \$35,820,000 which will be due on the maturity date; includes sinking fund payments which equal the Principal Component due on the Series 2009B Certificates at maturity. The School Board will receive a credit against sinking fund payments for interest income on amounts on deposit in the Series 2009B Sinking Fund Account. The Series 2009B Certificates were issued as tax credit bonds entitling to the holders thereof to a tax credit on certain tax credit allowance dates. Interest on the Series 2009B Certificates is calculated at the stated supplemental coupon rate of 1.15%.

⁽⁴⁾ Based on a principal amount of \$36,229,000 which will be due on the maturity date; includes sinking fund payments which equal the Principal Component due on the Series 2010A Certificates at maturity. The School Board will receive a credit against sinking fund payments for interest income on amounts on deposit in the Series 2010A Sinking Fund Account. Interest on the Series 2010A Certificates is calculated at the stated interest rate on the Series 2010A Certificates less the expected interest subsidy of 4.94% (maximum annual amount of which is \$1,789,712). See "RISK FACTORS - Effect of Sequestration on Lease Payments" above for more information regarding subsidy reductions due to the federal government's sequester of budgeted funds.

⁽⁵⁾ Reflects the refunding of the Refunded Certificates, although the amount for 2018 is the accrued interest on the Refunded Certificates through the date of delivery of the Series 2017B Certificates. See "ESTIMATED SOURCES AND USES OF FUNDS."

COMBINED PRIOR CERTIFICATES PAYMENT SCHEDULE II*

Payment requirements on the Series 2014A Certificates, the Series 2015A Certificates, the Series 2015B Certificates, the Series 2015C Certificates, the Series 2015D Certificates, the Series 2016A Certificates, the Series 2016B Certificates, the Series 2016C Certificates and the Series 2017A Certificates are as follows:

Year Ending August 1	Series 2014A Certificates	Series 2015A Certificates	Series 2015B Certificates	Series 2015C Certificates	Series 2015D Certificates	Series 2016A Certificates	Series 2016B Certificates	Series 2016C Certificates	Series 2017A Certificates
2018	\$3,192,000	\$24,655,496	\$1,807,180	\$6,617,000	\$10,478,500	\$ 8,569,443	\$1,806,750	\$8,874,000	\$3,792,284
2019	3,192,000	24,650,680	1,810,540	6,617,000	10,475,000	8,758,061	2,341,750	8,874,000	3,811,575
2020	3,192,000	24,653,008	6,623,630	6,617,000	10,539,750	8,719,320	2,341,050	9,084,000	3,839,591
2021	3,192,000	24,651,760	6,631,097	6,617,000	10,548,750	8,698,126	2,334,700	9,088,500	3,844,404
2022	3,192,000	12,556,504	6,634,635	6,617,000	10,544,000	8,679,033	2,342,500	9,102,250	3,862,932
2023	3,192,000		6,634,244	6,617,000	9,805,500	35,986,929	2,343,250	9,174,750	3,888,776
2024	5,002,000		6,629,923	6,617,000	9,814,250	32,427,356	2,337,500	9,188,000	3,921,404
2025	3,496,500		31,141,672	6,617,000	9,524,000		2,340,500	9,209,750	14,554,332
2026	5,076,750			6,617,000	9,114,000		17,526,750	9,274,500	
2027	5,072,000			6,617,000	9,115,250		17,577,000	9,270,000	
2028	30,952,500			22,142,000	13,707,500			9,079,500	
2029	30,948,750			22,145,750	13,710,500			9,102,250	
2030				54,060,500	13,706,500			9,123,000	
2031				54,048,750	13,704,500			9,151,750	
2032					13,713,000			9,168,000	
2033								95,172,250	
2034								95,175,000	
Totals	<u>\$99,700,500</u>	<u>\$111,167,448</u>	<u>\$67,912,919</u>	<u>\$218,567,000</u>	<u>\$168,501,000</u>	<u>\$111,838,266</u>	<u>\$53,291,750</u>	<u>\$327,111,500</u>	<u>\$41,515,299</u>

* Figures may not add due to rounding.

COMBINED CERTIFICATE PAYMENT SCHEDULE⁽¹⁾

Set forth below are the annual payment requirements on the Prior Certificates and the Series 2017B Certificates:

Year Ending August 1	Total Prior Certificates ⁽²⁾	Series 2017B Certificates	Aggregate Total
2018	\$90,444,992	\$3,208,472	\$93,653,464
2019	89,872,079	3,554,000	93,426,079
2020	90,470,288	3,554,000	94,024,288
2021	90,464,944	3,554,000	94,018,944
2022	90,479,627	3,554,000	94,033,627
2023	91,839,781	3,554,000	95,393,781
2024	87,567,515	4,894,000	92,461,515
2025	87,083,906	4,862,000	91,945,906
2026	56,384,352	36,793,250	93,177,602
2027	56,426,602	36,739,500	93,166,102
2028	93,291,852		93,291,852
2029	93,299,927		93,299,927
2030	90,569,152		90,569,152
2031	90,566,814		90,566,814
2032	94,149,193		94,149,193
2033	95,172,250		95,172,250
2034	95,175,000		95,175,000
Total	<u>\$1,483,258,274</u>	<u>\$104,267,222</u>	<u>\$1,587,525,497</u>

⁽¹⁾ Figures may not add due to rounding.

⁽²⁾ Includes payments on the Series 2008B Certificates, Series 2008D Certificates, Series 2008E Certificates, Series 2009A Certificates, Series 2009B Certificates, Series 2010A Certificates, Series 2012A Certificates, Series 2012B Certificates, Series 2013A Certificates, Series 2014A Certificates, Series 2015A Certificates, Series 2015B Certificates, Series 2015C Certificates, Series 2015D Certificates, Series 2016A Certificates, Series 2016B Certificates, Series 2016C Certificates and Series 2017A Certificates as shown on the prior two pages.

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THE MASTER LEASE PROGRAM

In order to provide for the lease-purchase financing and refinancing from time to time of Facilities, the School Board has authorized the execution and delivery of the Master Lease between the School Board and the Corporation. Facilities to be leased from time to time will be identified on separate Schedules to the Master Lease. Upon execution and delivery thereof, each Schedule, together with the provisions of the Master Lease, will constitute a separate Lease. See "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Master Lease."

The School Board has previously entered into the Prior Leases and may arrange for one or more lease-purchase financings of additional educational facilities under the Master Lease in future Fiscal Years. See "SECURITY FOR THE SERIES 2017B CERTIFICATES - Additional Leases" and "- Additional Certificates." In addition, the School Board has, and may in the future, also enter into lease-purchase arrangements upon terms and conditions other than those in the Master Lease, but payable from substantially the same source of revenues as those under the Master Lease. With respect to lease agreements outside of the Master Lease, the failure to make payments under any such lease agreement, or an event of default under any such lease agreement, will not affect the Lease Term or cause the termination of the Series 2002A Leases or any other Leases.

THE SERIES 2002A LEASES

The following is a brief summary of certain provisions of the Leases, including the Series 2002A Leases, which is not intended to be definitive. Reference is made to "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Master Lease," "- Form of Amended and Restated Schedule 2002A-1" and "- Form of Amended and Restated Schedule 2002A-2."

Authority

The Leases are entered into pursuant to the authority granted under Chapters 1001-1013, Florida Statutes, for the purpose of providing for the lease-purchase financing and refinancing of Facilities from time to time.

Lease Terms

Under each Lease, the Corporation leases to the School Board, and the School Board leases from the Corporation, the related Facilities. The initial terms of the Series 2002A Leases commenced on June 15, 2002 and continued through and including June 30, 2002, when they were automatically renewed and are automatically renewable annually through July 31, 2027, unless sooner terminated in accordance with the provisions of the Series 2002A Leases. See "- Termination of Lease Term" below.

Lease Payments

Subject to the conditions stated in the Leases, the School Board has expressed its current intent to make all Lease Payments due under all outstanding Leases; PROVIDED, HOWEVER, THAT NONE OF THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA, OR

ANY POLITICAL SUBDIVISION THEREOF, IS OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE LEASES FROM ANY SOURCE OF TAXATION, AND NEITHER THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD NOR THE DISTRICT IS PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THE LEASES, AND THE SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. All Lease Payments due under the Leases will be made from current or other funds authorized by law and regulations of the State of Florida Department of Education and appropriated for such purpose by the School Board.

On January 25 and July 25 of each year, the Lease Payment Dates preceding each Payment Date, the School Board is required to pay to the Trustee the Basic Lease Payment due on such date, which amount corresponds to the next succeeding Certificate Payment. The School Board is also required to pay, when due, Additional Lease Payments and Supplemental Payments, consisting of, among other things, payments due under its Interest Rate Exchange Agreements (see "SECURITY FOR THE SERIES 2017B CERTIFICATES - Interest Rate Exchange Agreements") and the fees and expenses of the Trustee and the Corporation. Lease Payments due under the Series 2002A Leases may be reduced, when applicable, by amounts credited as follows:

(a) The Trustee will deposit into the Lease Payment Account interest income in accordance with the Master Trust Agreement and apply such interest income as a credit against the next ensuing Lease Payment(s) to the extent provided in the Master Trust Agreement.

(b) Upon termination of the Lease Terms of the Series 2002A Leases, the amounts, if any, remaining on deposit in the Series 2002A-1 Acquisition Account and Series 2002A-2 Acquisition Account shall be transferred to the Series 2002A Lease Payment Account to be applied to Basic Lease Payments next coming due under the applicable Series 2002A Lease.

The following reflects the modifications to Section 5.4(b) of the Master Lease as set forth in Amended and Restated Schedule 2002A-1. See "CERTAIN LEGAL DOCUMENTS - Master Lease" for the current provision.

(c) The Trustee will deposit in the Series 2002A Lease Payment Account, Net Proceeds realized in the event of damage, destruction or condemnation of the Series 2002A Facilities to be applied to Basic Lease Payments under the Series 2002A Leases, or the costs of Facilities under the related Lease; provided, however, if the School Board has determined that its operations have not been materially affected and that it is not in the best interest of the School Board to repair, restore or replace that portion of the Series 2002A Facilities, damaged, destroyed or condemned, then the School Board shall not be required to comply with the provisions of the preceding clause. If the Net Proceeds are (i) less than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Series 2002A Facilities and (ii) equal to or less than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under the related Series 2002A Lease, then such Net Proceeds may, at the option of the School Board, (x) be deposited in the Series 2002A Lease Payment Account to be credited against Lease Payments next coming due under the related

Series 2002A Lease or (y) deposited in the Series 2002A-1 Acquisition Account or Series 2002A-2 Acquisition Account, as applicable, and applied to pay Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of the related Series 2002A Lease as fully as if they were originally leased Facilities. If the Net Proceeds are (i) equal or greater than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities or (ii) greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under the applicable Series 2002A Lease, then the portion of the Net Proceeds allocable to the Series 2012B Certificates and the Series 2016A Certificates allocable to the applicable Series 2002A Lease shall be deposited to the Series 2002A-1 Acquisition Account or Series 2002A-2 Acquisition Account, as applicable, and applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of the related Series 2002A Lease as fully as if they were the originally leased Facilities; provided, however, at the direction of the School Board, upon delivery to the Trustee of a Favorable Opinion, such Net Proceeds shall be deposited in the Series 2002A Lease Payment Account to be credited against Basic Lease Payments next coming due under the related Series 2002A Lease.

Assignments of Lease to Trustee

Pursuant to the Series 2002A Assignment, substantially all right, title and interest of the Corporation in and to the Series 2002A Leases and the Series 2002A-1 Ground Lease, including the right to receive Basic Lease Payments under the Series 2002A Leases, is absolutely and unconditionally assigned by the Corporation to the Trustee for the benefit of the Series 2017B Certificate holders, the holders of the Series 2016A Certificates allocable to the Series 2002A Leases and the holders of any Certificates which evidence an interest in the Basic Lease Payments under the Series 2002A Leases. The School Board has consented to such assignment.

Lease Covenants

In the Series 2002A Leases, the School Board covenants that it will: (i) maintain the Series 2002A-1 Facilities for the Lease Term in good repair and condition; (ii) pay applicable taxes, utility charges and other governmental charges; and (iii) provide applicable insurance coverage, including property and liability insurance, all in accordance with the terms and provisions relating to these requirements, contained in the Series 2002A Leases. However, see "RISK FACTORS - Property Insurance" herein.

Budget and Appropriation

The cost and expense of the performance by the School Board of its obligations under the Prior Leases, the Series 2002A Leases and under Additional Leases and the incurrence of any liabilities of the School Board under the Prior Leases, the Series 2002A Leases and under Additional Leases including without limitation, the payment of all Lease Payments and all other amounts required to be paid by the School Board under all Leases, are subject to and dependent on appropriations being duly made from time to time by the School Board for such purposes. The School Board may not budget and appropriate available revenues to make Lease Payments selectively on a Lease by Lease basis, but must appropriate such revenues for all Leases or none of them. Under no circumstances will the failure of the School Board to appropriate sufficient

funds in any Fiscal Year constitute a default or require payment of a penalty, or in any way limit the right of the School Board to purchase or utilize educational facilities similar in function to those leased under any Lease including the Series 2002A Leases.

Unless the School Board, at a public meeting held prior to the end of the then current Fiscal Year, gives notice of its intent not to appropriate the funds necessary to make the Lease Payments coming due in the following Fiscal Year under all Leases, the Superintendent will include in the Superintendent's tentative budget proposal, in a separate line item, the funds necessary to make such Lease Payments, and all Leases will be automatically renewed on June 30 of the current Fiscal Year, for the following Fiscal Year, subject to appropriation being made by the School Board in the final adopted budget. If Lease Payments are due during the period prior to the adoption of the School Board's final official budget for an ensuing Fiscal Year, the Lease Term of all Leases shall be deemed extended only if the tentative budget or extension of the prior budget (whether by School Board action or operation of law) makes available to the School Board monies which may be legally used to make the Lease Payments due under all Leases during such period. If no such appropriation is made in the budget as finally adopted or if no official budget is adopted as of the last day on which a final budget is required to have been adopted under applicable law and regulations, all Leases will terminate as of the date of adoption of the final official budget or the last date on which a final budget is required to have been adopted, whichever is earlier, and under which no appropriation has been made.

If the School Board declares its intent at such public meeting prior to the end of the then current Fiscal Year not to appropriate the funds necessary to make Lease Payments under all Leases, no Leases will be automatically renewed for the following Fiscal Year, but will terminate on June 30 of the current Fiscal Year. For a discussion of the effect of termination of the Lease Terms of the Leases, see "THE SERIES 2002A LEASES - Effect of Termination for Non-Appropriation or Default."

Termination and Defeasance of Lease Terms

The Lease Terms of the Leases, including the Prior Leases and the Series 2002A Leases, will either terminate or be defeased upon the earliest of any of the following events:

- (a) Each Lease shall terminate on the latest Lease Payment Date set forth in any Lease.
- (b) All Leases shall terminate in the event of non-appropriation of funds for the payment of Lease Payments as provided in said Leases.
- (c) All Leases shall terminate upon a default by the School Board with respect to any Lease and the termination of the Lease Terms of all Leases by the Trustee pursuant to the Master Lease.
- (d) A particular Lease will terminate upon payment by the School Board of the Purchase Option Price of the particular Facilities leased under such Lease by the School Board.

Effect of Termination for Non-Appropriation or Default

In the event the Lease Terms of the Series 2002A Leases terminate for the reasons referred to in (b) or (c) under "THE SERIES 2002A LEASES - Termination and Defeasance of Lease Term" above, the principal portion of Basic Lease Payments due under the Series 2002A Leases represented by the Series 2017B Certificates shall be subject to prepayment to the extent the Trustee has moneys available for such purposes pursuant to the Trust Agreement and the Series 2002A Leases, to the extent and subject to the limitations provided in the Master Lease.

Upon termination of the Lease Term for the reasons referred to in (b) or (c) under "THE SERIES 2002A LEASES - Termination and Defeasance of Lease Term" above, the School Board is required to immediately surrender and deliver use, possession and control of all the Facilities (other than certain designated Facilities such as the Series 2002A-2 Facilities) financed or refinanced under all Leases to the Trustee in the condition, state of repair and appearance required under the Leases and in accordance with the Trustee's instructions. Upon such surrender, the Trustee (or other transferee) will attempt to sell or re-let its interest in such Facilities in such manner and to such person or persons for any lawful purpose or purposes as it, in its sole discretion, determines to be appropriate. The proceeds derived from any such sale or reletting of the School Board's leasehold interest in such Facilities, if any, will be applied first to the payment of the fees and expenses of the Trustee, second to payment in full of each Series of Certificates relating to such Facilities and then to the payment of other outstanding amounts as described in said Lease(s). The proceeds of any such disposition of the Series 2002A-1 Facilities will be applied to the payment of the Series 2017B Certificates, equally and ratably with the Series 2016A Certificates allocable to the Series 2002A Leases, after payment of the expenses of the Trustee in accordance with the terms of the Series 2002A Leases. IN NO EVENT WILL OWNERS OF THE SERIES 2017B CERTIFICATES HAVE ANY INTEREST IN OR RIGHT TO ANY PROCEEDS OF THE DISPOSITION OF FACILITIES OTHER THAN THE SERIES 2002A-1 FACILITIES.

For a discussion of the remedies available to the Trustee if the School Board refuses or fails to voluntarily deliver possession of the Facilities to the Trustee, see "APPENDIX C - CERTAIN LEGAL DOCUMENTS - Master Lease."

There can be no assurance that the remedies available to the Trustee upon any termination of the Lease Terms of all Leases for non-appropriation or default and the disposition of the Series 2002A-1 Facilities will produce sufficient amounts to pay the Series 2017B Certificates. Federal income tax status of payments made to Series 2017B Certificate holders after such termination may also be adversely affected. See "TAX TREATMENT." Further, after such termination of the Lease Term of all Leases, transfer of Series 2017B Certificates may be subject to the registration provisions of applicable federal and state securities laws. Accordingly, there is no assurance that liquidity of the Series 2017B Certificates will not be impaired following termination of the Lease Terms of the Leases. See "RISK FACTORS."

THE CORPORATION

The Orange County School Board Leasing Corporation (the "Corporation") is a Florida not-for-profit educational corporation formed on January 28, 1997 for the purpose of acting as

lessor under the Master Lease. The sole member of the Corporation is the School Board. Upon dissolution, all of its assets will be distributed to the School Board. The Board of Directors of the Corporation consists of the members of the School Board and its officers are School Board members and employees.

There is no litigation pending against the Corporation.

Pursuant to the Series 2002A Assignment, the Corporation made an absolute and unconditional assignment of substantially all its right, title and interest under the Series 2002A Leases and the Series 2002A-1 Ground Lease to the Trustee, retaining its rights to indemnification and to receive notices under the Master Lease.

The Trustee will directly collect all of the Basic Lease Payments which are the primary source of and security for payment of each Series 2017B Certificates. The credit of the Corporation is not material to any of the transactions contemplated in this Offering Statement. No financial information concerning the Corporation has been included herein, nor is it contemplated that any such financial information will be included in any future Offering Statement relating to the sale of any additional Certificates or other obligations of the School Board or the Corporation.

THE DISTRICT

General

The District is the tenth largest school district in the United States and the fourth largest in Florida as measured by student enrollment. The geographic boundaries of the District are coterminous with those of the County. The County, established in 1824, had a 2000 U.S. Census population of 896,344, a 2010 U.S. Census population of 1,145,956 and an estimated 2016 population of 1,280,387. The District services the unincorporated areas of the County and all 13 municipalities within the boundaries of the County, including the City of Orlando.

The District is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Florida Statutes. For Fiscal Year 2016-17, the District budget included 188 schools and approximately 189,640 Pre-K through 12 students and approximately 23,929 full and part-time employees, including approximately 13,879 instructional staff. Management of the District is independent of the County and local governments within the County. The County Tax Collector collects ad valorem taxes for the District, but exercises no control over expenditures by the District.

Certain Statistical Information

The following table sets forth certain statistical information about the District. Statistical and demographic data concerning the County are set forth in APPENDIX A hereto.

**School District of Orange County, Florida
General Statistical and Demographic Data⁽¹⁾**

School Year	# of Schools	Number of Instructors	Pre-K through 12 Enrollment ⁽²⁾	Operating Revenue per Student ⁽³⁾
2016-17	188	13,879	189,640	\$7,728
2015-16	186	13,747	187,338	7,620
2014-15	184	13,557	188,528	7,374
2013-14	184	13,084	185,510	7,222
2012-13	184	12,827	183,562	6,848
2011-12	182	12,669	181,425	6,754
2010-11	180	12,547	179,040	7,023

⁽¹⁾ Actual data through 2015-16. Actual, 4th calculation figures for 2016-17.

⁽²⁾ Pupil Enrollment.

⁽³⁾ Per student revenue is calculated on a total student population including adult tech centers.

Source: School District of Orange County, Florida.

The School Board of Orange County, Florida

The School Board is a public corporation existing under the laws of the State of Florida, particularly Chapter 1001, Florida Statutes, and is the governing body of the District. The School Board consists of a Chairman, who is elected at-large, and seven members, elected from districts within the District, for overlapping four-year terms. The principal office of the School Board is located in Orlando, Florida.

Under existing statutes, the School Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property within the District; the development and adoption of a school program for the District; the establishment, organization and operation of schools, including vocational and evening schools, and programs for gifted and handicapped students, including students in residential care facilities; the appointment, compensation, promotion, suspension and dismissal of employees; the establishment of courses of study and the provision of adequate instructional aids; and the establishment of a system to transport students to and from school or school-related activities.

The School Board also has broad financial responsibilities, including the approval of the annual budget, adoption of the school tax levy and the establishment of a system of accounting and budgetary controls. The annual budget and accounting reports must be filed with the State of Florida Department of Education.

The Superintendent of Schools is the ex-officio Secretary of the School Board.

The Superintendent of Schools

The chief executive officer of the District, the Superintendent of Schools (the "Superintendent"), is appointed by the School Board and serves pursuant to a negotiated contract. The Superintendent oversees operations of the school system, makes policy

recommendations to the School Board and performs the duties assigned by law and the regulations of the State of Florida Department of Education.

The Superintendent prepares the annual budget for approval by the School Board, recommends the tax levy based upon needs illustrated by the budget, recommends debt issuance and borrowing plans of the District when necessary, provides recommendations for the investment of District funds and keeps records with respect to all funds and financial transactions of the District.

Biographical Information for Certain Administrators

Biographical descriptions of certain key members of the District's staff are as follows:

Superintendent. Barbara M. Jenkins, Ed. D. was appointed Superintendent by the School Board effective July 1, 2012. As the former Deputy Superintendent with the District, Dr. Jenkins served as the Superintendent's designee and oversaw five Area Superintendents and the division of Teaching and Learning. Previously as Chief of Staff, she oversaw Human Resources, Public Relations, Labor Relations, Strategic Planning and served as the chief negotiator for the District. As the Superintendent's designee she also coordinated executive functions for the District and provided support to the School Board. From 1998 through 2005, she was the Assistant Superintendent of Human Resources for the 120,000 student district, Charlotte-Mecklenburg Schools (Charlotte, North Carolina). She previously served as Senior Director for Elementary Education in the District, supervising principals and schools. Dr. Jenkins has also been a classroom teacher, staff developer and principal. Her undergraduate and doctor of education degrees were received from the University of Central Florida. She is a fellow of the nationally recognized Broad Urban Superintendents Academy.

Chief Financial Officer. Mr. Dale C. Kelly has been Chief Financial Officer for the District since April 2016. Mr. Kelly earned his Bachelor of Science degree in Business, with a concentration in Accounting from the University of Central Florida. He received his Certified Public Accounting Certificate in 1989. Mr. Kelly joined the District in 1991 working in the Finance Department. His positions with the District included serving as Finance Director for eight years and Senior Director, Office of Management and Budget for ten years. Prior to working with the District, Mr. Kelly worked in public accounting.

Director, Treasury Services. Mr. Steven Compton joined the District in March 2007. Mr. Compton previously worked with the accounting firm of Ernst & Young in the government and not-for-profit sector. Mr. Compton earned his Bachelor of Science degree in Accounting from the University of Florida.

Total School Personnel

For Fiscal Year 2016-17, the professional staff of the District included approximately 13,879 teachers, plus 693 supervisors, analysts, specialists and administrators. Other personnel include teachers' aides, clerks and secretaries, bus drivers, cafeteria personnel, custodial and maintenance workers, mechanics and warehousemen. The total number of full and part-time school personnel for Fiscal Year 2016-17 was approximately 23,929.

Employee Relations

As noted above, for Fiscal Year 2016-17, the Board had approximately 23,929 full and part-time employees. Approximately 13,879 of the District's employees are represented by the Orange County Classroom Teachers Association, which is affiliated with the Florida Teaching Profession of the National Education Association. An additional 7,078 employees are represented by non-instructional collective bargaining agents. The District has rolling three-year contracts with the Orange County Classroom Teachers Association and the Orange Educational Support Personnel Association which provide for a yearly re-negotiation of benefits, salary and other terms. The District began a "collaborative bargaining process" in 1998 which has less formal rules for negotiating non-salary items.

Accreditation

All public schools of the District are fully accredited by the State of Florida and by the Southern Association of Colleges and Schools.

Budget Process

The Superintendent, with input from her staff, principals and interested community groups, prepares and submits to the School Board a recommended budget. The School Board adopts the recommended budget, with such modifications as it deems necessary, as the tentative budget for the District. After public hearings on the tentative budget, the School Board adopts a final budget and forwards it to the State of Florida Department of Education. When approved by the State of Florida Department of Education, the final budget is designated as the official budget and governs the general operations for the Fiscal Year, unless subsequently amended by the School Board. The final budget for the Fiscal Year ended June 30, 2017 was adopted at a public hearing held on September 13, 2016. The tentative budget for the Fiscal Year ending June 30, 2018 was adopted on July 25, 2017, with the approval of the final Fiscal Year 2017-18 budget scheduled for September 12, 2017. Revisions may be made to the adopted budget in accordance with Florida law.

Capital Improvement Program

The School Board requires the development of a continuous five-year Capital Improvement Program (the "CIP"). In each year, the CIP is reviewed and revised as necessary to reflect the District's long range capital construction program, additions to the capital construction program resulting from accelerated student enrollment growth and improvements and additions to non-school sites. An annual update of the CIP provides, upon approval by the School Board, a continuous five-year program.

REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT

The following briefly describes revenues available to the District for operating and capital purposes, financial results of the District and certain District liabilities. For additional information concerning such matters see "APPENDIX B - EXCERPTED PAGES FROM THE DISTRICT'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL

YEAR ENDED JUNE 30, 2016." The Fiscal Year 2015-16 figures set forth herein are derived from District records and the District's Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2016. The estimated Fiscal Year 2016-17 figures set forth herein are derived from the District's records. The Fiscal Year 2017-18 figures are derived from the District's tentative budget for the Fiscal Year ending June 30, 2018. Such tentative budget figures for Fiscal Year 2017-18 are subject to change in the final budget which is expected to be approved by the School Board on September 12, 2017. See "THE DISTRICT - Budget Process" above.

Operating Revenues of the District

The District derives its operating income from a variety of federal, state and local sources. Although Section 1013.15(2)(a), Florida Statutes, provides that operating funds may be specifically authorized by the School Board to make lease payments on lease-purchase agreements, the School Board has not previously authorized the use of operating funds to make Basic Lease Payments. In addition, other restrictions applicable to the use of operating funds may conflict with the use of operating funds by the School Board to make Basic Lease Payments under Section 1013.15(2)(a), Florida Statutes, and there can be no assurance that such funds would be available to the School Board to make Basic Lease Payments in the case of such conflicts. Prospective purchasers should assume that operating funds will not be available to make Basic Lease Payments and that such payments will be made solely from the Local Option Millage Levy. See "- District Revenues for Capital Projects - *The Local Option Capital Outlay Millage Levy*" below. The major categories of these income sources for the General Fund, the District's primary operating fund, are briefly described below.

State Sources

Florida Educational Finance Program. The major portion of State support is distributed under the provisions of the Florida Education Finance Program (FEFP), which was enacted by the State Legislature in 1973. Basic FEFP funds are provided on a weighted full-time equivalent student ("FTE") basis and through a formula that takes into account: (i) varying program costs; (ii) cost differentials between districts; (iii) differences in per-student costs due to the density of student population; and (iv) the required level of local support. Program cost factors are determined by the State Legislature. The amount of FEFP funds disbursed by the State is adjusted four times during each year to reflect changes in FTE and in variables comprising the formula.

To participate in FEFP funding, the District must levy a minimum millage for operating purposes which is set by the State of Florida Department of Education.

The General Fund FEFP revenues received by the District for Fiscal Year 2015-16 were \$507,299,057. For Fiscal Year 2016-17, General Fund FEFP revenues were estimated to be \$542,498,187. For Fiscal Year 2017-18, FEFP revenues are tentatively budgeted to be \$577,498,187. See "RISK FACTORS – State Revenues" herein.

State Lottery Revenues. A portion of the revenues generated from the State lottery is distributed to each Florida school district as Discretionary Lottery revenue and Florida School

Recognition Program revenue. The Florida School Recognition program recognizes schools that have received an "A" or improved at least one letter grade from the previous school year and, under Florida Statutes, is required to be used for nonrecurring bonuses for school faculty and staff, nonrecurring expenditures for educational equipment or materials, for temporary personnel to assist schools in maintaining or improving student performance, or any combination of these. The District received approximately \$9,676,304 in Florida School Recognition Program revenues for Fiscal Year 2015-16 and estimates it received \$5,775,120 in Fiscal Year 2016-17. The District is tentatively budgeted to receive \$5,775,120 in Florida School Recognition Program revenues for Fiscal Year 2017-18. The District did not receive any Discretionary Lottery revenues in Fiscal Years 2015-16 or 2016-17 and is not budgeted to receive any such Discretionary Lottery revenues in Fiscal Year 2017-18.

State Categorical Programs. These are special educational program lump-sum appropriations which supplement local school district revenues in order to enhance educational and support services. In recent years, most categorical programs have been eliminated and the funds are now earmarked within the FEFP base student allocation. The only remaining categorical program is class size reduction. The allocation for class size reduction is based on a funding formula. The majority of funds available therefrom require actual appropriation by the School Board for the purposes for which they were provided. Class size reduction funds received by the District were \$221,056,441 for Fiscal Year 2015-16, were estimated to be \$225,028,097 for Fiscal Year 2016-17 and are tentatively budgeted to be \$229,070,996 for Fiscal Year 2017-18.

Local Sources

Ad Valorem Taxes. Local revenue for District operating support is derived almost entirely from ad valorem real and tangible personal property taxes. In addition, the District earns interest on cash invested and collects other miscellaneous revenues. Ad Valorem Tax Revenue collections for operating levies for Fiscal Year 2015-16 were \$727,285,169, were estimated to be \$734,596,263 for Fiscal Year 2016-17 and are tentatively budgeted to be \$757,583,851 for Fiscal Year 2017-18.

The Florida Constitution limits the non-voted millage rate that school boards may levy on an annual basis to 10 mills (\$10 per \$1,000 of taxable real and personal property value). Chapter 1001, Florida Statutes, further limits the millage levy for operational purposes to an amount established each year by the State appropriations act and finally certified by the Commissioner of the State of Florida Department of Education. Within this operational limit, each school district desiring to participate in the State's appropriation of FEFP funds for current operations must levy the millage certified by the Commissioner of the State of Florida Department of Education, the "required local effort," which is set each year by the State Legislature. The "required local effort" millage levied by the District for Fiscal Year 2015-16 was 4.970 mills, was 4.563 mills for Fiscal Year 2016-17 and is tentatively budgeted to be 4.222 mills for Fiscal Year 2017-18. In addition to the "required local effort," school districts are entitled to a non-voted current operating discretionary millage. For Fiscal Years 2014-15 and 2015-16, the District levied 0.748 mills and 0.748 mills, respectively, under this provision. For Fiscal Year 2017-18, the District is tentatively budgeted to levy 0.748 mills as the basic discretionary millage. See

"REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT - District Revenues for Capital Projects - Local Capital Outlay Sources."

In addition to the foregoing, prior to June 30, 2011 the Board was authorized, by a super majority vote, to levy an additional 0.25 mills for critical capital outlay needs or for critical operating needs. The District levied an additional 0.25 mills for critical operating needs for Fiscal Year 2010-11 pursuant to such authorization. Continuation of the levy after Fiscal Year 2010-11 for an additional two years required the approval of the voters of the District. As the District did not seek voter approval to continue such levy after Fiscal Year 2010-11, such millage was not levied after Fiscal Year 2010-11. Instead, the District chose, pursuant to authority granted in Section 1011.71(9), Florida Statutes, to seek voter approval for the levy of an additional 1.0 mills for operating purposes for a period of four years, commencing with Fiscal Year 2011-12. The voters approved such levy at the November 2010 general election. The levy was renewed by the voters for an additional four years at the November 2014 general election, pursuant to which the levy will continue through Fiscal Year 2018-19. See "AD VALOREM TAXATION - Millage Rates" herein.

Budgeted revenues from ad valorem taxes are based on applying millage levies to ninety-six percent (96%) of the non-exempt assessed valuation of real and personal property within the County. See "REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT - Ad Valorem Tax Procedures" below.

Federal Sources

The District receives certain federal moneys, both directly and through the state, substantially all of which are restricted for specific programs. Much of the revenue is derived from grants that are renewed annually. Many grants reimburse for actual eligible expenses, therefore revenue is not accurately available until projects are reconciled at year end. Federal revenue sources recorded for Fiscal Year 2015-16 were \$1,283,629, were estimated to be \$1,426,635 for Fiscal Year 2016-17 and are tentatively budgeted to be \$1,426,635 for Fiscal Year 2017-18. Such funds are not available to make Lease Payments on the Leases.

District Revenues for Capital Projects

The District derives its revenues for capital projects from certain State and local sources. The major categories of these revenue sources are briefly described below.

State Sources

PECO. One source of State educational funding contributions for the District's capital outlay requirements is the Florida Public Education Capital Outlay Program (PECO). The method of allocating funds to the various school districts within the State is provided by State law based upon a statutory formula, a component of which is the number of students in the various districts. The State Commissioner of Education administers PECO and allocates or reallocates funds as authorized by law. The District received \$2,423,576 in non-charter PECO funds in Fiscal Year 2015-16 and estimates it received \$3,626,387 in non-charter PECO funds in Fiscal Year 2016-17. The District is tentatively budgeted to receive \$2,700,000 in non-charter

PECO funds in Fiscal Year 2017-18. PECO for charter schools capital outlay is tentatively budgeted in the amount of \$3,537,680 for Fiscal Year 2017-2018. For Fiscal Years 2015-16 and 2016-17, the District's state PECO charter school allocation was \$2,307,927 and \$3,540,662, respectively.

CO&DS Funds. The District receives a portion of the revenues generated by the State from the sale and renewal of motor vehicle licenses. The distributed revenues are designated as capital outlay and debt service (CO&DS) funds. The District received \$3,664,683 of CO&DS funds in Fiscal Year 2015-16 and \$3,550,566 of CO&DS funds in Fiscal Year 2016-17. The District included \$4,377,666 of CO&DS funds in its tentative budget for Fiscal Year 2017-18. Funds in the amount of \$4,131,165 and \$3,448,860 were withheld from the allocations in Fiscal Year 2015-16 and Fiscal Year 2016-17, respectively, to repay bonds issued by the State and secured by such revenues. In Fiscal Year 2017-18, the District has tentatively budgeted that \$2,990,510 would be similarly withheld from the total allocation.

Eligibility. CO&DS Funds are legally available to the School Board to make Lease Payments, but only if the project financed thereby appears on a project priority list approved by the State Board of Education. The Series 2002A Facilities are not on the project priority list.

State Indebtedness on Behalf of the District

Capital Outlay Bonds. The State of Florida Board of Education Capital Outlay Bonds are serviced entirely by the State using a portion of the District's share of revenue derived from automobile registrations (see CO&DS Funds above). The annual sinking fund requirements are determined by the State Board of Administration and amounts necessary to retire bonds and pay interest are withheld from amounts due to the District.

Local Capital Outlay Sources

School Capital Outlay Sales Surtax. On September 10, 2002, the voters of Orange County approved a sales tax increase of one-half cent per dollar for school capital outlay purposes. The sales tax increase became effective January 1, 2003, and was conditioned on a reduction of 0.50 mills of the District's capital outlay millage levy pursuant to Section 1011.715, Florida Statutes. The 0.50 mill reduction will apply as long as the sales tax increase is in effect. The sales tax increase for school capital outlay was originally scheduled to expire on December 31, 2015. However, the voters of Orange County approved the extension of such sales tax for an additional 10-year period in a referendum election in August 2014.

For Fiscal Year 2015-16, the District recorded \$224,024,409 in sales tax revenues. The District estimates it received \$223,518,634 in sales tax revenues for Fiscal Year 2016-17 and is tentatively budgeted to receive \$230,568,747 in sales tax revenues for Fiscal Year 2017-18. In the past, the District has used excess sales tax revenues to pay Basic Lease Payments for certain of the Prior Certificates. However, the District has not pledged such excess sales tax for such purposes and, although available, the District does not anticipate using excess sales tax revenues to make Basic Lease Payments.

School Impact Fees

In 1992, Orange County enacted a Countywide school impact fee program at the request of the School Board. Such fees are imposed on all new residential construction occurring within the County. Revenues generated through school impact fee levies are deposited into a school impact fee trust account and must be used solely for the purpose of providing growth-necessitated capital improvements to educational plants and ancillary plants of the District's school system which have been approved by the School Board in its capital budget consistent with the District's school plant survey filed with the Florida Department of Education. Such revenues are also available to, but not pledged for, the payment of debt service on obligations of the District (including, without limitation, lease-purchase obligations), the proceeds of which are used to finance the acquisition and construction of qualifying educational and ancillary plants. The impact fees are subject to repeal by a majority vote of the Board of Commissioners of the County should any of the following events occur:

a. The State alters its funding level to the School Board as a result of the levying of school impact fees; or

b. The School Board substantially redistributes and/or reallocates the percentage of money designated in its impact fee study from growth-necessitated capital expenditures to money designated for operating expenses or non-growth-necessitated capital improvements; or

c. The School Board fails to maintain the maximum discretionary millage allowed by Section 1011.71(2), Florida Statutes, for capital improvements.

The following table sets forth current and historical impact fee schedules:

Effective Dates	Single-Family	Multi-Family	Mobile Home
1/28/08	\$11,829.00	\$6,647.00	\$6,344.00
1/28/09	12,420.00	6,979.00	6,661.00
1/28/10	13,041.00	7,328.00	6,994.00
1/28/11	13,693.00	7,694.00	7,344.00
5/13/11	6,525.00	3,921.00	4,345.00

[Remainder of page intentionally left blank]

The following table sets forth the impact fee revenues received by the School Board during the last five Fiscal Years of the School Board and the budgeted amount for the 2017-18 Fiscal Year.

School District of Orange County, Florida
School Impact Fees Revenues

Fiscal Year	Revenues
2012-13	\$39,446,508
2013-14	50,597,383
2014-15	56,532,082
2015-16	45,961,820
2016-17 ⁽¹⁾	56,858,900
2017-18 ⁽²⁾	62,866,946

⁽¹⁾ Estimated amount.

⁽²⁾ Tentatively budgeted figure.

The school impact fee rates, as well as their levy, are subject to mandatory review by the County, in consultation with the School Board and the municipalities within the County, at least once every four years. Therefore, there can be no assurance that such revenues will be available to the School Board in the future. The above table setting forth historical impact fee revenues of the School Board may not, therefore, provide an accurate indication of the amount of revenues the School Board can expect to receive in future years from the levy of school impact fees. The School Board may use impact fees to make Lease Payments to the extent that the facilities financed by a particular Series of Certificates were necessitated by new residential development. The Series 2002A Facilities constitute qualifying projects for use of the school impact fee revenues.

The Local Option Capital Outlay Millage Levy. In addition to the millage levies for operating purposes, school boards may set an additional non-voted millage known as the "Local Option Millage Levy" for capital outlay and maintenance purposes. In its 2008 session, the Florida Legislature reduced the maximum amount of the levy from the 2.00 mills then in effect to 1.75 mills and in its 2009 session, the Florida Legislature further reduced the maximum levy from 1.75 mills to 1.50 mills (see "**AD VALOREM TAX PROCEDURES – Recent Legislative Initiatives and Constitutional Amendments Affecting Ad Valorem Taxation – Reduction in Local Option Millage Levy**"). This levy may be used for new construction and remodeling; site acquisition and site improvement; auxiliary or ancillary facilities; maintenance, renovation, and repair of existing school plants; school bus purchases; new and replacement equipment and computer hardware; payment of costs directly related to compliance with state and federal environmental laws; payment of leasing relocatable education facilities and of renting and leasing educational facilities pursuant to Section 1013.15, Florida Statutes; payment of loans approved pursuant to Sections 1011.14 and 1011.15, Florida Statutes; and amounts payable pursuant to lease-purchase agreements for educational facilities and sites.

Beginning in Fiscal Year 2002-2003, the District's Local Option Millage Levy was reduced to 1.50 mills as a result of the receipt of the School Capital Outlay Sales Surtax revenues described above. Prior to July 1, 2012, payments from this millage for lease-purchase

agreements for educational facilities and sites were not permitted to exceed three-fourths of the proceeds of the Local Option Millage Levy. However, effective July 1, 2012, the three-fourths limitation was waived for lease-purchase agreements originally entered into prior to June 30, 2009. The Local Option Millage is the School Board's primary source of payment of Basic Lease Payments. Since revenues from the levy of the Local Option Millage Levy may be used for, but are not pledged to, the payment of Basic Lease Payments under the Series 2002A Leases, the failure of the District to levy all or a portion of the Local Option Millage Levy would have an adverse effect on available revenues from which the School Board may appropriate funds to make Basic Lease Payments. In the event that revenues generated from the Local Option Millage Levy are insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2008, an amount equal to the revenue generated from 0.50 mills of the operating levy may be used to make such Lease Payments. Additionally, if the revenue from 1.50 mills is insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2009 or to meet other critical capital needs, a school board may elect to levy up to 0.25 mills for capital purposes in lieu of a like amount of discretionary operating millage. See "AD VALOREM TAX PROCEDURES – Recent Legislative Initiatives and Constitutional Amendments Affecting Ad Valorem Taxation – *Reduction in Local Option Millage Levy*" herein.

During the Florida Legislature's 2017 Regular Session, the Florida Legislature passed House Bill 7069 ("HB 7069") which, among other things, requires school districts to distribute local capital outlay funds from the Local Option Millage Levy to charter schools. HB 7069 establishes the calculation methodology to determine the amount of local capital outlay funds from the Local Option Millage Levy a school district must distribute to each eligible charter school. Such calculation provides that the amount of local capital outlay funds from the Local Option Millage Levy a school district must distribute to each eligible charter school will first be reduced by the school district's annual debt service for obligations issued or incurred as of March 1, 2017 (which includes the Series 2002 Leases) that are being satisfied by Local Option Millage Levy revenues, which for the School Board for Fiscal Year 2017-18 is \$92,215,043, and requires the first payment to charter schools as of February 1 of each year, commencing February 1, 2018. The remaining Local Option Millage revenue would be divided by the total of capital outlay full-time equivalent students in traditional public schools and eligible charter schools in the school district, then multiplied by the total of capital outlay full-time equivalent students in each eligible charter school in the school district to determine each charter school's allocation. However, to the extent a charter school receives state charter school capital outlay funding in the general appropriations act, its share of the Local Option Millage would be reduced by a like amount. If all charter schools in the District that were eligible for fixed capital outlay funds in Fiscal Year 2016-17 remain eligible in Fiscal Year 2017-18 based on the revised criteria in HB 7069, the amount of funds from the District's Local Option Millage Levy that will be required to be made available for charter school capital outlay, based on the preliminary 2018 tax roll, is estimated to be \$4,088,963 (taking into account budgeted Fiscal Year 2017-18 State charter school capital outlay funding). However, on July 5, 2017, The School Board of Broward County, Florida voted to file a lawsuit challenging the constitutionality of HB 7069. Other school boards around the State have similarly voted. As of the date hereof, no such lawsuit has been filed. Even if these provisions of HB 7069 are ultimately implemented, they are not expected to adversely affect the ability of the School Board to make Basic Lease Payments. See "AD VALOREM TAX PROCEDURES - Recent Legislative Initiatives and Constitutional

Amendments Concerning Ad Valorem Taxes - Distribution of Local Option Millage funds to Charter Schools" herein.

The following table sets forth the Local Option Millage Levy that would provide 1.00x coverage of the maximum annual payments represented by the Prior Certificates and the Series 2017B Certificates, assuming a 96% collection of the taxes levied and the provisions of HB 7069 described in the preceding paragraph are in effect.

Anticipated Local Option Millage Levy Required To Cover Certificate Payments

Net Taxable Assessed Valuation (FY 2018)⁽¹⁾	\$132,185,903,582
Local Option Millage Levy	1.500
Assumed Tax Collection Rate	96.0%
Total Revenue Generated by 1.50 mill Levy at 96% collection (FY 2018)	\$190,347,701
<i>FY2018 Millage Levy Required to Satisfy Maximum Annual Basic Lease Payments Represented by the Prior Certificates and the Series 2017B Certificates</i>	
Maximum Annual Basic Lease Payments (FY 2023) ⁽²⁾	\$95,393,781
Minimum FY 2018 Millage Needed to Satisfy Maximum Annual Lease Payments ⁽³⁾	0.752
<i>Sharing of the Local Option Millage Levy with Eligible District Charter Schools - Impact of HB 7069</i>	
Annual Debt Service Obligation Incurred as of March 1, 2017	\$92,215,043 ⁽⁴⁾
Estimated Total Allocation of Local Option Millage Levy to Eligible District Charter Schools	\$7,626,643 ⁽⁵⁾
Less Total Amount of State Charter School Capital Outlay Funding Allocated to Eligible District Charter Schools	<u>\$3,537,680⁽⁶⁾</u>
Maximum Local Option Millage Levy to be Shared with Eligible District Charter Schools	\$4,088,963 ⁽⁷⁾
Maximum Local Option Millage Levy to be Shared with Eligible District Charter Schools	0.032
<i>Local Option Millage Levy Available After Basic Lease Payments and Charter School Payments</i>	
Minimum Revenue Remaining from the Local Option Millage Levy	\$186,258,738 ⁽⁷⁾
Minimum Remaining Millage Levy	0.716 ⁽⁷⁾
Total Minimum Revenue Anticipated from Remaining Local Option Millage Levy	\$90,864,957 ⁽⁷⁾

⁽¹⁾ Preliminary certified value as of July 1, 2017. Such figure is subject to change through the value adjustment board process. See "AD VALOREM TAX PROCEDURES - Property Assessment Procedures" herein.

⁽²⁾ Assumes the Prior Certificates have the financial arrangements, assumptions and accounting practices described in footnotes to "COMBINED CERTIFICATE PAYMENT SCHEDULE," which, among other things, does not take into account any expected QSCB Interest Subsidy. Reflects the refunding of the Refunded Certificates.

⁽³⁾ Under current law, the 75% limitation on use of the Local Option Millage revenues for the payment of lease-purchase agreements is waived for lease-purchase agreements originally entered into prior to June 30, 2009, such as the Series 2002A Leases. Accordingly, only the Lease Payments with respect to Leases originally entered into after June 30, 2009 are subject to the 75% limitation. As a result, approximately 0.51 mills would be required to be levied in order to satisfy the Maximum Annual Lease Payments (without taking into account any QSCB Interest Subsidy) with respect to the Leases still subject to the 75% limitation.

⁽⁴⁾ Reflects actual Fiscal Year 2017-18 debt service on obligations issued or incurred as of March 1, 2017 (including the Series 2002 Leases) that are paid from Local Option Millage Revenues.

⁽⁵⁾ Estimated based on actual Fiscal Year 2016-17 charter school capital outlay full-time equivalent student enrollment. Assumes all charter schools in the District are eligible to receive charter school capital outlay funding in Fiscal Year 2017-18, but does not assume any increase in charter school enrollment from Fiscal Year 2016-17.

⁽⁶⁾ Estimated. Reflects adopted State fiscal year 2017-18 budget allocation.

⁽⁷⁾ Estimated figure based on the assumptions set forth herein.

Source: School District of Orange County, Florida Finance Department.

General Obligation Debt. In addition to the School Board-set levies, qualified electors, by referendum, may vote an additional millage levy for District operation and capital outlay purposes, as prescribed by the Florida constitution and applicable statutes. Qualified electors within the District may authorize issuance of general obligation bonds to be retired by a millage levy. The approval of the majority of the qualified electors voting in a new referendum would be required to issue general obligation debt for school construction and renovation. Principal and interest on the authorized and outstanding general obligation bonds is paid from ad valorem school district taxes levied on all taxable real and personal property within the District, excluding exempt property as required by Florida law. At the present time, the District has no outstanding general obligation debt. See "REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT - Liabilities."

Financial Results

The financial and accounting procedures of the District are designed to conform to generally accepted accounting principles applied to governmental units. The District's accounting system is organized on the basis of funds and account groups. Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The accounts for the governmental and agency fund types are maintained on a modified accrual basis of accounting, whereby revenues are recognized when they become available and measurable and expenditures are recorded in the accounting period in which the liability is incurred, if measurable, except unmatured interest on general long-term debt, which is recognized when the interest is due. The internal service funds are maintained on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

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General Fund Revenue Sources

The following table sets forth general fund revenue sources for the past seven Fiscal Years and budgeted revenue sources for the 2017-18 Fiscal Year.

School District of Orange County, Florida General Fund Revenue Sources (in millions)

Fiscal Year Ended June 30	Federal Funds ⁽¹⁾	State Funds	Local Funds	Other Financing Sources (Uses)	Total Revenue
2018 ⁽²⁾	\$10.087	\$855.424	\$774.994	\$21.593	\$1,662.098
2017 ⁽³⁾	10.863	841.000	762.567	24.973	1,639.403
2016	9.125	783.518	761.518	5.850	1,560.011
2015	5.518	776.038	673.266	8.260	1,464.373
2014	6.086	770.530	617.387	5.247	1,399.250
2013	3.771	684.454	602.731	6.002	1,296.958
2012	5.018	633.157	613.555	5.654	1,257.385
2011	3.497	631.621	574.387	4.962	1,214.467

⁽¹⁾ Includes direct federal funds and federal funds received through the State.

⁽²⁾ Tentatively budgeted figures.

⁽³⁾ Estimated figures.

Source: School District of Orange County, Florida.

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General Fund Operations

The following table summarizes results of operations for the general fund of the District for the three Fiscal Years ended June 30, 2014 through 2016 (audited), estimated results for the Fiscal Year ended June 30, 2017 and the tentative budget for the 2017-18 Fiscal Year.

School District of Orange County, Florida General Fund Results of Operations for Fiscal Years ending June 30 (in millions)*

	Audited 2013-14	Audited 2014-15	Audited 2015-16	Estimated 2016-17 ⁽¹⁾	Tentative Budget 2017-18 ⁽²⁾
Beginning Fund Balance:					
Designated	--	--	--	--	--
Undesignated	--	--	--	--	--
Nonspendable/Restricted/Committed ⁽⁴⁾	\$30.941	\$12.024	\$38.026	\$34.667	\$31.566
Assigned ⁽⁴⁾	320.827	300.431	249.568	257.566	257.566
Unassigned ⁽⁴⁾	61.800	96.212	80.312	126.427	123.776
Total Beginning Fund Balance	\$413.568	\$408.666	\$367.906	\$418.661	\$412.908
Revenue:					
Federal	\$1.197	\$1.290	\$1.284	\$1.427	\$1.486
Federal through State	4.888	5.518	7.841	9.435	8.601
State	770.530	776.038	783.518	841.000	855.424
Local	617.387	673.266	761.518	762.567	774.994
Non-Revenue and Transfers	5.247	8.260	5.850	24.973	21.593
Total Revenue	\$1,394.003	\$1,464.373	\$1,560.011	\$2,058.063	\$2,075.006
Expenditures:					
Instruction	\$892.047	\$964.645	\$969.274	\$1,081.656	\$1,089.194
Pupil Personnel Services	33.427	41.549	42.390	43.203	49.663
Instructional Media Services	15.703	15.866	15.500	18.809	16.143
Instr. & Curric. Dev. Services	44.441	51.035	54.444	61.870	72.120
Instructional Staff Training	28.513	29.599	25.310	18.897	19.058
Instructional Re'ld Technology	12.793	11.988	11.217	17.773	15.573
Board of Education	4.290	4.724	4.544	4.813	4.676
General Administration	6.528	6.745	6.995	6.979	7.131
School Administration	100.997	108.479	112.070	117.428	120.736
Facilities Acquisition & Construction	6.599	6.837	8.238	9.117	8.213
Fiscal Services	6.080	6.272	6.276	7.522	7.852
Food Services	0.004	0.534	--	--	--
Central Services	24.228	13.592	17.703	18.363	18.818
Pupil Transportation Services	62.454	61.749	59.976	63.444	64.531
Operation of Plant	102.324	109.664	112.347	114.277	126.673
Maintenance of Plant	35.465	35.761	34.334	35.647	30.296
Admin. Tech. Services	17.776	20.213	21.824	25.350	58.573
Community Services	0.887	0.819	1.050	0.007	--
Facilities Acquisition & Construction	1.135	2.290	0.869	--	--
Other Capital Outlay	8.459	12.773	5.677	--	--
Debt Service	--	--	--	--	--
Total Expenditures	\$1,404.151	\$1,505.133	\$1,509.257	\$1,645.155	\$1,709.250
Ending Fund Balance:					
Designated	--	--	--	--	--
Undesignated ⁽³⁾	--	--	--	--	--
Nonspendable/Restricted/Committed ⁽⁴⁾	\$12.024	\$38.026	\$34.667	\$31.566	\$25.611
Assigned ⁽⁴⁾	300.431	249.568	257.566	257.566	257.566
Unassigned ⁽⁴⁾	96.212	80.312	126.427	123.776	82.579
Total Ending Fund Balance	\$408.666	\$367.906	\$418.661	\$412.908	\$365.756

* Totals may not add due to rounding.

⁽¹⁾ Estimated figures. Subject to change through the auditing process.

⁽²⁾ Tentatively budgeted figures. Such figures are subject to change in the final budget which is expected to be adopted by the School Board on September 12, 2017. Beginning Fund Balance Figures for Tentative Budget 2017-18 reflect estimated 2016-17 ending fund balances. Such figures do not match the tentative budget due to the timing of adoption of the tentative budget occurring prior to the availability of final prior year figures.

⁽³⁾ A portion of the undesignated fund balance is reserved by the District for school budget carryovers.

⁽⁴⁾ The District adopted GASB No. 54 which became effective for issuers after June 15, 2010. See Note 11 to the audited financial statements for the Fiscal Year ended June 30, 2016 attached hereto as APPENDIX B for information regarding GASB No. 54.

Source: School District of Orange County, Florida.

Section 1011.051, Florida Statutes, entitled "Guidelines for general funds" requires that if a school district's General Fund balance not classified as restricted, committed or nonspendable in the approved operating budget is projected to fall below three percent (3%) of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. The section further requires that if the General Fund balance not classified as restricted, committed or nonspendable is projected to fall below two percent (2%) of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification of a balance below two percent (2%), if the Commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to Florida Statutes pertaining thereto, the Commissioner shall appoint a financial emergency board that may take certain delineated steps to assist a district school board in complying with the General Fund requirements. For Fiscal Year 2016-17, the District's estimated General Fund balance not classified as restricted, committed or nonspendable was 18.5% of General Fund Revenues. The tentative budget for Fiscal Year 2017-18 reflects a 16.4% General Fund balance not classified as restricted, committed or nonspendable as a percentage of General Fund Revenues.

Liabilities

Long-Term Debt. The following tables detail the outstanding indebtedness of the District. Additionally, valuation and debt ratios for the District are provided herein.

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Selected Financial Information
School District of Orange County, Florida and Orange County, Florida
Direct and Overlapping Long-Term Debt Statement
June 30, 2017⁽¹⁾

	<u>General Obligation</u>	<u>Non-Self Supporting Revenue Debt</u>
DIRECT DEBT, Orange County School District		
Certificates of Participation, Series 2002-QZAB		\$ 3,900,000
Certificates of Participation, Series 2007A		4,960,000
Certificates of Participation, Series 2008B		105,000,000
Certificates of Participation, Series 2008D		1,795,000
Certificates of Participation, Series 2008E		32,065,000
Certificates of Participation, Series 2009A		605,000
Certificates of Participation, Series 2009B (QSCB)		35,820,000
Certificates of Participation, Series 2010A (QSCB)		36,229,000
Certificates of Participation, Series 2012A		10,880,000
Certificates of Participation, Series 2012B		75,935,000 ⁽²⁾
Certificates of Participation, Series 2013A		16,055,000
Certificates of Participation, Series 2014A		63,840,000
Certificates of Participation, Series 2015A		103,620,000
Certificates of Participation, Series 2015B		58,445,000
Certificates of Participation, Series 2015C		132,340,000
Certificates of Participation, Series 2015D		114,170,000
Certificates of Participation, Series 2016A		105,830,000
Certificates of Participation, Series 2016B		36,785,000
Certificates of Participation, Series 2016C		182,375,000
Certificates of Participation, Series 2017A		37,566,829
State Board of Education Capital Outlay Bonds:		
Series 2009A		780,000
Series 2010A		1,725,000
Series 2014B		5,354,000
School Bus/Equipment Leases:		
04/01/09 Series		1,899,261 ⁽³⁾
Total Direct Debt	\$ -0-	<u>\$1,205,520,919</u>
OVERLAPPING DEBT, Orange County		
Taxable Sales Tax Revenue Refunding Bonds, Series 2012A		\$ 7,500,000
Sales Tax Revenue Refunding Bonds, Series 2012B		96,425,000
Sales Tax Revenue Refunding Bonds, Series 2012C		87,385,000
Sales Tax Revenue Bond, Series 2015		5,465,000
Sales Tax Revenue Refunding Bond, Series 2015A		30,110,000
Capital Improvement and Refunding Revenue Bonds, Series 2009		16,935,000
Public Service Tax Refunding Revenue Bonds, Series 2013		27,445,000
Public Facilities Revenue Bonds, Series 1994A		3,832,051
Tourist Development Tax Refunding Revenue Bonds, Series 2007		133,700,000
Tourist Development Tax Refunding Revenue Bonds, Series 2007A		126,970,000
Tourist Development Tax Refunding Revenue Bonds, Series 2009		28,465,000
Tourist Development Tax Refunding Revenue Bond, Series 2010		144,395,000
Tourist Development Tax Refunding Revenue Bonds, Series 2013		12,745,000
Tourist Development Tax Refunding Revenue Bonds, Series 2015		154,195,000
Tourist Development Tax Refunding Revenue Bond, Series 2016		63,025,000
Water and Wastewater Utilities Revenue Bonds, Series 2016		89,025,000
Total Overlapping Debt	\$ -0-	<u>\$1,027,617,051</u>
Total Direct, Overlapping	<u>\$ -0-</u>	<u>\$2,233,137,970</u>

⁽¹⁾ Orange County overlapping debt is as of September 30, 2016; District debt is as of June 30, 2017.

⁽²⁾ All of such Series 2012B Certificates will be refunded with proceeds of the Series 2017B Certificates.

⁽³⁾ The balance of the Equipment Lease has been paid as of the date hereof.

Sources: School District of Orange County, Florida; Orange County Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2016.

**School District of Orange County, Florida
Comparative Ratios of Bonded Debt
To Taxable Assessed Valuation And
Per Capita Indebtedness⁽¹⁾**

1.	Population (2016)	1,280,387
2.	Total Net Taxable Assessed Valuation ⁽²⁾	\$132,185,903,502
3.	Direct General Obligation Debt	
	a) Total Direct General Obligation Debt	\$0
	b) As a Percent of Taxable Valuation	0.00%
	c) Per Capita	\$0.00
4.	Direct and Overlapping General Obligation Debt	
	a) Total Direct and Overlapping General Obligation Debt	\$0
	b) As a percent of Taxable Valuation	0.00%
	c) Per Capita	\$0.00
5.	Direct Non-Self Supporting Revenue and Direct General Obligation Debt	
	a) Total Direct Non-Self Supporting Revenue and Direct General Obligation Debt	\$1,205,520,919
	b) As a percent of Taxable Valuation	0.91%
	c) Per Capita	\$941.53
6.	Direct and Overlapping General Obligation and Non-Self Supporting Revenue Debt	
	a) Total Direct and Overlapping General Obligation and Non-Self Supporting Revenue Debt	\$2,233,137,970
	b) As a percent of Taxable Valuation	1.69%
	c) Per Capita	\$1,744.11

⁽¹⁾ District information as of June 30, 2017. County information as of September 30, 2016.

⁽²⁾ Preliminary tax year 2017 figure.

Obligations Under Lease Purchase Agreements Other Than Certificates of Participation.

The School Board previously entered into a lease purchase agreement with Banc of America Leasing and Capital, LLC, which has expired pursuant to the terms thereof. The School Board may, in the future, enter into other lease-purchase agreements upon terms and conditions other than those under the School Board's Master Lease-Purchase Program pursuant to which certificates of participation are issued. Such other leases may be payable from substantially the same source of revenues as Leases under the Master Lease.

Florida Retirement System. The District participates in the Florida Retirement System ("FRS"), a cost sharing, multiple-employer, public employee retirement system, which covers substantially all regular employees of the District. Beginning in 2002, the FRS became one system with two primary plans, a defined benefit pension plan (the "FRS Pension Plan") and a defined contribution plan known as the Public Employee Optional Retirement Program (the "FRS Investment Plan"). FRS membership is required for all employees filling a regularly established position in a State agency, district school board, county, State university or State community college. Some municipalities, special districts, charter schools and metropolitan

planning organizations also choose to participate in the FRS; however, participation is generally irrevocable after the entity elects to participate.

The information relating to the FRS contained herein has been obtained from the FRS Annual Reports which are available by writing to the Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000, or by phoning (850) 488-5706. No representation is made by the Board as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

There are five general classes of membership in the FRS: (1) Senior Management Service Class ("SMSC") members which include, among others, senior management level positions in State and local governments (including school districts) and assistant state attorneys, prosecutors and public defenders; (2) Special Risk Class which includes, among others, positions such as law enforcement officers, firefighters, correctional officers, emergency medical technicians and paramedics; (3) Special Risk Administrative Support Class which include, among others, non-special risk law enforcement, firefighting, emergency medical care or correctional administrative support positions within a FRS special risk-employing agency; (4) Elected Officers' Class ("EOC") which includes members who are elected State and city officers and the elected officers of cities and special districts that choose to place their officials in this class; and (5) Regular Class members includes members that do not qualify for membership in the other classes.

The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans. The Department of Management Services, Division of Retirement administers the FRS Pension Plan and the Florida State Board of Administration (the "SBA") invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Administration costs of the FRS Pension Plan are funded through investment earnings of the FRS Trust Fund. Reporting of the FRS is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

The SBA administers the FRS Investment Plan, a defined contribution plan available to eligible FRS members as an alternative to the FRS Pension Plan. Retirement benefits are based upon the value of the member's account upon retirement. Regardless of membership class, FRS Investment Plan contributions vest after one year of service. A member vests immediately in all employee contributions paid to the FRS Investment Plan. If a member elects to transfer amounts from the FRS Pension Plan to that member's FRS Investment Plan account, the member must meet the six-year vesting requirement for any such transferred funds and associated earnings. The FRS Investment Plan is funded by employer contributions that are based on salary. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Administration costs of the FRS Investment Plan are funded through a 0.03% employer contribution and forfeited benefits. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the FRS Investment Plan, receive a lump-sum distribution, or leave the funds invested for future distribution. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the FRS Investment Plan and rely upon that account balance for retirement income.

Since July 1, 2001, the FRS Pension Plan has provided for vesting of benefits after six years of creditable service. Members not actively working in a position covered by the FRS on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2001, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the various plan requirements applicable to each class of membership. Regardless of class, a member may take early retirement any time after vesting within 20 years of normal retirement age; however, there is a five percent benefit reduction for each year prior to normal retirement age.

Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class. Members are also eligible for in-line-of-duty or regular disability and survivors' benefits. Pension benefits of retirees and annuitants are increased each July 1 by a cost-of-living adjustment. If the member was initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Effective July 1, 2011, all members of FRS were required to contribute 3% of their gross compensation toward their retirement. In addition, the legislation reduced the required employer contribution rates for each membership class and subclass of the FRS.

Additional legislative changes that only apply to employees who initially enroll on or after July 1, 2011, include: (1) the average final compensation upon which retirement benefits are calculated are based on the eight highest (formerly five highest) fiscal years of compensation prior to retirement; (2) the DROP (as defined herein) is maintained but the interest accrual rate is reduced from 6.5% to 1.3%; (3) the normal retirement age is increased from 62 to 65; and (4) the years of creditable service is increased from 30 to 33 and the vesting period is increased to eight years (formerly six).

Subject to provisions of Section 121.091, Florida Statutes, the Defined Retirement Option Program (the "DROP") permits employees eligible for normal retirement under the FRS to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a period not to exceed 60 months while the member's benefits accumulate in the FRS Trust Fund. Authorized instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. As of June 30, 2016, the FRS Trust Fund projected \$2,322,967,354 in accumulated benefits for 34,160 current and prior participants in the DROP.

The Retiree Health Insurance Subsidy ("HIS") Program is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying

their health insurance costs and is administered by the Division of Retirement within the Department of Management Services. Beginning July 1, 2002, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2016, the contribution rate was 1.66% of payroll pursuant to Section 112.363, Florida Statutes. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, the legislature may reduce or cancel HIS payments.

Participating employers must comply with the statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Florida Legislature as guidance for funding decisions. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and FRS Investment Plan rates) are recommended by the actuary but set by the Florida Legislature. Statutes require that any unfunded actuarial liability ("UAL") be amortized within 30 plan years and any surplus amounts available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. As of June 30, 2016, the balance of legally required reserves for all defined benefit pension plans was \$141,780,920,515. Such funds are reserved to provide for total current and future benefits, refunds and administration of the FRS Pension Plan.

The District's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's expenditures/contributions to the Pension Plan for the Fiscal Year ended June 30, 2016 totaled \$53,281,522. This excludes the HIS Program contributions. The District expenditures/contributions to the HIS Program totaled \$15,773,166 for the Fiscal Year ended June 30, 2016.

As a participating employer in the Florida Retirement System, the District implemented Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date (an amendment to GASB Statement No. 68)*, effective for fiscal years beginning after June 15, 2014. The implementation of these Statements requires the District to record a liability for its proportionate share of the net pension liabilities of the Florida Retirement System plans.

The scope of GASB Statements Nos. 68 and 71 address accounting and financial reporting for pensions that are provided to employees of state and local governmental employers that meet certain characteristics. These Statements establish standards for measuring and recognizing liabilities, deferred outflows/inflows of resources and expense/expenditures. For

defined benefit pensions such as the Florida Retirement System plans, GASB Statements Nos. 68 and 71 identify methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. Pursuant to these Statements, the District is required to record a liability for its proportionate share of pension liabilities as reported by the Florida Retirement System plans. While these Statements require recognition and disclosure of the unfunded pension liability, there is no requirement that such liability be funded. Accordingly, a deficit in unrestricted net position should not be considered, solely, as evidence of financial difficulties. The adoption of GASB Statements Nos. 68 and 71 resulted in a material increase in the District's liabilities and a material decrease in the District's net position. At June 30, 2016, the District reported a liability of \$304,309,382 for its proportionate share of the net pension liabilities of the Florida Retirement System Pension Plan. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined an actuarial valuation as of that July 1, 2015. The District's proportion of the net pension liability was based on the District's Fiscal Year 2014-15 contributions relative to the Fiscal Year 2014-15 contributions of all participating members. At June 30, 2015, the District's proportion was 2.35%, which was an increase of 0.08% from its proportion measured as of June 30, 2014.

As of June 30, 2016, the District reported a net pension liability of \$317,278,898 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's Fiscal Year 2014-15 contributions relative to the total Fiscal Year 2014-15 contributions of all participating members. As of June 30, 2015, the District's proportionate share was 3.11%, which was an increase of 0.11% from its proportionate share measured as of June 30, 2014. See APPENDIX B hereto, including the Management's Discussion and Analysis, Note 15 to the Basic Financial Statements and the Required Supplementary Information, for additional information relating to the District's implementation of GASB Statements Nos. 68 and 71.

Other Post Employment Benefit Program. In addition to its contributions under the State's retirement plan described above, the District provides other postemployment benefits ("OPEB") for certain of its retired employees in the form of an implicit rate subsidy by providing access to health insurance plans requiring the use of a single "blended" or "common" rate for both active and retired employees. The offering of this health insurance coverage is required by Section 112.0801, Florida Statutes.

As with all governmental entities providing similar plans, the District is required to comply with the GASB's Board Statement No. 45 - Accounting and Financial Reporting by Employers for Postemployment Benefit Plans other than Pension Plans ("GASB 45"). The District historically accounted for its OPEB contributions on a pay as you go basis. GASB 45 applies accounting methodology similar to that used for pension liabilities to OPEB and attempts to more fully reveal the costs of employment by requiring governmental units to include future OPEB costs in their financial statements. While GASB 45 requires recognition and disclosure of

the unfunded OPEB liability, there is no requirement that the liability of such plan be funded. The District retained an actuary (the "Actuary") to review the District's OPEB liabilities and provide the District with a written valuation. The Actuary determined the District's actuarial accrued liability related to OPEB, which approximates the present value of all future expected postretirement life and medical premiums and administrative costs which are attributable to the past service of those retired and active employees, at \$40.07 million as of June 30, 2016. The Actuary also determined the District's annual required contribution ("ARC"), which is the portion of the total accrued actuarial liability allocated to the current Fiscal Year needed to pay both normal costs (current and future benefits earned) and to amortize the unfunded accrued liability (past benefits earned, but not previously provided for) to be \$2.63 million as of June 30, 2016. The calculation of the accrued actuarial liability and the ARC is, by definition and necessity, based upon a number of assumptions, including interest rate on investments, average retirement age, life expectancy, healthcare costs per employee and insurance premiums, many of which factors are subject to future economic and demographic variations. The Actuary also calculated the District's net, end-of-year OPEB obligation to be \$69.56 million as of June 30, 2016, which reflects the District's approximately \$4.75 million contribution towards its OPEB liability during Fiscal Year 2015-16. For additional information on OPEB liability, including assumptions on which the calculation is based, see Note 16 and the Required Supplementary Information in "APPENDIX B - EXCERPTED PAGES FROM THE DISTRICT'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016."

While the District does not know at this time what its ultimate OPEB liabilities will be in connection with GASB 45 compliance in the future or how much of the annual required contribution accrued liabilities it will need to budget in future years, it expects its OPEB liability to be manageable within its normal budgeting process.

AD VALOREM TAX PROCEDURES

General

Ad valorem taxes may be levied only by counties, school districts, municipalities and certain special districts. No ad valorem taxes may be levied by the State upon real estate or tangible personal property. Real and personal property valuation is determined as of January 1 by the County Property Appraiser. Except as noted below, all taxable real and tangible personal property must be assessed at 100 percent of fair market value.

The following uses of real property are generally exempt from ad valorem taxation; religious, educational, charitable, scientific, literary and governmental. In addition, there are special exemptions for widows, hospitals, homesteads, waterfronts, homes for the aged, disabled veterans, deployed military personnel, surviving spouses of veterans and low income seniors. The "homestead exemption" exempts from taxation the first \$25,000 of the assessed valuation of a residence occupied by the owner on a permanent basis, as of January 1 of the year of valuation. Agricultural land, noncommercial recreational land, inventory and livestock are assessed at less than 100 percent of fair market value.

In the November 7, 2006 general election, the voters of Florida approved Amendments 6 and 7 to the State Constitution, which provide for an increase in the homestead (ad valorem tax) exemption to \$50,000 from \$25,000 for certain low-income seniors effective January 1, 2007 and provide a discount from the amount of ad valorem taxes for certain permanently disabled veterans effective December 7, 2006, respectively. The extent to which these amendments may affect the ad valorem tax collections of the District in future years is not currently known.

Additionally, in the January 29, 2008 special election, the voters of the State also approved an additional homestead exemption for the assessed value of homestead property between \$50,000 and \$75,000, thus doubling the existing homestead for property with an assessed value equal or greater than \$75,000. However, this exemption does not apply to school district taxes. See " - Recent Legislative Initiatives and Constitutional Amendments Concerning Ad Valorem Taxes - Further Increase in Homestead Exemption" below for information regarding a proposed constitutional amendment to further increase the homestead exemption.

In the November 4, 2008 general election, the voters of the State approved amendments to the State Constitution providing the Florida Legislature with authority to enact exemptions or special assessment protections for certain types of property subject to ad valorem taxation including exemptions for conservation lands and residential wind damage resistance and renewable energy source improvements, and restrictions on the assessment of working waterfront properties. Thereafter, legislation was enacted which creates an exemption for land used exclusively for conservation purposes. Such exemption applies to property tax assessments made on or after January 1, 2011 (Fiscal Year 2011-12 for school districts).

For school boards, the Florida Constitution also limits the non-voted millage rate that may be levied for operational and capital funds to ten (10) mills. The District's non-voted millage for the Fiscal Year ended June 30, 2017 was 6.811 mills and is tentatively budgeted to be 6.470 mills for the Fiscal Year ending June 30, 2018.

Section 1011.62, Florida Statutes, however, places a practical restriction upon school districts' ad valorem tax levies for operational purposes by conditioning a particular school district's participation in the State allocation of school funds upon the levy of a millage rate certified by the State Commissioner of Education as the millage rate necessary to provide the District's required local effort for the current year. The District's required local effort millage was levied at 4.563 mills for Fiscal Year 2016-17 and is tentatively budgeted to be 4.222 mills for Fiscal Year 2017-18. Additionally, the State Commissioner of Education provides for an amount of discretionary millage which can be used for operating purposes only, which the District is authorized, but not required, to levy. For its Fiscal Year ended June 30, 2017 and Fiscal Year ending June 30, 2018, respectively, this discretionary levy for operating purposes was levied, and is tentatively budgeted to be levied, by the Board at the rate of 0.748 mills.

Pursuant to Section 1011.71, Florida Statutes, an additional levy of up to 1.50 mills (was 1.75 mills for fiscal year 2009-2010 and 2.0 mills for prior fiscal years) (but within the 10 mill Constitutional limitation described above) may be imposed for specific capital projects such as new construction and remodeling projects, replacement of school buses and the maintenance, renovation and repair of existing school facilities and the payment of loans approved pursuant to the Act. This millage is referred to herein as the "Local Option Millage Levy." For its Fiscal

Year ended June 30, 2017, the District's Local Option Millage Levy was 1.50 mills and is tentatively budgeted to be 1.50 mills for the Fiscal Year ending June 30, 2018.

Constitutional Amendment. By voter referendum held on November 2, 1992, Article VII, Section 4 of the Florida Constitution was amended by adding thereto a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of: (1) three percent of the assessment for the prior year; or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. This Constitutional amendment is generally referred to as the Save Our Homes amendment. Further, the amendment provides that: (1) no assessment shall exceed just value; (2) after any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; (3) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and (4) changes, additions, reductions or improvements to homestead shall initially be assessed as provided for by general law, and thereafter as provided in the amendment. The effective date of the amendment was January 1, 1995 and, thus, affected homestead property valuations commencing in 1995. See "Recent Legislative Initiatives and Constitutional Amendments Concerning Ad Valorem Taxes" below for information concerning recently passed legislation that affects the Save Our Homes amendment.

Recent Legislative Initiatives and Constitutional Amendments Concerning Ad Valorem Taxes

Several amendments to the Florida Constitution affecting Ad Valorem Taxes have been approved by voters in the past including the following.

Constitutional amendments related to ad valorem exemptions. On January 29, 2008, in a special election held in conjunction with Florida's presidential primary, the requisite number of voters approved amendments to the State Constitution exempting certain portions of a property's assessed value from taxation. These amendments were effective beginning with the 2008 tax year (2008-09 fiscal year for local governments). The following is a brief summary of certain important provisions contained in such amendments:

1. Provides for an additional exemption for the assessed value of homestead property between \$50,000 and \$75,000, thus doubling the existing homestead exemption for property with an assessed value equal to or greater than \$75,000. See "AD VALOREM TAX PROCEDURES – General" for a description of the homestead exemption. Also, see "- Further Increase in Homestead Exemption" for information concerning a proposed constitutional amendment to further increase the homestead exemption. **This exemption does not apply to school district taxes.**

2. Permits owners of homestead property to transfer their "Save Our Homes" benefit (up to \$500,000) to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead

property may transfer a proportional amount of their "Save Our Homes" benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead. As discussed above, the Save Our Homes amendment generally limits annual increases in ad valorem tax assessments for those properties with homestead exemptions to the lesser of three percent (3%) or the annual rate of inflation. **This exemption applies to all taxes, including school district taxes.**

3. Exempts from ad valorem taxation \$25,000 of the assessed value of property subject to tangible personal property tax. **This limitation applies to all taxes, including school district taxes.**

4. Limits increases in the assessed value of non-homestead property to 10% per year, subject to certain adjustments. The cap on increases would be in effect for a 10 year period, subject to extension by an affirmative vote of electors. See "- Extending the Limitation on Assessed Values of Non-Homesteaded Real Property" below for information concerning a proposed constitutional amendment to extend the 10% cap on increases of non-homesteaded properties. **This limitation does not apply to school district taxes.**

From time to time over the last several years, the Save Our Homes assessment cap and portability provision described above have been subject to legal challenge. The plaintiffs in such cases have generally argued that the Save Our Homes assessment cap constitutes an unlawful residency requirement for tax benefits on substantially similar property, in violation of the State Constitution's Equal Protection provisions and the Privileges and Immunities Clause of the Fourteenth Amendment to the United States Constitution and that the portability provision simply extends the unconstitutionality of the tax shelters granted to long-term homeowners by Save Our Homes. The courts in each case have rejected such constitutional arguments and upheld the constitutionality of such provisions. However, there is no assurance that any future challenges to such provisions will not be successful. Any potential impact on the District or its finances as a result of such challenges cannot be ascertained at this time.

Exemption for Deployed Military Personnel. In the November 2010 General Election voters approved a constitutional amendment which provides an additional homestead exemption for deployed military personnel. The exemption equals the percentage of days during the prior calendar year that the military homeowner was deployed outside of the United States in support of military operations designated by the legislature. This constitutional amendment took effect on January 1, 2011.

Reduction in Local Option Millage Levy. In 2008, Section 1011.71, Florida Statutes, was amended to reduce the maximum millage rate that school districts could levy for capital outlay and maintenance purposes (referred to in this Offering Statement as the Local Option Millage Levy) from 2.0 mills to 1.75 mills commencing in Fiscal Year 2008-09. In conjunction with such reduction, the State's Commissioner of Education increased the amount of the required local effort for each school district in the State, which resulted in a shift of the millage (and associated tax revenues) from capital outlay and maintenance purposes to operational purposes. However, if the revenues generated from the reduced Local Option Millage Levy are insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2008, an

amount equal to the revenue generated from 0.50 mills of the operating millage levy may be used to make such lease payments.

Section 1011.71, Florida Statutes, was again amended in 2009, 2010 and 2011 to provide for the following: (i) a reduction of the maximum Local Option Millage Levy from 1.75 mills to 1.50 mills; (ii) a waiver of the three-fourths limit on use of proceeds from the Local Option Millage levy for lease-purchase agreements entered into before June 30, 2009, for the 2009-10 Fiscal Year (however, see "Legislation Waiving 75% Limitation on Use of Local Option Millage Levy" below for information regarding an amendment to this provision); (iii) if the revenue from 1.50 mills is insufficient to make the payments due under a lease-purchase agreement entered into prior to June 30, 2009, or to meet other critical fixed capital outlay needs, authorization for school districts to levy up to 0.25 mills for capital improvement needs in lieu of an equivalent amount of the discretionary mills for operations as provided in the State General Appropriation Act; and (iv) authorization for school boards, by a super majority vote, to levy an optional 0.25 mills for critical capital outlay needs or for critical operating needs. The authorization to levy the millage described in clause (iv) hereof expired on June 30, 2011.

Legislation Waiving 75% Limitation on use of Local Option Millage Levy. Section 1011.71, Florida Statutes, was further amended in 2012 to indefinitely allow a waiver of the three-fourths limit on the use of proceeds from the Local Option Millage Levy for lease-purchase agreements entered into before June 30, 2009. Previously, such waiver was only authorized for the 2009-10 Fiscal Year (as described in clause (ii) of the preceding paragraph). Such provision became effective on July 1, 2012.

Exemption for Disabled Veterans. In the November 2012 General Election, voters approved a constitutional amendment which allows totally or partially disabled veterans who were not Florida residents at the time of entering military service to qualify for the combat-related disabled veteran's ad valorem tax discount on homestead property. The amendment became effective on January 1, 2013.

Exemption for Surviving Spouse of Veterans. In the November 2012 General Election, voters approved a constitutional amendment which allows the State Legislature to provide ad valorem tax relief to the surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces and to the surviving spouse of a first responder who died in the line of duty. The amount of tax relief, to be defined by general law, can equal the total amount or a portion of the ad valorem tax otherwise owed on the homestead property. The amendment became effective on January 1, 2013.

Exemption for Low Income Seniors. Also in the November 2012 General Election, voters approved a constitutional amendment which allows the State Legislature by general law to permit counties and municipalities, by ordinance, to grant an additional homestead tax exemption equal to the assessed value of homestead property to certain low income seniors. To be eligible for the additional homestead exemption, the county or municipality must have granted the exemption by ordinance, the property must have a just value of less than \$250,000, the owner must have title to the property and maintained his or her permanent residence thereon for at least 25 years, the owner must be age 65 years or older and the owner's annual household income must be less than \$27,300. The additional homestead tax exemption authorized by HJR 169

would not apply to school property taxes. See also "- Clarification of Exemption for Low Income Seniors" below.

At present, the impact of the above-described amendments on the District's finances has been minimal. However, there can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the District's finances.

Various Changes to Ad Valorem Assessment, Exemptions and Definitions. During its 2013 Regular Session, the Florida Legislature passed Senate Bill 1830 ("SB 1830"), which creates a number of changes affecting ad valorem taxation which became effective as of July 1, 2013. First, SB 1830 provides long-term lessees the ability to retain their homestead exemption and related assessment limitations and exemptions in certain instances and extends the time for property owners to appeal value adjustment board decisions on transfers of assessment limitations to conform with general court filing time frames. Second, SB 1830 inserts the term "algaculture" in the definition of "agricultural purpose" and inserts the term "aquacultural crops" in the provision specifying the valuation of certain annual agricultural crops, nonbearing fruit trees and nursery stock. Third, SB 1830 allows for an automatic renewal for assessment reductions related to certain additions to homestead properties used as living quarters for a parent or grandparent and aligns related appeal and penalty provisions to those for other homestead exemptions. Fourth, SB 1830 deletes a statutory requirement that the owner of Florida real property permanently reside upon on such property in order to qualify for a homestead exemption. This change conforms the statute at issue with the Florida Constitution by allowing non-resident owners of property to claim a homestead exemption if a person legally or naturally dependent upon the owner permanently resides on such property. Fifth, SB 1830 clarifies a drafting error regarding the property tax exemptions counties and cities may provide for certain low income persons age 65 and older. Sixth, SB 1830 removes a residency requirement that a senior disabled veteran must have been a Florida resident at the time they entered the service to qualify for certain property tax exemptions. Seventh, SB 1830 repeals the ability for limited liability partnerships with a general partner that is a charitable 501(c)(3) organization to qualify for the affordable housing property tax exemption. Finally, SB 1830 exempts from property taxes property used exclusively for educational purposes when the entities that own the property and the educational facility are owned by the same natural persons.

Assessment of Renewable Energy Devices Upon Residential Property. Also during the Florida Legislature's 2013 Regular Session, the Florida Legislature passed House Bill 277 ("HB 277"), which provides that certain renewable energy devices are exempt from being considered when calculating the assessed value of residential property. HB 277 only applies to devices installed on or after January 1, 2013. HB 277 took effect on July 1, 2013.

Reclassification of Agricultural Lands. Also during the Florida Legislature's 2013 Regular Session, the Florida Legislature passed House Bill 1193 ("HB 1193"), which eliminated three ways in which the property appraiser had authority to reclassify agricultural land as non-agricultural land. Additionally, HB 1193 relieves the value adjustment board of the authority to review the property appraisers. HB 1193 applies retroactively as of January 1, 2013.

To date, the impact of such legislation on the District's finances has been minimal.

Exemption and Assessment of Renewable Energy Devices Upon all Real Property. In the August 2016 primary election, the voters in the State approved a constitutional amendment exempting the assessed value of certain renewable energy devices from the ad valorem tax on tangible personal property and prohibiting certain renewable energy devices from being considered when calculating the assessed value of all real property, not just real property used for residential purposes as provided for in HB 277 described above. This constitutional amendment will take effect on January 1, 2018 and expire on December 31, 2037.

Clarification of Exemption for Low Income Seniors. In the November 2016 General Election, voters approved a constitutional amendment changing the existing homestead tax exemption for low income seniors so that the value of property owned by eligible senior citizens with a household income of \$20,000 or less could be assessed when they first apply for the exemption. The measure was designed to ensure eligible seniors' ability to be able to keep their tax exemption even if their home value exceeded \$250,000 in the future. The amendment took effect on January 1, 2017 but is retroactive to January 1, 2013, meaning a senior who qualified for the exemption in 2013, but lost it, would regain the exemption.

Exemption for Disabled First Responders. In the November 2016 General Election, voters approved a constitutional amendment authorizing first responders who are totally and permanently disabled as a result of injuries sustained in the line of duty to receive ad valorem tax relief on the homestead property. The amount of tax relief, to be defined by general law, can equal the total amount or a portion of the ad valorem tax otherwise owed on the homestead property. Florida defines first responders as law enforcement officers, correctional officers, firefighters, emergency medical technicians and paramedics. This amendment took effect on January 1, 2017.

At this time, the impact of the approved 2016 constitutional amendments on the District is expected to be minimal.

Extending the Limitation on Assessed Values of Non-Homesteaded Real Property. During the Florida Legislature's 2017 Regular Session, the Florida Legislature approved CS/HJR 21 ("HJR 21") which proposes an amendment to the State Constitution to remove the scheduled January 1, 2019 repeal of the limitation prohibiting the increase in the assessed value of non-homestead property to 10% per year. The limitation does not apply to property taxes levied by school districts. In order for the 10% assessment limitation to continue, this constitutional amendment will need to be approved by at least 60% of the electors of the next general election in November 2018.

Exempting Assessed Value of a Renewable Energy Device. During the Florida Legislature's 2017 Regular Session, the Florida Legislature passed SB 90 ("SB 90") implementing Amendment 4, which was approved by the voters in August 2016. SB 90 exempts the assessed value of a renewable energy device from tangible personal property tax and the installation of those devices from determining the assessed value of real property, both residential and non-residential, for the purpose of ad valorem taxation. SB 90 also revises the definition of "renewable energy source device" to include power conditioning and storage devices, wiring, structural support and other components used as integral parts of such systems. The changes made by SB 90 expire on December 31, 2037.

Further Increase in Homestead Exemption. During the Florida Legislature's 2017 Regular Session, the Florida Legislature passed HJR 7105 ("HJR 7105") which proposes an amendment to the State Constitution to increase the homestead exemption for homestead property with an assessed value greater than \$100,000 for all levies other than school district levies. The proposed constitutional amendment must still be approved by at least 60% of the electors at the next general election in November 2018, or at an earlier special election, if any, authorized for such purpose. The approval of this amendment would result in the increase of the homestead exemption from \$50,000 to \$75,000 for properties with an assessed value over \$100,000. However, this exemption would not apply to school district taxes.

Distribution of Local Option Millage Funds to Charter Schools. During the Florida Legislature's 2017 Regular Session, the Florida Legislature passed HB 7069 which, among other things, requires school districts to distribute local capital outlay funds from the Local Option Millage Levy to charter schools. HB 7069 establishes the calculation methodology to determine the amount of local capital outlay funds from the Local Option Millage Levy a school district must distribute to each eligible charter school. Such calculation provides that the amount of local capital outlay funds from the Local Option Millage Levy a school district must distribute to each eligible charter school will first be reduced by the school district's annual debt service for obligations issued or incurred as of March 1, 2017 (which includes the Series 2002 Leases) that are being satisfied by Local Option Millage revenues, which for the School Board for Fiscal Year 2017-18 is \$92,215,043, and requires the first payment to charter schools as of February 1 of each year, commencing February 1, 2018. The remaining Local Option Millage revenue would be divided by the total of capital outlay full-time equivalent students in traditional public schools and eligible charter schools in the District, then multiplied by the total of capital outlay full-time equivalent students in each eligible charter school in the District to determine each charter school's allocation. However, to the extent a charter school receives state charter school capital outlay funding in the general appropriations act, its share of the Local Option Millage would be reduced by a like amount. If all charter schools in the District that were eligible for fixed capital outlay funds in Fiscal Year 2016-17 remain eligible in Fiscal Year 2017-18 based on the revised criteria in HB 7069, the amount of funds from the District's Local Option Millage Levy that will be required to be made available for charter school capital outlay, based on the preliminary 2018 tax roll, is estimated to be \$4,088,963 (taking into account budgeted Fiscal Year 2017-18 State charter school capital outlay funding). At this time, the impact of HB 7069 on the School Board is not expected to adversely affect the ability of the School Board to make Basic Lease Payments.

On July 5, 2017, The School Board of Broward County, Florida voted to file suit against the Florida Department of Education alleging that various provisions of HB 7069, including the requirement to distribute local capital funds from the Local Option Millage Levy to charter schools, violate the Florida Constitution. Other school boards around the State have similarly voted. However, as of the date hereof, no such lawsuit has been filed. At this time, the outcome of such suit, if and when filed, cannot be determined.

Other Proposals Affecting District Finances

General. During recent years, various other legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in the State Legislature. Many of these proposals provide for new or increased exemptions to ad valorem taxation, limit

increases in assessed valuation of certain types of property or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent, historical levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the District or its finances.

Legislative Changes Relating to School Choice. During the State Legislature's 2016 Regular Session, the Florida Legislature enacted House Bill 7029 ("HB 7029"). Among other things, a parent whose child is not subject to a current expulsion or suspension order may seek enrollment in and transport his or her child to any public school in the State, including a charter school, which has not reached capacity. The school district or charter school shall accept and report the student for purposes of funding through the FEFP. The school district or charter school may provide student transportation at their discretion. HB 7029 requires the capacity determinations of each school district and charter school to be current and identified on their respective school websites. Each school must provide preferential treatment in its controlled open enrollment process to: (1) dependent children of active duty military personnel who moved as a result of military orders, (2) children relocated due to foster care placement in a different school zone, (3) children relocated due to a court ordered change in custody as a result of separation or divorce, or the serious illness or death of a parent, and (4) students residing in the school district. Students residing in the school district may not be displaced by a student from another school district. A student who transfers may remain at the school until the student completes the highest grade level offered. This amendment will take effect with the 2017-2018 school year. At present, the impact of the school choice provisions of HB 7029 on the District's finances cannot be accurately ascertained.

HB 7029 also revises the method for enforcing compliance with the Class Size Legislation to clarify that for purposes of enforcing compliance, the calculating is based upon the statutory formula used to determine the reduction in class size categorical funding for noncompliance. At present, it is not anticipated that the Class Size Legislation compliance enforcement provisions of HB 7029 will have any significant impact on the District's finances.

Construction Cost Maximums. Section 1013.64(6)(b), Florida Statutes, prevents a school district from using funds from the following sources: PECO, CO&DS, Classrooms First Program, the Local Outlay Millage Levy, Classrooms for Kids Program, District Effort Recognition Program, or High Growth District Capital Outlay Assistance Grant Program, for any new construction of educational plant space with a total cost per student station in excess of the amounts set forth in Section 1013.64(6)(b)1., Florida Statutes, as such amounts are adjusted annually to reflect changes in the Consumer Price Index.

HB 7029 amended Section 103.64(6)(b) in a number of ways. First, school districts are required to maintain accurate documentation related to the costs of all new construction of education plant space and the Auditor General will review such documentation and verify compliance with the statutory limits; however, the Florida Department of Education will make the final determination on compliance based on the recommendation of the Auditor General. Second, beginning July 1, 2017, in addition to the funding sources listed above, a school district may not use funds from any sources for new construction of educational plant space exceeding the total cost per student station. Third, for all new construction initiated on or after July 1, 2017, a school district exceeding the total cost per student station will be subject to sanctions, unless

the Auditor General determines that such cost per student station overage is de minimus or due to extraordinary circumstances outside the control of the school district. The sanctions are as follows: (1) the school district is ineligible for allocations from the Public Education Capital Outlay and Debt Service Trust fund for the next three years in which the school district would have received allocations; and (2) the school district is subject to the supervision of a district capital outlay oversight committee comprised of one appointee of the Commissioner who has significant financial management, school facilities construction, or related experience, one appointee of the office of the State Attorney with jurisdiction over the school district, and one appointee of the Chief Financial Officer who is a licensed certified public account. The capital outlay oversight committee is authorized to approve all capital outlay expenditures of the school district for the three Fiscal Years following the violation. The District did not exceed the total cost per student station with respect to the Series 1998 Project and the Series 2001B Project.

Schools of Hope. HB 7069, among other things, also authorized the establishment of charter schools, to be known as "schools of hope," and designation of "hope operators" to provide students in areas of persistently low-performing schools with a high-quality education option designed to close the opportunity gap and increase student achievement. HB 7069 (i) establishes criteria for schools of hope and hope operators; (ii) defines persistently low-performing schools as those subject to differentiated accountability (that is, the escalating interventions and supports that must be provided to schools receiving school grades of "D" or "F") for more than three years or closed as a result of school improvement requirements; (iii) authorizes the Florida Department of Education to identify and designate hope operators who meet specified criteria; (iv) removes barriers to hope operators by creating a new notice and agreement process that is exempt from the current charter school law and State procurement laws; (v) provides a school of hope with certain exemptions from Chapters 1000-1013, Florida Statutes; (vi) provides provisions for facilities and funding for schools of hope; (vii) establishes a grant program to cover specified operational expenses; and (viii) establishes the Schools of Hope Revolving Loan Program to help schools of hope cover school building construction and startup costs. As described above, various provisions of HB 7069, including the establishment of the "schools of hope," are expected to be subject to legal challenge. At this time, the Board cannot determine what impact HB 7069, if ultimately implemented, will have on any District schools subject to differentiated accountability or on the Board's finances.

High-Impact Charter Management Organizations. During the Legislature's 2017 Regular Session, the Florida Legislature passed Senate Bill 796 ("SB 796"), which, among other things, creates the High-Impact Charter Management Organization ("HICMO") designation. A HICMO may submit an application to a local school board to establish and operate charter schools in areas designated as a critical need area by the State Legislature or an area served by one or more public schools that are subject to turnaround options. Specifically, SB 796 (i) establishes the process and criteria for the initial and renewal designation as a HICMO; (ii) provides incentives for HICMO entities to operate in the State, including allowing a HICMO to be designated as a local educational agency for the purposes of receiving federal funds, providing a HICMO-operated charter school is eligible to receive charter school capital outlay immediately, rather than after two years of operation, waives the administrative fee for HICMO charter schools if the entity maintains its HICMO status, requires the Florida Department of Education to give priority to new charter schools operated by HICMO in a critical need area in the Florida Public Charter School Grant Program competitions, and adds HICMO-operated charter schools to an exception that allows a charter school that earns two consecutive grades of "F" to continue to operate in the

State if the school serves a specified student population and the school earns at least a grade of "D" in its third year of operation; (iii) requires the Florida Department of Education to provide school districts with technical assistance to ensure federal funds are allocated to charter schools using an appropriate methodology; (iv) removes the requirement that a charter school must have satisfactory student achieved based on state accountability standards to receive charter school capital outlay funding; and (v) directs the Florida Department of Education to adopt rules to administer the HICMO provisions.

Property Assessment Procedures

The Property Appraiser of Orange County (the "Property Appraiser") determines property valuation on real and tangible personal property as of January 1 of each year. The Property Appraiser determines the valuation of all real and personal property by July 1 of each year and notifies the County, the District, each municipality, and each other legally constituted special taxing district as to its just valuation, notes the legal adjustments and exemptions and the taxable valuation. The taxable valuation is then used by each taxing body to calculate its ad valorem millage for the budget year. Each taxing body must advertise its budget, stating the proposed millage and hold public hearings on such budgets. Final budgets are determined by each taxing body, and the millage is certified to the Property Appraiser by October 1.

Concurrently, the Property Appraiser notifies each property owner of the proposed valuation and the proposed millage on such property. If the individual property owner believes that his or her property has not been appraised at fair market value, the owner may file a petition with the Clerk of the Property Appraisal Adjustment Board (the "Adjustment Board"). The Adjustment Board consists of two members of the County Commission, one member of the School Board and two citizen members. Taxpayers appealing the assessed value or assigned classification of their property must make a required partial payment of taxes (generally equal to 75% of the ad valorem taxes due, less the applicable statutory discount, if any) with respect to properties that will have a petition pending on or after the delinquency date (normally April 1). The statute further provides that a taxpayer's failure to make the required partial payment before the delinquency date (normally April 1) will result in the denial of the taxpayer's petition. The Adjustment Board holds public hearings on such petitions and may make adjustments to the valuations made by the Property Appraiser, if such valuations were found not to be fair and at market value. The decision of the Adjustment Board may be appealed to the Circuit Court. The Adjustment Board must certify its decision with regard to all petitions and certify to the Property Appraiser the valuation to be used. These changes are then made to the final tax roll.

The Property Appraiser applies the final certified millage of each taxing body to the assessed valuation on each item of real and tangible personal property, and prepares the final tax roll which he certifies to the County Tax Collector by October 1. This permits the printing of tax bills for delivery on November 1 of each year. The tax bills contain all of the overlapping and underlying millages set by the various taxing bodies, so that all ad valorem taxes are collected by the County Tax Collector and distributed to the various taxing bodies.

Procedure for Ad Valorem Tax Collections. All real and tangible personal property taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector based on the valuation as of January 1 of such year. On or about November 1 of the year of valuation, the County Tax Collector mails to

each property owner on the assessment roll a notice of taxes levied by the County, the District and other taxing authorities. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent if paid in the month of November, three percent if paid in the month of December, two percent if paid in the month of January and one percent if paid in the month of February. Taxes paid during the month of March are without discount. All unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which taxes were levied or within sixty days after the mailing of the original tax notice of the final assessment rate, whichever is later. All taxes collected are remitted by the County Tax Collector to the governmental unit levying the taxes.

Delinquent real property taxes bear interest at the rate of one and one-half percent (1.5%) per month from April 1, or within sixty (60) days after the mailing of the original tax notice of the final assessment rate, whichever is later, until a tax certificate is sold at auction, from which time the interest rate shall be as bid by the buyer of the tax certificate. Delinquent tangible personal property taxes also bear interest at the rate of one and one-half percent (1.5%) per month from April 1 until paid. Tax certificates for delinquent personal property taxes must be advertised within forty-five (45) days after delinquency, and after May 1 the property is subject to warrant, levy, seizure and sale.

Florida law provides that real property tax liens and personal property tax liens are superior to all other liens, except prior United States Internal Revenue Service liens. The County Tax Collector advertises once each week for four weeks and sells tax certificates to the lowest bidder, based on the interest rate bid, commencing on or about June 1 of each year on substantially all real property with taxes due. Tax certificates not sold at auction revert to the County.

If the owner of real property subject to a tax certificate does not redeem the certificate within two years, the holder of the certificate is entitled to apply for a tax deed of sale. The highest bidder at such sale receives a tax deed for the property subject to the tax certificate. To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate bid on the tax certificate from the date of the sale of the tax certificate to the date of redemption. The interest rate on a tax certificate is a minimum of five percent, unless the interest bid on the certificate is a lower rate.

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Millage Rates

The following table sets forth the tentatively budgeted millage rates for the District for Fiscal Year 2017-18 and the final millage rates for the prior four Fiscal Years.

Historical Operating and Capital Millages

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18⁽¹⁾</u>
Required Local Effort	5.114	5.226	4.970	4.563	4.222
Discretionary	0.748	0.748	0.748	0.748	0.748
Additional Voted Millage	<u>1.000⁽²⁾</u>	<u>1.000⁽²⁾</u>	<u>1.000⁽²⁾</u>	<u>1.000⁽²⁾</u>	<u>1.000⁽²⁾</u>
Total Operating Millage	6.862	6.974	6.718	6.311	5.970
Capital Outlay ⁽³⁾	<u>1.500</u>	<u>1.500</u>	<u>1.500</u>	<u>1.500</u>	<u>1.500</u>
Total Millage	<u>8.362</u>	<u>8.474</u>	<u>8.218</u>	<u>7.811</u>	<u>7.470</u>

⁽¹⁾ Tentatively budgeted figures. Such figures are subject to change in the final budget which is expected to be adopted by the School Board on September 12, 2017. See "THE DISTRICT - Budget Process" herein.

⁽²⁾ Authorized pursuant to Section 1011.71(9), Florida Statutes, as approved by the voters of the District in the November 2010 general election for a period of four years (through 2014-15) and reapproved by the voters of the District in the November 2014 general election for an additional four years (through 2018-19). See "- Operating Revenues of the District - Local Sources" above.

⁽³⁾ Maximum millage levy allowed based on School Capital Outlay Surtax referendum. See "- District Revenues for Capital Projects - Local Capital Outlay Sources" below.

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**School District of Orange County, Florida
Tax Data (2008-2017)**

Fiscal Year	Total Tax Levy	Collected to June 30th End of Tax Fiscal Year	Percent of Levy ⁽²⁾
		Current Tax Collections ⁽¹⁾	
2016-17	\$952,603,190	\$909,169,960	95.44%
2015-16	923,437,986	889,668,804	96.34
2014-15	817,371,999	787,688,839	96.37
2013-14	747,793,071	719,883,967	96.27
2012-13	732,256,944	704,853,276	96.26
2011-12	732,123,121	710,708,248	96.29
2010-11	702,663,765	676,800,922	96.32
2009-10	781,846,872	750,980,938	96.05
2008-09	809,584,595	778,186,662	96.12
2007-08	767,132,997	742,360,005	96.77

⁽¹⁾ Net of allowable discounts.

⁽²⁾ Property taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year.

Sources: Orange County Public Schools Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2015; Orange County Public Schools Finance Department.

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**Orange County, Florida
Principal Taxpayers
2016 Fiscal Year⁽¹⁾**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year 2016 Taxable Assessed Value⁽¹⁾</u>	<u>Percentage of Total Taxable Assessed Value</u>
Walt Disney Company	Tourism	\$8,200,000,000	8.13%
Universal Studios	Tourism	2,100,000,000	2.08
Marriott Resorts	Tourism	1,600,000,000	1.59
Hilton Resorts	Tourism	1,200,000,000	1.19
Hyatt Resorts	Tourism	947,200,000	0.94
Orange Lake CC	Tourism	778,200,000	0.77
Duke Energy	Electric Utility	735,500,000	0.73
Wyndham Resorts	Tourism	574,400,000	0.57
Westgate Resorts	Tourism	560,900,000	0.56
Vistano/SVO Vistana Village	Tourism	508,400,000	0.50
Total taxable assessed value of 10 largest taxpayers		\$17,204,600,000	17.05%
Total taxable assessed value of other taxpayers		<u>\$83,710,086,930</u>	<u>82.95%</u>
Total taxable assessed value of all taxpayers		<u>\$100,914,686,930</u>	<u>100.00%</u>

⁽¹⁾ Represents 2015 Tax Year.

Source: Orange County Property Appraiser.

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RISK FACTORS

Each purchaser of Series 2017B Certificates is subject to certain risks and each prospective purchaser of Series 2017B Certificates is encouraged to read this Offering Statement in its entirety. Particular attention should be given to the factors described below which, among others, could affect the market price of the Series 2017B Certificates to an extent that cannot be determined.

Annual Right of the School Board to Terminate the Leases

Although the School Board has determined that the Series 2002A Facilities are necessary to its operations and currently intends to continue the Series 2002A Leases in force and effect for their respective maximum Lease Terms and has covenanted in such Leases that the Superintendent will include a sufficient amount in the tentative budget to enable the School Board to make the Lease Payments due in each Fiscal Year, the School Board is not required to appropriate funds for Basic Lease Payments due in each Fiscal Year. If for any Fiscal Year the School Board does not approve a final budget which appropriates sufficient funds from legally available revenues in a line item specifically identified for payment of its obligations under the Series 2002A Leases or any other Leases, or if no final budget is adopted as of the last day upon which a final budget is required to have been adopted under Florida law for payment of its obligations under such Leases, the Master Lease shall terminate as of the date of adoption of the final official budget, or such last day, whichever is earlier.

THE LIKELIHOOD THAT THE LEASES WILL BE TERMINATED AS THE RESULT OF AN EVENT OF NON-APPROPRIATION IS DEPENDENT UPON CERTAIN FACTORS THAT ARE BEYOND THE CONTROL OF THE SERIES 2017B CERTIFICATE HOLDERS, INCLUDING THE CONTINUING FUTURE UTILITY OF THE FACILITIES AND CHANGES IN POPULATION OR DEMOGRAPHICS WITHIN THE COUNTY.

Limitation Upon Disposition; Ability to Sell or Re-let

Following an event of default under the Series 2002A Leases or an event of non-appropriation, the Trustee as assignee of the Corporation may take possession of the Series 2002A-1 Facilities (but not the Series 2002A-2 Facilities) and sell or re-let the leasehold interests therein. The Trustee's ability to actually achieve such a disposition of such Facilities is limited by its inability to convey fee simple title to such Facilities and by the governmental nature of such Facilities. Moreover, it is possible that a court of competent jurisdiction could enjoin the sale or re-letting of the Trustee's interest in such Facilities because of the essential governmental nature thereof. There can be no assurance that the remedies available to the Trustee upon any such termination of the Lease Term of all Leases and the disposition of the Series 2002A-1 Facilities will produce sufficient amounts to make timely payments of the principal and interest portions due on the outstanding Series 2017B Certificates.

Tax Treatment

Upon termination of the Series 2002A Leases, there is no assurance that payments made by the Trustee with respect to the Series 2017B Certificates and designated as interest will be excludable from gross income for federal income tax purposes. See "TAX TREATMENT."

Applicability of Securities Laws

After termination of the Series 2002A Leases, the transfer of a Series 2017B Certificate may be subject to or conditioned upon compliance with the registration provisions of applicable federal and state securities laws. Accordingly, there is no assurance that liquidity of the Series 2017B Certificates will not be impaired following termination of the Series 2002A Leases.

Local Option Millage Revenues

The amount which can be realized by the District derived from the Local Option Millage Levy can be affected by a variety of factors not within the control of the District or the School Board including, without limitation, fluctuations in the level of the assessed valuation of property within the District. See "DISTRICT REVENUE, FINANCIAL RESULTS AND LIABILITIES - District Revenues for Capital Projects - Local Capital Outlay Sources." Moreover, the maximum Local Option Millage Levy that may be levied and used for the Lease Payments is subject to legislative change. See "- Recent Legislative Initiatives and Constitutional Amendments Concerning Ad Valorem Taxes."

State Revenues

A large portion of the District's funding is derived from State sources. See "REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT" herein. A significantly large percentage of such State revenues is generated from the levy of the State sales tax. The amounts budgeted for distribution from the State to the District are subject to change in the event that projected revenues are not realized.

On June 19, 2015, the Florida Legislature adopted a State budget for State fiscal year 2015-16 providing for an approximately \$780 million or 4% increase in State and local FEFP funding for K-12 public schools over State fiscal year 2014-15. Pursuant to the enacted budget, education funding in the State is estimated to increase by approximately \$207 per student or 3% over fiscal year 2014-15. The estimated increase for the District was approximately \$76 million over fiscal year 2014-15.

On March 11, 2016, the Florida Legislature adopted a State budget for State fiscal year 2016-17 providing for an increase of approximately \$458.2 million in K-12 public schools funding, reflecting a per-pupil increase of \$71 over State fiscal year 2015-16 to \$7,178. Approximately 15.8% of such increase, or \$72.8 million, came from local property taxes, with the remaining 84.2% or \$385.4 million, from State revenues. The estimated increase for the District was approximately \$49.8 million in funds over fiscal year 2015-16.

On June 9, 2017, during a special session, the Florida Legislature adopted a revised State education budget for State fiscal year 2017-2018 providing for an approximately \$455 million or

2.25% increase in State and local FEFP funding for K-12 public schools over State fiscal year 2016-2017 reflecting a per-pupil increase of approximately \$100 per student or 1.4% over fiscal year 2016-2017. The estimated increase for the District is approximately \$38.9 million in funds over fiscal year 2016-17. However, there can be no assurance that funding for K-12 public schools will increase exactly as provided for in the approved budget.

Effect of Sequestration on Lease Payments

Pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended, the President of the United States ordered that certain automatic spending cuts be implemented pursuant to calculations provided by the United States Office of Management and Budget in its Report to the Congress on sequestration dated March 1, 2013. The cuts include mandatory reductions in the amounts scheduled to be paid by the federal government to issuers of Build America Bonds, Qualified Zone Academy Bonds, Qualified School Construction Bonds, New Clean Renewable Energy Bonds and Qualified Energy Conservation Bonds (collectively, "Direct-Pay Bonds") under Section 6431 of the Internal Revenue Code.

Payments to issuers of Direct-Pay Bonds from the budget accounts associated with these bonds were originally subject to an effective reduction of 8.7 percent of the amount budgeted for such payments on and after March 1, 2013 through September 30, 2013. For payments to issuers of Direct-Pay Bonds during federal fiscal years 2014, 2015 and 2016, which ended September 30 of each such year, the annual sequester rate was reduced to 7.2 percent, 7.3 percent and 6.8 percent, respectively. Subject to clarification and the possibility of Congressional action, issuers of Direct-Pay Bonds face reductions of up to 6.9 percent for payments during federal fiscal year 2017, which ends September 30, 2017. Unless otherwise resolved, sequestration may continue through the end of federal fiscal year 2024, with reductions in subsidy payments expected to vary between 5.5 percent and 7.3 percent of what would otherwise be received.

For federal fiscal year 2017 (through September 30, 2017), the School Board anticipates its aggregate expected annual QSCB Issuer Subsidy of \$1,789,713 to be reduced by 6.9% (which equates to a \$123,490 reduction), resulting in a corresponding increase in interest costs for the District that must be paid from other revenue sources. For federal fiscal year 2018 (through September 30, 2018), the School Board anticipates its aggregate expected annual QSCB Issuer Subsidy of \$1,789,713 to be reduced by 6.6% (which equates to a \$118,121 reduction), resulting in a corresponding increase in interest costs for the District that must be paid from other revenue sources.

Additional Leases

Pursuant to the Master Lease, the School Board has previously entered into the Prior Leases and may enter into other Leases in addition to the Series 2002A Leases. Failure to appropriate funds to make Lease Payments under any such Lease will, and an event of default under any such Lease may, result in the termination of all Leases, including the Series 2002A Leases. Upon any such termination of all Leases, the School Board must surrender all Facilities (except certain designated facilities such as the Series 2002A-2 Facilities) to the Trustee for sale or lease. The proceeds of any such disposition of the Facilities will be applied to the payment of the applicable Series of Certificates. The proceeds of any such disposition of the Series 2002A-1 Facilities will be applied to the payment of the Series 2017B Certificates, equally and ratably

with the Series 2016A Certificates allocable to the Series 2002A-1 Lease, after payment of the expenses of the Trustee in accordance with the terms of the Series 2002A-1 Lease. In no event will owners of the Series 2017B Certificates have any interest in or right to any proceeds of the disposition of Facilities other than the Series 2002A-1 Facilities. There can be no assurance that the remedies available to the Trustee upon any such termination of all Leases and the disposition of such Facilities will produce sufficient amounts to pay the applicable outstanding Series 2017B Certificates.

Additional Indebtedness

The School Board may issue additional indebtedness other than in connection with the Master Lease secured by or payable from available revenues without the consent of the Owners of the Series 2017B Certificates. Incurring such additional indebtedness may adversely affect the School Board's ability to make Lease Payments under the Master Lease.

Risks Related to Interest Rate Exchange Agreements

The School Board is subject to certain risks under the 2008B Interest Rate Exchange Agreement, 2008C Interest Rate Exchange Agreement and 2008E Interest Rate Exchange Agreement. Under certain circumstances, such interest rate exchange agreements are terminable at the option of the related counterparty thereto (Citibank or UBS). In the event Citibank or UBS exercises its option to terminate its respective interest rate exchange agreement or agreements, the School Board may be obligated to pay a termination payment or termination payments with respect thereto, which could be a substantial amount. While the School Board's scheduled payments under the 2008B Interest Rate Exchange Agreement and the 2008C Interest Rate Exchange Agreement (but not the 2008E Interest Rate Exchange Agreement) are guaranteed by the applicable Swap Policies, such swap policies do not guarantee termination payments under the related interest rate exchange agreements unless such termination is at the direction of the insurer thereof. In the event the School Board is required to pay a termination payment under any such agreement, its ability to make Lease Payments may be adversely affected. See "SECURITY FOR THE SERIES 2017B CERTIFICATES - Interest Rate Exchange Agreements" herein.

Constitutional Amendments Related to Class Size Reduction and Pre-K Education

Amendment 9 to the State Constitution requires that the State Legislature provide funding for sufficient classrooms so that class sizes can be reduced to certain constitutional class size maximums by the beginning of the 2010-11 school year. Amendment 9 and Section 1003.03, Florida Statutes, which implemented Amendment 9, are referred to herein as the "Class Size Legislation."

The Class Size Legislation established constitutional class size maximums limiting students per class to no more than 18 for pre-kindergarten through 3rd grade, 22 for grades 4 through 8 and 25 for grades 9 through 12. Such legislation generally provided for a phased-in compliance which would be determined on a school-by-school basis through and including Fiscal Year 2009-10, with final compliance on an individual classroom basis beginning in Fiscal Year 2010-11. In the event a school district was not in compliance with such requirements, the

legislation provides that the State shall reduce categorical funds due to such school district for operational purposes.

The Class Size Legislation further created an "Operating Categorical Fund for Class Size Reduction," the "Classroom for Kids Program," the "District Effort Recognition Grant Program" and the "Class Size Reduction Lottery Revenue Bond Program" to provide funding programs for capital outlays and operating expenditures necessary in relation to these mandated class size reductions.

The Class Size Legislation requires each school board to consider implementing various policies and methods to meet these constitutional class sizes, including encouraging dual enrollment courses, encouraging the Florida Virtual School, maximizing instructional staff, reducing construction costs, using joint-use facilities, implementing alternative class scheduling, redrawing attendance zones, implementing evening and multiple sessions and implementing year-round and non-traditional calendars.

Through Fiscal Year 2009-10, the District complied with the requirements of the Class Size Legislation which was based on the average class size at each school. Beginning in Fiscal Year 2010-11, the requirements were based on the number of students in each individual classroom. As of the October 2016 Survey, the week during which DOE determined compliance with class size maximums for the 2016-17 school year, excluding charter schools, the District had 100% of the classrooms in compliance. Accordingly, the District was in compliance with the requirements of the Class Size Legislation for the 2016-17 school year. The District also expects to be in compliance with the Class Size Legislation for Fiscal Year 2017-18. See also, the second paragraph under "AD VALOREM TAX PROCEDURES - Other Proposals Affecting District Finances - Legislative Changes Relating to School Choice" for information regarding recently enacted legislation relating to the Class Size requirements.

Pre-K Programs

Amendment 8 to the State Constitution provides that every 4-year old child in the State shall be offered a free, high quality pre-kindergarten learning opportunity by the State. Part V of Chapter 1002, Florida Statutes, creates a statewide Voluntary Pre-kindergarten Education Program (the "Pre-K Program"). Among other things, the Pre-K Program provides eligibility and enrollment requirements, authorizes parents to enroll their children in a school-year pre-kindergarten ("Pre-K") program delivered by a private Pre-K provider, a summer program delivered by a public school or private Pre-K provider or, if offered in a school district that meets class-size reduction requirements, a school year Pre-K program delivered by a public school. The Pre-K Program also requires school districts to deliver summer Pre-K programs and permits school districts to deliver school-year Pre-K programs. Additionally, the Pre-K Program appropriates State funds to finance the Pre-K programs and provides the method for calculating the funds allocated to each Pre-K program provider.

The Pre-K Legislation provides State funding for the Pre-K programs.

Property Insurance

Principally as a result of the substantial property damage caused by hurricanes and other storms in Florida and other parts of the United States over the last few years, property insurance premiums have risen dramatically for Florida property owners. It has become impossible or economically impracticable for many school districts within the State, including the District, to obtain property insurance with the level of coverage they have historically secured. The property insurance requirements contained within the Master Lease provisions require the District to obtain certain levels of property insurance coverage to the extent available at commercially reasonable rates. The School Board has requested that the insurers and other credit facility issuers for all of the outstanding Certificates acknowledge the level of insurance which the School Board has been able to secure given its budget constraints and the increased rates and deductibles of the available insurance. The District's Insurance Consultant believes the School Board's insurance program is reasonable. In the event the District suffers substantial damage to its property that is not covered by its current insurance or is not eligible for Federal reimbursement, the District's financial condition could be adversely impacted. See "CERTAIN AMENDMENTS TO THE MASTER LEASE, AMENDED AND RESTATED SCHEDULE 2002A-1 AND AMENDED AND RESTATED SCHEDULE 2002A-2" herein for information regarding proposed amendments to the property insurance requirements in the Master Lease.

Certain Constitutional Amendments

See "DISTRICT REVENUE, FINANCIAL RESULTS AND LIABILITIES – Recent Legislative Initiatives and Constitutional Amendments Concerning Ad Valorem Taxes" for information concerning certain amendments to the Florida Constitution and other legislative proposals that could materially adversely affect the School Board's financial situation.

LITIGATION

In the opinion of Diego "Woody" Rodriguez, Esq., General Counsel to the District, there is no litigation now pending or threatened (i) to restrain or enjoin the issuance or sale of the Series 2017B Certificates; (ii) questioning or affecting the validity of the Series 2017B Certificates, the Resolution or the Series 2002A Leases; or (iii) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution or delivery of the Series 2017B Certificates or the Series 2002A Leases.

The District is involved in certain other litigation and disputes incidental to its operations. Upon the basis of information presently available, the General Counsel to the District believes that there are substantial defenses to such litigation and disputes and that, in any event, any ultimate liability in excess of applicable insurance coverage resulting therefrom will not materially adversely affect the financial position or results of operations of the District.

RATINGS

Moody's Investors Service ("Moody's") and Fitch Ratings, Inc. ("Fitch"), have assigned ratings of "Aa2" (stable outlook) and "AA" (stable outlook), respectively, to the Series 2017B Certificates. An explanation of the rating and outlook given by Moody's may be obtained from

Moody's at 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007, (212) 553-0501. An explanation of the rating and outlook given by Fitch may be obtained from Fitch at One State Street Plaza, New York 10004, (212) 908-0500. If in the judgment of either, circumstances so warrant, either rating service may raise, lower or withdraw its rating or outlook. If a downward change or withdrawal occurs, it could have an adverse effect on the resale price of the Series 2017B Certificates.

The School Board furnished to the rating agencies certain information and materials concerning the Series 2017B Certificates and the District. Generally, rating agencies base their ratings and outlooks on such information and materials and on investigations, studies and assumptions made by the rating agencies themselves. There is no assurance that the ratings or outlooks mentioned above will remain in effect for any given period of time or that the ratings or outlooks might not be lowered or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. The Underwriters have undertaken no responsibility to bring to the attention of the Owners of the Series 2017B Certificates any proposed change in or withdrawal of the rating or outlook or to oppose any such proposed revision or withdrawal. Any such downward change in or withdrawal of the rating or outlook might have an adverse effect on the market price or marketability of the Series 2017B Certificates.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that full and fair disclosure is made of any bonds or other debt obligations of the District that have been in default as to payment of principal or interest at any time after December 31, 1975. The District is not and has not since December 31, 1975, been in default as to payment of principal or interest on its bonds or other debt obligations.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, execution, delivery and sale of the Series 2017B Certificates are subject to the approving legal opinion of Greenberg Traurig, P.A., Miami, Florida and Debi Rumph, Esquire, Orlando, Florida, Co-Special Tax Counsel which Co-Special Tax Counsel expect to be able to deliver at the time of issuance of the Series 2017B Certificates substantially in the form set forth in APPENDIX D. Certain legal matters will be passed upon for the School Board and the Corporation by the Office of General Counsel of the District. Certain legal matters will be passed upon for the Underwriters by their counsel Nabors, Giblin & Nickerson, P.A., Tampa, Florida.

Co-Special Tax Counsels' opinion is based on existing law at the time of issuance of the Series 2017B Certificates, which is subject to change. Such opinion is further based on factual representations made to Co-Special Tax Counsel as of the date thereof. Co-Special Tax Counsel assume no duty to update or supplement their opinion to reflect any facts or circumstances that may thereafter come to Co-Special Tax Counsels' attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Co-Special Tax Counsels' opinion is not a guarantee of a particular result, and is not binding on the IRS or the courts; rather, such opinion represents Co-Special Tax Counsels' professional judgment based on review of existing law at

the time of issuance of the Series 2017B Certificates, and in reliance on the representations and covenants deemed relevant to such opinion.

UNDERWRITING

The Underwriters set forth on the cover page hereof have agreed to purchase the Series 2017B Certificates at a price of \$87,517,792.13 (which represents the aggregate principal amount of \$71,080,000.00, plus bond premium of \$16,604,908.45, and less an Underwriters' discount of \$167,116.32). The Underwriters will purchase all of the Series 2017B Certificates if any are purchased, the obligation to make such purchase being subject to certain terms and conditions contained in the Purchase Contract and the approval of certain legal matters by counsel.

The Underwriters may offer and sell the Series 2017B Certificates to certain dealers and others at prices lower than the respective public offering prices stated herein. After the initial public offering, the respective offering prices may be changed from time to time by the Underwriters.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Series 2017B Certificates, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2017B Certificates from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2017B Certificates that such firm sells.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Products Group ("WFBNA"), one of the underwriters of the Series 2017B Certificates, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2017 Certificates. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2017B Certificates with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Series 2017B Certificates. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Stifel, Nicolaus & Company, Incorporated ("Stifel"), one of the Underwriters of the Series 2017B Certificates, provided a college scholarship to a graduating senior attending Colonia High School in 2017 through its Fabric of Society program. The scholarship was a one-time, \$2,000 award.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain Underwriters and their respective affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the District, for which they may have received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

Co-Special Tax Counsel may, from time-to-time, serve as counsel to the Underwriters on matters unrelated to the issuance of the Series 2017B Certificates.

TAX TREATMENT

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the School Board must continue to meet after the issuance of the Series 2017B Certificates in order that the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates be and remain excludable from gross income of the holders thereof for federal income tax purposes. The School Board's failure to meet these requirements may cause the interest portion of the Basic Lease Payments designated and paid as interest to the Series 2017B Certificate holders to be included in gross income for federal income tax purposes retroactively to the date of execution and delivery of the Series 2017B Certificates. The School Board has covenanted to take the actions required by the Code in order to maintain the excludability from gross income for federal income tax purposes of the interest portion of the Basic Lease Payments designated and paid as interest to the Series 2017B Certificate holders and not to take any actions that would adversely affect that excludability. Co-Special Tax Counsel expects to deliver opinions at the time of issuance of the Series 2017B Certificates substantially in the form set forth in APPENDIX D.

In the opinion of Co-Special Tax Counsel, assuming continuing compliance by the School Board with the tax covenants referred to above and the accuracy of certain representations of the School Board, under existing statutes, regulations, rulings and court decisions, the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates will be excludable from gross income for federal income tax purposes. The interest portion of the Basic Lease Payments represented by the Series 2017B Certificates will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain

corporations. However, no opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2017B Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder.

Co-Special Tax Counsel are further of the opinion that the Series 2017B Certificates and the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates will not be subject to taxation under the laws of the state of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein; provided, however, that no opinion is expressed with respect to tax consequences under the laws of the state of Florida of any payments received with respect to the Series 2017B Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder.

Except as described above, Co-Special Tax Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest portion of the Basic Lease Payments designated and paid as interest to the Series 2017B Certificate holders or the ownership or disposition of the Series 2017B Certificates. Prospective purchasers of Series 2017B Certificates should be aware that the ownership of Series 2017B Certificates may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2017B Certificates or, in the case of a financial institution, that portion of the owner's interest expense allocable to the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates, (iii) the inclusion of the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year and (v) recipients of certain Social Security and Railroad Retirement benefits are required to take into account receipts and accrual of the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates in determining whether a portion of such benefits are included in gross income for federal income tax purposes.

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress that, if enacted into law, could alter or amend one or more of the federal tax matters described above including, without limitation, the excludability from gross income of the interest portion of Basic Lease Payments represented by the Series 2017B Certificates, adversely affect the market price or marketability of the Series 2017B Certificates, or otherwise prevent the holders from realizing the full current benefit of the status of the interest represented thereby. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would apply to the Series 2017B Certificates. If enacted into law, such legislative proposals could affect the market price or marketability of the Series 2017B Certificates. Prospective purchasers of the Series 2017B Certificates should consult their tax advisors as to the impact of any proposed or pending legislation.

The discussion of tax matters in this Offering Statement applies only in the case of purchasers who purchased their Series 2017B Certificates upon original issuance at the "issue price" as defined in Code Section 1273 or 1274 for the purchased Certificates. It does not address any other tax consequences, such as, among others, the consequence of the existence of any market discount to subsequent purchasers of the Series 2017B Certificates. Purchasers of the Series 2017B Certificates should consult their own tax advisers regarding their particular tax status or other tax considerations resulting from ownership of the Series 2017B Certificates.

Information Reporting and Backup Withholding. Interest paid on tax-exempt bonds such as the Series 2017B Certificates is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of the interest portion of the Basic Lease Payments represented by the Series 2017B Certificates from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of tax-exempt bonds such as the Series 2017B Certificates, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on such bonds and proceeds from the sale of such bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of such bonds. This withholding generally applies if the owner of such bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2017B Certificates may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

BOND PREMIUM

Certain of the Series 2017B Certificates ("Premium Certificates") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Certificate, based on the yield to maturity of that Premium Certificate (or, in the case of a Premium Certificate callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Certificate), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Certificate. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Certificate, the owner's tax basis in the Premium Certificate is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Certificate for an amount equal to or less than the amount paid by the owner for that Premium Certificate.

Owners of Premium Certificates should consult their own tax advisers as to the determination for federal income tax purposes of the amount of bond premium properly accruable in any period with respect to the Premium Certificates and as to other federal tax consequences and the treatment of bond premium for purposes of state and local taxes on, or based on, income.

FINANCIAL ADVISOR

PFM Financial Advisors LLC, Orlando, Florida is serving as Financial Advisor to the School Board. The Financial Advisor assisted in matters relating to the planning, structuring, execution and delivery of the Series 2017B Certificates and provided other advice. Fees may also be paid to PFM Asset Management LLC, an affiliate of PFM Financial Advisors LLC, for bidding investments on behalf of the School Board. PFM Financial Advisors LLC and PFM Asset Management LLC are not obligated to undertake and have not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Offering Statement. PFM Financial Advisors LLC and PFM Asset Management LLC did not participate in the underwriting of the Series 2017B Certificates.

GENERAL PURPOSE FINANCIAL STATEMENTS

Excerpted pages from the Comprehensive Annual Financial Report of the District for the Fiscal Year ended June 30, 2016, including the report of Cherry Bakaert LLP, independent certified accountants, are attached as APPENDIX B hereto. Cherry Bakaert LLP has not performed any examinations or audits in connection with the issuance of the Series 2017B Certificates.

FORWARD LOOKING STATEMENTS

This Offering Statement contains certain "forward-looking statements" concerning the School Board's or the District's operations, performance and financial condition, including its future economic performance, plans and objectives and the likelihood of success in developing and expanding. These statements are based upon a number of assumptions and estimates which are subject to significant uncertainties, many of which are beyond the control of the School Board or District. The words "may," "budget," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate" and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

CONTINUING DISCLOSURE

The School Board has covenanted and undertaken for the benefit of the Series 2017B Certificate holders to execute and deliver a Disclosure Dissemination Agent Agreement (the "Disclosure Agreement") wherein the School Board will agree to provide certain financial information and operating data relating to the District and the Series 2017B Certificates in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if deemed to be material by the School Board. Such covenant shall only apply so long as

the Series 2017B Certificates remain Outstanding under the Trust Agreement, the Series 2002A Leases have not been terminated or there has not occurred an event of non-appropriation resulting in a termination. The agreement shall also terminate upon the termination of the continuing disclosure requirements of Rule 15c2-12(b)(5), as amended (the "Rule") of the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended, by legislative, judicial or administration action. The Annual Report will be filed by the School Board with the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access System ("EMMA") described in the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will be filed by the School Board, or its dissemination agent, if any, with the MSRB. The specific nature of the information to be contained in the Annual Report and the notices of material events are described in "APPENDIX E - FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT" to be dated and delivered at the time of issuance of the Series 2017B Certificates. Digital Assurance Certification, L.L.C. is acting as initial dissemination agent thereunder. These undertakings have been made in order to assist the Underwriters in complying with the Rule.

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MISCELLANEOUS

The information contained above is neither guaranteed as to accuracy or completeness nor to be construed as representation by the Underwriters. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Offering Statement nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District or the School Board from the date hereof.

This Offering Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Offering Statement involving matters of opinion, whether or not expressly so stated are intended as such and not as representations of fact. This Offering Statement is not to be construed as a contract or agreement between the District or the School Board and the purchasers or the holders of any of the Series 2017B Certificates.

This Offering Statement has been duly executed and delivered by the authority of the School Board.

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA

By: /s/ William Sublette
Chairman

By: /s/ Barbara M. Jenkins, Ed.D.
Superintendent of Schools

APPENDIX A

INFORMATION CONCERNING ORANGE COUNTY, FLORIDA

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APPENDIX A

INFORMATION CONCERNING ORANGE COUNTY, FLORIDA

General

Orange County, Florida (the "County") was established in 1824 and became a Charter County upon the enactment of its County Charter approved by the voters effective January 1, 1987. Its territorial limits as they presently exist were defined in 1913 and encompass approximately 1,000 square miles. Orlando, the County seat, is its principal city. It is located geographically in the approximate center of the State of Florida, midway between Jacksonville to the north and Miami to the south, between the St. Petersburg-Tampa area on the Gulf of Mexico and Daytona Beach on the Atlantic Coast. Two of the State's major highways, Interstate 4 (for east-west travel) and the Florida Turnpike (for north-south travel), intersect ten miles southwest of downtown Orlando. The 2016 population of the County was 1,280,387*.

* Estimates from BEBR, Florida Estimates of Population, April 1, 2016.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

Administration and Management

The Board of County Commissioners of Orange County, Florida (the "Board") is the principal legislative and governing body of the County. The powers and duties of the Board are those prescribed by the State Constitution or by the Legislature and those as described in the Orange County Charter. The Board's mailing address is: Orange County Administration Center, Post Office Box 1393, Orlando, Florida 32802-1393. The Board consists of six commissioners elected by the voters from single-member districts of the County for terms of four years each and a County Mayor elected at large by the voters of the County. The chief ceremonial and executive official of the County is the County Mayor. The County Mayor is eligible for two consecutive four-year terms. This official serves as the chair of the Board of County Commissioners and exercises direct authority over the day-to-day operations of all elements of County government under the jurisdiction of the Board, consistent with the policies, ordinances and resolutions enacted by the Board. The County Administrator is appointed by the County Mayor and confirmed by the Board. The County Administrator serves at the pleasure of the Mayor and is employed on a full-time basis to assist the County Mayor in the daily management of the County. The County Attorney is appointed by the County Mayor and confirmed by the Board. The County Attorney serves at the pleasure of the County Mayor and is employed on a full-time basis for providing legal services to the County Mayor, the Board, the County Administrator and staff, all divisions and departments, and certain Constitutional Officers upon request. The County Comptroller is the chief financial officer of the County and is an ex-officio Clerk to the Board of County Commissioners.

Population

Orange County currently ranks fifth in population density of the 67 counties in the State of Florida (the "State" or "Florida"). Metro Orlando, which consists of Orange, Osceola, Seminole and Lake Counties, is home to over 2 million people. Over one-third of Metro Orlando's population is between the ages of 18 and 44, and the population median age is 37, which is lower than the State of Florida's average age of 42, which also translates into a large work force.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

Historical and Projected Future Populations Orange County, Orlando MSA, Florida and United States 2007-2016, 2020, 2025, 2030

Year ⁽¹⁾	Orange County	% Inc.	Orlando MSA	% Inc.	Florida	% Inc.	United States	% Inc.
2030	1,679,700	8.3	3,115,500	8.4	24,071,000	5.6	359,402,000	3.5
2025	1,551,400	10.2	2,875,400	10.3	22,799,500	6.7	347,335,000	3.8
2020	1,407,600	9.9	2,606,600	9.7	21,372,200	6.1	334,503,000	3.5
2016	1,280,387	2.2	2,376,358	2.4	20,148,654	1.7	323,127,513	0.5
2015	1,252,396	2.0	2,320,195	2.2	19,815,183	1.6	321,418,820	0.8
2014	1,227,995	2.1	2,270,370	2.0	19,507,369	1.3	318,857,056	0.9
2013	1,202,978	2.3	2,225,730	1.9	19,259,543	1.0	316,128,839	0.7
2012	1,175,941	1.6	2,184,588	1.4	19,074,434	0.9	313,914,040	0.7
2011	1,157,342	1.0	2,154,061	0.9	18,905,048	0.6	311,591,917	0.9
2010	1,145,956	1.1	2,134,411	1.0	18,801,310	0.6	308,745,538	0.4
2009	1,133,453	0.7	2,113,807	0.7	18,687,425	0.4	307,439,000	0.9
2008	1,125,822	1.3	2,098,515	1.4	18,613,905	0.9	304,798,000	0.9
2007	1,111,307	2.5	2,070,373	2.6	18,446,768	1.6	302,004,000	1.0

Average Annual Increase 2007-2016	1.7%	1.7%	1.0%	0.8%
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⁽¹⁾ Years 2020, 2025 and 2030 are projected populations.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

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**Orange County
Building Permits
2006-2015**

Year	Single-Family	Multi-Family	Residential Valuations (\$000)
2015	4,986	4,620	\$1,843,534
2014	4,483	4,763	1,627,676
2013	4,364	4,669	1,394,508
2012	3,909	3,323	1,049,948
2011	2,389	1,694	638,469
2010	2,186	694	504,558
2009	1,811	118	381,545
2008	2,473	2,923	685,040
2007	4,053	4,110	1,166,640
2006	9,527	4,619	2,080,202

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

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Assessed Valuation

The following table shows the taxable assessed property valuations and tax levies and collections for Tax Roll years 2007 through 2016 for the County.

Taxable Assessed Property Valuations Orange County, Florida 2007-2016

Fiscal Year ⁽¹⁾	Taxable Real Property Valuation	Taxable Personal Property Valuation	Centrally Assessed Property Valuation ⁽²⁾	Total Taxable Property Valuation
2016	\$90,951,149,725	\$9,278,525,759	\$25,232,027	\$100,254,907,511
2015	81,499,288,702	8,623,319,056	23,632,177	90,146,239,935
2014	75,834,808,008	8,234,617,790	23,361,435	84,092,787,233
2013	73,004,944,709	8,033,864,168	21,634,788	81,060,443,665
2012	73,277,233,801	7,991,129,432	22,076,031	81,290,439,264
2011	75,469,110,719	8,105,120,427	12,538,415	83,586,769,561
2010 ⁽³⁾	87,416,634,479	8,151,483,913	17,078,383	95,585,196,775
2009 ⁽³⁾	98,820,559,451	8,178,483,028	15,826,598	107,014,869,077
2008	99,024,397,168	8,266,008,576	5,865,402	107,296,271,146
2007 ⁽³⁾	84,028,708,448	7,760,807,928	22,241,400	91,811,757,776

- (1) Information is reported based on the fiscal year in which associated tax revenue is recognized - i.e., the 2015 tax roll data is reported here for Fiscal Year 2016, as that is the period of collection and revenue recognition.
- (2) Centrally Assessed Property consists of railroad property assessed by the State of Florida. Prior to Fiscal Year 2009, the taxable assessed value equaled the estimated actual value.
- (3) 2007, 2009 and 2010 numbers were adjusted in 2016 to reflect final tax roll valuations for consistency.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

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Tax Levies and Collections

The following table shows the tax levies and collections for years 2007 through 2016.

Tax Levies and Collections Orange County, Florida 2007-2016

Fiscal Years Ending 9/30	Countywide Base Millage	Property Taxes Levied ⁽¹⁾	Tax Discount ⁽²⁾	Net Tax Collections ⁽³⁾	Total Tax Collections ⁽⁴⁾	Gross Tax Collection Versus Taxes Levied ⁽⁵⁾
2016	4.4347	\$447,590,592	\$16,043,377	\$427,046,189	\$428,271,565	98.99%
2015	4.4347	400,774,556	14,492,691	385,116,692	386,338,815	99.70
2014	4.4347	374,495,114	13,467,868	359,229,541	360,694,898	99.52
2013	4.4347	360,872,987	12,852,412	346,250,690	348,343,707	99.51
2012	4.4347	361,843,317	12,782,443	347,390,614	349,111,487	99.54
2011	4.4347	372,736,856	12,961,204	357,325,139	358,605,438	99.34
2010	4.4347	426,645,690	14,437,510	409,068,703	410,688,637	99.26
2009	4.4347	477,252,866	15,924,275	457,633,359	460,545,819	99.23
2008	4.4347	477,591,217	16,059,035	458,177,217	460,341,783	99.30
2007	5.1639	476,758,645	16,309,050	456,932,140	458,499,321	99.26

- (1) This amount does not include additional County millage assessed in unincorporated areas only (Special Tax Equalization District or Fire & Emergency Medical Services millages).
- (2) Aggregate amount of discounts actually taken by taxpayers as allowed by Florida law for early payment of taxes. This discount period falls during the months of November through February.
- (3) Aggregate of current taxes paid plus any proceeds from a tax certificate sale that is normally held in May (includes interest on delinquent taxes).
- (4) This column indicates the aggregate amount of tax collections as of close-out of each fiscal year ending September 30. Total tax collections include current taxes paid, tax certificate proceeds, delinquent tax payments upon taxable tangible personal property, and any prior period payments on County-held tax certificates. Includes interest from late payments.
- (5) Represents the percentage of current gross collections (current net collections plus discounts taken) to property taxes levied.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

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Economy

The County's economy is supported by a diverse industry mix of goods producing and service providing sectors. Goods producing industries include construction and manufacturing. Service providing industries include trade, transportation, and utilities; leisure and hospitality; professional and business; government; and education and healthcare. High technology, health care and social assistance, and leisure and hospitality are considered the major economic engines in the County. According to the Metro Orlando Economic Development Commission, these three industries alone generate annual payroll of more than \$18.8 billion. As of December 2016, employment in Orange County was 688,505 with an unemployment rate of 4.1%.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016 and Comprehensive Annual Financial Report for the Year Ended September 30, 2016.

Largest Employers in Orange County, Florida 2016

Employer	Number of Employees
Walt Disney World Company	74,000
Orange County Public Schools	22,347
Universal Orlando Resort	20,000
Adventist Health System/Florida Hospital	19,304
Orlando International Airport	18,000
Orlando Health	14,000
Orange County Government	10,424 ⁽¹⁾
University of Central Florida	6,564
Westgate Resorts	6,156
SeaWorld Orlando	6,032

(1) Orange County Government numbers are adjusted upwards from original source information to include employees of the six constitutional officers, which are included in the Primary Government.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

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**Comparison of Annual Unemployment Rates
2007-2016**

Year	Orange County	Florida	U.S.
2016 ⁽¹⁾	4.1%	4.9%	4.7%
2015	4.9	5.4	4.8 ⁽²⁾
2014	5.9	6.3	6.2
2013	6.8	7.3	7.4
2012	8.2	8.5	8.1
2011	9.8	10.0	8.9
2010	10.8	11.1	9.6
2009	10.4	10.4	9.3
2008	6.0	6.3	5.8
2007	3.8	4.0	4.6

(1) As of December 2016.

(2) As of December 2015. Final 2015 annual unemployment rate for the US not yet reported.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

**Average Annual Labor Force Summary
Orange County, Florida
2007-2016**

Year	Labor Force	Employed	Unemployed	Unemployment Rate
2016 ⁽¹⁾	718,080	688,505	29,575	4.1%
2015	688,018	654,304	33,714	4.9
2014	678,313	638,579	39,734	5.9
2013	663,480	618,183	45,297	6.8
2012	654,230	600,337	53,893	8.2
2011	642,178	579,251	62,927	9.8
2010	635,299	566,478	68,821	10.8
2009	596,021	533,867	62,154	10.4
2008	603,287	566,854	36,433	6.0
2007	594,761	571,946	22,815	3.8

(1) As of December 2016.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

Tourism

The County is one of the world's top visitor destinations. In 2015, the area hosted 66.5 million visitors. Major tourist attractions in Orange County include Walt Disney World Magic Kingdom, Epcot, Disney's Hollywood Studios, Disney's Animal Kingdom, Disney Springs, SeaWorld Orlando, Discovery Cove, Aquatica, Universal Studios, Islands of Adventure and CityWalk.

In addition to the theme park attractions, the County, with its mild climate and natural scenic beauty, offers visitors a wide assortment of activities. Beaches on both the Atlantic coast and Gulf of Mexico are easily accessible from Orlando. The area contains more than 2,000 freshwater lakes that accommodate a wide range of recreational activities. A number of world-class golf and tennis facilities are located in the County and Central Florida. Professional sports franchises such as the NBA's Orlando Magic, Orlando City Soccer Club and Orlando Solar Bears Hockey offer a variety of opportunities for professional sports enthusiasts.

The mild climate, abundant hotel rooms and meeting facilities, the fifth busiest Origin & Destination airport in the United States, and the second largest convention center in the United States (prime exhibit space), make the County a desirable location for business travelers and convention/meeting attendees.

In 2014, the Orange County Convention Center ("OCCC") received the Prime Site Facilities & Top Destinations Award. In previous years, the OCCC was ranked the #1 convention center in the U.S. by Business Review U.S.A. and was awarded the Exhibitor's Choice Awards in the following categories: the Chairman's Award and the Best Convention Center Award.

The County hosted 10.8 million business-related visitors in 2015. Among those who came for a convention or group meeting, 61% stayed overnight, with an average length stay of 2.8 nights.

Tourism is the driving force behind the County and Central Florida's economy. The economic impact on the Central Florida economy in 2015 was \$40 billion in visitor spending, \$6 billion of which came from international visitors and \$34 billion from domestic visitors. More than one third of total wage and salary employment in Orlando is directly or indirectly sustained by tourism. Direct industry employment accounted for \$9.9 billion in direct wages in 2015. In Fiscal Year 2015, tourism generated \$226 million in the County tourist development taxes (all six cents).

Of the 66.5 million visitors in 2015, 60.6 million were domestic and 5.9 million were international. Of the 60.6 million domestic visitors, 49.8 million or 82% were leisure travelers and 10.8 million were business travelers. The average length of stay for overnight leisure visitors was 3.8 nights. Overnight convention/meeting attendees accounted for 3.7 million of the 10.8 million business visitors and had an average stay of 2.8 nights.

Of the 5.9 million international visitors in 2015, 4.7 million were from overseas and 1.2 million were from Canada. Canada remains Orlando's top international country of origin.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

Business and Industry

Metro Orlando serves as one of the top 10 locations in the country for business. From corporate headquarters to regional distribution centers, from product manufacturing to high tech research, Orlando MSA spans a dynamic economic spectrum. Metro Orlando's office market totals more than 37.8 million square feet and had an occupancy rate of approximately 88% as of the fourth quarter of 2016. Sites for new office buildings are available in downtown locations as well as suburban settings. As of the fourth quarter of 2016, the Orlando MSA's total industrial space was over 110 million square feet. Orlando continues to be a key distribution center in Florida. Industrial occupancy rates run more than 95%.

The Metro Orlando Economic Development Commission was established in 1977 to bring new industry into the area. Since then, it has successfully assisted thousands of companies relocate, expand and grow in Metro Orlando.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

Education

The Orlando MSA currently has many notable institutions of higher learning, including the following: the University of Central Florida (a four-year state university with more than 60,000 full and part-time students, second largest university in the nation); Rollins College (the oldest four-year institution of higher learning in the State and an independent, co-educational liberal arts college with a full and part-time equivalent enrollment of more than 3,500 students); Barry University Dwayne O. Andreas School of Law (founded in early 1993 as the University of Orlando School of Law, it became part of Barry University in 1999, and received full ABA accreditation in 2006); Seminole State College (a two-year undergraduate institution that offers six bachelor's degrees and has a total enrollment of more than 18,000 students); Valencia College (a two-year undergraduate institution covering six campuses and centers with almost 70,000 full and part-time students that offers three bachelor's degrees); and the Florida A&M University Law School which opened in Fall of 2002 and has been ABA accredited since 2004.

The UCF College of Medicine was established in 2006 by the Florida Legislature and the Florida Board of Governors to increase opportunities for medical education in Florida, address the physician shortage, and enhance the economy. In the past five years,

enrollment has increased ten-fold. By the 2016-2017 school year, the college will be educating 480 physicians-in-training a year. Additionally, the Burnett School of Biomedical Sciences is training over 3,000 undergraduate, masters, and Ph.D. students.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

Transportation

Air service to Orange County and Central Florida is primarily provided by Orlando International Airport ("OIA"). OIA ranks as the 14th busiest domestic facility, 43rd busiest world facility and the third largest airport property in the country with more than 15,000 acres. Designated as an international port of entry with full customs service, OIA has grown tremendously since 1970. Air passengers have increased from 1.3 million in 1971 to over 41 million in 2016. That increase in travelers gives OIA the distinction of being the second busiest airport in Florida. As of January 2017, OIA was served by 41 airlines comprised of 37 scheduled airlines and four airlines providing cargo service. There are approximately 865 daily flights (based on commercial, military, and general aviation operations). Only 35% of airport property is developed, leaving large areas available for expansion.

Central Florida is also served by five other regional airports: Orlando Executive Airport, Orlando Sanford International Airport, Kissimmee Gateway Airport, Leesburg International Airport and Mid-Florida Airport located in Eustis. Tampa International Airport and Daytona Beach International Airport are within 90 minutes from downtown Orlando.

Commercial bus lines and rail systems are also available in the area. Greyhound Bus Lines provides interstate and intrastate bus service. Amtrak provides passenger service from the Orlando region to many cities in the U.S. In addition, it operates trains between New York and South Florida, through Metro Orlando. Two major, full-service freight stations move goods between north and south Atlantic points and there are six northbound and six southbound freight trains daily. Being the largest rail network in the eastern United States, CSX Transportation owns and maintains approximately 1,750 route miles in Florida. Florida Central Railroad (FCEN) operates 68 miles of track and directly serves industries in the Orlando area. The first phase of SunRail, a commuter rail system that will run along a 61-mile stretch of existing rail freight tracks in Orange, Seminole, Volusia and Osceola counties, has been completed. Service began May 2014. In April 2016, the second phase of construction began, which will extend the current 32-mile stretch further north through Volusia County and south into Osceola County.

Located 50 miles to the east is Port Canaveral, the only deep-water port between the harbors of Jacksonville and Fort Lauderdale. In 2015, to accommodate larger vessels, Port Canaveral completed a project to further deepen the entrance of the port to 46 feet; this project is part of a larger initiative to deepen the harbor to about 50 feet and eventually to 55 feet. Port Canaveral is the second busiest cruise port in the world and

the world's first quadramodal transportation hub, interchanging freight among sea, land, air, and space. During 2015, 3.86 million revenue cruise passengers passed through the Port's cruise terminals (4.17 million passengers when single day revenue passengers are considered). Port Canaveral is home to some of the finest cruise terminals in the world. Six cruise terminals are in operation, and a total of 4.21 million tons of cargo moved through Port Canaveral's facilities in 2015. The Port of Tampa is on Tampa Bay, located 70 miles west of Orlando. Largely a bulk commodities port, it is Florida's largest cargo tonnage port.

The County is at the crossroads of Florida and is crossed by superhighways such as Interstate 4, the Florida Turnpike and the Martin Andersen Beachline Expressway. I-4 connects the Tampa Bay area to Daytona Beach and passes through the heart of downtown Orlando. The Florida Turnpike connects South Florida and Miami with I-4 and with I-75 and North Central Florida. The Beachline links I-95, Cape Canaveral and the East Coast beaches with I-4 and the Florida Turnpike. To relieve congestion, in 2015 FDOT began construction of the I-4 Ultimate project, a 21-mile improvement project that will add four new express lanes in the center of I-4.

In addition to these major interstate thoroughfares, the County is linked throughout by other major road systems. The 408 East-West Expressway expedites cross-town traffic through the City of Orlando. The 12.5-mile Osceola Parkway links the international airport to major attractions and half dozen regional arterial highways. SR 417, a 55-mile, limited access beltway, provides access to the southern and eastern suburbs of Orlando and serves as a southern connection with Orlando International Airport (consists of the Central Florida GreenWay, Seminole Express Way, and Southern Connector Extension). Completing the northwest portion of the beltway around metropolitan Orlando will be the Wekiva Parkway, a 25-mile expressway which will connect SR 417. A section of the parkway opened to traffic in spring 2015, however, the project is expected to be completed in 2021.

Officially known as the Central Florida Regional Transportation Authority, LYNX is the primary mass transit provider in the Orlando urban area with a fleet of approximately 300 buses on 76 routes. LYNX buses operate daily on a fixed route system that primarily serves the communities of Orange, Seminole, and Osceola Counties covering 2,500 square miles and more than 1.8 million people. LYNX provides over 92,000 rides each weekday, delivering approximately 29.4 million passenger trips in 2015. LYNX provides LYMMO, a state-of-the-art, three-mile, dedicated lane bus system in downtown Orlando, available free-of-charge.

Source: Orange County, Florida Bond Disclosure Supplement for the Year Ended September 30, 2016.

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APPENDIX B

**EXCERPTED PAGES FROM THE DISTRICT'S COMPREHENSIVE ANNUAL
FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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**ORANGE COUNTY
PUBLIC SCHOOLS**

Orlando, Florida

**Comprehensive Annual
Financial Report**

For the
Fiscal Year
Ended June 30, 2016

Prepared By:
Finance Department

Report of Independent Auditor

The Honorable Members of the
School Board of Orange County Public Schools
Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Orange County Public Schools, Florida (the "District"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit nor the fiduciary funds, which represent 100 percent of the assets, net position, and revenues of the component units and 2.8 percent of assets and 2.7 percent of liabilities of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the discretely presented component unit and fiduciary funds, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of June 30, 2016 and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison schedules thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 and the other post-employment benefits and pension schedules on pages 74 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditor. In our opinion, the combining and individual fund statements and schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cheryl Behrman LLP". The signature is written in a cursive, flowing style.

Orlando, Florida
December 9, 2016

ORANGE COUNTY PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016

As management of the District School Board of Orange County (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016.

Financial Highlights

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$3,490,355,266 (*net position*).
- The District's total net position increased by \$397,065,223. This increase is primarily attributable to the ongoing investment of the District in new schools and the renovation of existing schools supported by sales tax proceeds and other capital outlay revenues.
- Total revenues of \$2,266,898,783 were comprised of general revenues in the amount of \$2,102,584,032, or 92.8 percent, and program specific revenues from charges for services, grants and contributions in the amount of \$164,314,751, or 7.2 percent.
- For the year ended June 30, 2016, the District had \$1,869,833,560 in expenses related to governmental activities; \$164,314,751 of which were offset by program specific charges or services, grants and other sources. General revenues (primarily taxes and state funding programs) of \$2,102,584,032 were sufficient to provide for the District's programs.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,798,646,442, an increase of \$145,424,851 in comparison with the prior year. Approximately 7.0 percent of this total amount, \$126,427,470, is available for spending at the District's discretion for the purposes defined for each governmental fund (*unassigned fund balance*). The remaining balance of \$1,672,218,972 has been designated as Nonspendable, Restricted, Committed or Assigned.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$126,427,470 or 8.4 percent of total general fund expenditures.
- The District's total long-term debt for bonds, COP's, and capital leases decreased by \$15,081,202 or 1.2 percent, during the current fiscal year due to principal payments.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* (or district-wide financial statements) are designed to provide a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

The *statement of activities* provides information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes, other post employment benefits, and earned but unused vacation and sick leave).

All of the District's activities and services are reported in the *government-wide financial statements*, including instruction, pupil support services, instructional support services, administrative support services, facility maintenance, transportation, and food services. Property taxes, state assistance, and interest and investment earnings finance most of these activities. Additionally, all capital and debt financing activities are reported here. The District currently does not report any business-type activities, which would include functions that are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements include not only the District itself (known as the *primary government*), but also the School Board of Orange County Employee Benefits Trust and the Orange County School Board Leasing Corporation. The School Board of Orange County Employee Benefits Trust (Trust) and the Orange County School Board Leasing Corporation (Corporation), although also legally separate, were formed to administer the District's group health and life insurance program and facilitate financing for the acquisition of facilities and equipment, respectively. Due to the substantive economic relationships between the District and the Trust and Corporation, their financial activities have been included as an integral part of the primary government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains 11 individual governmental funds. Information is presented separately in the governmental balance sheets and in the governmental statements of revenues, expenditures and changes in fund balances for the General Fund and Capital Projects – Other Fund, which are considered to be major funds. Data from the other 9 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. The District maintains one type of proprietary fund – internal service funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its self-insurance programs, employee benefits trust and printing services. Because these services benefit the District's governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

The three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of *combining statements* elsewhere in this report.

Fiduciary funds. Fiduciary funds, which for the District consist solely of *agency funds*, are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds, except that agency funds do not report changes in fiduciary net assets, as agency fund assets should equal liabilities.

Notes to the financial statements. The notes provide additional information that is essential to fully understanding the data provided in the government-wide and fund financial statements.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$3,490,355,266 at the close of the most recent fiscal year.

**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

	Governmental Activities		Percentage
	June 30, 2016	June 30, 2015	Change
Current and Other Assets	\$ 2,070,226,196	\$ 1,891,276,135	9.5%
Capital Assets	3,540,955,855	3,379,313,586	4.8%
Total Assets	5,611,182,051	5,270,589,721	6.5%
Deferred Outflows	294,638,046	195,235,054	50.9%
Total Deferred Outflows	294,638,046	195,235,054	50.9%
Long-Term Liabilities	2,161,561,379	1,976,703,510	9.4%
Other Liabilities	174,022,172	156,043,318	11.5%
Total Liabilities	2,335,583,551	2,132,746,828	9.5%
Deferred Inflows	79,881,280	239,787,903	-66.7%
Total Deferred Inflows	79,881,280	239,787,903	-66.7%
Net Position			
Net Investment in Capital Assets	2,284,888,206	2,077,277,202	10.0%
Restricted	1,397,745,901	1,279,210,000	9.3%
Unrestricted (deficit)	(192,278,841)	(263,197,159)	-26.9%
Total Net Position	<u>\$ 3,490,355,266</u>	<u>\$ 3,093,290,043</u>	12.8%

The largest portion of the District's net position (65.5 percent) reflect its investment in existing capital assets (e.g., land, buildings, machinery, and equipment), net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide educational and related services to its students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. A portion of the District's net position (40.0 percent) reflects its restricted net position for capital projects, debt service, food service and other purposes. The District will use these resources in a continuing effort to build and refurbish sufficient classroom space for the growing student population in Orange County, Florida.

The balance of (\$192,278,841) is shown as unrestricted (deficit) net position. The deficit balance in unrestricted net position is primarily due to reporting of the District's proportionate share of the State's pension liability.

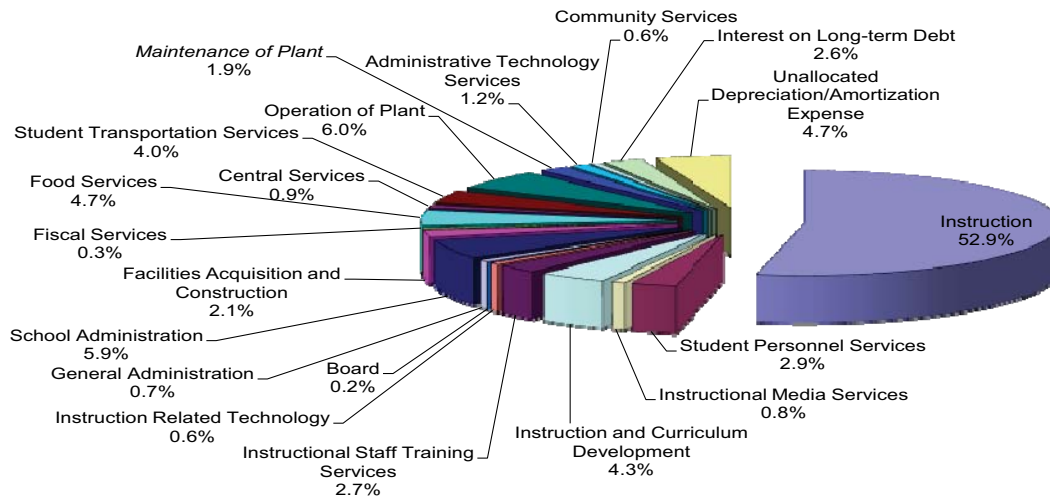
Overall, the District's net position increased by \$397,065,223 during the current fiscal year primarily due to building of capital fund resources for futures school renovations and construction projects and expansion of the digital curriculum initiative.

**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

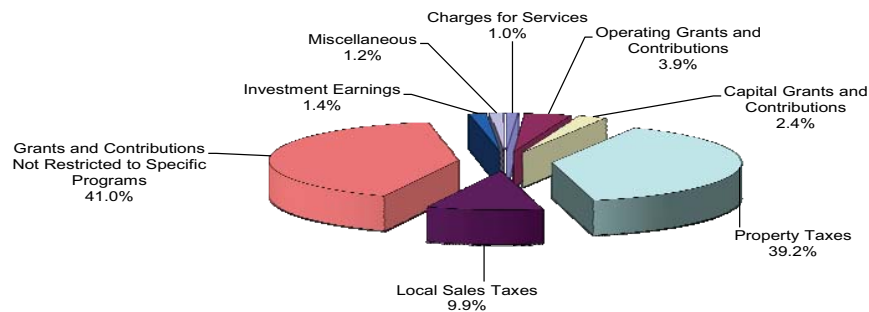
	Governmental Activities		Percentage Change
	For the Fiscal Year Ended		
	June 30, 2016	June 30, 2015	
Revenues			
Program Revenues			
Charges for Services	\$ 21,908,498	\$ 21,681,151	1.0%
Operating Grants and Contributions	88,648,135	78,619,599	12.8%
Capital Grants and Contributions	53,758,118	63,809,285	-15.8%
General Revenues			
Property Taxes	889,668,804	787,688,840	12.9%
Local Sales Tax	224,024,409	209,231,028	7.1%
FEFP Not Restricted to Specific Programs			
Grants and Contributions not			
Restricted to Specific Programs	930,098,898	927,235,614	0.3%
Investment Earnings	32,400,496	13,142,839	146.5%
Miscellaneous	26,391,425	19,822,234	33.1%
Total Revenues	2,266,898,783	2,121,230,590	6.9%
Expenses			
Instruction	\$ 990,035,828	\$ 980,500,950	1.0%
Student Personnel Services	53,842,060	52,618,608	2.3%
Instructional Media Services	15,492,974	15,715,124	-1.4%
Instruction and Curriculum			
Development	80,784,750	78,648,709	2.7%
Instructional Staff Training Services	50,411,593	56,362,038	-10.6%
Instruction Related Technology	11,109,995	11,790,895	-5.8%
Board of Education	4,467,870	4,647,303	-3.9%
General Administration	12,200,342	11,239,101	8.6%
School Administration	110,160,514	106,137,125	3.8%
Facilities Services	39,378,441	66,466,826	-40.8%
Fiscal Services	6,291,443	6,266,407	0.4%
Food Services	88,776,772	84,404,556	5.2%
Central Services	17,751,309	14,750,356	20.3%
Pupil Transportation Services	73,885,523	76,109,464	-2.9%
Operation of Plant	111,339,104	108,568,604	2.6%
Maintenance of Plant	34,943,170	35,909,409	-2.7%
Administrative Technology Services	21,960,369	21,921,750	0.2%
Community Services	10,791,115	10,832,534	-0.4%
Interest on Long-Term Debt	47,613,039	53,174,813	-10.5%
Unallocated Depreciation	88,597,349	83,401,950	6.2%
Total Expenses	1,869,833,560	1,879,466,522	-0.5%
Increase in Net Position	397,065,223	241,764,068	64.2%
Net Position - Beginning	3,093,290,043	2,851,525,975	8.5%
Net Position - Ending	\$ 3,490,355,266	\$ 3,093,290,043	12.8%

ORANGE COUNTY PUBLIC SCHOOLS MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2016

Expenses – Statement of Activities



Revenues by Source – Statement of Activities



**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,798,646,442, an increase of \$145,424,851 in comparison with the prior year. Approximately 7.0 percent of this total amount, \$126,427,470, constitutes unassigned fund balance. The remainder of fund balance is Nonspendable \$4,863,974, Restricted \$1,399,169,005, or Assigned \$268,185,992 to indicate that it is not available for new spending.

The *General Fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$126,427,470, while total fund balance was \$418,660,657. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance represents 8.4 percent of total general fund expenditures, while total fund balance represents 27.7 percent of that same amount.

The fund balance of the District's general fund increased by \$50,754,246 during the current fiscal year. The key factors in this increase are as follows:

- Planned expenditures for professional development training were delayed and expended after the fiscal year end
- Planned expenditures for major student and business system implementations were delayed or canceled
- Funds reserved for future planned expenditures

The *Other Capital Projects Fund*, which is used to account for capital project activity funded sources such as Certificates of Participation, Sales Tax and Impact Fees, has a total fund balance of \$1,049,133,792 all of which is reserved for specific capital projects. The net increase in fund balance during the current year in the other capital projects fund was \$38,531,497 and resulted primarily from building capital fund reserves for future renovation projects. It should also be noted that the entire fund balance has been restricted for capital projects at year-end.

General Fund Budgetary Highlights

There were no differences between the original budget and the final amended General Fund budget in total.

The General Fund actual revenues exceeded the budgeted revenues by approximately \$19.9 million. Other local revenue exceeded the budget by \$21.6 million. The State revenue was less by approximately \$5 million. The General Fund actual expenditures were less than the budgeted appropriations by approximately \$85.7 million. This was due to the delay of planned expenditures for several major initiatives.

**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets as of June 30, 2016 amounts to \$3,540,955,855 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements other than buildings, buildings and fixed equipment, furniture, fixtures and equipment, motor vehicles, audio-visual materials, and computer software. The total increase in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$161,642,269 (4.8 percent).

Major capital asset events during the current fiscal year included the following:

- Rebuilding of Apopka Elementary School
- Rebuilding of Apopka High School
- Construction of 133-K8-N-6 Audubon
- Construction of 21-M-E-2 Avalon Park
- Construction of Bay Lake Elementary School
- Rebuilding of Carver Middle School
- Rebuilding of Chain of Lakes Middle School
- Rebuilding of Clay Springs Elementary School
- Rebuilding of Cypress Creek High School
- Rebuilding of Dr. Phillips High School
- Rebuilding of Dream Lake Elementary School
- Construction of 131-PS8-SW-5 Downtown K8
- Rebuilding of Eagle Creek Elementary School
- Construction of Independence Elementary School
- Rebuilding of Lake Silver Elementary School
- Rebuilding of Lake Weston Elementary School
- Rebuilding of Lake Whitney Elementary School
- Rebuilding of Liberty Middle School
- Rebuilding of Lockhart Elementary School
- Construction of 84-E-W-4 Metro West
- Construction of Millenia Gardens Elementary School
- Rebuilding of Pine Hills Transportation Facility
- Rebuilding of Riverside Elementary School
- Rebuilding of Tangelo Park Elementary School
- Rebuilding of Ventura Elementary School
- Construction of Wedgefield School
- Rebuilding of Westridge Middle School
- Construction of 27-H-W-4 West Orange
- Construction of 52-M-SE-2

**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

**Summary of Capital Assets
(net of depreciation)**

	Governmental Activities	
	June 30, 2016	June 30, 2015
Land	\$ 286,013,604	\$ 273,315,801
Improvements Other Than Buildings	10,664,552	8,910,061
Buildings and Fixed Equipment	3,021,055,140	2,893,230,599
Furniture, Fixtures, and Equipment	63,325,544	58,179,572
Motor Vehicles	42,898,245	40,575,586
Construction in Progress	112,424,342	100,198,661
Computer Software	4,574,428	4,903,306
Total Capital Assets	<u>\$ 3,540,955,855</u>	<u>\$ 3,379,313,586</u>

Additional information on the District's capital assets can be found in the Note 4 to the financial statements.

Long-term debt. At the end of the current fiscal year, the District had total long-term debt outstanding of \$1,292,774,559 none of which is considered to be general "bonded debt" (i.e., backed by the full faith and credit of the District). The District's debt consisted of lease-purchase agreements payable, state school bonds payable, and obligations under capital leases, which are secured by specific revenue sources or the underlying assets.

Summary of Outstanding Debt

	Governmental Activities	
	June 30, 2016	June 30, 2015
Lease-Purchase Agreements Payable	\$ 1,283,016,298	\$ 1,292,614,623
State School Bonds Payable	7,859,000	11,519,000
Obligations Under Capital Leases	1,899,261	3,722,138
Total Debt	<u>\$ 1,292,774,559</u>	<u>\$ 1,307,855,761</u>

During the current fiscal year, the District's total long-term debt decreased by \$15,081,202 (1.2 percent).

The District's Moody's rating for its certificates of participation remained the same "Aa2" rating. Fitch's rating remained the same "AA" rating. The S&P rating remained the same "AA" rating.

Additional information on the District's long-term debt that can be found in Notes 5-10 to the financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016**

Economic Factors and New Year's Budgets and Rates

The following factors were considered in preparing the District's budget for the 2017 fiscal year:

- The unemployment rate in June 2016 for the District (Orlando, Florida) was 4.4 percent, a decrease of 0.6 percent from the prior year rate of 5.0 percent. The State's average unemployment rate as of June 2016 was 4.9 percent. Florida's unemployment rate has decreased 0.6 percent since last year while the nation's rate decreased 0.4 percent during the same time period from 5.5 to 5.1 percent.
- Residential housing continues to rebound, with more housing developments being approved. Related to the District's student population, projected growth in fiscal year 2017 is 4,996 full-time equivalent.
- The cost of health benefits will continue to increase due to the Federal Patient Protection and Affordable Care Act.
- The District continues to expand its digital curriculum initiative and has budgeted funds to build infrastructure and add devices for all remaining students.
- Unassigned fund balance in the general fund at June 30, 2016 was \$126,427,470. The District has assigned \$257,565,822. Of this amount, \$188,009,445 was assigned for Encumbrances and Budget Appropriations, which are included in the 2017 fiscal year budget. The remainder, \$69,556,377 for Other Postemployment Benefits (OPEB), is a long-term liability and as such is not included in the 2017 fiscal year budget.

Although current estimates indicate that no subsequent reductions will be required, the historical experience where adjustments were made in four of the past five years causes some concern regarding the consistency of state funding for the current year. The district has therefore been proactive and set aside adequate reserves to deal with such a contingency should it materialize.

Requests for Information

This financial report is to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Orange County Public Schools, 445 W. Amelia Street, Orlando, Florida, 32801.



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Basic Financial Statements



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ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF NET POSITION
June 30, 2016

	Primary Government	Component Unit The Foundation for Orange County Public Schools, Inc.
	Governmental Activities	
ASSETS		
Cash	\$ 415,084,875	\$ 78,577
Investments	1,582,566,191	1,578,789
Accounts Receivable	2,030,799	-
Interest Receivable	1,201,851	-
Deposits Receivable	225,000	66,980
Due From Other Agencies	64,183,165	-
Inventories	4,784,265	-
Prepaid Expenses	150,050	12,000
Capital Assets:		
Non-Depreciable	398,437,946	-
Depreciable (Net)	3,142,517,909	15,798
Total Assets	5,611,182,051	1,752,144
DEFERRED OUTFLOWS OF RESOURCES		
Accumulated decrease in fair value of hedging derivatives	54,420,628	-
Deferred Amount on Refunding	53,007,344	-
Pension	187,210,074	-
Total Deferred Outflows of Resources	294,638,046	-
LIABILITIES		
Accounts Payable and Other Current Liabilities	86,500,068	550,409
Due to Other Agencies	3,298,337	-
Estimated Unpaid Claims	15,100,000	-
Matured Debt Payable	2,750,861	-
Accrued Interest Payable	17,723,538	-
Unearned Revenue	48,649,368	61,100
Long-Term Liabilities:		
Portion Due or Payable Within One Year:		
Bonds Payable	3,067,000	-
Obligations Under Capital Lease	1,899,261	-
Lease-Purchase Agreements Payable	45,058,521	-
Compensated Absences Payable	9,492,445	-
Estimated Insurance Claims Payable	5,816,874	-
Net Pension Liability	11,645,051	-
Portion Due or Payable After One Year:		
Bonds Payable	4,792,000	-
Lease-Purchase Agreements Payable	1,237,957,777	-
Compensated Absences Payable	101,251,598	-
Estimated Insurance Claims Payable	6,660,618	-
Hedging Derivative Instruments	54,420,628	-
Other Post Employment Benefits	69,556,377	-
Net Pension Liability	609,943,229	-
Total Liabilities	2,335,583,551	611,509
DEFERRED INFLOWS OF RESOURCES		
Pension	79,881,280	-
NET POSITION		
Net Investment in Capital Assets	2,284,888,206	15,798
Restricted for:		
Capital Projects	1,229,293,118	-
Debt Service	109,309,541	-
Food Service	27,683,711	-
State Grants	5,720,684	647,505
State Categorical Programs	5,180,191	-
Post-Secondary	20,558,656	-
Unrestricted (deficit)	(192,278,841)	477,332
Total Net Position	\$ 3,490,355,266	\$ 1,140,635

The accompanying notes are an integral part of the basic financial statements.



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**ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2016**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units
					Governmental Activities	The Foundation for Orange County Public Schools, Inc.
Primary Government:						
Governmental Activities:						
Instruction	\$ 990,035,828	\$ 3,521,361	\$ -	\$ -	\$ (986,514,467)	\$ -
Pupil Personnel Services	53,842,060	-	-	-	(53,842,060)	-
Instructional Media Services	15,492,974	-	-	-	(15,492,974)	-
Instruction and Curriculum Development	80,784,750	-	-	-	(80,784,750)	-
Instructional Staff Training Services	50,411,593	-	-	-	(50,411,593)	-
Instructional Related Technology	11,109,995	-	-	-	(11,109,995)	-
Board of Education	4,467,870	-	-	-	(4,467,870)	-
General Administration	12,200,342	-	-	-	(12,200,342)	-
School Administration	110,160,514	-	-	-	(110,160,514)	-
Facilities Acquisition & Construction	39,378,441	-	-	49,603,969	10,225,528	-
Fiscal Services	6,291,443	-	-	-	(6,291,443)	-
Food Services	88,776,772	10,459,520	88,648,135	-	10,330,883	-
Central Services	17,751,309	-	-	-	(17,751,309)	-
Pupil Transportation Services	73,885,523	657,386	-	-	(73,228,137)	-
Operation of Plant	111,339,104	-	-	-	(111,339,104)	-
Maintenance of Plant	34,943,170	-	-	-	(34,943,170)	-
Administrative Technology Services	21,960,369	-	-	-	(21,960,369)	-
Community Services	10,791,115	7,270,231	-	-	(3,520,884)	-
Interest on Long-Term Debt	47,613,039	-	-	4,154,149	(43,458,890)	-
Depreciation - Unallocated (a)	88,597,349	-	-	-	(88,597,349)	-
Total Primary Government	\$ 1,869,833,560	\$ 21,908,498	\$ 88,648,135	\$ 53,758,118	(1,705,518,809)	-
Component Units:						
The Foundation for Orange County Public Schools, Inc.	2,174,702	-	-	-	-	(2,174,702)
Total Component Units	\$ 2,174,702	\$ -	\$ -	\$ -	-	(2,174,702)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes					727,285,169	-
Property Taxes, Levied for Capital Projects					162,383,635	-
Sales Taxes					224,024,409	-
Grants and Contributions Not Restricted to Specific Programs					930,098,898	2,093,489
Miscellaneous					26,391,425	206
Unrestricted Investment Earnings					32,400,496	38,004
Total General Revenues and Transfers					2,102,584,032	2,131,699
Changes in Net Position					397,065,223	(43,003)
Net Position - Beginning					3,093,290,043	1,183,638
Net Position - Ending					\$ 3,490,355,266	\$ 1,140,635

(a) Excludes direct depreciation expense of programs.

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016**

	General Fund	Other Capital Projects - Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 132,811,216	\$ 171,228,957	\$ 66,369,688	\$ 370,409,861
Investments	324,220,525	869,244,999	254,968,484	1,448,434,008
Accounts Receivable	540,621	-	3,445	544,066
Interest Receivable	-	1,018,734	181,264	1,199,998
Due From Other Funds	3,073,099	-	-	3,073,099
Due From Internal Accounts	59,911	-	-	59,911
Due From Other Agencies	15,401,404	29,004,074	19,777,687	64,183,165
Inventories	3,107,784	-	1,656,141	4,763,925
Prepaid	100,050	-	-	100,050
Total Assets	<u>\$ 479,314,610</u>	<u>\$ 1,070,496,764</u>	<u>\$ 342,956,709</u>	<u>\$ 1,892,768,083</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Salaries and Wages Payable	\$ 33,298,898	\$ -	\$ 3,268,387	\$ 36,567,285
Payroll Deductions and Withholdings Payable	1,618	-	-	1,618
Accounts Payable	24,098,077	5,665,453	1,509,343	31,272,873
Construction Contracts Payable	-	5,021,068	289,025	5,310,093
Construction Contracts Payable - Retained Percentage	-	10,676,451	377,078	11,053,529
Due to Other Funds	-	-	2,996,310	2,996,310
Due to Internal Funds	-	-	-	-
Due to Other Agencies	3,247,706	-	50,631	3,298,337
Matured Debt Payable	-	-	2,750,861	2,750,861
Sales Tax Payable	7,654	-	-	7,654
Unearned Revenue	-	-	863,081	863,081
Total Liabilities	<u>60,653,953</u>	<u>21,362,972</u>	<u>12,104,716</u>	<u>94,121,641</u>
Fund Balances:				
Nonspendable	3,207,834	-	1,656,141	4,863,975
Spendable:				
Restricted	31,459,531	1,049,133,792	318,575,682	1,399,169,005
Assigned	257,565,822	-	10,620,170	268,185,992
Unassigned	126,427,470	-	-	126,427,470
Total Fund Balances	<u>418,660,657</u>	<u>1,049,133,792</u>	<u>330,851,993</u>	<u>1,798,646,442</u>
Total Liabilities and Fund Balances	<u>\$ 479,314,610</u>	<u>\$ 1,070,496,764</u>	<u>\$ 342,956,709</u>	<u>\$ 1,892,768,083</u>

The accompanying notes are an integral part of the basic financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
For the Fiscal Year Ended June 30, 2016**

Total Fund Balances - Governmental Funds **\$ 1,798,646,442**

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Non-Depreciable Assets	\$ 398,437,946	
Depreciable Assets	<u>3,142,517,909</u>	3,540,955,855
Interest on long-term debt is accrued as a liability in the government-wide statements but is not recognized in the governmental funds until due, except for accrued interest received as part of a debt issue.		
Accrued Interest Payable - Government-Wide Statement of Net Position		(17,723,538)
Internal service funds are used by management to charge the costs of its self-insurance programs and the print shop. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, less furniture and equipment, net of accumulated depreciation.		
Total Assets - Internal Service Funds	\$ 180,551,391	
Less, Total Liabilities - Internal Service Funds	(77,727,584)	
Less, Depreciable Assets Reported Above	<u>(20,179)</u>	102,803,628
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$ 187,210,074	
Deferred inflows of resources related to pensions	<u>(79,881,280)</u>	107,328,794
Deferred outflows of resources related to accumulated fair value of hedging derivatives are applicable to future periods and, therefore, are not reported in the funds.		
		54,420,628
Deferred outflows of resources related to the deferred amount on refunding are applicable to future periods and, therefore, are not reported in the funds.		
		53,007,344
Long-term liabilities are not due and payable in the current period and; therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Bonds Payable	\$ (7,859,000)	
Obligations Under Capital Lease	(1,899,261)	
Certificates of Participation Payable	(1,283,016,298)	
Compensated Absences Payable	(110,744,043)	
Hedging Derivative Instruments	(54,420,628)	
Other Post Employment Benefits	(69,556,377)	
Net Pension Liability	<u>(621,588,280)</u>	(2,149,083,887)

Total Net Position- Governmental Activities **\$ 3,490,355,266**

The accompanying notes are an integral part of the basic financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2016**

	General Fund	Other Capital Projects - Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Corps (ROTC)	\$ 1,283,629	\$ -	\$ -	\$ 1,283,629
Other Federal Direct Sources	-	-	11,098,342	11,098,342
Total Federal Direct	1,283,629	-	11,098,342	12,381,971
Federal Through State Sources:				
Food Service	-	-	87,458,580	87,458,580
Other Federal Through State Sources	7,841,333	-	120,622,092	128,463,425
Total Federal through State	7,841,333	-	208,080,672	215,922,005
State Sources:				
Florida Education Finance Program	507,299,057	-	-	507,299,057
Workforce Development	33,303,528	-	-	33,303,528
Categorical Programs	235,254,914	-	-	235,254,914
Food Service	-	-	1,189,555	1,189,555
CO&DS Withheld for SBE/COBI Bond	-	-	4,131,615	4,131,615
CO&DS Distribution	114,117	-	3,550,566	3,664,683
Public Education Capital Outlay	-	-	5,072,496	5,072,496
Other State Sources	7,546,322	-	-	7,546,322
Total State Sources	783,517,938	-	13,944,232	797,462,170
Local Sources:				
Ad Valorem Taxes	727,285,169	-	162,383,635	889,668,804
Local Sales Taxes	-	224,024,409	-	224,024,409
Impact Fees	-	45,961,820	-	45,961,820
Food Service	-	-	10,459,520	10,459,520
Interest Income	6,198,198	18,127,628	6,016,079	30,341,905
Postsecondary Vocational Course Fees	2,457,283	-	-	2,457,283
Other Local Sources	25,577,399	2,699,672	6,913,568	35,190,639
Total Local Sources	761,518,049	290,813,529	185,772,802	1,238,104,380
Total Revenues	\$ 1,554,160,949	\$ 290,813,529	\$ 418,896,048	\$ 2,263,870,526

The accompanying notes are an integral part of the basic financial statements.

ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2016
(continued)

	General Fund	Other Capital Projects - Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
EXPENDITURES				
Current:				
Instruction	\$ 969,274,367	\$ -	\$ 42,292,951	\$ 1,011,567,318
Pupil Personnel Services	42,389,662	-	12,878,405	55,268,067
Instructional Media Services	15,499,879	-	380,319	15,880,198
Instruction and Curriculum Development	54,444,467	-	28,383,885	82,828,352
Instructional Staff Training Services	25,309,551	-	26,191,731	51,501,282
Instructional Related Technology	11,216,670	-	201,612	11,418,282
Board of Education	4,544,304	-	-	4,544,304
General Administration	6,995,085	-	5,349,225	12,344,310
School Administration	112,069,924	-	949,344	113,019,268
Facilities Acquisition & Construction	8,238,326	27,543,237	1,875,766	37,657,329
Fiscal Services	6,276,346	-	172,615	6,448,961
Food Services	-	-	89,971,925	89,971,925
Central Services	17,703,489	-	359,297	18,062,786
Pupil Transportation Services	59,975,925	-	7,635,443	67,611,368
Operation of Plant	112,346,955	-	302,150	112,649,105
Maintenance of Plant	34,334,441	-	49,150	34,383,591
Administrative Technology Services	21,823,737	-	349,920	22,173,657
Community Services	1,049,636	-	9,832,488	10,882,124
Capital Outlay:				
Facilities Acquisition & Construction	86,858	222,998,021	34,701,510	257,786,389
Other Capital Outlay	5,677,524	-	2,018,550	7,696,074
Debt Service:				
Principal	-	-	37,864,483	37,864,483
Interest and Fiscal Charges	-	-	57,041,431	57,041,431
Total Expenditures	<u>1,509,257,146</u>	<u>250,541,258</u>	<u>358,802,200</u>	<u>2,118,600,604</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>44,903,803</u>	<u>40,272,271</u>	<u>60,093,848</u>	<u>145,269,922</u>
OTHER FINANCING SOURCES (USES)				
Refunding Lease-Purchase Agreements	-	-	327,295,000	327,295,000
Premium on Refunding Lease-Purchase Agreements	-	-	36,642,567	36,642,567
Payments to Refunding Bond Escrow Agent	-	-	(368,881,578)	(368,881,578)
Proceeds from the Sale of Capital Assets	966,693	3,980,000	-	4,946,693
Insurance Loss Recoveries	152,247	-	-	152,247
Transfer In	4,731,503	-	111,286,595	116,018,098
Transfer Out	-	(5,720,774)	(110,297,324)	(116,018,098)
Total Other Financing Sources (Uses)	<u>5,850,443</u>	<u>(1,740,774)</u>	<u>(3,954,740)</u>	<u>154,929</u>
Net Change in Fund Balances	<u>50,754,246</u>	<u>38,531,497</u>	<u>56,139,108</u>	<u>145,424,851</u>
Fund Balances, Beginning	<u>367,906,411</u>	<u>1,010,602,295</u>	<u>274,712,885</u>	<u>1,653,221,591</u>
Fund Balances, Ending	<u>\$ 418,660,657</u>	<u>\$ 1,049,133,792</u>	<u>\$ 330,851,993</u>	<u>\$ 1,798,646,442</u>

The accompanying notes are an integral part of the basic financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2016**

Net Change in Fund Balances - Governmental Funds **\$ 145,424,851**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlays, donations, in excess of depreciation expense and gain on sale of capital assets in the current period.

Capital Outlay - Facilities and Construction	\$	257,786,389	
Capital Outlay - Other Capital Outlay		7,696,074	
Donated Assets		969,665	
Net Loss on Sale of Capital Assets		(6,985,786)	
Less, Depreciation Expense		(97,824,073)	
			161,642,269

Proceeds of refunding debt are reported as other financing sources in the governmental funds, while payments to the escrow agent for advance-refunding of outstanding debt are shown as other financing uses. Government-wide statements are affected only to the extent these amounts differ. Other long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net effect of these transactions.

Certificates of Participation	\$	(327,295,000)	
Premium on Certificates of Participation		(36,642,567)	
Principal Payments to Bond Escrow Agent		368,881,578	
			4,944,011

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bonds Payable	\$	3,660,000	
Obligations Under Capital Leases		1,822,877	
Certificates of Participation		32,381,605	
			37,864,482

Interest on long-term debt is recognized as an expenditure in the governmental funds when due, but is recognized as interest accrues in the statement of activities.

Prior Year Accrual	\$	22,493,426	
Less, Current Year Accrual		17,723,538	
			4,769,888

Deferred charges associated with long-term debt issued in a prior period are reported in the statement of activities, but are not a current financial resource and, therefore, are not reported in the governmental funds. This is the net increase in deferred charges during the current period.

4,658,504

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences paid in excess of the amount earned in the current period.

4,284,762

Other Post-Employment Benefits (OPEB) costs are recorded in the governmental funds under the pay-as-you-go method, but under the full accrual method in the Government-Wide statements.

Prior Year Accrual	\$	75,446,684	
Less, Current Year Accrual		69,556,377	
			5,890,307

In the statement of activities, the cost of pension benefits is measured by the decrease in the net pension liability during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for the pension expense. This is the amount of pension benefits paid in excess of pension benefits accrued in the current period.

15,545,665

Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The net revenue of internal service funds is reported with governmental activities plus the depreciation reported above.

12,040,484

Change in Net Position - Governmental Activities **\$ 397,065,223**

The accompanying notes are an integral part of the basic financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2016**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Corps (ROTC)	\$ 1,289,826	\$ 1,289,826	\$ 1,283,629	\$ (6,197)
Total Federal Direct	1,289,826	1,289,826	1,283,629	(6,197)
Federal Through State Sources:				
Medicaid	4,475,000	4,475,000	7,841,333	3,366,333
Total Federal through State	4,475,000	4,475,000	7,841,333	3,366,333
State Sources:				
Florida Education Finance Program	531,202,889	531,202,889	507,299,057	(23,903,832)
Workforce Development	32,940,847	32,940,847	33,303,528	362,681
Categorical Programs	223,181,006	223,181,006	235,254,914	12,073,908
CO&DS Withheld for SBE/COBI Bond	105,207	105,207	114,117	8,910
Other State Sources	1,162,198	1,162,198	7,546,322	6,384,124
Total State Sources	788,592,147	788,592,147	783,517,938	(5,074,209)
Local Sources:				
Ad Valorem Taxes	724,690,940	724,690,940	727,285,169	2,594,229
Interest Income	1,787,500	1,787,500	6,198,198	4,410,698
Postsecondary Vocational Course Fees	3,325,768	3,325,768	2,457,283	(868,485)
Other Local Sources	10,110,500	10,110,500	25,577,399	15,466,899
Total Local Sources	739,914,708	739,914,708	761,518,049	21,603,341
Total Revenues	1,534,271,681	1,534,271,681	1,554,160,949	19,889,268
EXPENDITURES				
Current:				
Instruction	1,053,962,639	1,001,648,257	969,274,367	32,373,890
Pupil Personnel Services	40,329,612	43,529,612	42,389,662	1,139,950
Instructional Media Services	15,521,128	16,521,128	15,499,879	1,021,249
Instruction and Curriculum Development	51,912,322	55,512,322	54,444,467	1,067,855
Instructional Staff Training Services	16,888,495	33,888,495	25,309,551	8,578,944
Instructional Related Technology	13,280,834	13,280,834	11,216,670	2,064,164
Board of Education	4,236,474	4,736,474	4,544,304	192,170
General Administration	5,028,955	7,528,955	6,995,085	533,870
School Administration	102,702,890	115,202,890	112,069,924	3,132,966
Facilities Acquisition & Construction	7,417,609	8,267,609	8,238,326	29,283
Fiscal Services	7,111,844	7,111,844	6,276,346	835,498
Central Services	19,334,974	19,334,974	17,703,489	1,631,485
Pupil Transportation Services	60,887,310	60,887,310	59,975,925	911,385
Operation of Plant	114,859,584	114,859,584	112,346,955	2,512,629
Maintenance of Plant	31,001,877	35,501,877	34,334,441	1,167,436
Administrative Technology Services	50,226,174	50,226,174	21,823,737	28,402,437
Community Services	240,000	1,140,000	1,049,636	90,364
Capital Outlay:				
Facilities Acquisition & Construction	-	86,858	86,858	-
Other Capital Outlay	-	5,677,524	5,677,524	-
Total Expenditures	1,594,942,721	1,594,942,721	1,509,257,146	85,685,575
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,671,040)	(60,671,040)	44,903,803	105,574,843
OTHER FINANCIAL SOURCES				
Proceeds from Sale of Capital Assets	-	-	966,693	966,693
Loss Recoveries	-	-	152,247	152,247
Transfer In	19,508,085	19,508,085	4,731,503	(14,776,582)
Total Other Financial Sources	19,508,085	19,508,085	5,850,443	(13,657,642)
Net Change in Fund Balance	(41,162,955)	(41,162,955)	50,754,246	91,917,201
Fund Balance, Beginning	367,906,411	367,906,411	367,906,411	-
Fund Balance, Ending	\$ 326,743,456	\$ 326,743,456	\$ 418,660,657	\$ 91,917,201

The accompanying notes are an integral part of the basic financial statements.

ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2016

	Governmental Activities - Internal Service Funds
<hr/>	
ASSETS	
Current Assets:	
Cash	\$ 44,675,014
Investments	134,132,183
Accounts Receivable	1,426,822
Interest Receivable	1,853
Deposits Receivable	225,000
Prepaid Items	50,000
Inventories	20,340
Total Current Assets	<u>180,531,212</u>
Noncurrent Assets:	
Furniture and Equipment	97,387
Less Accumulated Depreciation	(77,208)
Computer Software	1,100
Less Accumulated Depreciation	<u>(1,100)</u>
Total Noncurrent Assets	<u>20,179</u>
 Total Assets	 <u>180,551,391</u>
 LIABILITIES	
Current Liabilities:	
Salaries and Wages Payable	42,949
Accounts Payable	2,244,067
Due to Other Funds	76,789
Unearned Revenue	47,786,287
Estimated Unpaid Claims	<u>20,916,874</u>
Total Current Liabilities	<u>71,066,966</u>
Long-Term Liabilities:	
Estimated Insurance Claims Payable	<u>6,660,618</u>
 Total Liabilities	 <u>77,727,584</u>
 NET POSITION	
Net Investment in Capital Assets	20,179
Unrestricted	<u>102,803,628</u>
 Total Net Position	 <u><u>\$ 102,823,807</u></u>

The accompanying notes are an integral part of the basic financial statements.

ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2016

	Governmental Activities - Internal Service Funds
<hr/>	
OPERATING REVENUES	
Charges for Services	\$ 5,450,851
Premium Revenues	206,256,504
Other Operating Revenues	92,040
	<hr/>
Total Operating Revenues	211,799,395
	<hr/>
OPERATING EXPENSES	
Salaries	842,057
Employees Benefits	363,816
Purchased Services	14,885,652
Energy Services	85,000
Material and Supplies	251,741
Capital Outlay	3,430
Claims Expenses	185,375,411
Depreciation	7,402
	<hr/>
Total Operating Expenses	201,814,509
	<hr/>
Operating Income	9,984,886
	<hr/>
NONOPERATING REVENUES	
Interest	2,058,593
	<hr/>
Total Nonoperating Revenues	2,058,593
	<hr/>
Change in Net Position	12,043,479
	<hr/>
Total Net Position, Beginning	90,780,328
	<hr/>
Total Net Position, Ending	\$ 102,823,807
	<hr/>

The accompanying notes are an integral part of the basic financial statements.

**ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2016**

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Interfund Services Provided	\$ 228,244,329
Payments to Suppliers of Goods or Services	(196,867,351)
Payments to Employees	(1,186,484)
Other Operating Cash Receipts	92,040
	<u>30,282,534</u>
Net Cash Provided by Operating Activities	<u>30,282,534</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING	
Acquisition of Capital Assets	(10,397)
	<u>(10,397)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(10,397)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Earnings	2,058,593
Purchases of Investments	2,344,284
	<u>4,402,877</u>
Net Cash Provided by Investing Activities	<u>4,402,877</u>
Net Increase in Cash	34,675,014
Cash, Beginning of Year	<u>10,000,000</u>
Cash, End of Year	<u><u>\$ 44,675,014</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 9,984,886
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	7,402
Changes in Assets and Liabilities:	
Accounts Receivable	16,536,976
Inventory	(2,445)
Accounts Payable	809,262
Salaries and Benefits Payable	19,388
Unearned Revenues	2,114,290
Estimated Unpaid Claims	735,986
Due To Other Funds	76,789
	<u>20,297,648</u>
Total Adjustments	<u>20,297,648</u>
Net Cash Provided by Operating Activities	<u><u>\$ 30,282,534</u></u>
Noncash Investing Activities	
Net Increase in the Fair Value of Investments	<u><u>\$ 828,539</u></u>

The accompanying notes are an integral part of the basic financial statements.

ORANGE COUNTY PUBLIC SCHOOLS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2016

	<u>Agency Funds</u> <u>Student and Club</u> <u>Activities Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 12,341,131
Investments	2,455,904
Accounts Receivable, Net	41,735
Inventory	<u>223,760</u>
Total Assets	<u>\$ 15,062,530</u>
LIABILITIES	
Accounts Payable	\$ 431,971
Internal Accounts Payable	<u>14,630,559</u>
Total Liabilities	<u>\$ 15,062,530</u>

The accompanying notes are an integral part of the basic financial statements.



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ORANGE COUNTY PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

1. Summary of Significant Accounting Policies

Reporting Entity

Orange County Public Schools (the District) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education.

The governing body of the District is the Orange County District School Board (the Board) that is composed of eight elected members, seven board members elected by district and one Board Chairman elected at large. The appointed Superintendent of Schools (Superintendent) is the executive officer of the Board. Geographic boundaries of the District correspond with those of Orange County, Florida.

Pursuant to Section 1001.51(11)(f), Florida Statutes, the Superintendent is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the Florida State Board of Education.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the Board is financially accountable and other organizations that the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading or incomplete.

As required by accounting principles generally accepted in the United States (GAAP), these basic financial statements present the District (the primary government) and its component units. The component units discussed below are included in the District's reporting entity because of the significance of their operational or financial relationships with the District.

Blended Component Units - The District's employee group health and life insurance program, described in a subsequent note, is administered through the School Board of Orange County Employee Benefits Trust (Trust). Assets necessary to fund the program are transferred to the Trust; however, under the terms of the Trust Agreement, the School Board retains control of the assets. Due to the substantive economic relationship between the District and the Trust, the financial activities of the Trust are reported in the accompanying basic financial statements as an internal service fund.

The Orange County School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in a subsequent note. The Board of Directors of the Leasing Corporation are members of the Board who elect to serve as ex-officio Directors. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements as part of the debt service and capital project funds. Separate financial statements for the Leasing Corporation are not published.

Discretely Presented Component Units - The component unit column in the government-wide financial statements includes the financial data of the District's other component units. The Foundation for Orange County Public Schools, Inc. (the Foundation) is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds; receive, hold, invest and administer property; and to make expenditures for the benefit of the District. Section 1001.453, Florida Statutes, requires the Foundation to be authorized and approved by the District. The stated mission of the Foundation is to identify, develop and focus community resources to make a meaningful impact on

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the success of students and teachers of Orange County Public Schools. Because of the nature and significance of its relationship with the District, the Foundation is considered a component unit.

The audit of the financial statements of the Foundation for the fiscal year ended June 30, 2016, was conducted by independent certified public accountant and is filed in the District's administrative office at 445 West Amelia Street, Orlando, Florida.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-Wide Financial Statements – The Government-Wide Financial Statements are prepared under the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the government in its entirety, except for those that are fiduciary. Governmental activities, which generally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which are generally supported by fees charged. The District currently does not have any business-type activities.

The Statement of Net Position includes all assets, deferred outflows, liabilities, and deferred inflows of the District. The Statement of Activities presents a comparison between the direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Depreciation expenses associated with the District's transportation and maintenance departments are allocated to the transportation and maintenance of plant functions, while remaining depreciation expenses are not readily associated with a particular function and are reported as unallocated.

Amounts reported as program revenues include 1) charges for services provided to students for tuition, fees, rental, material, supplies, or other services, 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

The District eliminates from the Statement of Net Position and the Statement of Activities most interfund receivables and payables and transfers between funds as well as the transactions associated with its Internal Service Funds.

Fund Financial Statements – The Governmental Fund Financial Statements are prepared utilizing the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means

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collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues "susceptible to accrual" include ad valorem taxes, reimbursable-type grants and interest on investments. The District considers revenues from ad valorem taxes as available if they are collected within sixty (60) days after year-end. Expenditures are recorded when the fund liability is incurred, which excludes unmatured principal and interest on general long-term debt and accumulated sick and vacation pay, OPEB, claims and judgements and certain prepaid items which are recognized when due/paid.

In applying the "susceptible to accrual" concept to revenues from federal and state sources, the legal contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one type, monies must be expended for the specific purpose or project before the District will receive any amounts; therefore, revenues are recognized based upon the occurrence of the expenditure. In the other type, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the "susceptible to accrual" criteria are met. In all cases, monies received before the revenue recognition criteria have been met, are reported as deferred revenue.

The Agency (Fiduciary) funds are purely custodial in nature (assets equal liabilities) and as such do not have a measurement focus. Agency funds use the accrual basis of accounting to recognize receivables and payables.

The Proprietary Fund Financial Statements are prepared under the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are for self-insurance (property, casualty, liability, and worker's compensation), employee benefits (health and prescription), and printing provided to other funds. Operating expenses for the internal service funds include salaries, employee benefits, purchased services, energy services, materials and supplies, claims expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. The District reports the following major funds:

General Fund - to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes. The General Fund is the District's primary operating fund.

Capital Projects - Other Capital Projects Fund - to account for the financial resources generated by certificates of participation, impact fees, lottery, sales tax and other local sources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects and debt service payments.

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Additionally the District reports the following non-major fund types:

Special Revenue Funds - to account for the financial resources of the school food service program, certain grant program resources, the extended day childcare program, and other such restricted resources.

Debt Service Funds - to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related debt issuance costs.

Capital Projects Funds - to account for financial resources generated from allocations of state revenues, that are to be used for educational capital outlay needs, including new construction, renovation and remodeling projects.

Internal Service Funds - to account for the District's limited self-insurance programs and printing service operations.

Agency Funds - to account for resources of the school internal funds that are used to administer moneys collected at all schools in connection with school, student athletic, class, and club activities.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Budgetary Information

The Board follows procedures established by State statutes and State Board of Education rules in establishing budget balances for governmental funds as described below:

- Annually, budgets are prepared, public hearings are held, and original budgets are adopted for all governmental fund types in accordance with procedures and time intervals prescribed by State Statutes and State Board of Education rules.
- Appropriations are controlled at the function level (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.
- The reported budgetary data consists of the original budget as well as the final appropriated budget after amendments approved by the Board.

Cash and Cash Equivalents

Cash deposits are held in banks that qualify as public depositories under Florida law. All deposits are insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool required by Sections 280.07 and 280.08, Florida Statutes. For the Internal

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Service Funds, the statement of cash flows considers cash as those accounts used as demand deposit accounts.

Cash balances from all funds are combined and invested to extent available. Earnings are allocated monthly to each fund based on a rolling two month average balance of cash and investments.

Investments

Investments consist of amounts placed with various intergovernmental investment pools which hold a majority of U.S. government securities, municipal securities and repurchase agreements. The investment earnings are allocated to each fund based on a rolling two month average investment balance in that fund. Investments also consist of the State of Florida's Special Purpose Investment Account (SPIA) authorized in Section 17.61(1), Florida Statutes, Florida PRIME, Florida Education Investment Trust Fund (FEITF), corporate bonds, municipal bonds, commercial paper, and United States instrumentality securities. All investments are reported at fair value. The District's investment in SPIA is part of an investment pool managed by the Florida Department of Treasury, where the District owns a share of the pool, not the underlying shares of the assets in the pool. The District relies on policies developed by the State Treasury for managing interest and credit risk for this external investment pool.

The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The District's investments in the Florida Education Investment Trust Fund (FEITF), which FEITF indicates is a Securities and Exchange Commission 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

The District categorizes its fair value measurements within the fair value hierarchy established in accordance with generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Types and amounts of investments held at fiscal year-end are described in a subsequent note.

Inventories

Inventories consist of expendable supplies held for consumption in the course of District operations. Transportation, custodial and school supply inventories are stated at cost on a weighted average basis. Food service inventories are stated at cost on the last invoice basis, which approximates the first-in, first-out basis, except that United States Department of Agriculture donated foods are stated at their acquisition value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

Capital Assets and Depreciation

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets acquired are reported at cost in the government-wide statement of net position, but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000 for furniture, fixtures and equipment; motor vehicles; audio visual materials; computer software; improvements other than buildings; buildings and fixed equipment; and construction in progress and which have an

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estimated life of two or more years. All land purchases are capital assets regardless of cost. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the values of the assets or materially extend assets lives are not capitalized and are expensed as incurred. Interest costs incurred during construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Capital assets of the primary government, excluding land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Improvements other than buildings	15 years
Buildings and fixed equipment	20 – 40 years
Furniture, fixtures and equipment	5 - 15 years
Motor Vehicles	5 – 10 years
Audio visual materials and computer software	5 years

Current-year information relative to changes in capital assets is described in a subsequent note.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial net position reports a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has three items that qualify for reporting in this category. They are accumulated decrease in fair value of hedging derivatives, deferred amounts on refunding and pensions reported in the government-wide statements of net position. A deferred amount on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial net position reports a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, which is related to pensions.

Unearned Revenue

Unearned revenue consists primarily of health insurance premiums collected from employees during the fiscal year for the coverage period extending through the plan year end of September 30.

Long-Term Liabilities

Long-term liabilities that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Debt premiums and discounts, as well as deferred amounts on refunding, are deferred and amortized over the life of the debt using the effective interest method. Debt is reported net of the applicable bond premium or discount and deferred amounts on refunding.

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In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize debt premiums and discounts, as well as issuance costs and deferred amounts on refunding, during the current period. The face amount of debt issued is reported as an other financing source while discounts on debt issuances and deferred amounts on refunding are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the portion due and payable at year-end.

Other Postemployment Benefits (OPEB) are reported in the government-wide financial statements. The District subsidizes the premium rates paid by Non-Medicare eligible retirees by allowing them to participate in the health plan at the blended group premium rates for both active and retired employees. OPEB is recorded by the District for the implicit subsidy for Non-Medicare eligible retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the District than those of active employees. The District funds OPEB on a pay-as-you-go basis.

The District makes healthcare available but no longer pays any portion of the healthcare benefits for Medicare eligible retirees. As a result, no health care experience for this group, whether favorable or unfavorable, would reflect on the cost of insurance to the District. Additional information on OPEB is described in a subsequent note.

In the government-wide statement of net position, pension liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Changes in long-term debt for the current year are reported in a subsequent note.

Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted sources (the total of restricted, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's procedure to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, assigned fund balance is depleted first, followed by unassigned fund balance.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund

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balance). The Board does not have a policy regarding the commitment or assignment of fund balances; however, by resolution, the Board has given the ability to assign fund balance to the Superintendent and the Chief Financial Officer. The District does not have commitments imposed by formal action of its highest level of decision-making authority and, as such, the District does not report any committed fund balance.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes. The District also assigns fund balance when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (the Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of six months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State of Florida (the State) provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program that the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental funds financial statements for the balance of categorical educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

District Property Taxes

The Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service. Property taxes consist of ad valorem taxes on real and personal property within the District. The Orange County Property Appraiser determines the real and personal property values within the District. The Orange County Tax Collector then collects the taxes and remits them to the District.

The Board adopted the fiscal year 2015-16 tax levy on September 15, 2015. Property values are assessed as of January 1 each year. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4% for early payment.

Taxes become delinquent after April 1 of the year following the year of assessment, taxes become an enforceable lien on property. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the

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sale of interest-bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when the District receives taxes, except the revenue that is accrued for taxes collected by the Orange County Tax Collector at fiscal year-end but not yet remitted to the District. Because any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued and no delinquent tax revenue deferral is recorded.

Millages and taxes levied for the current year are presented in a subsequent note.

Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards for which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

Impact of Recently Issued Accounting Principles

In February 2015, the GASB issued Statement 72, *Fair Value Measurement and Application*. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, *Measurement of Elements of Financial Statements*, and other relevant literature. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The District has implemented this Statement for the fiscal year 2016.

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for periods beginning after June 15, 2017, replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Among other things, GASB Statement No. 75 requires governments to report a liability on the face of the financial statements for the other postemployment benefits ("OPEB") that they provide and requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Management is currently evaluating the impact of the adoption of this Statement on the District's financial statements.

GASB Statement 79, *Certain External Investment Pools and Pool Participants*, was effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. GASB 79 establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity, and (3) calculation and requirements of a shadow price. The District has implemented this Statement for the fiscal year 2016.

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2. Deposits and Investments

At June 30, 2016, the District had the following investments:

Fair Value Measurements at Reporting Date Using Quoted Prices				
	Amounts Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Government Agencies	\$ 200,285,242	\$ -	\$ 200,285,242	\$ -
Corporate bonds	127,450,587	-	127,450,587	-
Municipal bonds	40,690,221	-	40,690,221	-
Total investments by fair value level	368,426,050	\$ -	\$ 368,426,050	\$ -
Investments measured at net asset value (NAV):				
FL Special Purpose Investment Account (SPIA)	718,634,958			
Total investments measured at NAV	718,634,958			
Investments reported at amortized cost:				
FL Prime (formally SBA)	424,839,325			
Florida Education Investment Trust Fund	65,610,671			
Money Market	7,131,768			
Commercial Paper	379,323			
Total investments reported at amortized cost	497,961,087			
Total Investments, Primary Government	\$ 1,585,022,095			

The District's recurring fair value measurements are valued using quoted prices for similar assets in active markets or identical or similar assets in inactive markets (Level 2 inputs). Florida Prime, Florida Education Investment Trust Fund, money market and commercial paper are reported at amortized cost. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

Certain investments are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. All investments may be redeemed without advance notice and there are no limitations as to the frequency of redemptions for any investment pool. The District has no unfunded commitments to invest in any investment pool.

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Interest Rate Risk

District policies limit the maturity of investments to a 5 year weighted average life as a means of limiting its exposure to fair value losses arising from rising interest rates. Also, at least 3 months of average disbursements should be invested in highly liquid funds with a maturity range of 0-90 days.

The District has \$240,975,463 in obligations of the United States Government Sponsored Agencies/Federal Instrumentalities and Municipal Bonds and \$127,450,587 in Corporate Bonds. These securities included embedded options to call the entire security or a portion thereof, at the option of the issuer; or, depending on market conditions, the issuer may decide to leave the security intact, at stated interest rate, until final maturity. These securities have various call dates with final maturity dates being December 2028.

At June 30, 2016, the District's investments had the following maturities:

Investment	Fair Value	Investment Maturities				
		Less Than				
		6 Months	1 Year	2 Years	5 Years	After
FL Special Purpose Investment Account (SPIA)	\$ 718,634,958	\$ 718,634,958	\$ -	\$ -	\$ -	\$ -
FL Prime (formally SBA)	424,839,325	424,839,325	-	-	-	-
Florida Education Investment Trust Fund	65,610,671	65,610,671	-	-	-	-
Money Market	7,131,768	7,131,768	-	-	-	-
Commercial Paper	379,323	379,323	-	-	-	-
Corporate Bonds	127,450,587	52,135,879	24,575,833	17,038,269	33,700,606	-
Obligations of United States Government Agencies and Instrumentalities and Municipal Bonds	200,285,242	15,014,657	2,861,750	22,813,242	104,681,733	54,913,860
	40,690,221	2,504,275	-	3,150,229	35,035,717	-
Total Investments, Reporting Entity	<u>\$ 1,585,022,095</u>	<u>\$ 1,286,250,856</u>	<u>\$ 27,437,583</u>	<u>\$ 43,001,740</u>	<u>\$ 173,418,056</u>	<u>\$ 54,913,860</u>

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Credit Risk

Investments authorized by District policy are:

- a. Direct Obligations of US Treasury;
- b. US Government Sponsored Agencies or Federal Instrumentalities;
- c. Investment in the Florida Prime Fund;
- d. Investment in the Florida Special Purpose Investment Account;
- e. Investment in the Florida Education Investment Trust Fund;
- f. Certificates of Deposit and Savings Accounts;
- g. Repurchase Agreements;
- h. State and/or Local Government Taxable or Tax-Exempt Debt;
- i. Corporate Notes;
- j. Commercial Paper;
- k. Money Market Funds;

Section 218.415(18), Florida Statutes, requires the District to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in a book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other State or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. The District's \$240,975,463 investments in obligations of Municipalities and United States Government Agencies and Instrumentalities and \$127,450,587 in Corporate Bonds are held by the safekeeping agent, in the name of the District.

Concentration of Credit Risk

Composition of investment portfolio is limited by District policy to:

A. Direct Obligations of the U. S Treasury	100%
B. U. S. Government Sponsored Agencies (Federal Instrumentalities)	80%
C. Florida Prime Fund	100%
D. Florida Special Purpose Investment Account	100%
E. Florida Education Investment Trust Fund	100%
F. Certificates of Deposit and Savings Accounts	100%
G. Repurchase Agreements, fully collateralized by Direct Obligations of U. S. Government Securities	30%
H. State and/or Local Govt. Taxable or Tax-Exempt Debt	20%
I. Corporate Notes	20%
J. Commercial Paper	30%
K. Money Market Funds	100%

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As of June 30, 2016, the District investments in the State of Florida Special Purpose Investment Account (SPIA) totaled \$718,634,958 which is rated A+f by S&P with an effective duration of 2.61 years. These funds allocate investment earnings monthly.

As of June 30, 2016, the District investments in the SBA totaled \$424,839,325 which are 2a-7 like funds with a weighted average life of 58 days and are AAA rated by S&P. These funds allocate investment earnings monthly.

As of June 30, 2016, the District investments in the Florida Education Investment Trust Fund totaled \$65,610,671. These funds are rated AAAm by S&P. The fund is also a 2a-7 fund with a weighted maturity of 41 days.

As of June 30, 2016, the District investments in commercial paper were \$379,323. These funds are rated A1, P1 as required by the district's investment policy. The District holds these funds under a trust indenture in connection with several Certificates of Participation Series.

All District investments are in compliance with District policy in relation to interest rate risk, credit risk, and concentration of credit risk.

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3. Receivables

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered to be fully collectible. As such, no allowance for uncollectible accounts receivable is accrued.

The following is a schedule of due from other agencies at June 30, 2016:

General Fund:	
Orange County Tax Collector	
Unremitted Property Taxes	\$ 12,746,373
Miscellaneous State Agencies	2,655,031
Other Capital Projects Fund:	
State of Florida - Department of Revenue	
Unremitted Sales Tax Collections	19,721,317
Orange County Board of County Commissioners	
Unremitted Impact Fee Collections	5,397,236
City of Orlando - Unremitted Impact Fee Collections	572,411
Miscellaneous Cities Impact Fee Collections	3,313,110
Nonmajor Governmental Funds:	
Capital Improvement Tax Fund:	
Orange County Tax Collector	
Unremitted Property Taxes	2,845,599
Capital Projects CO&DS Fund:	
Florida Department of Education	
CO&DS	50,597
Food Service Fund:	
Florida Department of Education	
Meal Reimbursements	11,753,861
Other Federal Programs Fund:	
Florida Department of Education	
Federal Grant Reimbursements	4,364,280
Miscellaneous Grantor Agencies	763,350
Total Due From Other Agencies	<u>\$ 64,183,165</u>

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4. Changes in Capital Assets

Capital assets activity for the year ended June 30, 2016, is as follows:

Primary Government

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 273,315,801	\$ 12,697,803	\$ -	\$ 286,013,604
Construction in Progress	100,198,661	218,125,196	205,899,515	112,424,342
Total Capital Assets Not Being Depreciated	373,514,462	230,822,999	205,899,515	398,437,946
Capital Assets Being Depreciated:				
Improvements Other Than Building	22,265,604	3,089,815	-	25,355,419
Buildings and Fixed Equipment	3,624,793,840	205,899,515	13,670,772	3,817,022,583
Furniture, Fixtures and Equipment	157,689,058	20,826,421	16,000,269	162,515,210
Motor Vehicles	124,871,402	11,701,137	8,806,032	127,766,507
Audio-Visual Materials	6,928	-	-	6,928
Computer Software	7,335,841	11,756	169,548	7,178,049
Total Capital Assets Being Depreciated	3,936,962,673	241,528,644	38,646,621	4,139,844,696
Less Accumulated Depreciation For:				
Improvements Other Than Building	(13,355,543)	(1,335,324)	-	(14,690,867)
Buildings and Fixed Equipment	(731,563,241)	(72,716,446)	(8,312,244)	(795,967,443)
Furniture, Fixtures and Equipment	(99,509,486)	(14,487,899)	(14,807,719)	(99,189,666)
Motor Vehicles	(84,295,816)	(8,952,109)	(8,379,663)	(84,868,262)
Audio-Visual Materials	(6,928)	-	-	(6,928)
Computer Software	(2,432,535)	(332,295)	(161,209)	(2,603,621)
Total Accumulated Depreciation	(931,163,549)	(97,824,073)	(31,660,835)	(997,326,787)
Total Capital Assets Being Depreciated, net	3,005,799,124	143,704,571	6,985,786	3,142,517,909
Governmental Activities Capital Assets, net	\$ 3,379,313,586	\$ 374,527,570	\$ 212,885,301	\$ 3,540,955,855

All depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Pupil Transportation Services	\$ 8,047,838
Maintenance	1,178,886
Unallocated	88,597,349
Total Depreciation Expense	\$ 97,824,073

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5. Capital Leases

The classes and amounts of property acquired by the District under capital leases are as follows:

<u>Asset Description</u>	<u>Asset Balance</u>
Buses, vehicles and equipment	\$13,219,028

The amortization of assets recorded under capital leases is included with depreciation expense in the accompanying financial statements.

Following are the future minimum lease payments and the present value of the minimum lease payments as of June 30, 2016:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 1,978,844	\$ 1,899,261	\$ 79,583
Total Minimum Lease Payments	1,978,844	1,899,261	79,583
Less Interest	(79,583)	-	-
Present Value of Minimum Payments	<u>\$ 1,899,261</u>	<u>\$ 1,899,261</u>	<u>\$ 79,583</u>

The stated and imputed interest rate is 4.19%.

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6. Certificates of Participation

The District entered into a master financing arrangement on May 1, 1997, which was characterized as a lease-purchase agreement, with the Orange County School Board Leasing Corporation (Leasing Corporation) whereby the District secured financing of various educational facilities, vehicles, and equipment. The financing was accomplished through the issuance of Certificates of Participation (COPs):

Series	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent) (21)	Facility Lease Term Maturity (22)
2002-QZAB (1)	3,900,000	\$ 211,605	None	2016
2007A (2)	165,425,000	9,895,000	4.00-5.00	2032
2008B (3)	105,000,000	105,000,000	Synthetic 4.412	2032
2008C (4)	47,845,000	35,915,000	Synthetic 4.615	2025
2008D (5)	49,255,000	2,640,000	4.00-5.00	2037
2008E (6)	51,020,000	51,020,000	Synthetic 5.112	2022
2009A (7)	185,000,000	620,000	4.00-5.50	2034
2009B-QSCB (8)	35,820,000	35,820,000	1.15	2024
2010A-QSCB (9)	36,229,000	36,229,000	None	2029
2012A (10)	58,530,000	13,680,000	5.00	2019
2012B (11)	79,295,000	75,935,000	3.00-5.00	2027
2013A (12)	19,290,000	17,645,000	4.00-5.00	2025
2014A (13)	63,840,000	63,840,000	5.00	2029
2015A (14)	107,420,000	107,420,000	2.88	2023
2015B (15)	59,325,000	59,325,000	2.71	2026
2015C (16)	132,340,000	132,340,000	5.00	2032
2015D (17)	114,170,000	114,170,000	5.00	2033
2016A (18)	108,155,000	108,155,000	2.23	2027
2016B (19)	36,785,000	36,785,000	2.00-5.00	2034
2016C (20)	182,355,000	182,375,000	5.00	2024
Total		<u>\$ 1,189,020,605</u>		

- (1) On December 11, 2002, the master financing arrangement was amended and the Leasing Corporation issued COPs Series 2002-Qualified Zone Academy Bonds (QZAB). Under the terms of this lease agreement, the District is required to make 13 annual payments of \$211,605 which are deposited with a Trustee and are to be invested with a qualified financial institution until maturity date and, when combined with interest earnings and net appreciation in market value, will be sufficient to pay off the principal balance, in full, at maturity on December 11, 2016.
- (2) On June 29, 2007, the Leasing Corporation issued COPs Series 2007A and Series 2007B to finance the cost of the acquisition and construction of certain educational facilities and related furniture, fixtures, equipment and technology; and costs associated with the issuance of Series 2007A and Series 2007B COPs.
- (3) On April 11, 2008 the Leasing Corporation issued COPs Series 2008B to advance refund COPs Series 2007B.
- (4) On June 30, 2008 the Leasing Corporation issued COPs Series 2008C to advance refund COPs Series 2000B.

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- (5) On September 8, 2008 the Leasing Corporation issued COPs Series 2008D to advance refund COPs Series 2002B.
- (6) On September 8, 2008 the Leasing Corporation issued COPs Series 2008E to advance refund COPs Series 2007C.
- (7) On March 11, 2009, the Leasing Corporation issued COPs Series 2009A to finance the cost of the acquisition and construction of certain educational facilities and related furniture, fixtures, equipment and technology; and costs associated with the issuance of Series 2009A COPs.
- (8) On November 24, 2009, the Leasing Corporation issued COPs Series 2009B-Qualified School Construction Bond (QSCB). The proceeds from the issue will be used for comprehensive updates for one middle school.
- (9) On November 15, 2010, the Leasing Corporation issued COPs Series 2010A-Qualified School Construction Bond (QSCB). The proceeds from the issue will be used for comprehensive updates for two elementary schools and one new construction elementary school.
- (10) On May 3, 2012, the Leasing Corporation issued COPs Series 2012A to advance refund COPs Series 2001A.
- (11) On May 3, 2012, the Leasing Corporation issued COPs Series 2012B to advance refund COPs Series 2002A.
- (12) On September 18, 2013, the Leasing Corporation issued COPs Series 2013A to advance refund a portion of COPs Series 2004A.
- (13) On March 11, 2014, the Leasing Corporation issued COPs Series 2014A to advance refund a portion of COPs Series 2004A.
- (14) On March 11, 2014, 2015, the Leasing Corporation entered into a forward refunding of the COPs Series 2005A. On April 1, 2015, the Leasing Corporation issued COPs Series 2015A.
- (15) On June 10, 2014, the Leasing Corporation entered into a forward refunding of the COPs Series 2005B. On May 4, 2015, the Leasing Corporation issued COPs Series 2015B.
- (16) On December 9, 2014, the Leasing Corporation issued COPs Series 2015C to advance refund COPs Series 2006A.
- (17) On January 21, 2015, the Leasing Corporation issued COPs Series 2015D to advance refund COPs Series 2007A.
- (18) On May 27, 2015, the Leasing Corporation entered into a forward refunding of COPs Series 2006B. On May 5, 2016, the Leasing Corporation issued COPs Series 2016A.
- (19) On April 6, 2016, the Leasing Corporation issued COPs Series 2016B to advance refund COPs Series 2008D.
- (20) On April 20, 2016, the Leasing Corporation issued COPs Series 2016C to advance refund COPs Series 2009A.
- (21) The lease payments are payable by the District, semiannually, on July 25 and January 25, except for the Series 2002 QZAB which is paid annually on December 10, and interest is paid by the Federal government in the form of annual tax credits to the bank or other eligible financial institution that holds the Certificates.
- (22) As a condition of the financing arrangements, the District has given ground leases on District property to the Leasing Corporation, with a rental fee of \$1 per year. The properties covered by the ground lease are, together with the improvement constructed thereon (facilities) and the vehicles and equipment purchased from the financing proceeds, leased back to the District. The lease agreements are automatically renewable through varying dates unless early terminated following the occurrence of an event of default or a non-appropriation of funds to make lease payments, all as described and defined in the leases. If the District fails to renew the lease and to provide for rent payments through to term, it may be required to surrender all facilities, vehicles, and equipment included under the terms of the lease agreements for the benefit of the securers of the COPs.

ORANGE COUNTY PUBLIC SCHOOLS
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The District properties funded by the above-financing arrangement include the following:

Certificates	Description of Property
Series 1997A	Renovation and remodeling at eighteen elementary, four middle, two high schools, and two 9th grade centers.
Series 1999A	Three new elementary and one new middle school; replacement of modular buildings; and a high school expansion/replacement.
Series 2000A	Three elementary schools.
Series 2000B	One high school.
Series 2001A	Refunding of COPs, Series 1997A and 2000A.
Series 2002A	Two alternative education schools; the replacement of one elementary, one middle, and one high school; an addition at one middle school and concrete modular buildings at various sites.
Series 2002B	Three new elementary schools and the replacement of one elementary school.
Series 2002-QZAB	Comprehensive needs and renovation at one elementary school.
Series 2003	Financing and refinancing 295 premanufactured concrete modular structures.
Series 2004	Two middle schools, two elementary schools, portable classrooms to meet immediate needs and portable replacements.
Series 2005A	Refunding of COPs, Series 1997A and 1999A.
Series 2005B	Refunding of COPs, Series 2000A.
Series 2006A	One replacement high school and four elementary schools.
Series 2006B	Refunding of COPs, Series 1999A and 2002A.
Series 2007A/B	One replacement high school, one replacement middle school, one technical center, one high school, and 2 elementary schools.
Series 2007C	Refunding of COPs, Series 1997A
Series 2008B	Refunding of COPs, Series 2007B
Series 2008C	Refunding of COPs, Series 2000B
Series 2008D	Refunding of COPs, Series 2002B
Series 2008E	Refunding of COPs, Series 2007C
Series 2009A	Two replacement high schools.
Series 2009B-QSCB	Comprehensive needs and renovation at one middle school.
Series 2010A-QSCB	Comprehensive needs at two elementary schools and one new elementary school.
Series 2012A	Refunding of COPs, Series 2001A
Series 2012B	Refunding of COPs, Series 2002A
Series 2013A	Refunding of a portion of COPs, Series 2004A
Series 2014A	Refunding of a portion of COPs, Series 2004A
Series 2015A	Refunding of COPs, Series 2005A
Series 2015B	Refunding of COPs, Series 2005B
Series 2015C	Refunding of COPs, Series 2006A
Series 2015D	Refunding of COPs, Series 2007A
Series 2016A	Refunding of COPs, Series 2006B
Series 2016B	Refunding of COPs, Series 2008D
Series 2016C	Refunding of COPs, Series 2009A

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The following is a schedule by years of future minimum lease payments under the above-reference lease agreements together with the present value of minimum lease payments as of June 30:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 84,807,252	\$ 38,276,605	\$ 46,530,647
2018	87,833,668	40,140,000	47,693,668
2019	88,212,983	42,115,000	46,097,983
2020	87,995,900	43,350,000	44,645,900
2021	88,612,346	45,435,000	43,177,346
2022-2026	480,864,718	289,610,000	191,254,718
2027-2031	483,894,040	356,844,000	127,050,040
2032-2036	366,462,950	333,250,000	33,212,950
Total Minimum Lease Payments	1,768,683,857	1,189,020,605	579,663,252
Add: Unamortized Premium	93,995,693	93,995,693	-
Less: Interest	(579,663,252)	-	(579,663,252)
Total Certificates of Participation	<u>\$ 1,283,016,298</u>	<u>\$ 1,283,016,298</u>	<u>\$ -</u>

Hedged Debt and Hedging Derivative Instrument Payments

As of June 30, 2016, aggregate debt service requirements of the District's debt (fixed-rate and variable-rate) and net receipts/payments on associated hedging derivative instruments are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary.

Series 2008B COPs Swap Agreement - Swap Payments and Associated Debt. Assuming interest rates remain the same as at June 30, 2016, annual debt service requirements on the Series 2008B COPs and the interest rate swap would be as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate Swaps, Net</u>	<u>Total</u>
2017	\$ -	\$ 876,750	\$ 4,202,100	\$ 5,078,850
2018	-	876,750	4,202,100	5,078,850
2019	-	876,750	4,202,100	5,078,850
2020	-	876,750	4,202,100	5,078,850
2021	-	876,750	4,202,100	5,078,850
2022-2026	-	4,383,750	21,010,500	25,394,250
2027-2031	27,125,000	4,164,103	19,957,774	51,246,877
2032-2033	77,875,000	1,217,889	5,837,117	84,930,006
	<u>\$ 105,000,000</u>	<u>\$ 14,149,492</u>	<u>\$ 67,815,891</u>	<u>\$ 186,965,383</u>

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Series 2008C COPs Swap Agreement - Swap Payments and Associated Debt. Assuming interest rates remain the same as at June 30, 2016, annual debt service requirements on the Series 2008C COPs and the interest rate swap would be as follows:

Fiscal Year Ending June 30,	Principal	Interest	Interest Rate Swap, Net	Total
2017	\$ 1,920,000	\$ 147,252	\$ 1,510,226	\$ 3,577,478
2018	2,040,000	139,380	1,429,490	3,608,870
2019	2,160,000	131,016	1,343,708	3,634,724
2020	2,290,000	122,159	1,252,880	3,665,039
2021	2,435,000	112,770	1,156,585	3,704,355
2022-2026	25,070,000	402,312	4,126,156	29,598,468
	<u>\$ 35,915,000</u>	<u>\$ 1,054,889</u>	<u>\$ 10,819,045</u>	<u>\$ 47,788,934</u>

Series 2008E COPs Swap Agreement - Swap Payments and Associated Debt. Assuming interest rates remain the same as at June 30, 2016, annual debt service requirements on the Series 2008E COPs and the interest rate swap would be as follows:

Fiscal Year Ending June 30,	Principal	Interest	Interest Rate Swaps, Net	Total
2017	\$ 18,955,000	\$ 408,160	\$ 2,398,960	\$ 21,762,120
2018	19,975,000	256,520	1,507,696	21,739,216
2019	-	96,720	568,472	665,192
2020	-	96,720	568,472	665,192
2021	-	96,720	568,472	665,192
2022-2023	12,090,000	193,440	1,136,944	13,420,384
	<u>\$ 51,020,000</u>	<u>\$ 1,148,280</u>	<u>\$ 6,749,016</u>	<u>\$ 58,917,296</u>

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7. Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2016, and the changes in fair value of such derivative instruments for the year then ended as reported in the 2016 financial statements are as follows:

Governmental Activities Hedging Derivatives:	Change in Fair Value			Fair Value at June 30, 2016	
	Classification	Amount		Amount	Notional
2008B Pay-fixed Interest Rate Swap	Deferred Outflow of Resources	\$ (9,721,483)	Liability	\$ (42,073,756)	\$ 105,000,000
2008C Pay-fixed Interest Rate Swap	Deferred Outflow of Resources	\$ (486,628)	Liability	\$ (8,415,151)	\$ 35,915,000
2008E Pay-fixed Interest Rate Swap	Deferred Outflow of Resources	\$ 1,247,768	Liability	<u>\$ (3,931,721)</u>	\$ 51,020,000
Total Hedging Derivative Instruments				<u>\$ (54,420,628)</u>	

The fair values of the hedging derivatives take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the swaps.

Objective and Terms of Derivative Instruments

The following table displays the objective and terms of the District's derivative instruments outstanding at June 30, 2016, along with the credit rating of the associated counterparty:

Hedging Derivatives:	Objective	Notional	Date	Date	Received	Terms	Counterparty	Credit Rating
2008B Interest Rate Swap	Hedge changes in cash flows on the 2008B Certificates	\$ 105,000,000	6/29/2007	8/1/2032	N/A	Pay 4.412% receive SIFMA Swap Index	Citibank, NA, New York	A1,A+,A
2008C Interest Rate Swap	Hedge changes in cash flows on the 2008C Certificates	\$ 35,915,000	6/16/2002	8/1/2025	N/A	Pay 4.615% receive SIFMA Swap Index	UBS AG, Stamford Branch	A1,A,A
2008E Interest Rate Swap	Hedge changes in cash flows on the 2008E Certificates	\$ 51,020,000	8/1/2007	8/1/2022	N/A	Pay 5.112% receive SIFMA Swap Index	UBS AG Stamford Branch	A1,A,A

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Credit Risk. The District is exposed to credit risk on hedging derivative instruments. The swap's fair value represented the District's credit exposure to the counterparty. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the District is left with variable rate bonds. As of June 30, 2016, the swap counterparties' credit ratings are noted in the above table.

It is the District's policy to enter into netting arrangements whenever it has entered into more than one derivative instrument transaction with counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the nondefaulting party to accelerate and terminate all outstanding transactions and net the transactions' fair values so that a single sum will be owed by, or owed to, the nondefaulting party.

The District has no hedging derivative instruments in asset positions at June 30, 2016.

Interest Rate Risk. The District is exposed to interest rate risk on its interest rate swaps. As the SIFMA swap index decreases, the District's net payment on the swap increases which is offset by the variable rate paid on the hedged debt.

Basis Risk. The District is exposed to basis risk should the variable rate it receives under the agreement be different than the rate it pays on its COPs. Under the requirements of the swap, the District receives a variable payment based on the SIFMA index from the counterparty. The 2008B and 2008E COPs are currently priced in a daily mode and the SIFMA index reflects weekly interest rates. The 2008C COPs are currently priced in a weekly mode and the SIFMA index reflects weekly interest rates. Should the weekly rates become higher than daily rates, the District maintains the option to change the mode on the COPs from a weekly mode to a daily mode.

Termination risk. The District or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract including if either parties credit rating falls below designated levels.

8. Bonds Payable

Bonds payable at June 30, 2016, are as follows:

Bond Type	Interest Rates (Percent)	Annual Maturity To	Amount Outstanding
State School Bonds:			
Series 2009-A	5.0	2019	\$ 780,000
Series 2010-A	4.0-5.0	2022	1,725,000
Series 2014-B	2.0-5.0	2020	5,354,000
Total Bonds payable			<u>\$ 7,859,000</u>

The various bonds were issued to finance capital outlay projects of the District.

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State School Bonds

The State Board of Education on behalf of the District issues these bonds. The bonds mature serially and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. The State Board of Education and the State Board of Administration are responsible for administering principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2016, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 3,448,860	\$ 3,067,000	\$ 381,860
2018	2,990,510	2,762,000	228,510
2019	927,410	837,000	90,410
2020	644,460	593,000	51,460
2021	375,000	345,000	30,000
2022-2023	267,750	255,000	12,750
Total Bonds Payable	<u>\$ 8,653,990</u>	<u>\$ 7,859,000</u>	<u>\$ 794,990</u>

9. Defeased Debt

On April 6, 2016, the District issued COPs Series 2016B to advance refund COPs Series 2008D. The COPs Series 2016B of \$36,785,000 (par value) with interest rates ranging from 2% to 5.0% was issued to advance refund COPs Series 2008D with interest rates ranging from 4.4% to 5.0% and a par value of \$41,500,000. The refunding of the 2008D Series resulted in an economic savings (difference between the present value of the debt service payments on the old and new debt) of \$4,649,196 and a decrease in the District's total debt service requirement by \$5,433,018. The COPs final maturity was not extended and remains August 1, 2027. The COPs were issued at a net premium of \$8,662,260 and after paying issuance costs of \$304,514, the net proceeds were \$45,495,271. The net proceeds from issuance of the COPs along with \$2,726,099 of the District's funds totaling \$45,495,271 were used to provide funds for purpose of funding an escrow deposit, the proceeds of which will be applied to fully prepay on August 1, 2018, the COPs Series 2008D. As a result, \$41,500,000 of the 2008D certificates are considered to be defeased in-substance and the liability for these certificates has been removed from the District's government-wide financial statements in the current fiscal year.

On April 20, 2016, the District issued COPs Series 2016C to advance refund COPs Series 2009A. The COPs Series 2016C of \$182,355,000 (par value) with interest rate of 5.0% was issued to advance refund COPs Series 2009A with interest rates ranging from 4.3% to 5.5% and a par value of \$184,380,000. The refunding of the 2009A Series resulted in an economic savings (difference between the present value of the debt service payments on the old and new debt) of \$18,076,829 and a decrease in the District's total debt service requirement by \$23,945,370. The COPs final maturity was not extended and remains August 1, 2034. The COPs were issued at a net premium of \$27,980,307 and after paying issuance costs of \$743,662, the net proceeds were \$211,813,976. The District's funds totaling \$211,813,976 were used to provide funds for purpose of funding an escrow deposit, the proceeds of which will be applied to fully prepay on August 1, 2019, the COPs Series 2009A. As a result, \$184,380,000 of the 2009A certificates are considered to be defeased in-substance and the liability for these certificates has been removed from the District's government-wide financial statements in the current fiscal year.

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On May 5, 2016, the District issued COPS Series 2016A to advance refund COPS Series 2006B. The COPS Series 2016A of \$108,155,000 (par value) with interest rate of 2.2% were issued to advance refund COPS Series 2006B with interest rate ranging from 4.0% to 5.0% and a par value of \$108,885,000. The refunding of the 2006B Series resulted in an economic savings (difference between the present value of the debt service payments on the old and new debt) of \$15,750,219 which will decrease the District's total debt service requirement by \$19,771,922. The COPS final maturity was not extended and remains August 1, 2024. After paying issuance costs of \$173,034, the net proceeds of the COPS issuance were \$107,981,966. The net proceeds from issuance along with \$3,590,365 of the District funds totaling \$111,572,331 were used to provide funds for purpose of funding an escrow deposit, the proceeds of which will be applied to fully prepay on August 1, 2016 the COPS Series 2006B. As a result, \$108,885,000 of the 2006B certificates are considered to be defeased in-substance and the liability for these certificates has been removed from the District's government-wide financial statements in the current fiscal year.

The Board defeased in-substance certain outstanding bonds and certificates of participation (COPs) by placing a portion of the proceeds of new bonds and new COPs in an irrevocable trusts to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the in-substance defeased COPs are not included in the District's financial statements. On June 30, 2016, debt considered defeased in-substance are as follows:

<u>Debt Issues</u>	<u>Amount Outstanding</u>
Certificates of Participation, Series 2006A	\$ 145,215,000
Certificates of Participation, Series 2006B	108,885,000
Certificates of Participation, Series 2007A	124,395,000
Certificates of Participation, Series 2008D	41,500,000
Certificates of Participation, Series 2009A	184,380,000
Total Defeased Debt	<u>\$ 604,375,000</u>

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10. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities:

Description	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016	Due In One Year
Certificates of Participation	\$ 1,228,852,210	\$ 327,295,000	\$ 367,126,605	\$ 1,189,020,605	\$ 38,276,605
Add: Unamortized COPs Premium (Discount)	63,762,413	36,642,567	6,409,287	93,995,693	6,781,916
Total Certificates of Participation	1,292,614,623	363,937,567	373,535,892	1,283,016,298	45,058,521
Bonds Payable	11,519,000	-	3,660,000	7,859,000	3,067,000
Obligations Under Capital Lease	3,722,138	-	1,822,877	1,899,261	1,899,261
Estimated Insurance Claims Payable	13,741,506	4,603,446	5,867,460	12,477,492	5,816,874
Compensated Absences	115,028,805	4,548,307	8,833,069	110,744,043	9,492,445
Other Post-Employment Benefits	75,446,684	-	5,890,307	69,556,377	-
Net Pension Liability	419,170,469	202,417,811	-	621,588,280	11,645,051
Derivative Instrument	45,460,285	10,208,111	1,247,768	54,420,628	-
Total	<u>\$ 1,976,703,510</u>	<u>\$ 585,715,242</u>	<u>\$ 400,857,373</u>	<u>\$ 2,161,561,379</u>	<u>\$ 76,979,152</u>

For the governmental activities, compensated absences and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the Internal Service Funds.

11. Fund Balance Reporting

Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the District's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances for governmental funds, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District reports its inventories and prepaid items as nonspendable and does not have any nonspendable funds related to endowments.

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In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on spending constraints.

Restricted - Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.

Committed - Fund balances that contain self-imposed constraints of the government from its highest level of decision making authority such as school board resolutions.

Assigned - Fund balances that contain self-imposed constraints of the government to be used for a particular purpose.

Unassigned – Fund balance of the general fund that does not have a constraint for any particular purpose.

The District has classified its fund balances with the following hierarchy:

Nonspendable: The District has inventories totaling \$4,763,925 and prepaid items totaling \$100,050 that are classified as nonspendable.

Spendable: The District has classified the spendable fund balances as *Restricted, Assigned and Unassigned* and considered each to have been spent when expenditures are incurred. The District does not have a policy regarding the commitment or assignment of fund balances, however, by resolution, the Board has given the ability to assign fund balance to the Superintendent and the Chief Financial Officer. The District does not report any *Committed* fund balance. When restricted, assigned, and unassigned funds are available for use, the District's procedures are to use the restricted funds first, followed by the assigned funds and then the unassigned funds last.

Restricted for State Categorical Programs, State Grants, Food Service, Debt Service and Capital Projects:

Federal Laws, Florida Statutes and local ordinances require that certain revenues be specifically designated for the purposes of state categorical programs, food service, debt service, and capital projects. These funds have been included in the restricted category of fund balance. The restricted fund balances totaled \$1,399,169,005 and represented \$5,180,191 in State categorical programs, \$20,558,656 Post Secondary Schools Rollover budget, \$5,720,684 in State Grants, \$27,683,711 in food service, \$127,033,079 in debt service and \$1,212,992,684 in capital projects.

Assigned for School Operations and Other Purposes:

The assigned fund balances totaled \$268,185,992. For the General Fund, the Chief Financial Officer of the Board has assigned the OPEB liability of \$69,556,377; Board Projects of \$69,597,286; and K-12 School Rollover Budgets of \$46,424,901. Also for the General Fund, the District reports as assigned outstanding purchase obligations of \$3,468,609 that have not been previously reported as restricted and \$68,518,649 needed to eliminate expected expenditures over expected revenues in the subsequent year budget approved by the Board. In addition, \$10,620,170 of positive fund balance in non-General Funds that has not been reported as nonspendable or restricted is reported as assigned fund balance.

Unassigned:

The unassigned fund balance for the General Fund is \$126,427,470.

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	<u>Major Funds</u>			
	<u>General Fund</u>	<u>Capital Projects - Other Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances:				
Nonspendable:				
Inventories				
General Fund	\$ 3,107,784	\$ -	\$ -	\$ 3,107,784
Special Revenues -				
Food Service	-	-	1,656,141	1,656,141
Prepaid Items	100,050			100,050
Restricted:				
Categorical Programs	5,180,191	-	-	5,180,191
Post Secondary Rollover Budgets	20,558,656	-	-	20,558,656
State Grants	5,720,684	-	-	5,720,684
Special Revenues -				
Food Service	-	-	27,683,711	27,683,711
Debt Service	-	-	127,033,079	127,033,079
Capital Projects	-	1,049,133,792	163,858,892	1,212,992,684
Assigned:				
School Operations:				
Encumbrances	3,468,609	-	-	3,468,609
Board Projects	69,597,286	-	-	69,597,286
K-12 Schools Rollover Budgets	46,424,901	-	-	46,424,901
Next Year's Budget Deficit	68,518,649	-	-	68,518,649
Other Purposes				
OPEB	69,556,377	-	-	69,556,377
Special Revenues -				
Other	-	-	10,620,170	10,620,170
Unassigned:	<u>126,427,470</u>	<u>-</u>	<u>-</u>	<u>126,427,470</u>
Total Fund Balance	<u><u>\$ 418,660,657</u></u>	<u><u>\$ 1,049,133,792</u></u>	<u><u>\$ 330,851,993</u></u>	<u><u>\$ 1,798,646,442</u></u>

The District has not established a contingency reserve or "Rainy Day Fund". Instead the Board has approved in the budget to set aside 3 percent of recurring budgeted revenues at the beginning of each year to cover unforeseen events (e.g. revenue shortfalls, student enrollment under projections, etc.). At the end of fiscal year, the unassigned general fund balance was \$126,427,470 or 7.9 percent of general fund total budgeted revenues for fiscal year 2017.

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12. Interfund Transfers

The following is a summary of interfund receivables and payables reported in the fund financial statements at June 30, 2016:

Funds	Interfund	
	Receivables	Payables
	Due From	Due To
Major Governmental Funds:		
General	\$ 3,073,099	\$ -
Nonmajor Governmental Funds:		
Special Revenue - Other Federal	-	2,996,308
Special Revenue - ARRA	-	2
Internal Service - Other	-	76,789
Total	\$ 3,073,099	\$ 3,073,099

The interfund receivable and payable represents payments made prior to year-end but reimbursed by the grantor after year end and therefore is repaid within 12 months.

The following is a summary of interfund transfers reported in the fund financial statements at June 30, 2016:

Funds	Interfund	
	Transfer	Transfer
	In	Out
Major Governmental Funds:		
General	\$ 4,731,503	\$ -
Capital Projects - Other	-	5,720,774
Nonmajor Governmental Funds		
Debt Service - Other	111,279,595	-
Debt Service - ARRA	7,000	-
Capital Projects - PECO	-	4,731,503
Capital Projects - Local Capital Improvement Tax	-	105,565,821
Total	\$ 116,018,098	\$ 116,018,098

The interfund transfers represent the payments of expenditures by one fund for another fund. The transfers in for the General Fund consist of \$2.3 million from the Capital Projects - PECO Fund for Charter School Capital Outlay and \$2.8 million from the Capital Projects- PECO Maintenance Fund. The transfers in for Debt Service are from Capital Projects Funds for the debt service payments for capital leases and COPs payments recorded in the Debt Service – Other.

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13. Schedule of State Revenue Sources

The District's principal source of revenues is the State, which provided approximately 35% of total revenues in the 2016 fiscal year. The following is a schedule of State revenue sources and amounts:

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$ 507,299,057
Categorical Educational Programs	230,732,745
Workforce Development	33,303,528
CO&DS Withheld for SBE/COBI Bonds	4,268,266
Voluntary Pre-Kindergarten Program	4,522,169
Charter Schools Capital Outlay	2,307,927
CO&DS Distributed to District	3,528,032
PECO Maintenance	2,764,569
Food Service Supplement	1,189,555
State License Tax	523,014
Miscellaneous State Grants	7,023,308
Total	<u><u>\$ 797,462,170</u></u>

14. Property Taxes

The following is a summary of millage and taxes levied on the 2015 tax roll for the 2015-2016 fiscal year:

	<u>Millages</u>	<u>Taxes Levied</u>
General Fund		
Nonvoted School Tax:		
Required Local Effort	4.970	\$ 558,467,607
Basic Discretionary Local Effort	0.748	84,051,060
Voted School Tax:		
Additional Voted Milleage	1.000	112,367,728
Capital Projects Funds		
Nonvoted Tax:		
Local Capital Improvement	1.500	168,551,591
Total	<u><u>8.218</u></u>	<u><u>\$ 923,437,986</u></u>

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15. State Retirement Programs

Florida Retirement System. The Florida Retirement System (FRS) was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost sharing multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The District's pension expense totaled \$27,282,951 for the fiscal year ended June 30, 2016.

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Teachers' Retirement System, Plan E and a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<i>Regular Class members initially enrolled before July 1, 2011</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<i>Elected County Officers</i>	3.00
<i>Senior Management Service Class</i>	2.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

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Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2015-16 fiscal year were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	3.00	7.26
Florida Retirement System, County Elected Officers	3.00	42.27
Florida Retirement System, Senior Management Service	3.00	21.43
Teachers' Retirement System, Plan E	6.25	11.90
Deferred Retirement Option Program – Applicable to Members from All of the Above Classes or Plans	0.00	12.88

(A) Employer rates include the post-employment health insurance supplement of 1.66% and .04% for administrative costs of the Public Employee Optional Retirement Program.

The District's expenditures/contributions to the Plan totaled \$53,281,522 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2016, the District reported a liability of \$304,309,382 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportion of the net pension liability was based on the District's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportion was 2.35 percent, which was an increase of 0.08 percent from its proportion measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$27,282,951 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 32,126,060	\$ 7,217,292
Change of assumptions	20,198,034	-
Net difference between projected and actual earnings on FRS pension plan investments	-	72,663,988
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	25,854,034	-
District FRS contributions subsequent to the measurement date (fiscal year 2016 contributions)	53,281,522	-
Total	\$ 131,459,650	\$ 79,881,280

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The deferred outflows of resources related to pensions, totaling \$53,281,522, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2017	\$ (18,546,634)
2018	(18,546,634)
2019	(18,546,634)
2020	41,403,426
2021	10,087,946
Thereafter	2,445,378
Total	<u><u>\$ (1,703,152)</u></u>

Actuarial Assumptions. The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.65 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.2%	3.1%	1.7%
Fixed Income	18%	4.8%	4.7%	4.7%
Global Equity	53%	8.5%	7.2%	17.7%
Real Estate (Property)	10%	6.8%	6.2%	12.0%
Private Equity	6%	11.9%	8.2%	30.0%
Strategic Investments	12%	6.7%	6.1%	11.4%
Total	100%			
Assumed inflation - Mean		2.6%		1.9%

Note: (1) As outlined in the Plan's investment policy

Discount Rate. The discount rate used to measure the total pension liability was 7.65 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	<u>1% Decrease (6.65%)</u>	<u>Current Discount Rate (7.65%)</u>	<u>1% Increase (8.65%)</u>
District's proportionate share of the net pension (asset) liability	\$ 788,534,432	\$ 304,309,382	\$ (98,645,397)

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2016, the District reported no payables for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2016.

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HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided. For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2016, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's expenditures/contributions to the HIS Plan totaled \$15,773,166 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2016, the District reported a net pension liability of \$317,278,898 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2014-15 fiscal year contributions relative to the total 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was 3.11 percent, which was an increase of 0.11 percent from its proportionate share measured as of June 30, 2014.

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For the fiscal year ended June 30, 2016, the District recognized pension expense of \$26,226,072 related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 24,961,568	\$ -
Net difference between projected and actual earnings on HIS pension plan investments	171,752	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	14,843,938	-
District contributions subsequent to the measurement date	15,773,166	-
Total	\$ 55,750,424	\$ -

The deferred outflows of resources related to pensions, totaling \$15,773,166, resulting from District contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2017	\$ 6,935,835
2018	6,935,835
2019	6,935,835
2020	6,900,926
2021	6,884,170
Thereafter	5,384,657
Total	\$ 39,977,258

Actuarial Assumptions. The total pension liability in the July 1, 2015, determined by applying update procedures to the actuarial valuation at July 1, 2014, used the following actuarial assumptions, applied to all periods included in the measurement::

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.80 percent

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

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While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 3.8 percent, which is a reduction from 4.29 percent used at the preceding measurement date. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used to determine the total pension liability decreased from 4.29 percent from the prior measurement date.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.8 percent) or 1-percentage-point higher (4.8 percent) than the current rate:

	1% Decrease (2.8%)	Current Discount Rate (3.8%)	1% Increase (4.8%)
District's proportionate share of the net pension liability	\$361,524,535	\$317,278,898	\$280,384,679

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2016, the District reported no payables for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2016.

Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part

ORANGE COUNTY PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and be forfeited benefits of Investment Plan members. Allocations to the investment member's accounts during the 2015-16 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5 year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension expense totaled \$11,987,305 for the fiscal year ended June 30, 2016.

ORANGE COUNTY PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

16. Other Postemployment Benefits

Plan Description. The other postemployment benefits plan is a single-employer defined benefit plan administered by the District. Pursuant to the provision of the Section 112.0801, Florida Statutes, former employees who retire from the District, and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical and prescription coverages. The postemployment healthcare and life insurance plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system (PERS) or another entity.

Funding Policy. The District funds the postemployment benefit on a pay-as-you go basis. Contribution requirements of the plan members and the District are established and may be amended by the Board. Effective October 1, 2014, once the participant or spouse attains age 65, the District does not continue coverage. Postemployment healthcare and life insurance are optional benefits available through the District after retirement, but retirees must pay the full premium. Therefore, no liability to the District for these benefits. For the fiscal year 2015-16, retiree contributions totaled \$4,749,747, which represents 0.6 percent of covered payroll.

Annual OPEB Cost and Net OPEB Obligations. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

<u>Description</u>	<u>Amount</u>
Normal Cost (service cost for one year)	\$ 1,039,827
Amortization of Unfunded Actuarial Accrued Liability	1,545,910
Interest on Normal Cost and Amortization	<u>41,593</u>
Annual Required Contribution (ARC)	2,627,330
Interest on Net OPEB Obligation (NOO)	3,017,867
Adjustment to Annual Required Contribution	<u>(6,785,757)</u>
Annual OPEB Cost (Expense)	(1,140,560)
Contribution Toward the OPEB Cost	<u>4,749,747</u>
Decrease in Net OPEB Obligation	(5,890,307)
Net OPEB Obligation, Beginning of Year	<u>75,446,684</u>
Net OPEB Obligation, End of Year	<u><u>\$ 69,556,377</u></u>

ORANGE COUNTY PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

The District's annual OPEB Cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2016, and the two preceding years, was as follows:

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	\$ 11,225,626	\$ 3,970,389	35.37%	\$ 79,408,945
June 30, 2015	\$ (655,813)	\$ 3,306,448	(504.18%)	\$ 75,446,684
June 30, 2016	\$ (1,140,560)	\$ 4,749,747	(416.44%)	\$ 69,556,377

The change in plan provisions, to exclude any subsidy of retirees once they turn 65, has a lingering impact on the expense for the fiscal year 2016. The expense remains negative, (\$1,140,560). The actuarial accrued liability remains low at \$40,066,679.

Funded Status and Funding Process. The funded status of the plan as of June 30, 2016, was as follows:

Actuarial Accrued Liability (a)	\$ 40,066,679
Actuarial Value of Plan Assets (b)	-
Unfunded Actuarial Accrued Liability (c)=(a-b)	<u>\$ 40,066,679</u>
Funded Ratio (b/a)	0.00%
Covered Payroll (Active Plan Members) (d)	\$ 845,820,696
UAAL as a Percentage of Covered Payroll (c/d)	4.74%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information.

Actuarial Methods and Assumptions. Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The entry age normal cost actuarial method was used to determine OPEB actuarial valuation. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4.0 percent discount rate. The actuarial assumptions also included an annual healthcare cost trend of 6.5 percent for the fiscal year 2015-16, then dropping to an ultimate rate of 5 percent in fiscal year 2020-21. The actuarial assumptions also included an inflation rate of 3.0 percent and 3.0 percent for salary increases. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls over a 30 year period on an open basis.

ORANGE COUNTY PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

17. Construction Contract and Other Commitments

Construction Contracts

The following is a summary of major construction contract commitments remaining at fiscal year-end:

<u>Project</u>	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Balance Committed</u>
Avalon Park ES	\$ 22,535,893	\$ 5,356,877	\$ 17,179,016
Carver MS Replacement	23,564,939	4,253,941	19,310,998
Downtown K-8	37,499,557	5,193,665	32,305,892
Englewood ES Replacement	14,598,872	-	14,598,872
Innovation Place	19,894,721	3,674,289	16,220,432
Metrowest ES	15,133,122	387,371	14,745,751
Ventura ES Replacement	14,062,545	4,834,015	9,228,530
West Orange HS	52,628,101	9,935,570	42,692,531
44-E-SE-2	15,635,581	573,524	15,062,057
Total	<u>\$ 215,553,331</u>	<u>\$ 34,209,252</u>	<u>\$ 181,344,079</u>

Encumbrances

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The following is a schedule of encumbrances remaining at fiscal year-end:

General	\$ 18,644,170
Capital Projects - Other	291,719,253
Nonmajor Governmental Funds	<u>33,802,514</u>
Total Governmental Funds	<u>\$ 344,165,937</u>

18. Risk Management Programs

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District relies on sovereign immunity and therefore does not procure general liability or automobile insurance. Other lines of coverage are being provided on a self-insured basis subject to specified retentions. The District has contracted with claims administrators to administer these self-insurance programs, including the processing, investigating, and payment of claims.

A liability was actuarially determined to cover estimated incurred but not reported insurance claims payable at June 30, 2016. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using an investment yield rate of 2% as determined by a review of the District's interest rates received from intergovernmental pooled investment funds and government securities. These liabilities are \$12,477,492 at June 30, 2016. Settled claims

ORANGE COUNTY PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

resulting from the risks described above have not exceeded into the excess commercial insurance coverage in any of the past three fiscal years.

The District provides employee group health and life insurance. The group health plan is self-insured through the Employee Benefits Trust and life insurance is obtained through a commercial carrier. Under these plans, the Board contributes employee premiums as fringe benefits to employees. The employees pay a portion of the costs in the two premium group health plans while the District pays all of the employee costs in the two basic group health plans. Premiums for coverages provided for employee dependents and retirees and their dependents are paid in advance by the employee or retiree. These plans provide for maximum premiums based on the number of participants and individual or family coverages. The group health plan is administered by third-party administrators that are reimbursed by the District from a detail record of services provided. There is no stop loss protection on the group health plan. The District has different funding arrangements with each of the groups that reimburse the claims and healthcare expenses. The District reported an estimated unpaid claims liability of \$15,100,000 in the Internal Service Funds for the group health insurance program at June 30, 2016.

The following schedule represents the changes in the claims liability for the past two fiscal years for the District's self-insurance programs:

	June 30, 2015 Beginning Fiscal Year- End	Current-Year Claims and Changes in Estimates	Claims Payments	June 30, 2016 Ending Fiscal Year-End
2014-15	\$ 24,958,765	176,295,476	(174,412,735)	\$ 26,841,506
2015-16	\$ 26,841,506	186,111,397	(185,375,411)	\$ 27,577,492

19. Litigation and Contingencies

The District is a defendant in numerous lawsuits as of June 30, 2016. It is the opinion of management, after giving consideration to the District's related insurance coverage, as well as the Florida statutory limitations on governmental liabilities on uninsured risks, that the amount of loss resulting from litigation that exceed the above mentioned limits would not be material to the financial position of the District.

Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**ORANGE COUNTY PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS PLAN**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
July 1, 2013	\$ -	\$ 232,984,958	\$ 232,984,958	0.0%	\$ 677,026,084	34.4%
July 1, 2014	\$ -	\$ 47,497,511	\$ 47,497,511	0.0%	\$ 791,543,300	6.0%
July 1, 2015	\$ -	\$ 40,066,679	\$ 40,066,679	0.0%	\$ 797,002,438	5.0%

**SCHEDULE OF ORANGE COUNTY PUBLIC SCHOOLS PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

	<u>2015</u>		<u>2014</u>		<u>2013</u>
District's proportion of the net pension liability	2.4%		2.3%		2.1%
District's proportionate share of the net pension liability	\$ 304,309,382	\$	138,601,800	\$	369,393,623
District's covered-employee payroll	\$ 943,941,480	\$	891,614,637	\$	842,736,529
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	32.2%		15.5%		43.8%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%		96.09%		88.54%

*The amounts presented for each fiscal year were determined as of June 30.

Note: Data was unavailable prior to 2013.

**SCHEDULE OF ORANGE COUNTY PUBLIC SCHOOLS CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

	2016		2015		2014
Contractually required contribution	\$ 53,281,522	\$	57,441,353	\$	49,757,965
Contributions in relation to the contractually required contribution	\$ 53,281,522	\$	57,441,353	\$	49,757,965
Contribution deficiency (excess)	\$ -	\$	-	\$	-
District's covered-employee payroll	\$ 950,205,116	\$	943,941,480	\$	891,614,637
Contributions as a percentage of covered-employee payroll	5.6%		6.1%		5.6%

*The amounts presented for each fiscal year were determined as of June 30.

Note: Data was unavailable prior to 2014.

**SCHEDULE OF ORANGE COUNTY PUBLIC SCHOOLS PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS**

	2015	2014	2013
District's proportion of the net pension liability	3.1%	3.0%	2.9%
District's proportionate share of the net pension liability	\$ 317,278,898	\$ 280,568,669	\$ 252,557,472
District's covered-employee payroll	\$ 943,941,480	\$ 891,614,637	\$ 842,736,529
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	33.6%	31.5%	30.0%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%	1.78%

*The amounts presented for each fiscal year were determined as of June 30.

Note: Data was unavailable prior to 2013.

**SCHEDULE OF ORANGE COUNTY PUBLIC SCHOOLS CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS**

	2016		2015		2014
Contractually required contribution	\$ 15,773,166	\$	11,892,397	\$	10,279,238
Contributions in relation to the contractually required contribution	\$ 15,773,166	\$	11,892,397	\$	10,279,238
Contribution deficiency (excess)	\$ -	\$	-	\$	-
District's covered-employee payroll	\$ 950,205,116	\$	943,941,480	\$	891,614,637
Contributions as a percentage of covered-employee payroll	1.7%		1.3%		1.2%

*The amounts presented for each fiscal year were determined as of June 30.

Note: Data was unavailable prior to 2014.

**Report of Independent Auditor on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Honorable Members of the
School Board of Orange County Public Schools
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Orange County Public Schools, Florida (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 9, 2016. Our report includes reference to other auditors who have audited the financial statements of the discretely presented component unit and the fiduciary funds, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, reading "Cheryl Behrman" followed by a stylized flourish.

Orlando, Florida
December 9, 2016

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APPENDIX C

CERTAIN LEGAL DOCUMENTS

Master Lease

Form of Amendment to Master Lease

Form of Amended and Restated Schedule 2002A-1

Form of Amended and Restated Schedule 2002A-2

Master Trust Agreement

Form of Series 2017B Supplemental Trust Agreement

Series 2002A Assignment Agreement

Series 2002A-1 Ground Lease Agreement

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MASTER LEASE PURCHASE AGREEMENT

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessor

AND

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida

Dated as of May 1, 1997

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MASTER LEASE PURCHASE AGREEMENT

THIS MASTER LEASE PURCHASE AGREEMENT dated as of May 1, 1997 (this "Master Lease"), between the School Board of Orange County, Florida, acting as the governing body of the School District of Orange County, Florida (the "District"), a body corporate pursuant to Article IX, Section 4(a) of the Florida Constitution (1968) and Chapter 230, Florida Statutes, as amended, as lessee (the "School Board"), and Orange County School Board Leasing Corporation, a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 237.40, Florida Statutes, as amended, as lessor (the "Corporation").

W I T N E S S E T H

WHEREAS, the School Board has the power, under Section 230.23(2) Florida Statutes, to receive, purchase, acquire, lease sell, hold, transmit and convey title to real and personal property for educational purposes, and under Section 230.23(9) Florida Statutes, to enter into leases or lease-purchase agreements of grounds and educational facilities, or of educational facilities, including equipment built, installed or established therein or attached thereto for school purposes in accordance with the provisions of Chapter 235, Florida Statutes (collectively, the "Act"); and

WHEREAS, the Corporation is a "private corporation" within the meaning of Section 230.23(9)(b)5, Florida Statutes, as amended, and is a "direct support organization" within the meaning of Section 237.40, Florida Statutes, as amended; and

WHEREAS, the School Board is or shall be the owner of certain real property located in Orange County (which, together with all buildings, structures and improvements now or hereafter erected or situated thereon, any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land, and all fixtures, additions, alterations or replacements thereto, now or hereafter located in, on or used in connection with or attached or made to such land, to the extent title thereto may vest in the School Board, is hereinafter referred to as a "Facility Site"); and

WHEREAS, pursuant to a resolution duly adopted by the School Board on April 23, 1997 the School Board has determined that it is in the best interest of the District for the School Board to enter into and execute this Master Lease and certain related documents thereto for the purpose of lease purchasing or refinancing the lease purchase of certain real property, buildings and improvements, and the equipment, fixtures and furnishings built or to be built, installed or established therein for educational

purposes, or of certain personal property, equipment or vehicles useful in carrying out the School Board's functions ("Facilities") from the Corporation from time to time, which Facilities must, to the extent required by Florida law, be listed on the Educational Plant Survey for Orange County Schools conducted from time to time by the State Department of Education or by or at the direction of the School Board; and

WHEREAS, Facilities may be lease-purchased from time to time pursuant to Schedules substantially in the form of Exhibit A hereto (individually, a "Schedule"), each such Schedule upon execution and delivery by the School Board and the Corporation together with the provisions of this Master Lease to constitute a separate lease agreement (a "Lease"); and

WHEREAS, the School Board as lessor and the Corporation as lessee may enter into one or more ground leases from time to time with respect to one or more Facility Sites (individually, a "Ground Lease"); and

WHEREAS, the ground leasing of a Facility Site, the subleasing of a Facility Site back to the School Board and the lease-purchase financing or refinancing of the Facilities set forth on a particular Schedule, are herein collectively referred to as a "Project"; and

WHEREAS, on June 6, 1990 the Florida School Boards Association, Inc. issued its \$204,740,000 Lease Revenue Bonds (Orange County School Board Project), Series 1990 (the "Series 1990 Bonds"), of which \$146,405,000 remains outstanding, to provide for the lease purchase financing to the School Board of various facilities, additions to facilities modular classrooms and related equipment of various facilities; and

WHEREAS, the School Board wishes to provide for the payment of the Series 1990 Bonds, terminate the lease, ground lease and other documents relating thereto and refinance hereunder certain of the facilities originally financed by the Series 1990 Bonds (the "Refinanced Facilities"), pursuant to a Schedule to be attached to this Master Lease; and

WHEREAS, at the direction of the School Board, the Corporation will provide for the payment or refinancing of the cost of acquiring, constructing and installing Facilities from time to time by entering into a Master Trust Agreement dated as of May 1, 1997 (as the same may be amended or supplemented from time to time, the "Trust Agreement") with Southtrust Bank of Florida, National Association, Fort Lauderdale, Florida, as Trustee (the "Trustee") pursuant to which the Corporation shall (a) establish a trust and assign to the Trustee all of said Corporation's right, title and interest in and to this Master Lease and all Schedules hereto, (b) direct the Trustee to execute and deliver to the public from

time to time, Series of Certificates of Participation representing undivided proportionate interests in the right to receive the Basic Lease Payments to be made by the School Board pursuant to each Lease relating thereto and (c) deposit the proceeds of each Series of Certificates with the Trustee and direct the Trustee to hold the proceeds of the sale of such Certificates in trust subject to application only to pay or refinance the costs of acquisition, construction and installation of the Facilities to be financed or refinanced under the Lease relating thereto and identified on a Schedule and related costs including, without limitation, capitalized interest, accrued interest and costs of issuance and to make lease payments; and

WHEREAS, each Certificate of a Series shall represent an undivided proportionate interest in the principal portion of the Basic Lease Payments due and payable under one or more particular Leases relating to such Series on the maturity date or earlier prepayment date of such Certificate and in the interest portion of such Basic Lease Payments due and payable semiannually, to and including such maturity date or earlier prepayment date; and

WHEREAS, the relationship between the Corporation and the School Board under this Master Lease shall be a continuing one and Facilities may, from time to time, be added to or deleted from this Master Lease in accordance with the terms hereof and of the Schedule describing such Facilities; and

WHEREAS, the School Board intends for this Master Lease to remain in full force and effect until the last Lease Payment Date for any Project, unless sooner terminated in accordance with the terms provided herein; and

WHEREAS, Section 235.056(2)(c)3, Florida Statutes, as amended, provides that no lease purchase agreement entered into pursuant thereto shall constitute a debt, liability or obligation of the State of Florida or the School Board or shall be a pledge of the faith and credit of the State or the School Board, all as further provided in Section 3.1 hereof;

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and for other valuable consideration, the parties hereto mutually agree as follows:

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ARTICLE I.

DEFINITIONS AND EXHIBITS

SECTION 1.1. Definitions. The terms set forth in this Section shall have the meanings ascribed to them for all purposes of this Master Lease unless the context clearly indicates some other meaning, or unless otherwise provided in a particular Schedule. Terms used herein and not otherwise defined shall have the meaning given to them in the Trust Agreement.

"Acquisition Account" shall mean any Acquisition Account established pursuant to Section 401 of the Trust Agreement and in any Supplemental Trust Agreement.

"Additional Lease Payment" shall mean any amounts payable by the School Board under the terms of this Master Lease other than a Basic Lease Payment or a Supplemental Payment, as set forth in a Schedule to this Master Lease and so designated.

"Assignment Agreement" shall mean any assignment agreement pursuant to which the Corporation shall have assigned to the Trustee all of its right, title and interest in and to a Ground Lease and the Lease or Leases created by one or more particular Schedules, including its right to receive Lease Payments under such Lease or Leases.

"Authorized Corporation Representative" shall mean the President of the Corporation and any person or persons designated by the Corporation and authorized to act on behalf of the Corporation by a written certificate delivered to the Trustee signed on behalf of the Corporation by the Chairman of the Board of Directors containing the specimen signature of each such person.

"Authorized School Board Representative" shall mean the Chairman and any person or persons designated by the Chairman and authorized to act on behalf of the School Board by a written certificate delivered to the Trustee signed on behalf of the School Board by the Chairman containing the specimen signature of each such person.

"Basic Lease Payment" shall mean, with respect to each Lease, or each Facility financed or refinanced under such Lease, as of each Lease Payment Date, the amount set forth in a Schedule to this Master Lease corresponding to such Lease Payment Date and designated as a Basic Lease Payment in such Schedule.

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

"Certificate" or "Certificates" shall mean the Certificates of Participation executed and delivered from time to time by the Trustee pursuant to the Trust Agreement and any Supplemental Trust Agreement. Each Series of Certificates issued under the Trust Agreement and any Supplemental Trust Agreement shall bear a Series designation to identify such Series of Certificates to a particular Schedule to this Master Lease.

"Certificate Holder" or "Holder of Certificates" shall mean the registered owner of any Certificate or Certificates.

"Certificate of Acceptance" shall mean the certificate of the School Board substantially in the form of Exhibit B to this Master Lease to be delivered pursuant to the provisions of Section 2.3 hereof.

"Chairman" shall mean the Chairman of the School Board and any person or persons designated by the School Board and authorized to act on behalf of the Chairman.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder and under the Internal Revenue Code of 1954.

"Commencement Date" shall mean the date set forth in each Schedule hereto which is the effective date of such Schedule.

"Completion Date" shall mean, with respect to the Facilities described in a particular Schedule, the date specified by the School Board in a Certificate of Acceptance as the date of completion of acquisition, construction and installation of such Facilities.

"Continuing Disclosure Certificate" shall mean any Continuing Disclosure Certificate executed and delivered by the School Board in connection with the issuance of a Series of Certificates, in order to comply with the requirements of the Rule.

"Contractor" shall mean the person, firm, corporation or joint venture authorized to do business in Florida with whom a contract has been made directly with the School Board for the performance of the work with respect to any Facilities described by the School Board's applicable rules and policies.

"Corporation" shall mean Orange County School Board Leasing Corporation, a Florida not-for-profit corporation, its successors and assigns.

"Cost" shall mean costs and expenses related to the acquisition, construction and installation of any Facilities including, but not limited to (i) costs and expenses of the acquisition of the title to or other interest in real property, including leasehold

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interests, easements, rights-of-way and licenses, including, without limitation, lease payments to be made by the Corporation under the terms of a Ground Lease until the expected acceptance of the Facilities related thereto as described herein, (ii) costs and expenses incurred for labor and materials and payments to contractors, Builders, materialmen and vendors, for the acquisition, construction and installation of the Facilities, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be advisable or necessary prior to completion of any of the Facilities which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction and installation of Facilities, (v) costs and expenses required for the acquisition and installation of equipment or machinery that comprise part of the Facilities, (vi) all costs which the School Board shall be required to pay for or in connection with additions to, and expansions of Facilities, (vii) all costs which the School Board shall be required to pay to provide improvements, including offsite improvements, necessary for the use and occupancy of Facilities, including roads, walkways, water, sewer, electric, fire alarms and other utilities, (viii) any sums required to reimburse the School Board for advances made by it for any of the above items or for other costs incurred and for work done by it in connection with Facilities, (ix) deposits into any Reserve Account established pursuant to Section 401 of the Trust Agreement and any Supplemental Trust Agreement and any recurring amounts payable to a provider of a Reserve Account Letter of Credit/Insurance Policy, (x) fees, expenses and liabilities of the School Board, if any, incurred in connection with the acquisition, construction and installation of Facilities, (xi) Costs of Issuance, and (xii) interest during construction and for a reasonable period of time up to six (6) months thereafter.

"Costs of Issuance" shall mean the items of expense incurred in connection with the authorization, sale and delivery of each Series of Certificates, which items of expense shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee, any Credit Facility Issuer and any provider of a Reserve Account Letter of Credit/Insurance Policy, legal fees and charges, professional consultants' fees, fees and charges for execution, delivery, transportation and safekeeping of Certificates, premiums, costs and expenses of refunding Certificates and other costs, charges and fees, including those of the Corporation, in connection with the foregoing.

"Costs of Issuance Subaccount" shall mean a Costs of Issuance Subaccount within an Acquisition Account established pursuant to Section 401 of the Trust Agreement and in any Supplemental Trust

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to be located within the District and more particularly described in a Ground Lease.

"Fiscal Year" shall mean the twelve month fiscal period of the School Board which under current law commences on July 1 in every year and ends on June 30 of the succeeding year.

"Government Obligations" shall mean any obligations which as to both principal and interest constitute non-callable direct obligations of, or non-callable obligations fully and unconditionally guaranteed by, the full faith and credit of the United States of America, including bonds or other evidences of indebtedness issued or guaranteed by any agency or corporation which has been or may hereafter be created pursuant to an Act of Congress as an agency or instrumentality of the United States of America to the extent unconditionally guaranteed by the full faith and credit of the United States of America.

"Gross Proceeds" shall mean, with respect to each Series of Certificates, unless inconsistent with the provisions of the Code, in which case as provided in the Code, (i) amounts received by or on behalf of the Corporation from the sale of such Certificates; (ii) amounts received as a result of investments of amounts described in (i); (iii) amounts treated as transferred proceeds of such Certificates in accordance with the Code; (iv) amounts treated as proceeds under the provisions of the Code relating to invested sinking funds; (v) securities or obligations pledged, if any, as security for payment of Basic Lease Payments under the Master Lease (which amounts are limited in accordance with Sections 235.056(2) and 236.25(2)(c), Florida Statutes, as amended); (vi) amounts received with respect to obligations acquired with Gross Proceeds; (vii) amounts used to pay the principal and interest portions of Basic Lease Payments represented by such Certificates; (viii) amounts in any Reserve Account established pursuant to the Trust Agreement and a Supplemental Trust Agreement; and (ix) amounts received as a result of the investment of Gross Proceeds not described in (i) above.

"Ground Lease" shall mean one or more ground leases, between the School Board and the Corporation, as amended and supplemented from time to time, pursuant to which the School Board shall ground lease one or more Facility Sites to the Corporation.

"Insurance Consultant" shall mean a nationally recognized independent insurance company or broker, selected by the School Board, that has actuarial personnel experienced in the area of insurance for which the School Board is to be self-insured.

"Lease" shall mean each separate Schedule to this Master Lease executed and delivered by the School Board and the Corporation, together with the terms and provisions of this Master Lease.

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Agreement in connection with the issuance of a Series of Certificates.

"Credit Facility" shall mean, with respect to a Series of Certificates, the letter of credit, insurance policy, guaranty, surety bond or other irrevocable security device, if any, supporting the obligations of the School Board to make Basic Lease Payments relating to such Series of Certificates.

"Credit Facility Issuer" shall mean, with respect to a Series of Certificates, the issuer of the Credit Facility, if any, for such Series of Certificates.

"District" shall mean the School District of Orange County, Florida.

"Event of Extraordinary Prepayment" shall mean one or more of the events so designated in Section 7.2 hereof.

"Excess Earnings" shall mean, with respect to each Series of Certificates, the amount by which the earnings on the Gross Proceeds of such Certificates exceeds the amount which would have been earned thereon if such Gross Proceeds were invested at a yield equal to the yield on the interest portion of the Basic Lease Payments represented by such Certificates, as such yield is determined in accordance with the Code and amounts earned on the investment of earnings on the Gross Proceeds of such Certificates.

"Facility" or "Facilities" shall mean "educational facilities" as defined in Section 235.011(5), Florida Statutes, as amended, to be acquired from the proceeds of a Series of Certificates, consisting of real property, if any, buildings and improvements, and the equipment, fixtures and furnishings which are to be built, installed or established on such buildings or improvements, and all appurtenances thereto and interests therein, and may also include items of personal property, equipment or vehicles useful in carrying out the School Board's functions, all as set forth on a Schedule or Schedules from time to time. "Facilities" shall also include the "Refinanced Facilities" to be refinanced from the proceeds of a Series of Certificates.

"Facility Site" shall mean the real property (together with all buildings, structures and improvements erected or situated thereon, any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land, and all fixtures, additions, alterations or replacements located on, or used in connection with, or attached or made to, such land) either (i) owned by the School Board at the time of the issuance of a Series of Certificates to finance or refinance Facilities relating thereto or (ii) to be acquired by the School Board subsequent thereto but not paid for out of the proceeds of such Series of Certificates, upon which a Facility is

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"Lease Payment Account" shall mean any Lease Payment Account established pursuant to Section 401 of the Trust Agreement and in any Supplemental Trust Agreement.

"Lease Payment Date" shall mean, with respect to a Lease, each date set forth on the corresponding Schedule designated as a Lease Payment Date for such Lease.

"Lease Payments" shall mean, with respect to each Lease, all amounts payable by the School Board pursuant to the terms of a Lease, including Basic Lease Payments, Additional Lease Payments and Supplemental Payments.

"Lease Term" shall mean, with respect to each Lease, the period from the date of the Lease through the end of the then current Fiscal Year plus each annual or lesser renewal period thereafter during which such Lease is maintained in effect in accordance therewith, with the maximum number of renewals being specified in the Schedule corresponding to such Lease.

"Master Lease" shall mean this Master Lease Purchase Agreement dated as of May 1, 1997, between the Corporation and the School Board and any and all modifications, alterations, amendments and supplements hereto.

"Net Proceeds" shall mean, with respect to one or more Facilities financed or refinanced under a Lease, proceeds from any insurance, condemnation, performance bond, Federal or State flood disaster assistance, or any other financial guaranty (other than a Credit Facility Issuer) paid with respect to such Facilities remaining after payment therefrom of all expenses, including attorneys' fees, incurred in the collection thereof; and, with respect to insurance, to the extent that the School Board elects to self-insure under Section 5.3 hereof, any moneys payable from any appropriation made by the School Board in connection with such self-insurance.

"Opinion of Counsel" shall mean an opinion signed by an attorney or firm of attorneys of recognized standing and who are qualified to pass on the legality of the particular matter (who may be counsel to the School Board or Special Tax Counsel) selected by the School Board.

"Outstanding" when used with reference to the Certificates, shall mean, as of any date, Certificates theretofore or thereupon being executed and delivered under the Trust Agreement except:

(i) Certificates canceled by, or duly surrendered for cancellation to, the Trustee at or prior to such date;

(ii) Certificates (or portions of Certificates) for the payment or prepayment of which moneys, equal to the principal

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portion or Prepayment Price thereof, as the case may be, with interest to the date of maturity or Prepayment Date, shall be held in trust under the Trust Agreement and set aside for such payment or prepayment, (whether at or prior to the maturity or Prepayment Date), provided that if such Certificates (or portions of Certificates) are to be prepaid, notice of such prepayment shall have been given as provided in Article III of the Trust Agreement;

(iii) Certificates in lieu of or in substitution for which other Certificates shall have been executed and delivered pursuant to Article III of the Trust Agreement; and

(iv) Certificates deemed to have been paid as provided in subsection (b) of Section 801 of the Trust Agreement.

"Payment Date" shall mean a date on which the principal portion or the interest portion of Basic Lease Payments is payable to Certificate holders pursuant to the terms of such Certificates.

"Permitted Encumbrances" shall mean in regard to a Facility Site:

(i) the Lease relating thereto and any liens and encumbrances created or permitted thereby;

(ii) the Assignment Agreement relating thereto and any liens and encumbrances created or permitted thereby;

(iii) the Trust Agreement and liens and encumbrances created or permitted thereby;

(iv) any Ground Lease applicable thereto and any liens and encumbrances created or permitted thereby;

(v) subject to the provisions of Section 6.2 of the Master Lease, any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in accordance with the provisions of the Master Lease.

(vi) (a) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law; (b) any liens for taxes, assessments, levies, fees, water and sewer rents or charges and other government and similar charges, which are not due and payable or which are not delinquent or the amount or validity of which are being contested and execution thereon is stayed; (c) easements, rights-of-way, servitudes, restrictions, oil, gas or other mineral reservations and other minor defects, encumbrances and irregularities in the title to any property which, in the opinion of the School Board, do not materially impair the use of such property or materially and adversely affect the value

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ing principal portion of the Purchase Option Price, minus any credits pursuant to the provisions of Section 3.2 hereof, plus, an amount equal to the interest to accrue with respect to the Certificates to be prepaid as a result of the release of such Facility from the Lease, from such Lease Payment Date to the next available date for prepaying such Certificates, unless such prepayment shall occur on such Lease Payment Date, plus an amount equal to a pro rata portion of any Additional Lease Payments and Supplemental Payments then due and owing under the Lease relating to such Facility, including any prepayment premiums payable on the Certificates prepaid.

"Qualified Financial Institution" shall mean a bank, trust company, national banking association or corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or the Federal National Mortgage Association or any insurance company or other corporation (i) whose unsecured obligations or uncollateralized long term debt obligations have been assigned a rating by a Rating Agency which is not lower than AA/Aa, or which has issued a letter of credit, contract, agreement or surety bond in support of debt obligations which have been so rated; or (ii) which collateralizes its obligations at all times at levels in compliance with the requirements of the Rating Agencies for ratings not lower than AA/Aa.

"Rating Agency" shall mean any one of Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., Moody's Investors Service, Inc., Fitch Investors Service, L.P. and any other nationally recognized rating service which shall have provided a rating on any Outstanding Certificates.

"Refinanced Facilities" shall mean one or more of the facilities of the School Board originally financed from the proceeds of the Series 1990 Bonds and which are to be refinanced pursuant to a Schedule to this Master Lease from the proceeds of a Series of Certificates.

"Reimbursement Agreement" shall mean, with respect to each Lease, any reimbursement agreement among the Corporation, the School Board and any Credit Facility Issuer.

"Reserve Account" shall mean any Reserve Account established pursuant to Section 405 of the Trust Agreement and in any Supplemental Trust Agreement.

"Reserve Account Letter of Credit/Insurance Policy" shall mean the irrevocable letter of credit, insurance policy, surety bond or guarantee agreement issued by a Qualified Financial Institution in favor of the Trustee which is to be deposited into a Reserve Account in order to fulfill the Reserve Account Requirement relating thereto.

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thereof; and (d) rights reserved to or vested in any municipality or public authority to control or regulate any property or to use such property in any manner that do not in the Opinion of Counsel, materially affect the use of the Facility Site for educational purposes or the benefits enjoyed by any Permitted Transferee in the Facility Site under the Ground Lease, the Assignment Agreement and the Trust Agreement; and

(vii) any other liens or encumbrances permitted by the Schedule relating to such Facility Site, provided such lien or encumbrance shall not, as expressed in an Opinion of Counsel, materially adversely affect the intended use of such Facility Site by the School Board for educational purposes or the benefits enjoyed by any Permitted Transferee in the Facility Site under the Ground Lease, the Assignment Agreement and the Trust Agreement, and such liens and encumbrances are approved by the Credit Facility Issuer for the Series of Certificates relating to such Facility Site.

"Prepayment Account" shall mean any Prepayment Account established pursuant to Section 401 of the Trust Agreement and in any Supplemental Trust Agreement.

"Prepayment Date" shall mean the date on which optional prepayment, extraordinary prepayment or mandatory sinking fund prepayment of Basic Lease Payments represented by a Series of Certificates Outstanding shall be made pursuant to the Trust Agreement and any Supplemental Trust Agreement.

"Prepayment Price" shall mean, with respect to any Certificate, the principal amount thereof together with the premium, if any, applicable upon an optional prepayment, payable upon prepayment thereof pursuant to such Certificate and the Trust Agreement or any Supplemental Trust Agreement, together with accrued interest represented by such Certificate to the Prepayment Date.

"Project" shall mean the lease-purchase financing and acquisition, construction or refinancing of the Facilities set forth on a particular Schedule and, if all or a portion of such Facilities shall be comprised of real property, the ground leasing of the related Facility Site by the School Board to the Corporation and the subleasing of such Facility Site back to the School Board.

"Project Fund" shall mean the trust fund designated as the "Project Fund" created and established in Section 401 of the Trust Agreement.

"Purchase Option Price" shall mean, with respect to any Facility financed or refinanced under a Lease, as of each Lease Payment Date, the Basic Lease Payment then due plus the amount so designated by the School Board and approved the Credit Facility Issuer for the Certificates relating to such Lease, as the remain-

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"Reserve Account Requirement" shall mean, in regard to a Reserve Account to secure a Series of Certificates, such amounts, if any, as shall be provided in the Supplemental Trust Agreement authorizing the issuance of such Series and in the Schedule relating thereto, provided such Reserve Account Requirement shall not exceed the least of (i) the maximum annual amount of Basic Lease Payments represented by Certificates of the Series secured by such Reserve Account in the current or any subsequent Fiscal Year, (ii) 125% of the average annual amount of Basic Lease Payments represented by Certificates of the Series secured by such Reserve Account in the current or any subsequent Fiscal Years, and (iii) 10% of the stated principal amount (or issue price net of accrued interest if the issue has more than a de minimis amount of original issue discount or premium) of such Series of Certificates.

"Schedule" shall mean a schedule, as amended and supplemented from time to time, to this Master Lease to be executed and delivered by the School Board and the Corporation for each Project, substantially in the form of Exhibit A hereto.

"School Board" shall mean the School Board of Orange County, Florida, a body corporate and the governing body of the District.

"Series" or "Series of Certificates" shall mean the aggregate amount of each series of Certificates evidencing an undivided proportionate interest of the owners thereof in a particular Lease and the Basic Lease Payments thereunder, issued pursuant to the Trust Agreement or a Supplemental Trust Agreement.

"Series 1990 Bonds" shall mean the \$204,740,000 Florida School Boards Association, Inc. Lease Revenue Bonds (Orange County School Board Project), Series 1990 currently outstanding in the amount of \$146,405,000.

"Special Tax Counsel" shall mean Greenberg Traurig Hoffman Lipoff Rosen & Quentel, P.A., Miami, Florida, or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of the interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"State" shall mean the State of Florida.

"Superintendent" shall mean the Superintendent of Schools of the District.

"Supplemental Payments" shall mean all amounts due under a Lease other than Basic Lease Payments and Additional Lease Payments.

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"Supplemental Trust Agreement" shall mean any agreement supplemental or amendatory of the Trust Agreement.

"Trust Agreement" shall mean the Master Trust Agreement dated as of May 1, 1997 entered into by and between the Corporation and the Trustee, and any Supplemental Trust Agreement.

"Trustee" shall mean SouthTrust Bank of Florida, National Association and its successors or assigns which may at any time be substituted in its place pursuant to the provisions of the Trust Agreement.

SECTION 1.2. Rules of Construction. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies as well as natural persons.

The terms "hereby", "hereof", "hereto", "herein", "hereunder", and any similar terms, as used in this Master Lease, refer to this Master Lease.

ARTICLE II.

LEASE AND SUBLEASE OF FACILITIES AND FACILITY SITES

SECTION 2.1. Lease and Sublease of Facilities and Facility Sites. The Corporation hereby agrees to demise, lease and sublease to the School Board, and the School Board hereby agrees to hire, take, lease and sublease from the Corporation, the right, title and interest of the Corporation in and to the Facilities and, if applicable, Facility Sites, listed on each Schedule hereto, on the terms and conditions set forth in this Master Lease. For purposes of each Lease, all materials and services in respect of which amounts are paid by the Trustee for the acquisition, construction and installation of a Facility (including monies disbursed for Costs of Issuance) shall be deemed accepted by the School Board hereunder upon execution of a requisition by the School Board directing payment therefor under Section 402 of the Trust Agreement. The School Board hereby agrees that it has received valuable consideration for the portion of Basic Lease Payments representing Costs of Issuance and will pay the Lease Payments in respect of same, subject to the provisions hereof.

SECTION 2.2. Lease Term. This Master Lease shall be for an original Term commencing on the date hereof through and including June 30, 1997, and automatically renewable annually thereafter through the last date set forth on any Schedule hereto unless sooner terminated in accordance with the provisions hereof, including in particular Sections 3.5 and 4.1 hereof. Upon expiration or termination of the Lease Term, other than pursuant to Section 4.1(b) or (c) hereof, the Trustee, the School Board and the Corporation, at the expense of the School Board, shall execute and deliver such documents, if any, as shall be necessary to evidence such termination. The useful life of the Facilities shall extend beyond the last date set forth on the particular Schedule relating to such Facilities.

SECTION 2.3. Acquisition of Facilities. The School Board shall be responsible for acquisition, construction and installation of the Facilities, as agent for the Corporation, pursuant to the specifications of the School Board, including the letting of all contracts for the acquisition, construction and installation of the Facilities and for supervising the acquisition, construction and installation of the Facilities.

Contracts in connection with the acquisition, construction and installation of the Facilities shall be let in accordance with the competitive bidding policies of the School Board and laws applicable to school boards, including where applicable the requirements of Sections 235.056(2) and 235.26, Florida Statutes, as amended, Chapters 234 and 237, Florida Statutes as amended, and regulations promulgated by the State Department of Education thereunder, and in accordance with the School Board's applicable rules and policies.

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All rules and regulations of the State Department of Education applicable to acquisition and construction of educational facilities by the School Board shall apply to the same extent to the acquisition and construction of the Facilities by the School Board acting in its capacity as agent for the Corporation.

Moneys deposited in the Acquisition Account established with respect to particular Facilities shall be disbursed from time to time to pay the Costs of such Facilities, all as provided in Section 402 of the Trust Agreement and the applicable provisions of a Supplemental Trust Agreement. The School Board agrees that it will deliver to the Trustee completed requisitions in the form attached to the Trust Agreement as Exhibit B, and upon completion of acquisition, construction and installation of the Facilities, the School Board will deliver a Certificate of Acceptance in the form attached hereto as Exhibit B in order for the Trustee to make the final advances therefor in accordance with the provisions of the Trust Agreement. The School Board further agrees to deliver the items described in Section 402 of the Trust Agreement with respect to the acquisition of each portion of a Facility other than the Refinanced Facilities constituting land or an interest therein, to be financed hereunder.

The School Board shall be responsible for, and shall use its best efforts to effect the completion of acquisition, construction and installation of the Facilities, whether or not amounts in the Acquisition Account relating to such Facilities are sufficient to pay the Costs thereof. If moneys are improperly drawn from the Acquisition Account, the School Board upon proper notification thereof shall deposit an amount sufficient to restore the balance therein with the Trustee, no later than thirty (30) days following receipt of such notification.

Upon determination by the School Board prior to delivery of a Certificate of Acceptance that amounts on deposit in the Acquisition Account for particular Facilities will exceed the actual costs of such Facilities, the School Board may amend the related Lease and Ground Lease for the purpose of financing additional Facilities or portions of Facilities from such funds on deposit in such Acquisition Account.

The School Board may determine not to acquire, construct or install one or more of the Facilities relating to a particular Lease, or may determine to substitute one or more of the Facilities relating to a particular Lease for other approved Facilities. Upon determination by the School Board not to acquire, construct or install one or more of the Facilities relating to a particular Lease, or to substitute one or more of the Facilities relating to a particular Lease, the School Board may amend the related Lease and Ground Lease for the purpose of deleting or substituting such Facilities.

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SECTION 2.4. School Board's Liability. As between the Corporation and the School Board, the School Board assumes liability for all risks of loss with respect to the Facilities. The School Board shall maintain in force during the entire acquisition, construction and installation period of any Facilities, property damage insurance as required by Section 5.3 hereof and (for the benefit of Certificate holders), as assignee of the Corporation, the Trustee shall be named as an additional insured and loss payee thereon. In the event the School Board or Corporation receives any damages or other moneys from any contractor, manufacturer or supplier of any portion of the Facilities or its surety pursuant to this Section 2.4 or Section 5.3, such moneys shall be paid to the Trustee for disposition in accordance with Section 5.4 hereof.

SECTION 2.5. Possession and Enjoyment. From and after the acceptance by the School Board of any Facilities in accordance with the terms of this Master Lease, the Corporation agrees that it will not interfere with the quiet use and enjoyment of the Facilities by the School Board during the Lease Term relating to such Facilities and that the School Board shall during such Lease Term peaceably and quietly have and hold and enjoy such Facilities, without hindrance or molestation from the Corporation, except as expressly set forth herein. At the request of the School Board and at the School Board's cost, the Corporation shall join in any legal action in which the School Board asserts its right to such possession and enjoyment to the extent the Corporation lawfully may do so. Upon expiration or termination of the Lease Term other than as a result of nonappropriation or default, the School Board shall enjoy full right, title and interest in and to the Facilities, unless the Facilities are otherwise disposed of in accordance with the terms of this Master Lease.

SECTION 2.6. Trustee Access to Facilities. During the Lease Term of each Lease the School Board agrees that the Trustee, as assignee of the Corporation or its agents, shall have the right during the School Board's normal working hours on the School Board's normal working days to examine and inspect the Facilities for the purpose of assuring that the Facilities are being properly maintained, preserved, and kept in good repair and condition.

SECTION 2.7. Disclaimer of Warranties. The School Board acknowledges that each of the Corporation, the Trustee, the Certificate holders and any Credit Facility Issuer or issuer of a Reserve Account Letter of Credit/Insurance Policy MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE TITLE TO, VALUE, DESIGN, CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF ANY FACILITIES OR ANY PORTION THEREOF, OR AS TO THE QUALITY OR CAPACITY OF THE MATERIAL OR WORKMANSHIP IN SUCH FACILITIES OR ANY WARRANTY THAT SUCH FACILITIES WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATIONS OR CONTRACT WHICH PROVIDES FOR SPECIFIC MACHINERY, OPERATORS

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OR SPECIAL METHODS OR ANY OTHER WARRANTY OF ANY KIND WHATSOEVER. In no event shall the Corporation, the Trustee, the Certificate holders or any Credit Facility Issuer or issuer of a Reserve Account Letter of Credit/Insurance Policy be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Master Lease or the existence, furnishing, functioning or School Board's use of the Facilities, or any item, product or service provided for in this Master Lease.

SECTION 2.8. Warranties of the Facilities. The Corporation hereby appoints the School Board its agent and attorney-in-fact during the Lease Term to assert from time to time whatever claims and rights, including warranties of the Facilities, which the Corporation or the School Board may have against the contractor, manufacturer or supplier of any Facilities or portion thereof.

SECTION 2.9. Compliance with Law. The School Board and the Corporation each represents, warrants and covenants that it has complied and will comply throughout the Lease Term of each Lease with the requirements of Sections 235.056(2) and 286.011, as well as Chapter 119, Florida Statutes relating to public access to its records and the openness of its meetings to the public.

SECTION 2.10. Representations, Covenants and Warranties of the School Board. The School Board represents, covenants and warrants as follows:

(a) The School Board is the governing body of the District, a body corporate pursuant to Article IX, Section 4(a) of the Florida Constitution (1968) and Chapter 230, Florida Statutes, has power to enter into this Master Lease and each Schedule hereto and has duly authorized and taken the necessary acts required prior to (including all required approvals) the execution and delivery of this Master Lease. The School Board warrants that this Master Lease, upon the execution and delivery hereof, is a valid, legal and binding limited obligation of the School Board, payable from current or other funds authorized by law and appropriated for such purpose as provided in Section 3.1 hereof.

(b) Neither the execution and delivery of this Master Lease nor of any Schedule nor the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions hereof and thereof conflicts with or results in a breach of the terms, conditions, or provisions of any restriction or any agreement or instrument to which the School Board is now a party or by which the School Board is bound or constitutes a default under any of the foregoing, nor conflicts with or results in a violation of any provision of law governing the School Board and no representation, covenant and warranty

herein is false, misleading or erroneous in any material respect.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the School Board nor to the best of the knowledge of the School Board is there any basis therefor, wherein an unfavorable decision, ruling, or finding would materially and adversely affect the transactions contemplated by the School Board or which would adversely affect, in any way, the validity or enforceability of this Master Lease or any material agreement or instrument to which the School Board is a party, used or contemplated for use in the consummation of the transactions contemplated hereby.

(d) The estimated Cost of the Facilities shall not be less than the amount set forth on each Schedule relating to such Facilities (as such Schedule may be amended prior to the delivery by the School Board of a Certificate of Acceptance). The Facilities will be designed and constructed so as to comply with all applicable building and zoning ordinances and regulations, if any, and any and all applicable judicial and state standards and requirements relating to the Facilities and Facility Sites.

(e) The moneys in each Acquisition Account and any investment earnings thereon will be used only for payment of Cost of the Facilities, including payment of Basic Lease Payments.

(f) Except as otherwise provided in a Ground Lease in the case of a Facility Site in which the School Board has a long term leasehold interest only, the School Board shall have fee simple title to all Facility Sites, subject only to Permitted Encumbrances, prior to entering into any Ground Lease with respect to such Facility Sites or amending any Ground Lease to add Facility Sites.

(g) In its use of the Facilities, the School Board shall comply with all applicable Federal, State and local governmental laws, regulations, ordinances, rules, orders, standards and codes and with all hazard insurance underwriters' standards applicable to the Facilities.

(h) Adequate water, sanitary sewer and storm sewer utilities, electric power, telephone and other utilities are available to the Facilities.

(i) The School Board intends, and will intend upon execution and delivery of each Schedule that this Master Lease

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shall remain in full force and effect until the last Lease Payment Date for any Facility hereunder.

(j) To the extent required by law, each of the Facilities set forth on a Schedule will be listed on the Educational Plant Survey for Orange County Schools (or a spot survey) conducted from time to time by the State of Florida Department of Education or by or at the direction of the School Board and will have been approved for lease purchase by the School Board.

(k) The School Board shall comply with all continuing disclosure requirements which may be applicable to it from time to time.

SECTION 2.11. Representations, Covenants and Warranties of Corporation. The Corporation represents, covenants and warrants as follows:

(a) The Corporation is a Florida not-for-profit corporation duly created, existing and in good standing under the laws of the State, is duly qualified to do business in the State, has all necessary power to enter into this Master Lease and each Schedule hereto, is possessed of full power to own, lease and hold real and personal property and to lease and sell the same as lessor, and has duly authorized the execution and delivery of this Master Lease and this Master Lease, upon execution and delivery hereof, is a valid, legal and binding non-recourse obligation of the Corporation.

(b) Neither the execution and delivery hereof nor of any Schedule hereto, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing.

(c) To the knowledge of the Corporation, there is no litigation or proceeding pending or threatened against the Corporation or any other person affecting the right of the Corporation to execute or deliver this Master Lease or to comply with its obligations under this Master Lease. Neither the execution and delivery of this Master Lease by the Corporation, nor compliance by the Corporation with its obligations under this Master Lease, require the approval of any regulatory body, any parent company, or any other entity, which approval has not been obtained.

ARTICLE III.

LEASE PAYMENTS

SECTION 3.1. Payment of Lease Payments. Subject to the conditions stated herein, the School Board agrees to pay the Basic Lease Payments stated on each particular Schedule hereto and agrees to pay and discharge Additional Lease Payments and Supplemental Payments, including all other amounts, liabilities and obligations which the School Board assumes or agrees to pay to the Corporation or to others as provided herein and on each Schedule hereto, together with interest on any overdue amount, PROVIDED HOWEVER, THAT NEITHER THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF, SHALL BE OBLIGATED TO PAY, EXCEPT FROM SCHOOL BOARD APPROPRIATED FUNDS, ANY SUMS DUE HEREUNDER FROM ANY SOURCE OF TAXATION AND THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD AND THE DISTRICT IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE HEREUNDER AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NEITHER THE CORPORATION, THE TRUSTEE, NOR ANY CERTIFICATE HOLDER MAY COMPEL THE LEVY OF ANY AD VALOREM TAXES BY THE SCHOOL BOARD TO PAY THE LEASE PAYMENTS HEREUNDER. All Basic Lease Payments, Additional Lease Payments and all Supplemental Payments shall be made from current or other funds authorized by law and appropriated for such purpose by the School Board.

On each Lease Payment Date, the School Board shall pay to the Trustee, in lawful money of the United States of America, the Basic Lease Payments for such Lease Payment Date, less any credits as contemplated by Section 3.2 hereof, and less any reductions as contemplated by Section 4.2 hereof. The School Board agrees to deposit such amounts with the Trustee on each Lease Payment Date in order to assure that sufficient moneys will be available to the Trustee to make timely distribution thereof to the Certificate holders, or to reimburse any Credit Facility Issuer as provided in the following paragraph, all in accordance with the Trust Agreement. In the event that the Trustee has not received such Basic Lease Payments on such Lease Payment Date, the Trustee shall notify the School Board on the Business Day following the day payment was due that such Basic Lease Payments have not been received; provided, however, that such notice is for the purpose of convenience only and the School Board's obligation to make such payments shall in no way be conditioned by the giving or receipt of such notice. Once established under the initial Schedule, Lease Payment Dates shall be the same under all future Lease Schedules.

THE SCHOOL BOARD MAY NOT BUDGET AND APPROPRIATE FUNDS TO MAKE LEASE PAYMENTS SELECTIVELY ON A LEASE BY LEASE BASIS, BUT MUST APPROPRIATE FUNDS FOR ALL LEASES OR NONE OF THEM.

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The School Board shall also pay, when due, directly to the party entitled thereto, Additional Lease Payments and Supplemental Payments in accordance with the terms of this Master Lease and each Schedule hereto and the Trust Agreement. Additional Lease Payments for each separate Lease entered into under this Master Lease include, without limitation, optional prepayment premiums, Trustee fees and expenses, Corporation expenses, Credit Facility Issuer fees and expenses, if any, and all other amounts due the Trustee under the Trust Agreement or this Master Lease and a Credit Facility Issuer under any Reimbursement Agreement, all as set forth on a particular Schedule hereto. Supplemental Payments for each separate Lease hereunder include, without limitation, amounts required to be paid under Sections 5.1, 5.2, 5.6, 5.10 and 6.2 hereof, and amounts necessary to restore the balance in the Reserve Account for a particular Series of Certificates to the Reserve Account Requirement for such Series as provided in Section 405(b) of the Trust Agreement, or recurring amounts payable to a provider of a Reserve Account Letter of Credit/Insurance Policy.

The School Board hereby authorizes the Trustee, as assignee of the Corporation, (i) to create a Reserve Account to be held by the Trustee under the Trust Agreement for each Series of Certificates if provided for by the Schedule relating thereto, (ii) to deposit in each Reserve Account a portion of the proceeds from the sale of the Series of Certificates relating thereto, or in lieu thereof, or in substitution for the full amounts then on deposit therein an amount equal to the difference between the amount required to be deposited and the sum, if any, on deposit in a Reserve Account, to provide a Reserve Account Letter of Credit/Insurance Policy equal to the Reserve Account Requirement relating to such Series, or combination of a portion of the proceeds from the sale of a Series of Certificates and a Reserve Account Letter of Credit/Insurance Policy, and (iii) to use such amounts or amounts drawn on the Reserve Account Letter of Credit/Insurance Policy deposited in each sub-account of the Reserve Account as set forth in Section 405 of the Trust Agreement. In the event the aggregate amount of any cash, the value of any Investment Securities and the stated amount of any Reserve Account Letter of Credit/Insurance Policy in a Reserve Account shall be less than the Reserve Account Requirement provided therefor, the School Board shall pay to the Trustee from moneys budgeted and appropriated as Basic Lease Payments during the current Fiscal Year as Supplemental Payments an amount equal to the such deficiency within thirty (30) days of receipt of notice of the deficiency from the Trustee. In the event the Trustee makes a draw on a Reserve Account Letter of Credit/Insurance Policy to pay amounts equal to Basic Lease Payments represented by a Series of Certificates, the School Board shall cause the amount which the Trustee can draw upon such Reserve Account Letter of Credit/Insurance Policy (or its original stated amount, if the School Board shall have deposited into the related Reserve Account a Letter of Credit/Insurance Policy pursuant to this Section) to be reinstated. In the event a Reserve Account Letter of

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represents the payment of principal. Each Schedule hereto may set forth such components of each Basic Lease Payment for each Facility or Facilities financed hereunder, except that the Basic Lease Payments with respect to the Refinanced Facilities shall be set forth on a composite basis only. Except as otherwise provided in a Schedule, the interest portion of each Basic Lease Payment shall be calculated on the basis of a 360 day year consisting of twelve 30 day months.

SECTION 3.4. Lease Payments to be Unconditional. Subject to Sections 3.1 and 3.5 hereof the obligations of the School Board to make Lease Payments and to pay all other amounts provided for herein and in each Schedule and to perform its obligations under this Master Lease and each Schedule, shall be absolute and unconditional, and such Lease Payments and other amounts shall be payable without abatement or any rights of set-off, recoupment or counterclaim the School Board might have against any supplier, contractor, the Corporation, the Trustee or any other person and whether or not the Facilities are accepted for use or used by the School Board or available for use by the School Board, whether as a result of damage, destruction, condemnation, defect in title or failure of consideration or otherwise. This Master Lease shall be deemed and construed to be a "net lease".

SECTION 3.5. Non-Appropriation. Notwithstanding anything in this Master Lease to the contrary, the cost and expense of the performance by the School Board of its obligations under this Master Lease and each Schedule hereto and the incurrence of any liabilities of the School Board hereunder and under each Schedule hereto including, without limitation, the payment of all Lease Payments and all other amounts required to be paid by the School Board under this Master Lease and each Schedule hereto, shall be subject to and dependent upon appropriations being duly made from time to time by the School Board for such purposes. Under no circumstances shall the failure of the School Board to appropriate sufficient funds constitute a default or require payment of a penalty, or in any way limit the right of the School Board to purchase or utilize educational facilities similar in function to those leased hereunder.

Unless the School Board, at a public meeting held prior to the end of the then current Fiscal Year, shall give notice of its intent not to appropriate the funds necessary to make all Lease Payments coming due in the following Fiscal Year under this Master Lease and each Schedule hereto, the Superintendent shall include in the Superintendent's tentative budget proposal the funds necessary to make such Lease Payments, and the Lease Term of all Leases shall be automatically renewed on June 30 of the current Fiscal Year, for the following Fiscal Year, subject to appropriation being made by the School Board in the final official budget. If Lease Payments are due hereunder during the period prior to the adoption of the School Board's final official budget for an ensuing Fiscal Year,

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Credit/Insurance Policy on deposit in a Reserve Account expires or is terminated, the School Board shall, simultaneously with such expiration or termination, either replace such Letter of Credit/Insurance Policy with a substituted Reserve Account Letter of Credit/Insurance Policy with a stated amount equal to the Reserve Account Requirement or transfer to the Trustee, for deposit in such Reserve Account in which such Policy had been deposited, an amount of cash equal to the Reserve Account Requirement.

SECTION 3.2. Credits to Lease Payments. The Lease Payments due hereunder shall be reduced when applicable by the amounts credited as follows:

(a) The Trustee shall deposit into the Lease Payment Account established with respect to each Lease, interest income in accordance with the Trust Agreement, amounts in excess of the Reserve Account Requirement transferred to the Lease Payment Account pursuant to Section 405(d) of the Trust Agreement and amounts transferred from the Capitalized Interest Account to the Lease Payment Account pursuant to Section 403 of the Trust Agreement, and apply such amounts as provided therein.

(b) Unless otherwise provided in the Schedule related thereto, upon the completion of acquisition and construction of the Facilities financed under a particular Lease and payment of all Costs of such Facilities or upon the termination of the Lease Term of a particular Lease pursuant to Section 4.1 hereof, the amounts, if any, on deposit in the Acquisition Account for the related Series of Certificates shall be transferred to the Lease Payment Account for such Series, to be applied to Basic Lease Payments next coming due under the Lease; provided, however, that if, upon delivery by the School Board of a Certificate of Acceptance indicating completion of the acquisition, construction, installation and payment of all costs of the Facilities financed under a particular Lease (including the failure of the School Board to acquire any component of such Facilities), there shall remain in the related Acquisition Account an amount greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, the entire remaining amount shall be transferred to the related Prepayment Account in accordance with Section 7.2(b) hereof.

(c) There shall be deposited in the Lease Payment Account or the Prepayment Account for a Series of Certificates, as the case may be, Net Proceeds realized in the event of damage, destruction or condemnation to be applied to Basic Lease Payments under the related Lease, or to the Prepayment Price of such Series of Certificates, all as provided for in Section 5.4(b) hereof.

SECTION 3.3. Basic Lease Payment Components. A portion of each Basic Lease Payment is paid as and represents the payment of interest and the balance of each Basic Lease Payment is paid as and

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the Lease Term of all Leases shall be deemed extended only if the tentative budget or extension of the prior budget (whether by Board action or operation of law) makes available to the School Board monies which may be legally used to make the Lease Payments due hereunder during such period. If no such appropriation is made in the final official budget, or if no official budget is adopted as of the last day upon which a final budget is required to have been adopted under Chapter 237, Florida Statutes and applicable regulations thereunder, the Lease Term of all Leases shall terminate as of the date of adoption of the final official budget, or such last day, whichever is earlier.

If the School Board declares its intent at such public meeting prior to the end of the then current Fiscal Year not to appropriate the funds, the Lease Term of all Leases shall not be automatically renewed for the following Fiscal Year, but shall terminate on June 30th of the current Fiscal Year. The final Lease Term may be for a period which is less than a full Fiscal Year.

The School Board shall provide written notice of any non-appropriation of funds described herein to the Trustee, any Credit Facility Issuer and any issuer of a Reserve Account Letter of Credit/Insurance Policy within three (3) Business Days thereafter.

THE SCHOOL BOARD MAY NOT BUDGET AND APPROPRIATE FUNDS TO MAKE LEASE PAYMENTS SELECTIVELY ON A LEASE BY LEASE BASIS, BUT MUST APPROPRIATE FUNDS FOR ALL LEASES OR NONE OF THEM.

SECTION 3.6. Surrender of Facilities. (A) Upon the termination of the Lease Term of all Leases prior to the payment of all Lease Payments scheduled therefor or without the payment of the then applicable Purchase Option Price of the Facilities financed under such Lease, or (B) as provided in Section 8.2 hereof upon the occurrence of an event of default, the School Board shall, except as otherwise provided in a Schedule, immediately surrender and deliver possession of all the Facilities financed under this Master Lease and all Schedules hereto to the Trustee as assignee of the Corporation or any person designated by it, in the condition, state of repair and appearance required under this Master Lease, in accordance with the instructions of the Corporation. Upon such surrender, the transferee shall sell or lease its leasehold interest in the Facilities if then practicable in such manner and to such person or persons for any lawful purpose or purposes, as it shall, in its sole discretion, determine to be appropriate. The proceeds derived by such transferee from any such sale or lease of its leasehold interest in Facilities shall be applied first to the payment in full of the Series of Certificates relating to such Facilities (including all amounts owing under the applicable Lease) and then to the payment of any accrued but unpaid obligations of the Corporation under Section 3 of the Ground Lease relating to such Facilities. Any excess after all such payments shall be paid to the School Board.

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If the School Board shall refuse or fail to voluntarily deliver possession of the Facilities to the Trustee as assignee of the Corporation or any person designated by it as above provided, the Trustee or its designee may enter into and upon the Facilities, or any part thereof, and repossess the same and thereby restore the Trustee or its designee to a possessory estate as lessee under the related Ground Lease and lessor hereunder and expel the School Board and remove its effects forcefully, if necessary, without being taken or deemed to be guilty in any manner of trespass in order that the Trustee or its designee may sell or re-let the leasehold interest in the Facilities, subject to Permitted Encumbrances, for any lawful purpose or purposes, for the remainder of the term of the related Ground Lease, if applicable, and the School Board shall have no further possessory right whatsoever in the Facilities, for the remainder of the term of the respective Ground Lease; the Trustee or its designee may exercise all available remedies at law or in equity to evict the School Board and to enjoy its possessory rights to all Facility Sites under one or more Ground Leases; and the School Board shall be responsible for the payment of damages in an amount equal to the Lease Payments which would have accrued hereunder, calculated on a daily basis, for any period during which the School Board fails to surrender the Facilities or for any other loss suffered by the Trustee or its designee as a result of the School Board's failure to surrender the Facilities, all without prejudice to any remedy which might otherwise be available to the Trustee or its designee for arrears of Lease Payments or for any breach of the School Board's covenants herein contained.

Upon the termination of the Lease Term of all Leases as a result of a default by the School Board, the Trustee or its designee shall have, in addition to the rights and remedies described above, the right to sue for compensatory damages, including upon failure of the School Board to surrender possession of the Facilities to the Trustee or its designee, damages for any loss suffered by the Trustee or its designee as a result of the School Board's failure to take such actions as required, including reasonable legal fees.

The School Board, as owner of the Facility Sites and the Facilities, may voluntarily and in cooperation with the Trustee or its designee, sell the Facility Sites and the Facilities, the proceeds of such sale to be applied by the Trustee in the manner described above in this section. The sale of any particular Facility Site and Facility thereon shall require the consent of the Credit Facility Issuer, if any, insuring the Series of Certificates relating to such Facility Site and Facility thereon. If applicable, such sale shall be conducted in accordance with the requirements of Section 235.04(1), Florida Statutes and the rules of the State Department of Education promulgated thereunder.

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ARTICLE V.

COVENANTS OF SCHOOL BOARD

SECTION 5.1. Maintenance of the Facilities by the School Board. The School Board agrees that at all times during each Lease Term, the School Board will, at the School Board's own cost and expense, maintain, preserve and keep the Facilities in good repair and condition, and that the School Board will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals, interior and exterior, thereto. The Corporation shall have no obligation in any of these matters, or for the making of repairs, improvements or additions to the Facilities. If the School Board fails to perform such obligations the Trustee may perform the School Board's obligations or perform work resulting from the School Board's actions or omissions and the cost thereof (together with interest until reimbursed) shall be immediately due and payable as Supplemental Payments.

SECTION 5.2. Taxes, Other Governmental Charges and Utility Charges. In the event that the ownership, leasing, use, possession or acquisition of the Facilities or Facility Sites are found to be subject to taxation in any form, the School Board will pay during each Lease Term, as the same come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Facilities or Facility Sites and any facilities or other property acquired by the School Board as permitted under this Master Lease in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Facilities or Facility Sites, as well as all or addition to the Facilities or Facility Sites, as well as all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Facilities and Facility Sites; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, the School Board shall be obligated to pay only such installments as have accrued during the time the Lease Term is in effect. If the School Board fails to perform such obligations the Trustee may (but shall not be required to) perform the School Board's obligations and the cost thereof (together with interest until reimbursed) shall be immediately due and payable as Supplemental Payments.

SECTION 5.3. Provisions Regarding Insurance. During acquisition, construction and installation of the Facilities the School Board shall require any contractor to provide Workers' Compensation, Comprehensive General Liability Insurance, Property coverage for contractor's equipment, Professional Liability Insurance, Automobile Liability Insurance, and other insurance pursuant to the terms of the policies and rules of the School Board. Contractors shall be required to provide builders' all risk property damage insurance in an amount not less than the full value of all work in place and materials and equipment provided or delivered by each supplier. The Trustee and the Corporation shall

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ARTICLE IV.

TERMINATION

SECTION 4.1. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) with respect to all Leases, on the latest Lease Payment Date set forth in any Schedule attached to this Master Lease;

(b) with respect to all Leases, in the event of nonappropriation of funds for payment of Lease Payments as provided in Sections 3.1, 3.4 and 3.5 of this Master Lease;

(c) with respect to all Leases, upon a default by the School Board with respect to any Lease and the termination of the Lease Term of all Leases by the Trustee pursuant to Section 8.2(1) of this Master Lease;

(d) with respect to a particular Lease, upon payment by the School Board of the Purchase Option Price of the particular Facilities leased under such Lease, or upon provision for such payment pursuant to Section 7.3 hereof, provided, however, that upon such provision for payment the obligation to make Lease Payments under such Lease shall continue to be payable solely from such provision for payment.

SECTION 4.2. Effect of Termination.

(a) Upon the termination of the Lease Term for the reason referred to in Section 4.1(b) or (c) hereof, the provisions of Section 3.6 shall be applicable. Upon such termination for the reason referred to in section 4.1(c) hereof, the provisions of Sections 8.2 and 8.3 shall also be applicable.

(b) In the event of termination of the Lease Term for the reason referred to in Section 4.1(d) hereof, there shall be applied solely from the amounts deposited pursuant to Section 7.3 hereof as a reduction against such Basic Lease Payments to become due after such termination an amount equal to the Basic Lease Payments applicable to the Facilities.

(c) Notwithstanding the termination of the Lease Term pursuant to Section 4.1 hereof, the representations of the School Board set forth in Section 2.10 hereof and the provisions of Sections 5.7 and 5.10 hereof shall survive such termination.

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be named as additional insureds and loss payees wherever the School Board is to be named, and shall be entitled to written notice of cancellation to the same extent as the School Board.

The School Board shall, during the Lease Term, purchase and maintain property insurance coverage in an amount not less than \$400,000,000 per occurrence, to the extent such insurance is available at commercially reasonable costs, covering the replacement cost of its property including the Facilities insuring against the perils of FIRE, LIGHTNING, WINDSTORM, HAIL, HURRICANE, WINDBLOWN RAIN, DAMAGE FROM WATER, FLOOD, EXPLOSION, AIRCRAFT, VEHICLES, SMOKE, VANDALISM AND MALICIOUS MISCHIEF, TRANSPORTATION HAZARDS, THEFT AND BURGLARY. The School Board shall maintain a self-insurance program for its combined general and automobile liability insurance coverage in an amount not less than \$5,000,000 per occurrence pursuant to the provisions contained within Florida Statute 768.28.

The adequacy of the School Board's property insurance coverage shall be reviewed annually by the Insurance Consultant, and the School Board shall follow the recommendations of the Insurance Consultant so long as the recommended insurance is available at commercially reasonable costs and otherwise satisfies the criteria set forth herein. The School Board shall maintain eligibility for assistance by the Federal Emergency Management Agency.

The School Board may elect to self-insure for any such damage or liability, as provided above, upon the following terms and conditions:

(a) the self-insurance program shall be approved by the Insurance Consultant;

(b) The self-insurance program shall include a sound claims reserve fund out of which each self-insured claim shall be paid; the adequacy of such fund shall be evaluated at least annually by the Insurance Consultant; and any deficiencies in the fund shall be remedied in accordance with the recommendations of the Insurance Consultant;

(c) The self-insurance claims reserve fund shall be held in a bank account created for the purpose of maintaining such self-insurance funds, which bank account may be under the control of the School Board and may not be commingled with other School Board monies; and

(d) In the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund shall be maintained.

The School Board may also self-insure for the amount of the deductible portion of the above described insurance coverage. The

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School Board's present maximum self-insured limits are \$1,000,000 per occurrence for property coverage; and \$5,000,000 per occurrence for combined general and automobile liability coverage. If the School Board revises such limits such that its self-insured retention exceeds 10% of the amount of property insurance recommended by the Insurance Consultant, the School Board will cause the adequacy of its self-insurance reserve fund to be reviewed by the Insurance Consultant on an annual basis.

Any insurance policy issued pursuant to this Section 5.3 shall provide that the Corporation and the Trustee shall be notified of any proposed cancellation of such policy thirty (30) days prior to the date set for cancellation. Any policy of all risk property insurance must be obtained from a commercial insurance company or companies rated A by A.M. Best Company or in one of the two highest rating categories of Moody's and S&P, or otherwise approved by the Credit Facility Issuer.

If required by Florida law, the School Board shall carry or cause to be carried worker's compensation insurance covering all employees on, in, near or about the Facilities, and upon request, shall furnish or cause to be furnished to the Corporation and the Trustee certificates evidencing such coverage.

In the event of any loss, damage, injury, accident, theft or condemnation in excess of 50% of self-insured retention involving the Facilities, the School Board shall promptly provide or cause to be provided to the Corporation and the Trustee written notice thereof, and make available or cause to be made available to the Corporation and the Trustee all information and documentation relating thereto.

Any insurance policy maintained pursuant to this Section 5.3 shall be so written or endorsed to provide that the Trustee (on behalf of the Certificate holders), and the Corporation are named as additional insureds, and the Trustee, the Corporation and the School Board are named as loss payees as their interests may appear and the Net Proceeds of any insurance reserve or appropriation made in connection with a self-insurance election shall be payable to the School Board, the Corporation and the Trustee (on behalf of the Certificate holders) as their respective interests may appear. The Net Proceeds of the insurance required in this Section 5.3 or the Net Proceeds of any insurance reserve or appropriation in connection with a self-insurance election shall be applied as provided in Section 5.4(a) and Section 5.4(b) hereof.

SECTION 5.4. Damage, Destruction or Condemnation. If prior to the termination of the Lease Term under a particular Lease, the Facilities financed under such Lease or any portion thereof are destroyed or are damaged by fire or other casualty, or title to, or the temporary use of such Facilities or any portion thereof shall be taken under the exercise of the power of eminent domain by an

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cost in excess of the amount of the Net Proceeds, and the School Board agrees that, if by reason of any such insufficiency of the Net Proceeds the School Board shall make any payments pursuant to the provisions of this Section, the School Board shall not be entitled to any reimbursement therefor from the Corporation or the Trustee nor shall the School Board be entitled to any diminution of the amounts payable under the related Lease.

SECTION 5.6. Advances. In the event the School Board shall not elect to self-insure any risk that would otherwise require the maintenance of insurance coverage hereunder, and shall fail to maintain the full insurance coverage required hereunder, the Corporation may, but shall be under no obligation to, purchase the required policies of insurance and pay the premiums on the same, or if the School Board shall fail to keep the Facilities in good repair and operating condition, the Corporation may, but shall be under no obligation to, make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by the Corporation shall become immediately due and payable as a Supplemental Payment under the Lease relating to such Facilities which amounts, together with interest thereon (at an annual interest rate equal to the interest portion of the Basic Lease Payments, expressed as an annual interest rate) until paid, the School Board agrees to pay.

SECTION 5.7. Release and Indemnification. To the extent permitted by Florida law, including the provisions of Section 768.28 Florida Statutes, the School Board shall indemnify and save the Corporation and the Trustee harmless from and against any and all liability, obligations, claims and damages, including consequential damages and reasonable legal fees and expenses, arising out of, or in connection with, the transactions contemplated by this Master Lease, all Schedules hereto, any Ground Lease, any Assignment Agreement and the Trust Agreement including, without limitation, the issuance of Certificates, except in the case of liability, obligations, claims and damages arising out of their own negligence or willful misconduct.

SECTION 5.8. Payment and Performance Bonds and other Guaranty. The School Board agrees to cause any contractor to provide performance, payment and guarantee and any additional bonds or surety bonds, if and when required pursuant to the School Board's rules and policies and the provisions of Section 255.05, Florida Statutes, and other applicable provisions of Florida law. Such bonds or other surety shall be in dual obligee form, naming the School Board and the Trustee as dual obligees.

SECTION 5.9. Essential Governmental Functions. The School Board represents and warrants that the services to be provided by or from the Facilities are essential to the delivery of the School Board's essential governmental services, and covenants that during the Lease Term it will use the Facilities to perform essential

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entity other than the School Board, the School Board shall, within sixty (60) days after such damage, destruction or condemnation elect one of the following two options by written notice from an Authorized School Board Representative of such election to the Corporation and the Trustee:

(a) **Option A - Repair, Restoration or Replacement.** Except as provided below, the School Board will cause the Net Proceeds of any insurance or the Net Proceeds of any reserves or appropriation made in connection with a self-insurance election, or the Net Proceeds of any claim or condemnation award to be applied to the prompt repair, restoration, or replacement (in which case such replacement shall become subject to the provisions of the related Lease as fully as if it were the originally leased Facilities) of such Facilities. Net Proceeds in excess of \$25,000 shall be deposited with the Trustee. Any such Net Proceeds received by the Trustee shall be deposited in the related Acquisition Account or a separate escrow account held by the Trustee and be applied by the Trustee toward the payment of the Cost of such repair, restoration or replacement, utilizing the same requisition process set forth in the Trust Agreement for the payment of the Cost of the Facilities from such Acquisition Account.

(b) **Option B - Partial Prepayment.** If the School Board has determined that its operations have not been materially affected and that it is not in the best interest of the School Board to repair, restore or replace that portion of the Facilities so damaged, destroyed or condemned, then the School Board shall not be required to comply with the provisions of Subparagraph (a) set forth above. If the Net Proceeds are equal to less than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities, such Net Proceeds shall be deposited in the Lease Payment Account for the Series of Certificates relating to such Facilities to be credited against Basic Lease Payments next coming due in accordance with Section 3.2 (C) hereof. If the Net Proceeds are equal or greater than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities, such Net Proceeds shall be deposited in the Prepayment Account for the Series of Certificates relating to such Facilities to be applied to the prepayment in part of the principal portion and accrued interest portion of Basic Lease Payments relating to such Facilities represented by the Certificates in accordance with Section 7.2 hereof.

SECTION 5.5. Insufficiency of Net Proceeds. If the School Board elects to repair, restore or replace the Facilities under the terms of Section 5.4(a) hereof and the Net Proceeds therefor are insufficient to pay in full the Cost of such repair, restoration or replacement, the School Board shall complete the work and pay any

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governmental functions relating to its statutory responsibility of providing for public education throughout the District. The School Board represents and covenants that it has an immediate need for the Facilities, that it does not expect such need to diminish during the Lease Term and that it intends to use the Facilities for public school educational purposes throughout each Lease Term.

SECTION 5.10. Tax Exemption; Rebates. In order to maintain the exclusion from gross income for federal income tax purposes of the interest portion of the Basic Lease Payments paid to the Certificate holders, the School Board shall comply with the provisions of the Code applicable to this Master Lease and each Schedule thereto and each Series of Certificates issued under the Trust Agreement, including without limitation the provisions of the Code relating to the computation of the yield on investments of the Gross Proceeds of each Series of Certificates, reporting of earnings on the Gross Proceeds of each Series of Certificates, and rebating Excess Earnings to the Department of the Treasury of the United States of America.

Without limiting its right of non-appropriation under Section 3.5 hereof, the School Board covenants that it shall not take any action or fail to take any action which would cause a Lease and the Series of Certificates relating thereto to be "arbitrage bonds" within the meaning of Section 148(a) of the Code or which would otherwise cause the portion of Basic Lease Payments under such Lease representing the payment of interest as set forth in Section 3.3 hereof to be includable in the gross income of the Certificate holders.

In the event that the School Board shall fail to rebate such Excess Earnings when due, the Corporation or its assignee may, but shall be under no obligation to, pay amounts due to the Treasury; and all amounts so advanced by the Corporation or its assignee shall become immediately due and payable as a Supplemental Payment under the Lease relating to such Series of Certificates which amounts, together with interest thereon (at an annual interest rate equal to the interest portion of the Basic Lease Payments relating thereto expressed as an annual interest rate) until paid, the School Board agrees to pay.

SECTION 5.11. Budget and Tax Levy. The School Board covenants that it shall cause the Superintendent to prepare and submit the budget recommendation in accordance with Section 3.5 hereof including provision for discretionary capital outlay millage under Section 236.25, Florida Statutes, as amended, and that the School Board will act on such recommendation, will hold public hearings, will adopt tentative and final official budgets, and will submit such budgets to the Department of Education for approval, all pursuant to the requirements of the laws of Florida and the regulations of the Department of Education as in effect from time to time.

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Subject to the right of non-appropriation set forth in Sections 3.1 and 3.5 hereof the School Board expects that its legally available revenues will be sufficient to meet its Lease Payment obligations under the Master Lease in each Fiscal Year.

SECTION 5.12. Compliance with Law, Regulations, Etc.

(a) The School Board has, after due inquiry, no knowledge and has not given or received any written notice indicating that its Facilities and Facility Sites or the past or present use thereof or any practice, procedure or policy employed by it in the conduct of its business materially violates any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Facilities (collectively, "Laws and Regulations"). Without limiting the generality of the foregoing, neither the School Board nor to the best of its knowledge, after due inquiry, any prior or present owner, tenant or subtenant of any of the Facilities and Facility Sites has, other than as set forth in subsections (a) and (b) of this Section or as may have been remediated in accordance with Laws and Regulations, (i) used, treated, stored, transported or disposed of any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as defined in CERCLA, RCRA, CWA, CAA, TSCA, FRPA and Title III (as such term is defined in subsection (e)), and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the School Board, any of the Facilities or Facility Sites or the business operations conducted by the School Board thereon (collectively, "Hazardous Materials") on, from or beneath its Facilities or Facility Sites, (ii) pumped, spilled, leaked, disposed of, emptied, discharged or released (hereinafter collectively referred to as "Release") any material amount of Hazardous Materials on, from or beneath its Facilities or Facility Sites, or (iii) stored any material amount of petroleum products at its Facility Sites in underground storage tanks.

(b) Excluded from the representations and warranties in subsection (a) hereof with respect to Hazardous Materials are those amounts ordinarily found in the inventory of or used in the maintenance of public schools and related facilities, the use, treatment, storage, transportation and disposal of which has been and shall be in compliance with all Laws and Regulations.

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SECTION 5.13. Environmental compliance.

(a) The School Board shall not use or permit the Facilities or Facility Sites or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Facilities or Facility Sites and then, only in compliance with all Environmental Regulations, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the Release or threat of Release of Hazardous Materials on, from or beneath the Facilities or Facility Sites or onto any other property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of or used in the maintenance of public schools and related facilities, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release of Hazardous Materials, the School Board shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Corporation all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, so released, on, from or beneath the Facilities or other property, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (d) of this Section and only to the extent necessary to maintain the improvements on the Facilities or Facility Sites.

(b) The School Board shall comply with, and shall cause its tenants, subtenants, licensees, guests, invitees, contractors, employees and agents to comply with, all Environmental Regulations, and shall keep the Facility Sites free and clear of any liens imposed pursuant thereto (provided, however, that any such liens, if not discharged, may be bonded). The School Board shall cause each tenant under any lease, and use its best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all Environmental Regulations with respect to the Facilities and Facility Sites; provided, however, that notwithstanding that a portion of this covenant is limited to the School Board's use of its best efforts, the School Board shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the School Board's obligations contained in subsection (c) hereof as provided in subsection (c) hereof. Upon receipt of any notice from any Person with regard to the Release of Hazardous Materials on, from or beneath the Facilities and Facility Sites, the School Board

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(c) No Facilities or Facility Sites located in an area of high potential incidence of radon has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the corporation or support of the improvements to the Facilities.

(d) The School Board has not received any notice from any insurance company which has issued a policy with respect to the Facilities or Facility Sites or from the applicable state or local government agency responsible for insurance standards (or any other body exercising similar functions) requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at the Facilities or Facility Sites. The School Board has not received any notice of default or breach which has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement agreement or other easement affecting its Facilities or Facility Sites which is to be performed or complied with by it.

(e) For purposes of this Section and Section 5.13 hereafter, the following terms shall have the following meanings:

"Asbestos Containing Materials" shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (riebeckite); (c) amosite (cummingtonite-trigrenite); (d) anthophyllite; (e) tremolite; and (f) actinolite.

"Environmental Regulations" shall mean all Laws and Regulations now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.) (together with the regulations promulgated thereunder, "CWA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, "CAA"), the Florida Radiation Protection Act, as amended (Fla. Stat. Chapter 404) (together with all regulations promulgated thereunder, "FRPA") and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 et seq.) (together with the regulations promulgated thereunder, "TSCA"), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

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shall give prompt written notice thereof to the Trustee, the Corporation and the Credit Facility Issuer (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulations).

(c) Irrespective of whether any representation or warranty contained in Section 5.12 is not true or correct, the School Board shall defend, indemnify and hold harmless the Corporation, the Trustee and the Credit Facility Issuer, its partners, depositors and each of its and their employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this Section 5.13), consultants' fees, investigation and laboratory fees, liabilities, settlements (five (5) Business Days' prior notice of which the Corporation, the Trustee or the Credit Facility Issuer, as appropriate, shall have delivered to the School Board), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Facilities or Facility Sites, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five (5) Business Days' prior notice of which the Corporation, the Trustee or the Credit Facility Issuer, as appropriate, shall have delivered to the School Board) or governmental order relating to Hazardous Materials on, from or beneath any of the Facilities or Facility Sites, (iv) any violation of Environmental Regulations or subsection (a) or (b) hereof by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the School Board is strictly liable under any Environmental Regulation, its obligation to the Corporation, the Trustee and the Credit Facility Issuer and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. The School Board's obligations and liabilities under this Section 5.13(c) shall survive the termination of this Master Lease.

(d) The School Board shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with Laws and Regulations, including but not limited to Environmental Regulations.

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SECTION 5.14. Prosecution and Defense of Suits.

(a) The School Board shall promptly from time to time take or cause to be taken such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to any Facility Site or Facilities comprising a Project, or any portion thereof, and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall, to the extent permitted and limited by applicable law and only from moneys legally available for such purpose, indemnify or cause to be indemnified the Corporation for all loss, cost, damage and expense, which the Corporation may incur by reason of any such defect, cloud, suit, action or proceedings.

(b) The School Board shall defend, or cause to be defended against every suit, action or proceeding at any time brought against the Corporation, or its directors, officers and employees upon any claim arising out of the receipt, application or disbursement of any moneys held by the Trustee or arising out of the construction of Facilities comprising any Project and involving the rights of the Corporation, or its directors, officers and employees under this Master Lease or any act or omission of the directors, officers and employees done or omitted to be done within the scope of their respective office or employment, other than an act or omission which is the result of misconduct or negligence by such parties; provided, that the Corporation, at its election, may appear in and defend any such suit, action or proceeding. To the extent permitted and limited by applicable law and only from moneys legally available for such purpose, the School Board shall indemnify or cause to be indemnified the Corporation, against any and all claims, demands, costs or liability claimed or asserted by any person, arising out of such receipt, application or disbursement.

SECTION 5.15. Waiver of Laws. The School Board shall not at any time insist upon or plead in any manner whatsoever, or claim or suffer or take the benefit or advantage of any stay or extension law now or at any time hereafter in force which may adversely affect the covenants and agreements contained in this Master Lease and the benefit and advantage of any such law or laws is hereby expressly waived by the School Board to the extent that the School Board may legally make such waiver.

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Board, the Corporation and the Trustee as insureds, as their interests may appear, in amounts as required by such Credit Facility Issuer. Proceeds of any payment under a title insurance policy shall be paid to the Trustee and held for application (at the direction of the School Board prior to the occurrence of an Event of Default or a nonappropriation hereunder) first, to cure any defect in title, and second, in accordance with the priorities set forth in Section 504(a) of the Trust Agreement. The execution of each Ground Lease and each amendment thereto adding or modifying a Facility Site shall be subject to the approval of the related Credit Facility Issuer (no approval shall be required to add or correct a legal description and/or the permitted encumbrances for a Facility Site which has already been designated in such Ground Lease), if any, and at the time of such execution there shall be delivered by the School Board to the Trustee an opinion of Counsel with respect to each Facility Site to the effect that there are no liens or encumbrances thereon that are not Permitted Encumbrances under the Master Lease, and that there shall be no merger of the fee estate of the School Board in the Facility Sites with the leasehold estates created therein by a Ground Lease or this Master Lease, notwithstanding the fact that the same person may hold one or more leasehold estates and such fee estate.

SECTION 6.2. Liens. Except as permitted under this Master Lease, during the Lease Term each of the Corporation and the School Board shall not, directly or indirectly, create, incur, assume or suffer to exist any security interest, pledge, lien, charge, encumbrance or claim on any of the Facilities or Facility Sites or leasehold interests therein, other than the respective rights of the Trustee, the Corporation and the School Board as herein provided. If such security interest, pledge, lien, charge, encumbrance or claim on any of the Facilities or Facility Sites or leasehold interests therein shall exist, it shall be the duty of the School Board, within ninety (90) days after the School Board shall have been given written notice of such security interest, pledge, lien, charge, encumbrance, or claim being filed, to cause the Facilities or Facility Sites to be released from such security interest, pledge, lien, charge, encumbrance, or claim either by payment or by posting of a bond or by the payment into a court of competent jurisdiction of the amount necessary to relieve and release the Facilities or Facility Sites from such security interest, pledge, lien, charge, encumbrance, or claim or in any other manner which, as a matter of law, will result within such period of ninety (90) days in releasing the School Board and the title of the School Board from such security interest, pledge, lien, charge, encumbrance or claim; provided, however, that if such security interest, pledge, lien, charge, encumbrance or claim cannot, with due diligence, be discharged or removed within such ninety (90) day period and the School Board has diligently commenced to discharge or remove such security interest, pledge, lien, charge, encumbrance or claim within such period, the School Board shall have a reasonable period of time to discharge or remove

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ARTICLE VI.

TITLE

SECTION 6.1. Title to Facility Sites and Facilities. Throughout the term of each Ground Lease, fee title to the Facility Sites described therein shall be in the name of the School Board, subject to Permitted Encumbrances. Title to the Refinanced Facilities and upon acquisition and acceptance of any component of new Facilities by the School Board, shall be vested in the School Board, subject to Permitted Encumbrances. At such time as payment, or provision for payment as provided in Section 7.2 or 7.3 hereof, of all Lease Payments or the then applicable Purchase Option Price of one or more Facilities has been made in full, the School Board shall be deemed to have exercised an option to purchase such Facilities and fee simple title to such Facilities free and clear of all encumbrances, including the Corporation's interest in the Facilities as Lessor hereunder and as Lessee under the related Ground Lease, except Permitted Encumbrances, shall vest in the School Board. Upon substitution of other Facilities for Facilities financed under a Lease as herein provided, fee simple title to the Facilities for which substitution has been made, shall vest in the School Board free and clear of all encumbrances, including the Corporation's interest in the Facilities as Lessor hereunder and as lessee under the related Ground Lease, except Permitted Encumbrances. The Corporation hereby appoints the School Board as its agent to prepare and file or record in appropriate offices such documents as may be necessary to cause record title to such Facilities to vest in the School Board. The Corporation agrees to immediately execute a written surrender and release and an assignment without recourse or warranty of all its right, title, and interest under the related Lease and Ground Lease to the School Board, or shall execute amendments to the Lease Schedule, if appropriate in the case of the purchase of portions of the Facilities financed under a Lease, as well as all other instruments necessary to vest good and marketable fee simple title to the Facilities in the School Board and relinquish the Corporation's leasehold interest therein, subject only to Permitted Encumbrances. The related Ground Lease shall then be terminated, or modified, as provided therein. The Corporation shall request the execution of such instruments by the Trustee as necessary to effect the conveyances described herein.

There shall be no merger of a Lease or of the leasehold estate thereby created in any Facilities or Facility Sites with the fee estate in such Facilities or Facility Sites by reason of the fact that the same person may acquire or hold, directly or indirectly, a Lease or leasehold estate therein created or any interest therein, and the fee estate in the Facilities or Facility Sites relating to such Lease or any interest in such fee estate.

If required by a Credit Facility Issuer the School Board shall provide one or more policies of title insurance naming the School

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such security interest, pledge, lien, charge, encumbrance or claim. The School Board shall reimburse the Corporation or the Trustee for any expense incurred by the Corporation or the Trustee in order to discharge or remove any such security interest, pledge, lien, charge, encumbrance or claim, provided, however, that neither the Corporation nor the Trustee is under any obligation to incur such expense without having been provided, in advance, with any amounts needed to pay such expense.

SECTION 6.3. Use of the Facilities and Facility Sites. The School Board will not use, or maintain the Facilities or Facility Sites improperly, carelessly, in violation of any applicable law or in a manner contrary to their use as educational facilities as contemplated by this Master Lease. The School Board shall provide all permits and licenses, if any, necessary for the acquisition, construction and installation of the Facilities and Facility Sites. In addition, the School Board agrees to comply in all respects (including, without limitation, with respect to the use and maintenance of the Facilities and Facility Sites) with all applicable laws of the jurisdictions in which the Facilities and Facility Sites are located and with all applicable regulations, orders and decrees of any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Facilities and Facility Sites; provided, however, that the School Board may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not adversely affect the interest or rights of the Corporation or the Trustee under this Master Lease.

SECTION 6.4. Substitution of Facilities. To the extent permitted by law, the School Board may substitute for any Facilities other facilities owned by the School Board, provided such substituted facilities (a) have the same or a greater remaining useful life, (b) have a fair market value equal to or greater than the Facilities for which they are substituted, (c) are of substantially equal utility as the Facilities to be replaced and meet the requirement of Section 5.9 hereof and (d) are free and clear of all liens and encumbrances, except Permitted Encumbrances. To the extent that the facilities to be substituted serve a different educational function from the Facilities for which they are to be substituted, such substitution must also be approved by the Credit Facility Issuer, if any, for the Series of Certificates from which the Facilities to be replaced were originally financed. In order for the Facilities to be replaced to be substituted, the Facilities to be replaced shall be released from the encumbrance of the related Lease and Ground Lease by appropriate instrument executed by the School Board and the Corporation (or Trustee as assignee of the Corporation) in form sufficient to leave good and marketable fee simple title to such Facilities in the School Board subject only to Permitted Encumbrances, and the Facilities to be substituted shall likewise be incorporated in the appropriate Lease and Ground Lease modifications. The related Schedule shall be appropriately amended, and

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the related Ground Lease shall be amended or canceled and replaced, to reflect such substitution.

There shall also be delivered at the time of substitution an Opinion of Counsel addressed to the School Board, the Corporation, the Trustee and any Credit Facility Issuer as to the legality and validity of such substitution under the laws of the State and that such substitution will not adversely affect the exclusion from gross income for federal income tax purposes of the interest portion of the Basic Lease Payments paid to the related Certificate holders, a policy of title insurance (if required by the applicable Credit Facility Issuer) and an opinion of Counsel as described in section 6.1 hereof with respect to the substitute Facility Site.

For purposes hereof, "fair market value" shall be determined on the basis of an MAI appraisal performed by an appraiser jointly selected by the School Board and the Trustee.

The provisions of this section may be designated as inapplicable to certain Facilities listed in a particular Schedule.

ARTICLE VII.

ASSIGNMENT, OPTION TO PURCHASE, AND PREPAYMENT

SECTION 7.1. Assignments; Subleasing.

(A) It is understood that substantially all right, title and interest of the Corporation in and to each Lease including the right to receive Basic Lease Payments thereunder, is to be assigned by the Corporation to the Trustee for the benefit of the holders of the Series of Certificates relating thereto, pursuant to the Assignment Agreement relating to such Lease. The School Board consents to such assignment and agrees that upon such assignment the Trustee shall have all of the rights of the Corporation thereunder, and shall be deemed to be the Corporation for all purposes of such Lease and the School Board agrees to pay to the Trustee at its designated corporate trust office all payments payable by the School Board to the Corporation pursuant to such Lease, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of the Lease or otherwise) that the School Board may from time to time have against the Corporation or any person or entity associated or affiliated therewith.

(B) This Master Lease and each Schedule hereto may not be assigned by the School Board for any reason. However, Facilities may be subleased, as a whole or in part, by the School Board, without the necessity of obtaining the consent of the Corporation or its assignee, subject, however, to each of the following conditions:

(i) Such Facilities may be subleased for educational or other purposes, in whole or in part, subject to the rules and regulations of the State Department of Education, only to an agency or department or political subdivision of the State, or to another entity or entities if, in the opinion of Special Tax Counsel, such sublease will not impair the exclusion from federal income tax of the designated interest component of Basic Lease Payments payable by the School Board under the Lease relating to such Facilities;

(ii) This Master Lease, and the obligations of the School Board hereunder and under each Schedule hereto, shall, at all times during each Lease Term, remain obligations of the School Board, and the School Board shall maintain its direct relationships with the Corporation and its assignee, notwithstanding any sublease;

(iii) The School Board shall furnish or cause to be furnished to the Corporation and its assignee a copy of any sublease agreement;

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(iv) No sublease by the School Board shall cause the Facilities to be used for any purpose which would adversely affect the exclusion from federal income taxation of the designated interest component of the Basic Lease Payments payable by the School Board under the Lease relating to such Facilities, or which would violate the Constitution, statutes or laws of the State, or the rules and regulations of the State Department of Education; and

(v) The term of any sublease cannot extend beyond the end of the then current Lease Term, and shall be subject to immediate cancellation upon the occurrence of a nonappropriation or event of default hereunder.

SECTION 7.2. Prepayment.

(A) Optional. The principal portion of the Basic Lease Payments due under a particular Lease represented by a Series of Certificates shall be subject to prepayment at the option of the School Board, in the manner and at the times set forth in the Schedule to this Master Lease relating to such Series.

(B) Extraordinary. In the event that:

(a) there are Net Proceeds equal to or greater than ten percent (10%) of the remaining principal portion of the Basic Lease Payments relating to Facilities financed under a particular Lease, as a result of damage to or destruction or condemnation of any portion of such Facilities, and an election is made by the School Board in accordance with Section 5.4(b) hereof to apply the amount to the prepayment in part of the principal portions of Basic Lease Payments relating to such Facilities, or

(b) there shall remain in the Acquisition Account relating to a particular Series of Certificates upon delivery by the School Board of a Certificate of Acceptance indicating completion of the acquisition, construction, installation and payment of all costs of the Facilities financed under a Lease relating to such Series of Certificates (including the failure of the School Board to acquire any component of such Facilities) an amount greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, or

(c) the Lease Term is terminated for the reasons referred to in Sections 4.1(b) or 4.1(c) hereof;

then, in each case, same shall constitute an "Event of Extraordinary Prepayment".

Each Event of Extraordinary Prepayment shall result in the following action, respectively:

(1) With respect to (a) and (b) above, the Corporation and the School Board shall pay such remaining Acquisition Account monies and Net Proceeds to the Trustee, and the Trustee shall deposit such funds in the respective Prepayment Accounts applicable to each Series of Certificates relating to such Leases to be used to prepay such Series of Certificates in the manner provided in the Trust Agreement; and

(ii) With respect to (c) above, at the election of a Credit Facility Issuer the Purchase Option Price of all Facilities shall become immediately due and payable, and the Trustee shall credit the balance remaining in all Funds and Accounts for each Series of Certificates to the Prepayment Account for such Series, and upon receipt of the Purchase Option Price of all Facilities, shall deposit such moneys to the credit of the related Prepayment Account for the Series relating to each such Facilities, to be used to prepay such Series of Certificates in the manner provided in the Trust Agreement.

In the event of prepayment in part under a particular Lease, the School Board will provide the Trustee a revised Schedule of Lease Payments reflecting said partial prepayment.

In the event of a payment in full of the Purchase Option Price of all Facilities financed hereunder, all covenants, agreements and other obligations of the School Board under this Master Lease shall cease, terminate and become void and be discharged and satisfied except as otherwise provided in Section 4.1(d) hereof. In such event the Trustee and the Corporation shall execute and deliver to the School Board all such instruments in recordable form at the School Board's expense as may be desirable to evidence such discharge and satisfaction.

SECTION 7.3. Prepayment Deposit. Notwithstanding any other provision of this Master Lease, the School Board may on any date secure the payment of all or a portion of the Purchase Option Price of all Facilities under a particular Schedule hereto and the related Series of certificates, or with the prior consent of the Credit Facility Issuer, if any, for the Series of Certificates from which the Facilities in question were originally financed, the Purchase Option Price under a Schedule relating to all or a portion of one or more particular Facilities set forth on such Schedule and a corresponding amount of Certificates of the Series relating thereto, by a deposit with the Trustee as escrow holder under an escrow deposit agreement of amounts as set forth in Section 801 of the Trust Agreement.

In such event all covenants, agreements and other obligations of the School Board under the related Lease, or with respect to a

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portion of the Purchase Option Price of all Facilities under such Lease, or with respect to one or more particular Facilities financed under such Lease, shall cease, terminate and become void and be discharged and satisfied in accordance with the provisions of Section 4.1(d) hereof (or, in the case of a deposit for a portion of a Facility, modified accordingly), except the obligation of the School Board to make or cause to be made, Basic Lease Payments and any Additional Lease Payments under such Lease from the deposit made by the School Board pursuant to this Section, and except as provided in Section 4.2(c) hereof. In such event, the Trustee shall provide statements for such period or periods as shall be requested by the School Board to be prepared and filed with the School Board and, upon the request of the School Board, the Corporation or the Trustee, as appropriate, shall execute and deliver to the School Board all such instruments in recordable form at the School Board's expense as may be desirable to evidence such discharge and satisfaction.

SECTION 7.4. Refunding Certificates. The Corporation shall direct the Trustee, when directed to do so by the School Board, to issue one or more Series of refunding Certificates under a Supplemental Trust Agreement for the purpose of providing for the payment of all or a portion of Outstanding Series of Certificates, the funding of a Reserve Account, if any, and the payment of the costs of issuance in connection with such Series of refunding Certificates. Simultaneously with the issuance and delivery of such Series of refunding Certificates the applicable proceeds thereof shall be deposited with the Trustee as escrow holder under an escrow deposit agreement in such amount as set forth in Section 8.01 of the Trust Agreement. Upon the deposit as aforesaid, the Trustee and the School Board shall enter into an amendment to the related Lease Schedule at the School Board's expense, in order to adjust the Lease Payments to be made under such Lease to an amount sufficient to pay, as and when the same mature and become due, the principal and interest portions of the Basic Lease Payments represented by the Series of refunding Certificates and by the original Series of Certificates to the extent that such Series has not been refunded (except to such extent as the same may be payable out of moneys or Government obligations deposited pursuant to Section 7.3 hereof).

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effect, and, in the case of involuntary proceedings, the failure of the same to be dismissed within one hundred eighty (180) days of the filing thereof.

If by reason of force majeure the School Board is unable in whole or in part to carry out the agreements on its part herein contained, other than the obligations on the part of the School Board contained in Article III hereof, the School Board shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God, strikes, lockouts or other industrial disturbances; acts of public enemies, orders or restraints of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; hurricanes; fires; storms; droughts; floods; or explosions.

Notwithstanding anything contained in this Section 8.1 to the contrary, a failure by the School Board to pay when due any payment required to be made under this Master Lease and any Schedule hereto or a failure by the School Board to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Master Lease, resulting from a failure by the School Board to appropriate moneys as contemplated by Sections 3.5 and 5.11 hereof, shall not constitute an event of default under this Section 8.1.

SECTION 8.2. Remedies on Default. Whenever any event of default referred to in Section 8.1 shall have happened and be continuing, the Corporation shall have the right, without any further demand or notice except as hereinafter provided, to take one or any combination of the following remedial steps:

(1) upon written notice to the School Board, terminate the Lease Term of all Leases and, whether or not the Lease Term is terminated, exercise all available remedies at law or in equity as described in Section 3.6 hereof; or

(2) take whatever action at law or in equity as may appear necessary or desirable to collect all Lease Payments or other payments then due and thereafter to become due for the remainder of the then current Lease Term, or the Purchase Option Price then due, or to enforce performance and observance of any obligation, agreement or covenant of the School Board under this Master Lease.

SECTION 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Master Lease or now or hereafter existing at law or in equity, subject to any limitations set forth in Section 3.6 hereof.

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ARTICLE VIII.

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.1. Events of Default Defined. The following shall be "events of default" under this Master Lease and the terms "event of default" and "default" shall mean, whenever they are used in this Master Lease, any one or more of the following events:

(a) Failure by the School Board to pay in full any Basic Lease Payment with respect to any Lease at the time and in the manner specified herein;

(b) Failure by the School Board to pay in full any Additional Lease Payment or Supplemental Payment with respect to any Lease at the time and in the manner specified herein, and such failure shall continue for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the School Board by the Corporation, the Trustee or the related Credit Facility Issuer, if any, provided, however, that if the Authorized School Board Representative certifies to the Corporation, the Trustee or the related Credit Facility Issuer, if any, in writing that such default cannot with due diligence be cured within such thirty (30) day period and that the School Board has diligently commenced to cure such default within such period, the School Board shall have a reasonable period not exceeding sixty (60) days after written notice (unless further extended by the Credit Facility Issuer, or if there be none, the Trustee) to cure such default;

(c) Failure by the School Board to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in Section 8.1(a) or (b) for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied is given to the School Board by the Corporation, the Trustee or the related Credit Facility Issuer, or any representation of the School Board in this Lease Purchase Agreement shall have been untrue when made; provided, however, that if the Authorized School Board Representative certifies to the Corporation, the Trustee or the related Credit Facility Issuer, in writing that such default cannot with due diligence be cured within such sixty (60) day period and that the School Board has diligently commenced to cure such default within such period, the School Board shall have a reasonable period to cure such default; or

(d) the filing of a petition in bankruptcy (or any other commencement of a bankruptcy or similar proceeding by or against the School Board under any applicable bankruptcy, insolvency, reorganization or similar law, now or hereafter in

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ARTICLE IX.

MISCELLANEOUS

SECTION 9.1. Notices. All notices, certificates, requests or other communications (other than payments by the School Board) hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered or three (3) Business Days after being mailed by first class mail, postage prepaid, to the parties at their respective places of business as follows (or to such other address as shall be designated by any party in writing to all other parties):

Corporation:	445 West Amelia Street/ELC-4 Orlando, Florida 32801 Attention: Treasurer
School Board:	445 West Amelia Street/ELC-4 Orlando, Florida 32801 Attention: Deputy Superintendent for Business Services
Trustee:	101 N.E. 3rd Avenue Suite 100 Fort Lauderdale, Florida 33301 Attention: Corporate Trust Department

Copies of any notices shall be provided to all Credit Facility Issuers at the addresses provided in one or more Schedules.

Notice shall also be given by the School Board to the Rating Agencies of the occurrence of any one or more of the following: (i) the appointment of a successor Trustee, (ii) the expiration or termination of a Credit Facility, (iii) the prepayment or defeasance of any of the Outstanding Certificates in accordance with Section 8.01 or 8.02 of the Trust Agreement or (iv) a material modification of or amendment to the Trust Agreement, this Master Lease, any Ground Lease, any Assignment Agreement, any Lease Schedule or any Credit Facility.

SECTION 9.2. Binding Effect. This Master Lease shall inure to the benefit of and shall be binding upon the Corporation and the School Board and their respective successors and assigns, including without limitation the Trustee pursuant to the Assignment Agreement.

SECTION 9.3. Severability. In the event any provision of this Master Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

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SECTION 9.4. Amendments. The terms of this Master Lease and any Lease Schedule shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Corporation and the School Board and, if required under the terms of the Trust Agreement, by the Trustee, and consented to by each Credit Facility Issuer. Copies of amendments shall be provided to the Rating Agencies. Notwithstanding the foregoing, a Lease Schedule may be amended without obtaining the consent of the Credit Facility Issuer for the purpose of adding a legal description and/or the permitted encumbrances for a Facility Site which has already been designated in such Lease Schedule.

SECTION 9.5. Execution in Counterparts. This Master Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.6. Captions. The captions or headings in this Master Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Master Lease.

SECTION 9.7. Interest. All interest calculations hereunder shall be made on the basis of a 360-day year consisting of twelve 30-day months (unless otherwise provided on a Schedule hereto).

SECTION 9.8. Compliance with Trust Agreement. The School Board hereby approves and agrees to the provisions of the Trust Agreement. The Corporation hereby agrees not to amend or modify the Trust Agreement in any way without the written consent of the School Board so long as this Master Lease shall be in effect. The School Board agrees to do all things within its power in order to enable the Corporation to comply with all requirements and to fulfill all covenants of the Trust Agreement which require the Corporation to comply with requests or obligations so that the Corporation will not be in default in the performance of any covenant, condition, agreement or provision of the Trust Agreement, and the School Board further agrees to comply with and perform any obligations to be complied with or performed by the School Board pursuant to the Trust Agreement.

SECTION 9.9. Memorandum of Lease. Simultaneously with the execution of this Master Lease and each Schedule hereto, and thereafter simultaneously with the execution of any Schedule, the School Board and the Corporation shall each execute, acknowledge and deliver a Memorandum of Lease with respect to the Master Lease and such Schedule. Said Memorandum of Lease shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of such instrument.

SECTION 9.10. Applicable Law. This Master Lease shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 9.11. Waiver of Choice of Remedies. The School Board hereby waives any right it may have to cause the Corporation to choose any remedy and pursue such remedy to fruition, and agrees and consents that the Corporation may simultaneously and contemporaneously pursue two or more of the several remedies available to the Corporation, all of which are agreed to be concurrent and not alternative in any way, to the end that the Corporation may exercise any self help remedy under this Master Lease as to any Lease and may file and pursue to final judgment and final collection, actions (i) to eject the School Board and reclaim possession of any and all of the Projects, and (ii) against the School Board for money damages and (iii) against the School Board for performance of any covenants, all at the same time, in any combination, in one action and in several actions, and any of them, all at the Corporation's sole discretion, provided only that the Corporation may not ultimately recover more than the total amount provided herein plus such expenses and reimbursements as provided herein for preserving, maintaining and realizing on this Master Lease and the Leases.

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IN WITNESS WHEREOF, the Corporation has caused this Master Lease to be executed in its corporate name by its duly authorized officers, and the School Board has caused this Master Lease to be executed in its name by its duly authorized members and officers, all as of the day and year first written above.

[SEAL] ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION
By: Donald Shaw
Dr. Donald Shaw
Secretary

By: Susan Landis Arkin
Susan Landis Arkin
President

[SEAL] THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: Donald Shaw
Dr. Donald Shaw
Secretary

By: Susan Landis Arkin
Susan Landis Arkin
Chairman

STATE OF FLORIDA)
) SS:
COUNTY OF ORANGE)

I, J. Anne R. Jensen, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Susan Landis Arkin and Dr. Donald Shaw personally known to me to be the same persons whose names are, respectively, as President and Secretary of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION, a Florida not-for-profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21st day of May, 1997.

NOTARY PUBLIC
SEAL OF OFFICE:

J. Anne R. Jensen
NOTARY PUBLIC, STATE OF FLORIDA



(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or
☐ Produced identification: _____

Identification

(Type of

☐ DID take an oath, or ☒ DID NOT take an oath.

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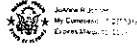
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STATE OF FLORIDA)
) SS:
COUNTY OF ORANGE)

I, John P. Jensen, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Susan Landis Arkin and Dr. Donald Shaw, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, respectively of THE SCHOOL DISTRICT OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21st day of May, 1997.

John P. Jensen
NOTARY PUBLIC, STATE OF FLORIDA



NOTARY PUBLIC
SEAL OF OFFICE:

(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or

☐ Produced identification:

(Type of

Produced)

☐ DID take an oath, or ☒ DID NOT take an oath.

(Identification)

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Lease Payments to be made by the School Board pursuant to the Master Lease.

"Commencement Date" for the Series ___ Lease is ___.

"Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate, dated ___, executed and delivered by the School Board in connection with the issuance of the Series ___ Certificates.

"Participating Underwriter" shall mean any of the original underwriters of the Series ___ Certificates required to comply with the Rule in connection with the offering of the Series ___ Certificates.

"Rating Agency" shall mean any of Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service, Inc., Fitch Investors Service, L.P. and any other nationally recognized rating services not unacceptable to the Series ___ Credit Facility Issuer which shall have provided a rating on any Outstanding Certificates.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Series ___ Credit Facility" shall mean ___.

"Series ___ Credit Facility Issuer" shall mean ___.

"Series ___ Facilities" shall mean the Facilities described in this Schedule No. ___.

"Series ___ Facility Sites" shall mean the Facility Sites described in this Schedule No. ___, to be ground leased by the School Board to the Corporation, as the same may be amended or supplemented from time to time.

"Series ___ Ground Lease" shall mean the Series ___ Ground Lease dated as of ___, between the School Board as Lessor and the Corporation as Lessee, as amended or supplemented from time to time.

"Series ___ Supplemental Trust Agreement" shall mean the Series ___ Supplemental Trust Agreement dated as of ___, between the Corporation and the Trustee.

SECTION 2. Lease Term. The total of all Lease Terms of the Lease are expected to be approximately ___ years consisting of an "Original Term" of approximately ___ years

MASTER LEASE PURCHASE AGREEMENT

EXHIBIT A

FORM OF SCHEDULE TO MASTER LEASE PURCHASE AGREEMENT

SCHEDULE

dated ___

to

Master Lease Purchase Agreement dated as of ___, 1997 between
Orange County School Board Leasing Corporation
as Lessor (the "Corporation")

and

The School Board of Orange County, Florida
as Lessee (the "School Board")

THIS SCHEDULE (the "Schedule") is hereby entered into under and pursuant to that certain Master Lease Purchase Agreement dated as of ___, 1997 (the "Master Lease"), pursuant to which the Corporation has agreed to lease-purchase unto the School Board and the School Board has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Master Lease incorporated herein, the Series ___ Facilities herein described (the "Series ___ Facilities"). The Corporation hereby demises, leases and subleases to the School Board, and School Board hereby hires, takes, leases and subleases from the Corporation, the Series ___ Facilities and the Series ___ Facility Sites described herein. The Master Lease with respect to this Schedule and as amended, modified and supplemented hereby, is referred to herein as the "Series ___ Lease". All terms not otherwise defined herein shall have the respective meanings set forth in the Master Lease, or in the Trust Agreement, including the Series ___ Supplemental Trust Agreement. All terms and conditions contained in the Master Lease, unless otherwise amended or superseded hereby are incorporated herein by reference.

SECTION 1. Definitions. For purposes of the Series ___ Lease the following terms have the meaning set forth below.

"Assignment Agreement" shall mean the Series ___ Assignment Agreement dated as of ___, between the Corporation and the Trustee.

"Certificates" or Series of Certificates" shall mean the \$___ Certificates of Participation, Series ___ dated as of ___, 1997 issued under the Trust Agreement and evidencing undivided proportionate interests of the owners thereof in Basic

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(___) months from ___, through and including June 30, ___ and ___ (___) Renewal Terms of twelve (12) months, each from July 1 through and including June 30 of the next succeeding calendar year, commencing July 1, ___, and ending on June 30, ___. Each Lease Term shall be subject to annual renewal pursuant to the provisions of Article III of the Master Lease.

SECTION 3. Series ___ Facilities to be Lease Purchased. The Series ___ Facilities to be leased purchased under the Series ___ Lease are described in Exhibit A hereto:

SECTION 4. Series ___ Facility Site(s) to be Ground Leased to the Corporation and Permitted Encumbrances. The legal description of the Series ___ Facility Site(s) to be Ground Leased to the Corporation and Permitted Encumbrances in addition to those specified in the Master Lease is (are) as set forth in Exhibit B hereto:

SECTION 5. Application of Certain Proceeds of Series ___ Certificates. The Trustee shall deposit the following sums in the following accounts from the proceeds of the Series ___ Certificates:

Amount	Account
\$ _____	Series ___ Acquisition Account
\$ _____	Series ___ Cost of Issuance Subaccount
\$ _____	Series ___ Reserve Account
\$ _____*	Series ___ Lease Payment Account

*Represents accrued interest.

SECTION 6. Basic Lease Payments. The principal portion and the interest portion of the Basic Lease Payments, the Lease Payment Dates and the remaining principal portion with respect to the Series ___ Facilities to be lease purchased and the Series ___ Certificates attributable to such Facilities are set forth in Exhibit C. If, upon delivery of the Certificate of Acceptance indicating completion of the acquisition, construction, installation and payment of all costs of the Series ___ Facilities, or if the School Board determines not to acquire, construct or install one or more components of the Series ___ Facilities, it is determined that the cost of, and consequently the actual amount of Basic Lease Payments for a Series ___ Facility is different from the amount set forth herein, this Section shall be revised as necessary to reflect the adjusted

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Schedule of Basic Lease Payments for all Series _____ Facilities to be lease purchased, and for each individual Series _____ Facility or group of Series _____ Facilities. The Composite Schedule of Basic Lease Payments set forth on the following page shall be no less than the principal and interest payments with respect to the Series _____ Certificates and shall only be amended in the event of a prepayment or a prepayment deposit of the principal portion of Basic Lease Payments represented by the Series _____ Certificates pursuant to Section 7.2 or 7.3 of the Master Lease, and prepayment or defeasance of Series _____ Certificates pursuant to Section 201 of the Series _____ Supplemental Trust Agreement or Section 801 of the Master Trust Agreement.

The interest portion of the Basic Lease Payments represented by the Series _____ Certificates, expressed as an annual interest rate, is exempt from the limitations on interest rates set forth in Section 215.84, Florida Statutes, since the Series _____ Certificates are rated within the three highest rating categories by a nationally recognized rating service.

SECTION 7. Additional Lease Payments. Additional Lease Payments with respect to the Series _____ Certificates consist of the following:

1. Trustee Fees:
2. Trustee Expenses:

SECTION 8. Prepayment Provisions. In addition to (or in lieu of) the prepayment provisions of Section 7.2 of the Master Lease, the principal portion of the Basic Lease Payments due as provided in Section 6 of this Schedule are subject to the following prepayment provisions:

A. Optional Prepayment

B. Extraordinary Prepayment

SECTION 9. Other Special Provisions.

A. Representations. (1) The School Board hereby represents, covenants and warrants that adequate water, sanitary sewer and storm sewer utilities, electric power, telephone and other utilities are available to the Series _____ Facility Sites, or the cost of making them available is included in the School Board's acquisition and construction budget for the Series _____ Facility Sites.

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(2) The School Board hereby confirms its representations, covenants and warranties set forth in Section 2.10 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule _____, and except as otherwise provided below. The Corporation hereby confirms its representations, covenants and warranties set forth in Section 2.11 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule _____, and except as otherwise provided below.

(3) The Corporation hereby represents that the Master Lease is in effect and that to its knowledge there are no defaults on the date of execution of this Schedule _____ under any Lease, Ground Lease or the Trust Agreement.

B. Notices. Copies of all matters required to be given to a Credit Facility Issuer pursuant to the Master Lease shall be given to the Series _____ Credit Facility Issuer at the following address:

C. Continuing Disclosure. For purposes of the Series _____ Lease, the School Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Series _____ Lease, failure of the School Board to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee may (and, at the request of any participating underwriter or the Holders of at least 25% aggregate principal amount in Outstanding Series _____ Certificates, shall) or any Holder of the Series _____ Certificates or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the School Board to comply with its obligations under this Section 9.C. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series _____ Certificates (including persons holding Series _____ Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series _____ Certificates for federal income tax purposes.

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IN WITNESS WHEREOF, the Corporation has caused this Schedule No. _____ to be executed in its corporate name by its duly authorized officers, and the School Board has caused this Schedule No. _____ to be executed in its name by its duly authorized members or officers on the date set forth below their respective signatures and all of the day and year first written above.

[SEAL] ORANGE COUNTY SCHOOL BOARD
Attest: LEASING CORPORATION
By: _____ By: _____

[SEAL] THE SCHOOL BOARD OF ORANGE
Attest: COUNTY, FLORIDA
By: _____ By: _____

EXHIBIT A TO SCHEDULE _____

Series _____ Facilities to be Lease Purchased

A. General Description of the Series _____ Facilities to be Lease Purchased:

B. Estimated Costs of the Series _____ Facilities:

Facility	Facility Site	Acquisition/Construction	Project Cost
----------	---------------	--------------------------	--------------

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EXHIBIT B TO SCHEDULE _____

Series _____ Facility Sites to be Ground Leased

A. Description of Real Estate

B. Permitted Encumbrances

EXHIBIT C TO SCHEDULE _____
Series _____ Facilities Basic Lease Payments

SERIES _____ FACILITIES (COMPOSITE)

PAYMENT DATE	BASIC LEASE PAYMENT	PRINCIPAL PORTION	INTEREST PORTION	REMAINING PRINCIPAL
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MASTER LEASE PURCHASE AGREEMENT

EXHIBIT B

SCHOOL BOARD'S CERTIFICATE

1. the undersigned Chairman of the School Board of Orange County, Florida (the "School Board"), do hereby certify pursuant to the terms of the Master Lease Purchase Agreement between the School Board and Orange School Board Leasing Corp. (the "Corporation") dated as of _____, 1997 and Schedule No. _____ thereto dated _____ (collectively, the "Lease"), as follows:

1. The School Board has, as agent for the Corporation, acquired the Series _____ Facilities described in Schedule No. _____

2. Such Series _____ Facilities meet the School Board's specifications therefor, and have been acquired to the School Board's satisfaction. This certificate constitutes the acceptance certificate for such Series _____ Facilities required by Section 2.3 of the Master Lease and Section 402 of the Master Trust Agreement dated as of _____, 1997 between the Corporation and _____ Florida, as Trustee.

3. The actual cost of such Series _____ Facilities is as follows:

4. The Completion Date for such Series _____ Facilities is:

[THIS PAGE INTENTIONALLY LEFT BLANK]

5. Terms defined in the Master Lease and Schedule No. _____ thereto and used in this certificate have the same meanings in this certificate as are ascribed to such terms in the Master Lease and Schedule No. _____ thereto.

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: _____
Name: _____
Title: Chairman

Date: _____

ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION

By: _____
Name: _____
Title: Treasurer

Date: _____

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AMENDMENT TO MASTER LEASE PURCHASE AGREEMENT

By and among

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA

And

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION

And

U.S. BANK NATIONAL ASSOCIATION

(successor to SouthTrust Bank of Florida, National Association), as trustee

THIS AMENDMENT TO MASTER LEASE PURCHASE AGREEMENT (the "Amendment") by and among The School Board of Orange County, Florida, as the governing body of the School District of Orange County, Florida (the "Lessee" or the "School Board"), the Orange County School Board Leasing Corporation (the "Corporation"), a not-for-profit corporation organized and existing under the laws of the State of Florida (the "Lessor" or the "Corporation"), and U.S. Bank National Association (successor to SouthTrust Bank of Florida, National Association), as trustee (the "Trustee") and assignee, is dated as of [DOCUMENT DATE] and effective on the Effective Date (as defined below) and amends that certain Master Lease Purchase Agreement dated as of May 1, 1997, as previously amended to date (the "Original Master Lease"), between the Lessor and the Lessee.

WITNESSETH:

WHEREAS, the School Board has deemed it to be in its best interest to lease-purchase certain real and personal property from time to time and has entered into the Original Master Lease between the Corporation, as lessor, and the School Board, as lessee; and

WHEREAS, pursuant to the Original Master Lease, the School Board has from time to time, by execution of a schedule to the Original Master Lease (each, a "Schedule" and together with the Master Lease, a "Lease"), directed the Corporation to acquire, construct and lease-purchase to the School Board the items of real or personal property described in such Schedule (which items of property are collectively referred to herein as "Facilities"); and

WHEREAS, the Corporation has entered into a Master Trust Agreement dated as of May 1, 1997 (the "Master Trust Agreement") with the Trustee, providing for the issuance of series of Certificates of Participation to the public from time to time, representing undivided proportionate interests in the principal portion and interest portion of the basic lease payments to be made by the School Board under the Master Lease and the Schedule or Schedules relating to such series of Certificates; and

WHEREAS, the School Board now wishes to amend the Original Master Lease to (a) revise the insurance provisions therein to reflect the change in the Florida insurance market since May 1, 1997, and (b) clarify Section 9.4 with respect to amendments, which was written at a time when all Certificates were insured and therefor provided for the consent of insurers to amendments but did not provide for the consent of holders of Certificates to amendments; and

WHEREAS, the School Board has authorized this Amendment under Resolution [____], adopted on February 23, 2016; and

WHEREAS, the Corporation has authorized this Amendment under Resolution [____], adopted on February 23, 2016; and

WHEREAS, under Section 9.4 of the Original Master Lease, the Original Master Lease can be amended "by written instrument signed by the School Board and the Corporation and, if required under the terms of the Trust Agreement, by the Trustee, and consented to by each Credit Facility Issuer;" and

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otherwise satisfies the criteria set forth herein. The School Board shall maintain eligibility for assistance by the Federal Emergency Management Agency.

In addition, the School Board may elect to self-insure for all or any portion of such coverage, as provided above. The self-insurance program shall be reviewed annually by the Superintendent, in consultation with the Insurance Consultant and risk management department.

Flood insurance shall be maintained for its property, including any of the Facilities, located in a federally designated special flood hazard area, in such amounts per occurrence recommended by the Insurance Consultant as being available at commercially reasonable costs and in minimum amounts necessary to qualify for the Federal disaster relief programs. If such minimum amounts are not available at commercially reasonable costs in the opinion of the Insurance Consultant, the School Board shall self-insure for such amounts as will qualify for the Federal disaster relief program.

The sufficiency of the School Board's flood insurance coverage shall be reviewed at least annually by the Superintendent, in consultation with the Insurance Consultant and risk management department of the School Board, and the School Board shall follow the recommendations of the Insurance Consultant so long as the recommended insurance meets the criteria set forth in the preceding paragraph.

Any insurance policy issued pursuant to this Section 5.3 shall provide that the Corporation and the Trustee shall be notified in writing of any proposed cancellation of such policy thirty (30) days prior to the date set for cancellation. Any policy of all risk property insurance must be obtained from a commercial insurance company or companies rated "Secure" by A.M. Best Company or in one of the three highest rating categories of Moody's and S&P.

In the event of any loss, damage, or condemnation involving the Facilities, the School Board shall promptly provide or cause to be provided to the Corporation and the Trustee written notice thereof, and make available or cause to be made available to the Corporation and the Trustee all information and documentation relating thereto.

Any insurance policy maintained pursuant to this Section 5.3 shall be so written or endorsed to provide that the Trustee (on behalf of the Certificate holders), and the Corporation are named as additional insureds, and the Trustee, the Corporation and the School Board are named as loss payees as their interests may appear and the Net Proceeds of any appropriation made in connection with a self-insurance election shall be payable to the School Board, the Corporation and the Trustee (on behalf of the Certificate holders) as their respective interests may appear. The Net Proceeds of the insurance required in this Section 5.3 or the Net Proceeds of any appropriation in connection with a self-insurance election shall be applied as provided in Section 5.4(a) and Section 5.4(b) hereof.

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WHEREAS, under certain Schedules, Section 9.4 has been amended to provide, among other things, for consent of holders of Certificates when there is no Credit Facility Issuer, which amendments to Section 9.4 are not uniform;

NOW, THEREFORE, THIS AMENDMENT TO THE MASTER LEASE PURCHASE AGREEMENT WITNESSETH:

SECTION 1. DEFINITIONS. (a) For purposes of this Amendment the following terms have the meaning set forth below.

"Effective Date" shall mean the date on which this Amendment become effective in accordance with Section 8 hereof.

(b) Section 1.1 of the Original Master Lease is hereby revised by deleting the definition of "Insurance Consultant" therein and replacing it with the following (inserts are indicated by double underlining and deletions by strikethrough):

"Insurance Consultant" shall mean a nationally recognized independent insurance company, agent or broker, selected by the School Board, that has personnel experienced in the area of insurance which the School Board is to provide or for which the School Board is to be self-insured.

(c) All terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Original Master Lease.

SECTION 2. AMENDMENT OF SECTION 5.3 OF THE ORIGINAL MASTER LEASE. Section 5.3 of the Original Master Lease is hereby deleted in its entirety and in lieu thereof the following shall be inserted:

SECTION 5.3. Provisions Regarding Insurance. The School Board shall, during the Lease Term, purchase and maintain property insurance coverage against such risks and in such amounts as are customarily insured against in connection with the operation of facilities comparable in size and scope to the Facilities, and the School Board will carry and maintain or cause to be carried and maintained and pay, or cause to be paid, the premiums for at least the following insurance with respect to the Facilities, to the extent such insurance is available at commercially reasonable costs, insuring against the perils of FIRE, LIGHTNING, WINDSTORM, HAIL, HURRICANE, WINDBLOWN RAIN, DAMAGE FROM WATER, EXPLOSION, AIRCRAFT, VEHICLES, SMOKE, VANDALISM AND MALICIOUS MISCHIEF, TRANSPORTATION HAZARDS, THEFT AND BURGLARY.

Determination of the appropriate amount of insurance coverage shall be made annually by the Superintendent, in consultation with the Insurance Consultant and risk management department of the School Board, and the School Board shall follow the recommendations of the Superintendent so long as the recommended insurance is available at commercially reasonable costs and

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SECTION 3. AMENDMENT OF SECTION 9.4 OF THE ORIGINAL MASTER LEASE. Section 9.4 of the Original Master Lease is hereby deleted in its entirety and in lieu thereof the following shall be inserted:

SECTION 9.4. Amendments. The terms of this Master Lease and any Schedule shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Corporation and the School Board and, if required under the terms of the Trust Agreement, by the Trustee. Except as otherwise provided herein, the consent of the holders of at least a majority in principal amount of Outstanding Certificates who are affected by such waiver, alteration, modification, supplement or amendment shall be required. With respect to insured Certificates, the related Credit Facility Issuer, if any, shall consent in lieu of the consent of the holders of Certificates it insures. Notwithstanding the foregoing, a Schedule may be amended without obtaining the consent of the holders of the affected Certificates or of a Credit Facility Issuer, if any, for the purpose of (1) adding a legal description and/or the permitted encumbrances for a Facility Site which has already been designated in such Schedule, (2) adding additional Facilities to be financed under such Schedule, (3) substituting Facilities in accordance with Section 6.4 hereof, or (4) releasing a Facility or portion thereof if such Facility or portion thereof has been released from the lien of the Lease in accordance with the provisions thereof.

SECTION 4. PROVISIONS OF ORIGINAL MASTER LEASE NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Original Master Lease shall remain in full force and effect.

SECTION 5. COUNTERPARTS. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 6. HEADINGS. Any heading preceding the text of the several Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Amendment, nor shall they affect its meaning, construction or effect.

SECTION 7. LAWS. This Amendment shall be construed and governed in accordance with the laws of the State of Florida, without giving effect to principles of conflicts of laws.

SECTION 8. EFFECTIVE DATE. This Amendment shall become effective upon execution by the School Board, the Corporation and the Trustee and the consent of the holders of a majority in principal amount of the Outstanding Certificates or with the consent of the related Credit Facility Issuer, if any, in lieu of the consent of the holders of Certificates it insures.

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IN WITNESS WHEREOF, the Trustee has caused this Amendment to Master Lease Purchase Agreement to be executed in its corporate name by its duly authorized officer, and the Corporation has caused this Amendment to Master Lease Purchase Agreement to be executed in its name by its duly authorized members or officers, and the School Board has caused this Amendment to Master Lease Purchase Agreement to be executed in its name by its duly authorized members or officers all as of the Effective Date.

[SEAL]

**ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION**

Attest:

By: _____ By: _____
Barbara M. Jenkins William Sublette
Secretary President

[SEAL]

**THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA**

Attest:

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By: _____ By: _____
Barbara M. Jenkins William Sublette
Secretary Chairman

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

By: _____
Vice President

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SCHEDULE 2002A-1
dated as of June 15, 2002
as Amended and Restated as of November 1, 2002,
March 1, 2005, June 1, 2005, March 1, 2006, July 1, 2007, March 1, 2009, July 1, 2009,
May 1, 2012, May 1, 2016 and as further Amended and Restated as of September 1, 2017,

to the
Master Lease Purchase Agreement dated as of
May 1, 1997,

among

U.S. Bank National Association
(successor to SouthTrust Bank, National Association),
as Trustee and Assignee (the "Trustee"),

and

Orange County School Board Leasing Corporation
as Lessor (the "Corporation")

and

The School Board of Orange County, Florida,
as Lessee (the "School Board")

THIS AMENDED AND RESTATED SCHEDULE 2002A-1 ("Schedule") is hereby entered into under and pursuant to that certain Master Lease Purchase Agreement dated as of May 1, 1997 (the "Master Lease") pursuant to which the Corporation has agreed to finance the lease purchase unto the School Board and the School Board has agreed to lease purchase from the Corporation, subject to the terms and conditions of the Master Lease incorporated herein, the Series 2002A-1 Facilities herein described. The Trustee, as Assignee of the Corporation, hereby demises, leases and subleases to the School Board, and the School Board hereby hires, takes, leases and subleases from the Trustee, the Series 2002A-1 Facilities and the Series 2002A-1 Facility Sites described herein, together with the rights described in paragraph 1(i) - (iii) in the Series 2002A-1 Ground Lease. The Master Lease, with respect to this Schedule and as modified and supplemented hereby, is referred to herein as the "Series 2002A-1 Lease." All terms not otherwise defined herein shall have the respective meanings set forth in the Master Lease or in the Trust Agreement, including the Series 2016A Supplemental Trust Agreement with respect to the Series 2016A Certificates and the Series 2017B Supplemental Trust Agreement with respect to the Series 2017B Certificates. All terms and conditions contained in the Master Lease, unless otherwise amended or superseded hereby, are incorporated herein by reference.

Section 1. Definitions. For purposes of the Series 2002A-1 Lease, the following terms have the meanings set forth below. All terms not otherwise defined herein shall have the respective meanings set forth in the Master Lease or in the Trust Agreement, including the Series 2016A Supplemental Trust Agreement with respect to the Series 2016A Certificates and the Series 2017B Supplemental Trust Agreement with respect to the Series 2017B Certificates.

"Certificates" or "Series of Certificates" shall mean the portion of the Series 2016A Certificates and the Series 2017B Certificates allocable to the Series 2002A-1 Lease.

"Commencement Date" for the Series 2002A-1 Lease is June 15, 2002.

"Continuing Disclosure Certificate" shall mean that certain Disclosure Dissemination Agent Agreement, dated September 6, 2017, between the School Board and Digital Assurance Certification, L.L.C. in connection with the issuance of the Series 2017B Certificates.

"Participating Underwriter" shall mean any of the original underwriters of the respective Series of Certificates required to comply with the Rule in connection with the offering of such Series of Certificates.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Series 2002A-1 Facilities" shall mean the Facilities described in this Schedule 2002A-1.

"Series 2002A-1 Facility Sites" shall mean the Facility Sites, described in this Schedule 2002A-1, to be ground leased by the School Board to the Corporation, as the same may be amended or supplemented from time to time.

"Series 2002A-1 Ground Lease" shall mean the Series 2002A-1 Ground Lease dated as of June 15, 2002, as amended as of November 1, 2002, March 1, 2005, June 1, 2005, July 1, 2007, April 1, 2009 and July 1, 2009, between the School Board, as Lessor, and the Corporation, as Lessee, as the same may be further amended or supplemented from time to time.

"Series 2016A Certificates" shall mean the \$108,155,000 Certificates of Participation, Series 2016A dated May 4, 2016, issued under the Trust Agreement and evidencing undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board pursuant to the Master Lease.

"Series 2016A Supplemental Trust Agreement" shall mean the Series 2016A Supplemental Trust Agreement dated as of May 1, 2016 between the Corporation and the Trustee.

"Series 2017B Certificates" shall mean the \$71,080,000 Certificates of Participation, Series 2017B dated September 6, 2017, issued under the Trust Agreement and evidencing undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board pursuant to the Master Lease.

"Series 2017B Supplemental Trust Agreement" shall mean the Series 2017B Supplemental Trust Agreement dated as of September 1, 2017 between the Corporation and the Trustee.

Section 2. Lease Term. The total of all Lease Terms of the Series 2002A-1 Lease are expected to be approximately twenty-five (25) years and forty-six (46) days consisting of an "Original Term" of approximately fifteen (15) days from June 15, 2002, through and including June 30, 2002, and twenty-five (25) Renewal Terms of twelve (12) months, each from July 1 through and including June 30 of the next succeeding calendar year, commencing July 1, 2002, and ending June 30, 2027, and the last Renewal Term of approximately one (1) month from July 1, 2027 through and including July 31, 2027, provided that on such date no Certificates are "Outstanding" under the Trust Agreement. Each Lease Term shall be subject to annual renewal pursuant to the provisions of Article III of the Master Lease.

Section 3. Series 2002A-1 Facilities Lease Purchased. The Series 2002A-1 Facilities to be lease purchased under the Series 2002A-1 Lease are described in **Exhibit A** hereto.

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(ii) The interest portion of the Basic Lease Payments represented by the Series 2016A Certificates expressed as an annual interest rate, is within the limitation on interest rates set forth in Section 215.84, Florida Statutes.

The Basic Lease Payments represented by the Certificates relating to the Series 2002A-1 Facilities may be made from legally available funds of the School Board which include, to the extent the Series 2002A-1 Facilities are determined to be eligible for such funding, in addition to all other sources, school impact fees levied by Orange County and paid to the School Board pursuant to the Orange County Code, as amended by Ordinance No. 98-31 of the Board of County Commissioners of Orange County, Florida effective as of February 1, 1999.

Section 7. Additional Lease Payments.

Additional Lease Payments with respect to the Series 2016A Certificates consist of a pro rata portion of the following amounts to be paid with respect to Schedule 1999A-1, Schedule 1999A-2, Schedule 2002A-1 and Schedule 2002A-2, consist of the following:

1. Trustee Fees: Acceptance fee of \$1,000; annual fee \$1,750, payable annually in advance.
2. Trustee Expenses: Trustee Counsel fee and expenses of \$5,000; expenses at closing to be billed at cost. Thereafter, reasonable costs and expenses pursuant to the Master Lease or Trust Agreement.
3. Escrow Agent Fees: Annual fee \$500, payable annually in advance.

The fees set forth above for Trustee and Escrow Agent services with respect to the Series 2016A Certificates include services under Schedule 1999A-1, Schedule 1999A-2, Schedule 2002A-1 and Schedule 2002A-2.

Additional Lease Payments with respect to the Series 2017B Certificates consist of a pro rata portion of the following amounts to be paid with respect to Schedule 2002A-1 and Schedule 2002A-2:

1. Trustee Fees: Acceptance fee of \$1,000; annual fee of \$2,750, payable annually in advance.
2. Trustee Expenses: Trustee Counsel fee and expenses of \$5,000; expenses at closing to be billed at cost. Thereafter, reasonable costs and expenses pursuant to the Master Lease or Trust Agreement.
3. Escrow Agent Fees: Fee of \$750, payable in advance.

The fees set forth above for Trustee and Escrow Agent services with respect to the Series 2017B Certificates include services under Schedule 2002A-1 and Schedule 2002A-2.

Section 8. Prepayment Provisions. In addition to or in lieu of the prepayment provisions of Section 7.2 of the Master Lease, the principal portions of the Basic Lease Payments, due as provided in Section 6 of Schedule 2002A-1, are subject to the following prepayment provisions:

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Section 4. Series 2002A-1 Facility Sites to be Ground Leased to the Corporation and Permitted Encumbrances. The legal descriptions of the Series 2002A-1 Facility Sites to be ground leased to the Corporation and Permitted Encumbrances (in addition to those specified in the Master Lease) are set forth in **Exhibit B** hereto.

Section 5. Application of Certain Proceeds of the Certificates.

Pursuant to the Series 2016A Supplemental Trust Agreement, the Trustee will deposit the following sums, attributable to the Series 2002A Facilities to be lease purchased hereunder, in the following accounts, from the proceeds of the Series 2016A Certificates:

<u>Amount</u>	<u>Account</u>
\$17,872,411.25	Escrow Deposit Trust Fund
27,717.69	Series 2016A Cost of Issuance Account

*Includes amounts attributable to the Series 2002A-1 Facilities and the Series 2002A-2 Facilities.

Pursuant to the Series 2017B Supplemental Trust Agreement, the Trustee will deposit the following sums, attributable to the Series 2002A Facilities to be lease purchased hereunder, in the following accounts, from the proceeds of the Series 2017B Certificates:

<u>Amount</u>	<u>Account</u>
\$87,278,207.70	Escrow Deposit Trust Fund
239,584.43	Series 2017B Cost of Issuance Account

*Includes amounts attributable to the Series 2002A-1 Facilities and the Series 2002A-2 Facilities.

Section 6. Basic Lease Payments. The principal portion and the interest portion of the Basic Lease Payments, the Lease Payment Dates (January 25 and July 25) and the remaining principal portion with respect to the Series 2002A-1 Facilities to be lease purchased, and the Certificates attributable to such Facilities, are set forth in **Exhibit C**. The Composite Schedule of Basic Lease Payments shall be no less than the principal and interest payments with respect to the portion of the Certificates relating to the Series 2002A-1 Facilities, and shall only be amended in the event of a prepayment or a prepayment deposit of the principal portion of Basic Lease Payments represented by such portion of the Certificates.

The interest portion of the Basic Lease Payments represented by the Series 2017B Certificates, expressed as an annual interest rate, is exempt from the limitations on interest rates set forth in Section 215.84, Florida Statutes, since the Series 2017B Certificate are rated within the three highest rating categories by a nationally recognized rating service.

Series 2016A Interest

(i) Upon the occurrence of a Determination of Taxability or a change in the Corporate Tax Rate described in Section 201(g)(ii), the rate applicable to Series 2016A Interest will be increased in order to provide Basic Lease Payments sufficient to pay the Series 2016A Interest at an interest rate as described in Section 201(g)(i) of the Series 2016A Supplemental Trust Agreement in the case of a Determination of Taxability or Section 201(g)(ii) of the Series 2016A Supplemental Trust Agreement in the case of a change in the Corporate Tax Rate.

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A. Optional Prepayment

Series 2016A Certificates

The principal portion of Basic Lease Payments shall be subject to prepayment at the option of the School Board, in whole or in part, and if in part, pro rata in such manner as the School Board designates in writing to the Trustee: (i) on and after July 25, 2022, at a Prepayment Price equal to 100% of the principal portion of the Basic Lease Payments represented by the Series 2016A Certificates to be prepaid, and (ii) prior to July 25, 2022, at a Prepayment Price equal to 100% of the principal portion of the Basic Lease Payments represented by the Series 2016A Certificates to be prepaid, plus the Prepayment Premium, and in each case plus accrued and unpaid interest thereon to the optional prepayment date.

Series 2017B Certificates.

The principal portion of Basic Lease Payments shall not be subject to prepayment at the option of the School Board.

B. Extraordinary Prepayment

Series 2016A Certificates

Section 7.2(B)(a) and (b) of the Master Lease shall not apply to the Series 2016A Certificates.

The Series 2016A Certificates are not subject to extraordinary prepayment prior to maturity in the event of damage or destruction or condemnation of the Series 2002A-1 Facilities. Notwithstanding anything in the Series 2002A-1 Lease to the contrary, in lieu of the extraordinary prepayment provisions of Section 7.2(B)(b) of the Master Lease, the amount that would be allocable to the Series 2016A Certificates had they been subject to the extraordinary prepayment provisions of Section 7.2(B)(b) of the Master Lease, shall be used instead in accordance with the following: The Net Proceeds shall either (1) be applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of this Series 2002A-1 Lease as fully as if they were the originally leased Series 2002A-1 Facilities or (2) at the direction of the School Board, upon delivery to the Trustee of a favorable opinion of Co-Special Tax Counsel, such Net Proceeds shall be deposited in the Series 2002A-1 Lease Payment Account to be credited against Basic Lease Payments next coming due in accordance with Section 3.2(c) of the Master Lease.

The principal portion of Basic Lease Payments due under the Series 2002A-1 Lease represented by the Series 2016A Certificates shall be subject to prepayment in the event the Series 2002A-1 Lease terminates prior to payment in full of all of the Basic Lease Payments due thereunder, to the extent the Trustee has moneys available for such purposes pursuant to the Series 2016A Trust Agreement and the Series 2002A-1 Lease, to the extent and subject to the limitations provided in the Master Lease.

Series 2017B Certificates

Section 7.2(B)(a) and (b) of the Master Lease shall not apply to the Series 2017B Certificates.

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The Series 2017B Certificates are not subject to extraordinary prepayment prior to maturity in the event of damage or destruction or condemnation of the Series 2002A-1 Facilities. Notwithstanding anything in the Series 2002A-1 Lease to the contrary, in lieu of the extraordinary prepayment provisions of Section 7.2(B)(b) of the Master Lease, the amount that would be allocable to the Series 2017B Certificates had they been subject to the extraordinary prepayment provisions of Section 7.2(B)(b) of the Master Lease, shall be used instead in accordance with the following: The Net Proceeds shall either (1) be applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of this Series 2002A-1 Lease as fully as if they were the originally leased Series 2002A-1 Facilities or (2) at the direction of the School Board, upon delivery to the Trustee of a favorable opinion of Co-Special Tax Counsel, such Net Proceeds shall be deposited in the Series 2002A-1 Lease Payment Account to be credited against Basic Lease Payments next coming due in accordance with Section 3.2(c) of the Master Lease.

The principal portion of Basic Lease Payments due under the Series 2002A-1 Lease represented by the Series 2017B Certificates shall be subject to prepayment in the event the Series 2002A-1 Lease terminates prior to payment in full of all of the Basic Lease Payments due thereunder, to the extent the Trustee has moneys available for such purposes pursuant to the Series 2017B Trust Agreement and the Series 2002A-1 Lease, to the extent and subject to the limitations provided in the Master Lease.

Section 9. Other Special Provisions.

A. Representations.

1. The School Board hereby represents, covenants and warrants that adequate water, sanitary sewer and storm sewer utilities, electric power, telephone and other utilities are available to the Series 2002A-1 Facility Sites, or the cost of making them available is included in the School Board's acquisition and construction budget for the Series 2002A-1 Facility Sites.

2. The School Board hereby confirms its representations, covenants and warranties set forth in Section 2.10, 5.12 and 5.13 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule 2002A-1, and except as otherwise provided below. The Corporation hereby confirms its representations, covenants and warranties set forth in Section 2.11 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule 2002A-1, and except as otherwise provided below.

3. The School Board hereby represents that the Basic Lease Payments represented by the Certificates relating to the Series 2002A-1 Facilities may be made from legally available funds of the School Board which include to the extent the Series 2002A-1 Facilities are determined to be eligible for such funding, in addition to all other sources, school impact fees levied by Orange County, Florida and paid to the School Board pursuant to the Orange County Code, as amended by Ordinance No. 98-31 of the Board of County Commissioners of Orange County, Florida effective as of February 1, 1999.

4. The Corporation hereby represents that the Master Lease is in effect and that to its knowledge there are no defaults on the date of execution of this Schedule 2002A-1 under any Lease, Ground Lease or the Trust Agreement.

B. Continuing Disclosure. For purposes of the Series 2002A-1 Lease, the School Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing

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of the holders of a majority in principal amount of the Outstanding Certificates representing an interest in the Basic Lease Payments made under this Schedule 2002A-1. Purchase of the Series 2017B Certificates shall constitute consent by holders of the Series 2017B Certificates.

For purposes of the Series 2002A-1 Lease, Section 6.4 of the Master Lease shall read as follows:

SECTION 6.4. Substitution of Facilities. To the extent permitted by law, on or after the Completion Date the School Board may substitute for any Facilities other facilities owned by the School Board, provided such substituted facilities (a) have the same or a greater remaining useful life, (b) have a fair market value equal to or greater than the Facilities for which they are substituted, (c) are of substantially equal utility as the Facilities to be replaced and meet the requirement of Section 5.9 hereof, (d) are free and clear of all liens and encumbrances, except Permitted Encumbrances and (e) are approved by the State Department of Education. In addition, to the extent permitted by law, prior to the Completion Date the School Board may release and/or substitute for any Facilities to be acquired, constructed and installed under a particular Schedule other facilities to be acquired, constructed and installed, provided that (1) any substituted facilities satisfy the requirements of clauses (a), (c), (d) and (e) above and (2) following such substitution and/or release, the sum of (x) with respect to Facilities for which a Certificate of Acceptance has not been delivered, the Cost of the acquisition, construction and installation of the Facilities plus (y) with respect to Facilities for which a Certificate of Acceptance has been delivered, the fair market value of the Facilities, financed under the Schedule from which the Facilities are to be substituted and/or released is greater than or equal to the remaining principal portion of Basic Lease Payments due under such Schedule. In order to effect such substitution, the Facilities to be replaced shall be released from the encumbrance of the related Lease and Ground Lease by appropriate instrument executed by the School Board and the Corporation (or Trustee as assignee of the Corporation) in form sufficient to leave good and marketable fee simple title to such Facilities in the School Board subject only to Permitted Encumbrances, and the Facilities to be substituted shall likewise be incorporated in the appropriate Lease and Ground Lease modifications. The related Schedule shall be appropriately amended, and the related Ground Lease shall be amended or canceled and replaced, to reflect such substitution.

There shall also be delivered at the time of substitution an Opinion of Counsel as described in Section 6.1 hereof with respect to the substitute Facility Site.

For purposes hereof, "fair market value" shall be determined on the basis of an MAI appraisal performed by an appraiser jointly selected by the School Board and the Trustee.

F. Section 9.4 of the Master Lease. *The following shall become effective upon execution by the School Board, the Corporation and the Trustee of this Schedule 2002A-1 and the consent of the holders of a majority in principal amount of the Outstanding Certificates representing an interest in the Basic Lease Payments made under this Schedule 2002A-1. Purchase of the Series 2017B Certificates shall constitute consent by holders of the Series 2017B Certificates.*

For purposes of the Series 2002A-1 Lease, Section 9.4 of the Master Lease shall read as follows:

SECTION 9.4. Amendments. The terms of this Master Lease and any Schedule shall not be waived, altered, modified, supplemented or amended in

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Disclosure Certificate. Notwithstanding any other provision of the Series 2002A-1 Lease, failure of the School Board to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee may (and, at the request of any participating underwriter or the Holders of at least 25% aggregate principal amount in Outstanding Series 2017B Certificates, shall) or any Holder of Outstanding Series 2017B Certificates or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the School Board to comply with its obligations under this Section 9.B. For purposes of this Section, "Beneficial Owner" means any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2017B Certificates (including persons holding Series 2017B Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017B Certificates for federal income tax purposes.

C. Section 3.2(b) of the Master Lease. Pursuant to the provisions of the First Amendment, on July 25, 2009 the Trustee transferred \$6,561,115 from amounts on deposit in the Series 2002A Acquisition Account to the Series 2002A Lease Payment Account to be applied to pay Basic Lease Payments coming due in Fiscal Year 2009-10 under the Series 2002A Lease and represented by the Series 2002A Certificates.

D. Section 5.4(b) of the Master Lease. For purposes of the Series 2002A-1 Lease, Section 5.4(b) of the Master Lease shall read as follows:

(b) Option B - Deposit to Lease Payment Account or Acquisition Account. Provided, however, if the School Board has determined that its operations have not been materially affected and that it is not in the best interest of the School Board to repair, restore or replace that portion of the Facilities as damaged, destroyed or condemned, then the School Board shall not be required to comply with the provisions of subparagraph (a) set forth above. If the Net Proceeds are (i) less than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities and (ii) equal to or less than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, then such Net Proceeds may, at the option of the School Board, (x) be deposited in the Lease Payment Account for the Series of Certificates relating to such Facilities to be credited against Basic Lease Payments next coming due in accordance with Section 3.2(c) hereof or (y) deposited in the Acquisition Account for the Series of Certificates relating to such Facilities and applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of the related Lease as fully as if they were the originally leased Facilities. If the Net Proceeds are (i) equal or greater than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities or (ii) greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, then the Net Proceeds shall be deposited in the Acquisition Account for the Series of Certificates relating to such Facilities and applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of the related Lease as fully as if they were the originally leased Facilities; provided, however, at the direction of the School Board, with the consent of the Credit Facility Issuer, if any, upon delivery to the Trustee of a Favorable Opinion, such Net Proceeds shall be deposited in the Lease Payment Account for the Series of Certificates relating to such Facilities to be credited against Basic Lease Payments next coming due in accordance with Section 3.2(c) hereof.

E. Section 6.4 of the Master Lease. *The following provision shall become effective upon execution by the School Board, the Corporation and the Trustee of this Schedule 2002A-1 and the consent*

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any manner whatsoever except by written instrument signed by the Corporation and the School Board and, if required under the terms of the Trust Agreement, by the Trustee. Except as otherwise provided herein, the consent of the holders of at least a majority in principal amount of Outstanding Certificates who are affected by such waiver, alteration, modification, supplement or amendment shall be required. With respect to insured Certificates, the related Credit Facility Issuer, if any, shall consent in lieu of the consent of the holders of Certificates it insures. Notwithstanding the foregoing, a Schedule may be amended without obtaining the consent of the holders of the affected Certificates or of a Credit Facility Issuer, if any, for the purpose of (1) adding a legal description and/or the permitted encumbrances for a Facility Site which has already been designated in such Schedule, (2) adding additional Facilities to be financed under such Schedule, (3) substituting Facilities in accordance with Section 6.4 hereof, or (4) releasing a Facility or portion thereof if such Facility or portion thereof has been released from the lien of the Lease in accordance with the provisions thereof.

G. Release of Series 2002A-1 Facilities and Series 2002A-1 Facility Sites. *The following provision shall become effective upon execution by the School Board, the Corporation and the Trustee of this Schedule 2002A-1 and the consent of the holders of a majority in principal amount of the Outstanding Certificates or with the consent of a Credit Facility Issuer, if any, in lieu of the consent of the holders of the Certificates it insures. Purchase of the Series 2017B Certificates shall constitute consent by holders of the Series 2017B Certificates.*

Notwithstanding anything to the contrary in the Master Lease, one or more Series 2002A-1 Facilities financed by the Series 2002A-1 Lease and the related Series 2002A-1 Facility Site may be released from the lien of such Lease if after the release of the Facility or Facilities the total construction cost of remaining Series 2002A-1 Facilities subject to the lien of the Series 2002A-1 Lease exceeds the remaining principal portion of the Basic Lease Payments payable under the Series 2002A-1 Lease. The Series 2002A-1 Facilities and the related Series 2002A-1 Facility Sites released under this Section 9.G. shall be deemed to be paid and fee simple title to such Series 2002A-1 Facilities and the related Series 2002A-1 Facility Sites shall vest in the School Board.

The Corporation hereby appoints the School Board as its agent to prepare and file or record in appropriate offices such documents as may be necessary to cause record title to such Series 2002A-1 Facilities and the related Series 2002A-1 Facility Sites to vest in the School Board, free and clear of all encumbrances except Permitted Encumbrances. The Corporation agrees to immediately execute all instruments necessary to vest good and marketable fee simple title to the released Series 2002A-1 Facility or Series 2002A-1 Facilities and the related Series 2002A-1 Facility Sites in the School Board subject only to Permitted Encumbrances. The Series 2002A-1 Ground Lease shall then be modified to remove the Series 2002A-1 Facility Site or Series 2002A-1 Facility Sites related to the released Series 2002A-1 Facility or Series 2002A-1 Facilities, as provided therein. The Corporation shall request the execution of such instruments by the Trustee as may be necessary to effect the conveyance described herein.

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H. Hazardous Waste Covenant. The Covenants and provisions set forth in Schedule I hereto are incorporated herein and shall be deemed a part of this Schedule 2002A-1. The obligations set forth therein shall survive the termination of the Series 2002A-1 Lease.

I. Supplemental Provisions Required by Initial Purchaser of Series 2016A Certificates.

(1) Representations and Warranties.

(a) The School Board hereby confirms its representations, covenants and warranties set forth in Sections 2.10, 5.12 and 5.13 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule 2002A-1, and except as otherwise provided below. The Corporation hereby confirms its representations, covenants and warranties set forth in Section 2.11 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as Supplemented by this Schedule 2002A-1.

(b) The School Board and the Corporation hereby represent that the Master Lease is in effect and that to their knowledge there are no defaults on the date of execution of this Schedule 2002A-1 under the Series 2002A-1 Lease, the Series 2002A-1 Ground Lease or the Trust Agreement. The Trustee hereby represents that it has not received any notice to the contrary.

(2) Covenants. The School Board shall:

(a) deliver financial statements, reports, accountants' letters, projections officers' certificates and other information reasonably requested by the Initial Purchaser.

(b) maintain such books and records as are customary for school districts in the State of Florida; and

(c) permit the Initial Purchaser to inspect the Series 2002A-1 Facilities and the books and records of the District upon reasonable notice and at reasonable times.

(3) The Initial Purchaser shall be provided with the following information:

(a) within one hundred ninety-five (195) days of the end of each fiscal year of the School Board during the term hereof, a copy of its audited financial statements for such fiscal year; provided, however, if the audit is being conducted by the Auditor General, the financial statements shall be provided within 15 days after they are available;

(b) notice of any default known to the Trustee or the School Board;

(c) notice of the resignation or removal of the Trustee, Paying Agent and Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(d) notice of the commencement of any proceeding by the School Board under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(e) notice of any Event of Default, any material litigation, and any other material event which would require a "material events notice" under the Rule; and

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(f) such other additional information as may be reasonably requested by the Initial Purchaser.

(4) The School Board, the Trustee and the Corporation, and by its purchase of the Series 2016A Certificates and acceptance thereof, the Initial Purchaser, waive trial by jury in any controversy or claim arising out of or relating to the Series 2002A-1 Lease or the Series 2016A Certificates.

(5) Neither the School Board nor any of its Affiliates is in violation of any laws relating to terrorism or money laundering ("Anti Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), and the Patriot Act;

(a) Neither the School Board nor any of its Affiliates is any of the following:

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person with which the Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti Terrorism Law;

(iv) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or

(v) a Person that is named as a "specially designated national and blocked person" on the most current list published by the Office of Foreign Asset Control ("OFAC") or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list

(b) None of the School Board, the Corporation or any of their Affiliates (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (b)(ii) above, (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti Terrorism Law.

(c) The School Board agrees to provide the Initial Purchaser with the information the Initial Purchaser may need to comply with its obligations under the Patriot Act relating to the School Board.

J. References in the Series 2002A Assignment Agreement to the Series 2002A Certificates shall be deemed to include any and all Series of Certificates now or hereafter issued and outstanding as may be payable from payments made by the School Board pursuant to the Series 2002A-2 Lease.

K. Effective Date. Schedule 2002A-1, as amended and restated as of September 1, 2017, shall be effective on September 6, 2017.

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IN WITNESS WHEREOF, the Trustee, as Assignee of the Corporation and the Corporation have caused this Amended and Restated Schedule 2002A-1 to be executed in their respective corporate names by their duly authorized officers, and the School Board has caused this Amended and Restated Schedule 2002A-1 to be executed in its name by its duly authorized members or officers, all as of the day and year first written above.

[SEAL]

Attest:

**ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION**

By: _____
Barbara M. Jenkins, Ed.D.
Secretary

By: _____
William Sublette
President

[SEAL]

Attest:

**THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA**

By: _____
Barbara M. Jenkins, Ed.D.
Secretary

By: _____
William Sublette
Chairman

U.S. BANK NATIONAL ASSOCIATION

By: _____
Leanne M. Duffy
Vice President

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SCHEDULE 2002A-2
dated as of June 15, 2002
as Amended and Restated as of March 1, 2006, July 1, 2009, May 1, 2012,
May 1, 2016 and as further Amended and Restated as of September 1, 2017
to the
Master Lease Purchase Agreement dated as of
May 1, 1997 among

U.S. Bank National Association
(successor to SouthTrust Bank, National Association),
as Trustee and Assignee (the "Trustee"),

and

Orange County School Board Leasing Corporation
as Lessor (the "Corporation")

and

The School Board of Orange County, Florida
as Lessee (the "School Board")

THIS AMENDED AND RESTATED SCHEDULE 2002A-2 (the "Schedule") is hereby entered into under and pursuant to that certain Master Lease Purchase Agreement dated as of May 1, 1997 (the "Master Lease") pursuant to which the Corporation has agreed to finance the lease purchase unto the School Board and the School Board has agreed to lease purchase from the Corporation, subject to the terms and conditions of the Master Lease incorporated herein, the Series 2002A-2 Facilities herein described. The Trustee, as Assignee of the Corporation, hereby demises, leases and subleases to the School Board, and the School Board hereby hires, takes, leases and subleases from the Trustee, the Series 2002A-2 Facilities described herein. The Master Lease, with respect to this Schedule and as modified and supplemented hereby, is referred to herein as the "Series 2002A-2 Lease." All terms and conditions contained in the Master Lease, unless otherwise amended or superseded hereby, are incorporated herein by reference.

Section 1. Definitions. For purposes of the Series 2002A-2 Lease, the following terms have the meaning set forth below. All terms not otherwise defined herein shall have the respective meanings set forth in the Master Lease or in the Trust Agreement, including the Series 2016A Supplemental Trust Agreement with respect to the Series 2016A Certificates and the Series 2017B Supplemental Trust Agreement with respect to the Series 2017B Certificates.

"Certificates" or "Series of Certificates" shall mean the portion of the Series 2016A Certificates and the Series 2017B Certificates allocable to the Series 2002A-2 Lease.

"Commencement Date" for the Series 2002A-2 Lease is June 15, 2002.

"Continuing Disclosure Certificate" shall mean that certain Disclosure Dissemination Agent Agreement, dated September 6, 2017, between the School Board and Digital Assurance Certification, L.L.C. in connection with the issuance of the Series 2017B Certificates.

"Participating Underwriter" shall mean any of the original underwriters of the Certificates required to comply with the Rule in connection with the offering of such Certificates.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Series 2002A-2 Facilities" shall mean the Facilities described in this Schedule 2002A-2.

"Series 2016A Certificates" shall mean the \$108,155,000 Certificates of Participation, Series 2016A, dated May 4, 2016, issued under the Trust Agreement and evidencing undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board, pursuant to the Master Lease.

"Series 2016A Supplemental Trust Agreement" shall mean the Series 2016A Supplemental Trust Agreement dated as of May 1, 2016, between the Corporation and the Trustee.

"Series 2017B Certificates" shall mean the \$71,080,000 Certificates of Participation, Series 2017B dated September 6, 2017, issued under the Trust Agreement and evidencing undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board pursuant to the Master Lease.

"Series 2017B Supplemental Trust Agreement" shall mean the Series 2017B Supplemental Trust Agreement dated as of September 1, 2017 between the Corporation and the Trustee.

Section 2. Lease Term. The total of all Lease Terms of the Series 2002A-2 Lease are expected to be approximately twenty-five (25) years and forty six (46) days consisting of an "Original Term" of approximately fifteen (15) days from June 15, 2002 through and including June 30, 2002, twenty-five (25) Renewal Terms of twelve (12) months, each from July 1 through and including June 30 of the next succeeding calendar year, commencing July 1, 2002, and ending June 30, 2027, and the last renewal term of approximately one (1) month from July 1, 2027 through and including July 31, 2027. Each Lease Term shall be subject to annual renewal pursuant to the provisions of Article III of the Master Lease.

Section 3. Series 2002A-2 Facilities to be Lease Purchased. The Series 2002A-2 Facilities to be lease purchased under the Series 2002A-2 Lease are described in Exhibit A hereto.

Section 4. Application of Certain Proceeds of the Certificates. Pursuant to the Series 2016A Supplemental Trust Agreement, the Trustee will deposit the following sums, attributable to the Series 2002A Facilities to be lease purchased hereunder, in the following accounts, from the proceeds of the Series 2016A Certificates:

Amount*	Account
\$5,493,251.94	Escrow Deposit Trust Fund
8,519.29	Series 2016A Cost of Issuance Account

*Includes amounts attributable to the Series 2002A-1 Facilities and the Series 2002A-2 Facilities.

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be billed at cost. Thereafter, reasonable costs and expenses pursuant to the Master Lease or Trust Agreement.

3. Escrow Agent Fees: Annual fee \$500, payable annually in advance.

The fees set forth above for Trustee and Escrow Agent services with respect to the Series 2016A Certificates include services under Schedule 1999A-1, Schedule 1999A-2, Schedule 2002A-1 and Schedule 2002A-2.

Additional Lease Payments with respect to the Series 2017B Certificates consist of a pro rata portion of the following amounts to be paid with respect to Schedule 2002A-1 and Schedule 2002A-2:

1. Trustee Fees: Acceptance fee of \$1,000; annual fee of \$2,750, payable annually in advance.
2. Trustee Expenses: Trustee Counsel fee and expenses of \$5,000; expenses at closing to be billed at cost. Thereafter, reasonable costs and expenses pursuant to the Master Lease or Trust Agreement.
3. Escrow Agent Fees: Fee of \$750, payable in advance.

The fees set forth above for Trustee and Escrow Agent services with respect to the Series 2017B Certificates include services under Schedule 2002A-1 and Schedule 2002A-2.

Section 7. Prepayment Provisions. In addition to or in lieu of the prepayment provisions of Section 7.2 of the Master Lease, the principal portions of the Basic Lease Payments, due as provided in Section 5 of Schedule 2002A-2, are subject to the following prepayment provisions:

A. Optional Prepayment

Series 2016A Certificates

The principal portion of Basic Lease Payments shall be subject to prepayment at the option of the School Board, in whole or in part, and if in part, pro rata in such manner as the School Board designates in writing to the Trustee: (i) on and after July 25, 2022, at a Prepayment Price equal to 100% of the principal portion of the Basic Lease Payments represented by the Series 2016A Certificates to be prepaid, and (ii) prior to July 25, 2022, at a Prepayment Price equal to 100% of the principal portion of the Basic Lease Payments represented by the Series 2016A Certificates to be prepaid, plus the Prepayment Premium, and in each case plus accrued and unpaid interest thereon to the optional prepayment date.

Series 2017B Certificates

The principal portion of Basic Lease Payments shall not be subject to prepayment at the option of the School Board.

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Pursuant to the Series 2017B Supplemental Trust Agreement, the Trustee will deposit the following sums, attributable to the Series 2002A Facilities to be lease purchased hereunder, in the following accounts, from the proceeds of the Series 2017B Certificates:

Amount*	Account
\$87,278,207.70	Escrow Deposit Trust Fund
239,584.43	Series 2017B Cost of Issuance Account

*Includes amounts attributable to the Series 2002A-1 Facilities and the Series 2002A-2 Facilities.

Section 5. Basic Lease Payments. The principal portion and the interest portion of the Basic Lease Payments, the Lease Payment Dates (January 25 and July 25) and the Remaining Principal Portion with respect to the Series 2002A-2 Facilities to be lease purchased and the Certificates attributable to such Facilities, are set forth in Exhibit B hereto. The Composite Schedule of Basic Lease Payments shall be no less than the principal and interest payments with respect to the portion of the Certificates relating to the Series 2002A-2 Facilities and shall only be amended in the event of a prepayment or a prepayment deposit of the principal portion of Basic Lease Payments represented by such portion of the Certificates.

The interest portion of the Basic Lease Payments, represented by the Series 2017B Certificates, expressed as an annual interest rate, is exempt from the limitations on interest rates set forth in Section 215.84, Florida Statutes, since the Series 2017B Certificates are rated within the three highest rating categories by a nationally recognized rating service.

Series 2016A Interest

(i) Upon the occurrence of a Determination of Taxability or a change in the Corporate Tax Rate described in Section 201(g)(ii), the rate applicable to Series 2016A Interest will be increased in order to provide Basic Lease Payments sufficient to pay the Series 2016A Interest at an interest rate as described in Section 201(g)(i) of the Series 2016A Supplemental Trust Agreement in the case of a Determination of Taxability or Section 201(g)(ii) of the Series 2016A Supplemental Trust Agreement in the case of a change in the Corporate Tax Rate.

(ii) The interest portion of the Basic Lease Payments represented by the Series 2016A Certificates expressed as an annual interest rate, is within the limitation on interest rates set forth in Section 215.84, Florida Statutes.

Section 6. Additional Lease Payments.

Additional Lease Payments with respect to the Series 2016A Certificates consist of a pro rata portion of the following amounts to be paid with respect to Schedule 1999A-1, Schedule 1999A-2, Schedule 2002A-1 and Schedule 2002A-2, consist of the following:

1. Trustee Fees: Acceptance fee of \$1,000; annual fee \$1,750, payable annually in advance.
2. Trustee Expenses: Trustee Counsel fee and expenses of \$5,000; expenses at closing to

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B. Extraordinary Prepayment

Series 2016A Certificates

The extraordinary prepayment provisions set forth in Section 7.2(b) and Section 5.4(b) of the Master Lease shall not apply to Basic Lease Payments represented by the Series 2016A Certificates allocable to the Series 2002A-2 Lease.

The principal portion of Basic Lease Payments due under the 2002A-2 Lease represented by the Series 2016A Certificates shall be subject to prepayment in the event the 2002A-2 Lease terminates prior to payment in full of all of the Basic Lease Payments due thereunder, to the extent the Trustee has moneys available for such purposes pursuant to the Series 2016A Trust Agreement and the Series 2002A-2 Lease, to the extent and subject to the limitations provided in the Master Lease.

Series 2017B Certificates

The extraordinary prepayment provisions set forth in Section 7.2(b) and Section 5.4(b) of the Master Lease shall not apply to Basic Lease Payments represented by the Series 2017B Certificates allocable to the Series 2002A-2 Lease.

The principal portion of Basic Lease Payments due under the 2002A-2 Lease represented by the Series 2017B Certificates shall be subject to prepayment in the event the 2002A-2 Lease terminates prior to payment in full of all of the Basic Lease Payments due thereunder, to the extent the Trustee has moneys available for such purposes pursuant to the Series 2017B Trust Agreement and the Series 2002A-2 Lease, to the extent and subject to the limitations provided in the Master Lease.

Section 8. Other Special Provisions.

A. Representations.

1. The School Board hereby confirms its representations, covenants and warranties set forth in Section 2.10, 5.12 and 5.13 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule 2002A-2, and all references therein to the Facilities shall include the Series 2002A-2 Facilities. The Corporation hereby confirms its representations, covenants and warranties set forth in Section 2.11 of the Master Lease, except that all references therein to the Master Lease, shall be deemed to refer to the Master Lease as supplemented by this Schedule 2002A-2, and all references therein to the Facilities shall include the Series 2002A-2 Facilities.

2. The Corporation hereby represents that the Master Lease is in effect and that to its knowledge, there are no defaults on the date of execution of this Schedule 2002A-2, under any Lease, the Trust Agreement or the Series 2002A-2 Lease.

B. Title. Notwithstanding the provisions of Section 6.1 of the Master Lease, title to the Series 2002A-2 Facilities shall be vested in the School Board upon acquisition.

C. Section 9.11 of the Master Lease. For purposes of the Series 2002A-2 Lease, Section 9.11 of the Master Lease shall not apply. The School Board hereby represents and warrants that it has

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taken no action and covenants that it will take no action to implement the provisions of Section 9.11 of the Master Lease.

D. Remedies Upon Nonappropriation or Default. For purposes of the Series 2002A-2 Lease only, Section 3.6 of the Master Lease shall not apply and, in its place, the following shall govern:

Section 3.6 No Surrender of Series 2002A-2 Facilities.

(A) Upon the termination of the Series 2002A-2 Lease Term prior to the payment of all Lease Payments scheduled therefor or without the payment of the then applicable Purchase Option Price of the Series 2002A-2 Facilities, or (B) as provided in Section 8.2 of the Master Lease upon the occurrence of an event of default, then the Purchase Option Price of the Series 2002A-2 Facilities, shall become immediately due and payable, but only from the School Board's current or other funds authorized by law and appropriated for such purpose as provided in Section 3.1 of the Master Lease. The Corporation's sole remedy (other than rights and remedies it may have at law against the School Board's legally available funds for compensatory damages as provided below upon the occurrence of an Event of Default under Section 8.1 of the Master Lease) shall be to seek a judgment against the School Board for the unpaid balance of the Purchase Option Price, which judgment shall be enforceable solely against the School Board's legally available funds.

Notwithstanding the obligations of the School Board to pay the Purchase Option Price of the Series 2002A-2 Facilities, the School Board shall be under no obligation to transfer possession of and/or title to the Series 2002A-2 Facilities, to the Corporation, and the Corporation shall have no right under the Series 2002A-2 Lease to involuntarily dispossess the School Board of the use and enjoyment of or title to any of the Series 2002A-2 Facilities, and the Corporation hereby irrevocably waives any right to specific performance of the School Board's covenants upon any such termination of the Lease Term.

Upon the termination of the Lease Term as a result of a default by the School Board, the Corporation shall have, in addition to the rights and remedies described above, the right to sue for compensatory damages, including damages for any loss suffered by the Corporation or the Trustee as a result of the School Board's failure to pay the unpaid balance of the Purchase Option Price when due.

E. Continuing Disclosure. For purposes of the Series 2002A-2 Lease, the School Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Series 2002A-2 Lease, failure of the School Board to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee may (and, at the request of any participating underwriter or the Holders of at least 25% aggregate principal amount in Outstanding Series 2017B Certificates, shall), or any Holder of Series 2017B Certificates, or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the School Board to comply with its obligations under this Section 8F. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of

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For purposes of the Series 2002A-2 Lease, Section 9.4 of the Master Lease shall read as follows:

SECTION 9.4. Amendments. The terms of this Master Lease and any Schedule shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Corporation and the School Board and, if required under the terms of the Trust Agreement, by the Trustee. Except as otherwise provided herein, the consent of the holders of at least a majority in principal amount of Outstanding Certificates who are affected by such waiver, alteration, modification, supplement or amendment shall be required. With respect to insured Certificates, the related Credit Facility Issuer, if any, shall consent in lieu of the consent of the holders of Certificates it insures. Notwithstanding the foregoing, a Schedule may be amended without obtaining the consent of the holders of the affected Certificates or of a Credit Facility Issuer, if any, for the purpose of (1) adding a legal description and/or the permitted encumbrances for a Facility Site which has already been designated in such Schedule, (2) adding additional Facilities to be financed under such Schedule, (3) substituting Facilities in accordance with Section 6.4 hereof, or (4) releasing a Facility or portion thereof if such Facility or portion thereof has been released from the lien of the Lease in accordance with the provisions thereof.

I. Hazardous Waste Covenant. The covenants and provisions set forth in Schedule I hereto are incorporated herein and shall be deemed a part of this Schedule 2002A-2. The obligations set forth therein shall survive the termination of the Series 2002A-2 Lease.

J. Supplemental Provisions Required by Initial Purchaser of Series 2016A Certificates.

(1) Representations and Warranties.

(a) The School Board hereby confirms its representations, covenants and warranties set forth in Sections 2.10, 5.12 and 5.13 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as supplemented by this Schedule 2002A-2, and except as otherwise provided below. The Corporation hereby confirms its representations, covenants and warranties set forth in Section 2.11 of the Master Lease, except that all references therein to the Master Lease shall be deemed to refer to the Master Lease as Supplemented by this Schedule 2002A-2.

(b) The School Board and the Corporation hereby represent that the Master Lease is in effect and that to their knowledge there are no defaults on the date of execution of this Schedule 2002A-2 under the Series 2002A-2 Lease, the Series 2002A-1 Ground Lease or the Trust Agreement. The Trustee hereby represents that it has not received any notice to the contrary.

(2) Covenants. The School Board shall:

(a) deliver financial statements, reports, accountants' letters, projections officers' certificates and other information reasonably requested by the Initial Purchaser.

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ownership of, any Series 2017B Certificates (including persons holding Series 2017B Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017B Certificates for federal income tax purposes.

F. Section 3.2(h) of the Master Lease. Pursuant to the provisions of the First Amendment, on July 25, 2009 the Trustee transferred \$6,561,115 from amounts on deposit in the Series 2002A Acquisition Account to the Series 2002A Lease Payment Account to be applied to pay Basic Lease Payments coming due in Fiscal Year 2009-10 under the Series 2002A Lease and represented by the Series 2002A Certificates.

G. Section 5.4(b) of the Master Lease. For purposes of the Series 2002A-2 Lease, Section 5.4(b) of the Master Lease shall read as follows:

(b) Option B - Deposit to Lease Payment Account or Acquisition Account. Provided, however, if the School Board has determined that its operations have not been materially affected and that it is not in the best interest of the School Board to repair, restore or replace that portion of the Facilities as damaged, destroyed or condemned, then the School Board shall not be required to comply with the provisions of subparagraph (a) set forth above. If the Net Proceeds are (i) less than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities and (ii) equal to or less than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, then such Net Proceeds may, at the option of the School Board, (x) be deposited in the Lease Payment Account for the Series of Certificates relating to such Facilities to be credited against Basic Lease Payments next coming due in accordance with Section 3.2(c) hereof or (y) deposited in the Acquisition Account for the Series of Certificates relating to such Facilities and applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of the related Lease as fully as if they were the originally leased Facilities. If the Net Proceeds are (i) equal or greater than ten percent (10%) of the Remaining Principal Portion of the Basic Lease Payments relating to such Facilities or (ii) greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, then the Net Proceeds shall be deposited in the Acquisition Account for the Series of Certificates relating to such Facilities and applied to pay the Costs of other Facilities, in which case such other Facilities shall become subject to the provisions of the related Lease as fully as if they were the originally leased Facilities; provided, however, at the direction of the School Board, with the consent of the Credit Facility Issuer, if any, upon delivery to the Trustee of a Favorable Opinion, such Net Proceeds shall be deposited in the Lease Payment Account for the Series of Certificates relating to such Facilities to be credited against Basic Lease Payments next coming due in accordance with Section 3.2(c) hereof.

H. Section 9.4 of the Master Lease. The following shall become effective upon execution by the School Board, the Corporation and the Trustee of this Schedule 2002A-2 and the consent of the holders of a majority in principal amount of the Outstanding Certificates representing an interest in the Basic Lease Payments made under this Schedule 2002A-2. Purchase of the Series 2017B Certificates shall constitute consent by holders of the Series 2017B Certificates.

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(b) maintain such books and records as are customary for school districts in the State of Florida; and

(c) permit the Initial Purchaser to inspect the Series 2002A-2 Facilities and the books and records of the District upon reasonable notice and at reasonable times.

(3) The Initial Purchaser shall be provided with the following information:

(a) within one hundred ninety-five (195) days of the end of each fiscal year of the School Board during the term hereof, a copy of its audited financial statements for such fiscal year; provided, however, if the audit is being conducted by the Auditor General, the financial statements shall be provided within 15 days after they are available;

(b) notice of any default known to the Trustee or the School Board;

(c) notice of the resignation or removal of the Trustee, Paying Agent and Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(d) notice of the commencement of any proceeding by the School Board under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(e) notice of any Event of Default, any material litigation, and any other material event which would require a "material events notice" under the Rule; and

(f) such other additional information as may be reasonably requested by the Initial Purchaser.

(4) The School Board, the Trustee and the Corporation, and by its purchase of the Series 2016A Certificates and acceptance thereof, the Initial Purchaser, waive trial by jury in any controversy or claim arising out of or relating to the Series 2002A-2 Lease or the Series 2016A Certificates.

(5) Neither the School Board nor any of its Affiliates is in violation of any laws relating to terrorism or money laundering ("Anti Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), and the Patriot Act;

(a) Neither the School Board nor any of its Affiliates is any of the following:

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person with which the Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti Terrorism Law;

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(iv) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or

(v) a Person that is named as a "specially designated national and blocked person" on the most current list published by the Office of Foreign Asset Control ("OFAC") or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list

(b) None of the School Board, the Corporation or any of their Affiliates (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (b)(ii) above, (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti Terrorism Law.

(c) The School Board agrees to provide the Initial Purchaser with the information the Initial Purchaser may need to comply with its obligations under the Patriot Act relating to the School Board.

K. References in the Series 2002A Assignment Agreement to the Series 2002A Certificates shall be deemed to include any and all Series of Certificates now or hereafter issued and outstanding as may be payable from payments made by the School Board pursuant to the Series 2002A-2 Lease.

L. **Effective Date.** Schedule 2002A-2, as amended and restated as of September 1, 2017, shall be effective on September 6, 2017.

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IN WITNESS WHEREOF, the Trustee, as Assignee of the Corporation and the Corporation have caused this Schedule 2002A-2 to be executed in their respective corporate names by their duly authorized officers, and the School Board has caused this Schedule 2002A-2 to be executed in its name by its duly authorized members or officers, all as of the day and year first written above.

[SEAL]

Attest:

By:

Barbara M. Jenkins, Ed.D.
Secretary

ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION

By:

William Sublette
President

[SEAL]

Attest:

By:

Barbara M. Jenkins, Ed.D.
Secretary

By:

William Sublette
Chairman

U.S. BANK NATIONAL ASSOCIATION

By:

Lianne M. Duffy
Vice President

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MASTER TRUST AGREEMENT

by and between

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION

and

**SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION,
as Trustee**

Dated as of May 1, 1997

the School Board to the Corporation pursuant to a ground lease; and

WHEREAS, the relationship between the Corporation and School Board under the Master Lease is to be a continuing one and facilities may be added to or deleted from the Master Lease from time to time in accordance with the terms thereof and of the Schedule describing such facilities; and

WHEREAS, pursuant to Section 7.1 of the Master Lease, the Corporation, with the consent of the School Board, has the right to assign all of its right, title and interest in and to a particular Lease (except for its right to indemnification under Section 3.7 of the Master Lease and its right to receive notices under the Master Lease) to the Trustee including the rights to receive Basic Lease Payments (as hereinafter defined) due under such Lease; and

WHEREAS, the Corporation has requested the Trustee to issue from time to time separate series of Certificates of Participation substantially in the form of Exhibit A hereto (the "Certificates") to third parties to whom such Certificates are sold and for whose benefit and for the benefit of any corresponding Credit Facility Issuer (as hereinafter defined) an Assignment Agreement will be executed and delivered to the Trustee, each such Certificate of a particular Series (as hereinafter defined) evidencing an undivided proportionate interest of the registered owner thereof in the Basic Lease Payments to be made under one or more Leases created by one or more particular Schedules and certain rights of the Corporation under such Lease or Leases; and

WHEREAS, upon receipt by the Trustee from the Corporation of the corresponding Assignment Agreement and satisfaction of the conditions set forth in Section 304 hereof, the Trustee shall issue a Series of Certificates that shall correspond to the Lease or Leases created by a particular Schedule or Schedules; and

WHEREAS, the Trustee has agreed to hold the proceeds corresponding to such Series of Certificates and to disburse such proceeds in accordance herewith and with the Master Lease, and to receive Basic Lease Payments due under the Lease or Leases created by a particular Schedule or Schedules and apply and disburse same in accordance herewith; and

WHEREAS, by this Trust Agreement, the Corporation agrees to direct the School Board to forward the Basic Lease Payments due under the Lease created by a particular Schedule to the Trustee

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ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

101. **Definitions.** The terms set forth in this section shall have the meanings ascribed to them for all purposes of this Trust Agreement unless the context clearly indicates some other meaning, or unless otherwise provided in a Supplemental Trust Agreement. Terms used herein and not otherwise defined shall have the meaning given to them in the Master Lease.

"Acquisition Account" shall mean any Acquisition Account established pursuant to Section 401 hereof and in any Supplemental Trust Agreement.

"Additional Lease Payment" shall mean any amount payable by the School Board under the terms of the Master Lease, other than a Basic Lease Payment or a Supplemental Payment, as set forth in a Schedule to the Master Lease and so designated.

"Assignment Agreement" shall mean any assignment agreement pursuant to which the Corporation shall have assigned to the Trustee all of its right, title and interest in and to a Ground Lease and the Lease or Leases created by one or more particular Schedules, including its right to receive Lease Payments under such Lease or Leases.

"Authorized Corporation Representative" shall mean the President of the Corporation and any person or persons designated by the Corporation and authorized to act on behalf of the Corporation by a written certificate delivered to the Trustee signed on behalf of the Corporation by the Chairman of the Board of Directors containing the specimen signature of each such person.

"Authorized Newspaper" shall mean a newspaper containing financial matters, customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language, and of general circulation in the Borough of Manhattan, City and State of New York.

"Authorized School Board Representative" shall mean the Chairman and any person or persons designated by the Chairman and authorized to act on behalf of the School Board by a written certificate delivered to the Trustee signed on behalf of the School Board by the Chairman containing the specimen signature of each such person.

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from and after the execution of the corresponding Assignment Agreement by the Corporation;

WHEREAS, on June 6, 1990 the Florida School Boards Association, Inc. issued its \$204,740,000 Lease Revenue Bonds (Orange County School Board Project), Series 1990 (the "Series 1990 Bonds"), of which \$146,405,000 remains outstanding to provide for the lease purchases financing to the School Board of various facilities, additions to facilities, modular classrooms and related equipment; and

WHEREAS, the School Board wishes to provide for the payment of the Series 1990 Bonds, terminate the lease, ground lease and other documents relating to and refinance hereunder certain of the facilities originally financed by the Series 1990 Bonds (the "Refinanced Facilities"), pursuant to a Schedule to be attached to this Master Lease; and

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and for other valuable consideration, the parties hereto agree as follows:

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"Basic Lease Payment" shall mean, with respect to each Lease or each Facility financed or refinanced under such Lease, as of each Lease Payment Date, the amount set forth on the appropriate Schedule of the Master Lease corresponding to such Lease Payment Date and designated as a Basic Lease Payment in such Schedule.

"Board of Directors" shall mean the Board of Directors of the Corporation.

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

"Capital Appreciation Certificate" shall mean any Certificate with respect to which interest is compounded periodically on each of the applicable periodic dates designated for compounding in a Supplemental Trust Agreement in connection with the issuance of a Series of Certificates and payable in an amount equal to the then current accreted value, including premium, if any, only at the maturity, earlier prepayment or other payment date thereafter.

"Capitalized Interest Account" shall mean any Capitalized Interest Account established pursuant to Section 401 hereof and in any Supplemental Trust Agreement.

"Certificate or Certificates" shall mean the certificates of participation, executed and delivered from time to time by the Trustee pursuant to this Trust Agreement and any Supplemental Trust Agreement. Each Series of Certificates issued under this Trust Agreement and any Supplemental Trust Agreement shall bear a Series designation to identify such Series of Certificates to a particular Schedule to the Master Lease.

"Certificate holder" or "Holder of Certificates" shall mean the registered owner of any Certificate or Certificates.

"Certificate of Acceptance" shall mean the certificate of the School Board substantially in the form of Exhibit B to the Master Lease.

"Chairman" shall mean the Chairman of the School Board and any person or persons designated by the School Board and authorized to act on behalf of the Chairman.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder and under the Internal Revenue Code of 1954.

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"Cost" shall mean costs and expenses related to the acquisition, construction and installation of any Facilities including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including leasehold interests, easements, rights-of-way and licenses, including, without limitation, lease payments to be made by the Corporation under the title to a Ground Lease until the projected expiration of the Facilities listed thereto as described herein, (ii) cost and expenses incurred for labor and materials and payments to contractors, builders, materialmen and vendors for the acquisition, construction and installation of the Facilities, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be advisable or necessary prior to completion of any of the Facilities, which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction and installation of the Facilities, (v) costs and expenses required for the acquisition and installation of equipment or machinery that comprise part of the Facilities, (vi) all costs which the School Board shall be required to pay for or in connection with additions to, and expansions of Facilities, (vii) all costs which the School Board shall be required to pay to provide improvements, including offsite improvements, necessary for the use and occupancy of Facilities, including road, walkways, water, sewer, electric, fire alarms and other improvements, (viii) all costs required to reimburse the Board for advances made by it for the above items or for other costs incurred and for work done by it in connection with Facilities, (ix) deposits into any Reserve Account established pursuant to Section 401 of this Trust Agreement and in a Supplemental Trust Agreement and any recurring amounts payable to

"Event of Extraordinary Prepayment" shall mean one or more of the events so designated in Section 7.2 of the Master Lease.

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(a) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (b) below).

(b) Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the principal of and interest on which are unconditionally guaranteed by the full faith and credit of the United States of America.

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

(i) Farmers Home Administration ("FmHA"): Certificates of beneficial ownership.

(ii) Federal Housing Administration ("FHA"): Debentures.

(iii) General Services Administration: Participation Certificates.

(iv) Government National Mortgage Association ("GNMA" or "Ginnie Mae"): GNMA-guaranteed mortgage-backed bonds; GNMA-guaranteed pass-through obligations (participation certificates).

(v) U.S. Maritime Administration: Guaranteed Title XI financing.

(vi) U.S. Department of Housing and Urban Development ("HUD"): Local Authority Bonds; Project Notes.

(d) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following (non-full faith and credit) U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

(i) Federal Home Loan Bank System: Senior debt obligations (consolidated debt obligations).

(ii) Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"): Participation Certificates; Senior debt obligations.

(iii) Federal National Mortgage Association ("FNMA" or "Fannie Mae"): Mortgage-backed securities and senior debt obligations (excluded are stripped mortgage securities which are valued greater than par on the portion of unpaid principal).

(iv) Student Loan Marketing Association ("SLMA" or "Sallie Mae"): Senior debt obligations.

(v) Resolution Funding Corp. (REFCORP): Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

(vi) Farm Credit System: Consolidated system-wide bonds and notes.

(e) Money Market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor's, a division of McGraw-Hill, Inc. ("S&P") of AAAn-G; AAAn or Aaa and if rated by Moody's Investors Service, Inc. ("Moody's") rated Aaa, Aaa1 or Aaa2, and if rated by Fitch Investors Service, L.P. ("Fitch") rated AAA or AA.

(f) Certificates of deposit secured at all times by collateral described in (a) and/or (b) above. Certificates of deposit must have a one year or less maturity. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks whose short term obligations are rated "A-1+" or better by S&P and "Prime-1" by Moody's and F-1+ by Fitch. The collateral must be held by a third party and the Trustee must have a perfected first security interest in the collateral.

(g) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by the Federal Deposit Insurance Corporation, including the Bank Insurance Fund and the Savings Association Insurance Fund.

(h) Investment Agreements, including guaranteed investment contracts ("GIC's"), acceptable to the Credit Facility Issuer.

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(i) Commercial paper rated "Prime-1" by Moody's, F-1+ by Fitch and "A-1+" or better by S&P.

(j) Bonds or notes issued by any state or municipality which are rated by Moody's, Fitch and S&P in one of the two highest long-term rating categories assigned by such agencies.

(k) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's, F-1+ by Fitch and "A-1+" by S&P.

(l) Repurchase agreements ("Repos") providing for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the School Board or Trustee (buyer/lender), and the transfer of cash from the School Board or Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the School Board or Trustee in exchange for the securities at a specified date.

Repos must satisfy the following criteria:

(i) Repos must be between the School Board or Trustee and a dealer bank or securities firm satisfying the following criteria: (A) Primary dealers on the Federal Reserve reporting dealer list which fall under the jurisdiction of the Securities Investor Protection Corporation ("SIPC") and which are rated "A" or better by S&P, Moody's and Fitch, or (B) banks rated "A" or better by S&P, Moody's and Fitch.

(ii) The written Repo contract must include the following:

(A) Securities which are acceptable for transfer are:

(I) Obligations described in paragraph (a) above.

(II) Obligations described in paragraph (b) above, and obligations issued or guaranteed by FNMA or FHLMC.

(B) The term of the Repo may be up to 30 days.

(C) The collateral must be delivered to the Trustee (if the Trustee is not supplying the collateral) or a third party acting as agent for the Trustee (if the Trustee is

supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

(D) The Trustee has a perfected first priority security interest in the collateral.

(E) The collateral is free and clear of third party liens and in the case of SIPC brokers was not acquired pursuant to a Repo or reverse Repo.

(F) Failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral.

(G) Valuation of Collateral.

(I) The securities must be valued by the dealer bank or securities firm, as applicable, weekly, marked-to-market at current market price plus accrued interest:

(II) The value of collateral must be equal to 104% of the amount of cash transferred by the School Board or Trustee to the dealer bank or security firm under the Repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the School Board or Trustee, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

(m) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by Fitch and S&P. If, however, the issue is only rated by S&P (i.e., there is no Moody's or Fitch rating), then the pre-refunded bonds must have been pre-refunded with cash, Investment Securities referred to in paragraph (i) above, or AAA rated pre-refunded municipals to satisfy this condition.

(n) Any State administered pool investment fund in which the School Board is statutorily permitted or required to invest in, subject to approval of the Credit Facility Issuer insuring the Series of Certificates relating to the moneys invested.

(o) Subject to the prior written approval of the Credit Facility Issuer insuring the Series of Certificates relating to the moneys invested, and the Rating Agency rating such Series, such other obligations as shall be permitted to be legal investments of the School Board by the laws of the State.

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"Lease" shall mean each separate Schedule to the Master Lease executed and delivered by the School Board and the Corporation, together with the terms and provisions of the Master Lease.

"Lease Payment Account" shall mean any Lease Payment Account established pursuant to Section 401 hereof and in any Supplemental Trust Agreement.

"Lease Payment Date" shall mean, with respect to a Lease, each date set forth on the corresponding Schedule designated as a Lease Payment Date for such Lease.

"Lease Payments" shall mean, with respect to each Lease, all amounts payable by the School Board pursuant to the terms of a Lease including Basic Lease Payments, Additional Lease Payments and Supplemental Payments.

"Lease Term" shall mean, with respect to each Lease, the period from the date of a Lease through the end of the then current Fiscal Year plus each annual or lesser renewal period thereafter during which such Lease is maintained in effect in accordance therewith, with the maximum number of renewals being specified in the Schedule corresponding to such Lease.

"Master Lease" shall mean the Master Lease Purchase Agreement dated as of May 1, 1997, between the Corporation and the School Board and any and all modifications, alterations, amendments and supplements thereto.

"Net Proceeds" shall mean, with respect to one or more Facilities financed or refinanced under a Lease, proceeds from any insurance, condemnation, performance bond, Federal or State flood disaster assistance or any other financial guaranty (other than a Credit Facility Issuer) paid with respect to such Facilities remaining after payment therefrom of all expenses, including attorneys' fees, incurred in the collection thereof; and, with respect to insurance, to the extent that the School Board elects to self-insure under Section 5.3 of the Master Lease, any moneys payable from any self insurance reserve or any appropriation made by the School Board in connection with such self-insurance.

"Notice by Mail" shall mean a written notice meeting the requirements of this Trust Agreement mailed by first-class mail to the Certificate holders, at the addresses shown on the register maintained by the Trustee.

upon prepayment thereof pursuant to such Certificate and this Trust Agreement or any Supplemental Trust Agreement, together with accrued interest represented by such Certificate to the Prepayment Date.

"Project" shall mean the lease-purchase financing and construction or refinancing of the Facilities set forth on a particular Schedule and, if all or a portion of such Facilities shall be comprised of real property, the ground leasing of the related Facility Site by the School Board to the Corporation and the subleasing of such Facility Site back to the School Board.

"Project Fund" shall mean the trust fund designated as the "Project Fund" created and established in Section 401 hereof.

"Purchase Option Price" shall mean, with respect to any Facility financed or refinanced under a Lease, as of each Lease Payment Date, the Basic Lease Payment then due plus the amount so designated and set forth on the Schedule for such Facility as the remaining principal portion of the Purchase Option Price minus any credits pursuant to the provisions of Section 3.2 of the Master Lease, plus, an amount equal to the interest to accrue with respect to the Certificates to be prepaid as a result of the release of such Facility from the Lease, from such Lease Payment Date to the next available date for prepaying such Certificates, unless such prepayment shall occur on such Lease Payment Date, plus an amount equal to a pro-rata portion of any Additional Lease Payments and Supplemental Payments then due and owing under the Lease relating to such Facility, including any prepayment premiums payable on the Certificates prepaid.

"Qualified Financial Institution" shall mean a bank, trust company, national banking association or a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or the Federal National Mortgage Association or any insurance company or other corporation (i) whose unsecured obligations or uncollateralized long term debt obligations have been assigned a rating by a Rating Agency which is not lower than AA/Aa, or which has issued a letter of credit, contract, agreement or surety bond in support of debt obligations which have been so rated; or (ii) which collateralizes its obligations at all times at levels in compliance with the requirements of the Rating Agencies for ratings not lower than AA/Aa.

"Rating Agency" shall mean one or more of Standard & Poor's, a division of McGraw-Hill, Inc., Moody's Investors Service, Inc. and Fitch Investors Service, L.P. and any other nationally recognized rating service not unacceptable to the Credit Facility

"Opinion of Counsel" shall mean an opinion signed by an attorney or firm of attorneys of recognized standing and who are qualified to pass on the legality of the particular matter (who may be counsel to the School Board or Special Tax Counsel) selected by the School Board.

"Outstanding" when used with reference to the Certificates, shall mean, as of any date, Certificates theretofore or thereupon being executed and delivered under this Trust Agreement except:

(i) Certificates canceled by, or duly surrendered for cancellation to, the Trustee at or prior to such date;

(ii) Certificates (or portions of Certificates) for the payment or prepayment of which moneys, equal to the principal portion or Prepayment Price thereof, as the case may be, with interest to the date of maturity or Prepayment Date, shall be held in trust under this Trust Agreement and set aside for such payment or prepayment, (whether at or prior to the maturity or Prepayment Date), provided that if such Certificates (or portions of Certificates) are to be prepaid, notice of such prepayment shall have been given as provided in Article III of this Trust Agreement;

(iii) Certificates in lieu of or in substitution for which other Certificates shall have been executed and delivered pursuant to Article III hereof; and

(iv) Certificates deemed to have been paid as provided in subsection (b) of Section 801 hereof.

"Payment Date" shall mean a date on which the principal portion or the interest portion of Basic Lease Payments is scheduled to be paid to Certificate holders pursuant to the terms of such Certificates.

"Prepayment Account" shall mean any Prepayment Account established pursuant to Section 401 hereof and in any Supplemental Trust Agreement.

"Prepayment Date" shall mean the date on which optional prepayment or extraordinary prepayment or mandatory sinking fund prepayment of Basic Lease Payments represented by a Series of Certificates Outstanding shall be made pursuant to Section 312 hereof or pursuant to any Supplemental Trust Agreement.

"Prepayment Price" shall mean, with respect to any Certificate, the principal amount thereof (together with the premium, if any, applicable upon an optional prepayment) payable

Issuer insuring the related series of Certificates which shall have provided a rating on any Outstanding Certificates.

"Refinanced Facilities" shall mean one or more of the facilities of the School Board originally financed from the proceeds of the Series 1990 Bonds and which are to be refinanced pursuant to a schedule to this Master Lease from the proceeds of a Series of Certificates.

"Reimbursement Agreement" shall mean, with respect to each Lease, any reimbursement agreement among the Corporation, the School Board and any Credit Facility Issuer.

"Reserve Account" shall mean any Reserve Account established pursuant to Section 401 of this Master Trust Agreement and in any Supplemental Trust Agreement.

"Reserve Account Letter of Credit/Insurance Policy" shall mean the irrevocable letter or line of credit, insurance policy, surety bond or guarantee agreement issued by a Qualified Financial Institution in favor of the Trustee which is to be deposited into a Reserve Account in order to fulfill the Reserve Account Requirement relating thereto.

"Reserve Account Requirement" shall mean, in regard to a Reserve Account to secure a Series of Certificates, such amount, if any, as shall be provided in the Supplemental Trust Agreement authorizing the issuance of such Series and in the Schedule relating thereto, provided such Reserve Account Requirement shall not exceed the least of (i) the maximum annual amount of Basic Lease Payments represented by Certificates of the Series secured by such Reserve Account in the current or any subsequent Fiscal Year, (ii) 125% of the average annual amount of Basic Lease Payments represented by Certificates of the Series secured by such Reserve Account in the current or any subsequent Fiscal Year, and (iii) 10% of the stated principal amount (or issue price net of accrued interest if the issue has more than a de minimis amount of original issue discount or premium) of such Series of Certificates.

"Schedule" shall mean a schedule to the Master Lease to be executed and delivered by the School Board and the Corporation for each Project, substantially in the form of Exhibit A to the Master Lease.

"School Board" shall mean the School Board of Orange County, Florida, a body corporate and the governing body of the District.

"Series" or "Series of Certificates" shall mean the aggregate amount of each series of Certificates evidencing an undivided proportionate interest of the owners thereof in a particular Lease and the Basic Lease Payments thereunder, issued pursuant to this Trust Agreement or a Supplemental Trust Agreement.

"Series 1990 Bonds" shall mean the \$204,740,000 Florida School Boards Association, Inc. Lease Revenue Bonds (Orange County School Board Project), Series 1990, currently outstanding in the amount of \$146,405.00.

"Special Tax Counsel" shall mean Greenberg Traurig Hoffman Lipoff Rosen & Quentel, P.A., Miami, Florida, or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of the interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"State" shall mean the State of Florida.

"Superintendent" shall mean the Superintendent of Schools of the District.

"Supplemental Payments" shall mean all amounts due under a Lease other than Basic Lease Payments and Additional Lease Payments.

"Supplemental Trust Agreement" shall mean any agreement supplemental or amendatory of this Trust Agreement.

"Trust Agreement" shall mean this Master Trust Agreement dated as of May 1, 1997 entered into by and between the Corporation and the Trustee, and any Supplemental Trust Agreement.

"Trust Estate" shall mean all estate, right, title and interest of the Trustee in and to (a) the Basic Lease Payments, the Master Lease, the Leases and each Assignment Agreement, and (b) (i) all amounts from time to time deposited in the funds and accounts created pursuant to this Trust Agreement and any Supplemental Trust Agreement in accordance with the provisions of the Master Lease, the Leases and this Trust Agreement, including investment earnings thereon; and (ii) any and all monies received by the Trustee pursuant to the provisions hereof and not required to be remitted to the School Board pursuant to the Master Lease or this Trust Agreement.

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ARTICLE II

ASSIGNMENT; DECLARATION OF TRUST; REPRESENTATIONS

201. Assignment Agreements. The Corporation shall assign and transfer to the Trustee its rights under each Ground Lease and each Lease pursuant to and to the extent described in the corresponding Assignment Agreement, and in consideration of such assignment and the execution of this Trust Agreement, the Trustee shall execute and deliver each Series of Certificates, evidencing an undivided proportionate interest of the Certificate holders in Basic Lease Payments under the corresponding Lease.

202. Declaration of Trust by Trustee. The Trustee hereby declares that it holds and will hold the Trust Estate conferred on it by the Corporation hereunder upon the trusts and apply the amounts as hereinafter set forth for the use and benefit of the Certificate holders, as more particularly set forth in Section 305 hereof.

203. Representations. In the Master Lease, the School Board has agreed to acquire, construct and install the Facilities as agent for the Corporation pursuant to specifications prepared by the School Board and that the School Board will be responsible for the letting of contracts for the acquisition, construction and installation of the Facilities and supervising the acquisition, construction and installation of the Facilities.

204. Description and Estimated Costs of the Facilities. The description of the Facilities to be acquired, constructed and installed and leased by the School Board from the Corporation pursuant to the Master Lease and each Schedule and the estimated Costs of such Facilities shall be set forth in the related Schedule to the Master Lease.

205. Conditions Precedent Satisfied. Each party hereto, represents with respect to itself that all acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and delivery of this Trust Agreement have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto each represents as to itself that it is now duly empowered to execute and deliver this Trust Agreement.

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"Trustee" shall mean SouthTrust Bank of Florida, National Association, Fort Lauderdale, Florida, and its successors or assigns which may at any time be substituted in its place pursuant to the provisions hereof.

"Variable Rate Certificate" shall mean a Certificate with respect to which the interest portion of the Basic Lease Payments represented thereby is determined at a variable rate as provided in a Supplemental Trust Agreement in connection with the issuance of a Series of Certificates.

102. Rules of Construction. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies as well as natural persons.

The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Trust Agreement, refer to this Trust Agreement.

103. Exhibits. The following Exhibits are attached hereto and by this reference made a part of this Trust Agreement:

Exhibit A.	FORM OF CERTIFICATE
Exhibit B.	FORM OF REQUISITION (COSTS OF FACILITIES)
Exhibit C.	FORM OF REQUISITION (COSTS OF ISSUANCE)

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ARTICLE III

CERTIFICATES; TERMS AND PROVISIONS

301. Authorization of Certificates.

(a) The number of Series of Certificates which may be created under this Trust Agreement is not limited. The aggregate principal amount of Certificates of each Series which may be issued, executed and delivered under this Trust Agreement is not limited except as set forth in the Supplemental Trust Agreement creating such Series.

(b) The Certificates issuable under this Trust Agreement shall be issued in such Series as may from time to time be created in connection with one or more Leases. Each Series shall be designated "Certificates of Participation, Series _____, Evidencing an Undivided Proportionate Interest of the Registered Owners thereof in Basic Lease Payments to be Made by the School Board of Orange County, Florida, as Lessee, Pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor". The Certificates may, if and when authorized by this Trust Agreement, be designated with such further appropriate particular designations added to or incorporated in such title for the Certificates of any particular Series as the Board may determine and as may be necessary to distinguish such Certificates from the Certificates of any other Series.

302. Execution and Delivery of Certificates. Each Series of Certificates shall be authorized by the Corporation at the request of the School Board and executed and delivered by the Trustee for the purpose of (a) financing (or refinancing, in the case of the Refinanced Facilities) the cost of acquisition, construction and equipping of any Facilities, (b) financing the cost of completing the acquisition, construction, installation and equipping of any Facilities, (c) financing the cost of increasing, improving, modifying, expanding or replacing any Facilities, (d) paying or providing for the payment of the principal portion and interest portion of the Basic Lease Payments with respect to, or the Purchase Option Price of, all or a portion of the Facilities financed from the proceeds of any Series of Certificates theretofore executed and delivered, (e) funding a Reserve Account in an amount equal to the Reserve Account Requirement applicable thereto, (f) capitalizing the interest portion of Basic Lease Payments during construction and (g) paying the Costs of Issuance applicable thereto.

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Each Series of Certificates shall be substantially in the form set forth in Exhibit A hereto, with such appropriate variations, omissions and insertions as necessary to conform to the provisions of this Trust Agreement, including any use of a book-entry-only system as described in Section 317 hereof, or as necessary to issue a Series of Certificates as Capital Appreciation Certificates or as Variable Rate Certificates. All Certificates may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rule and regulations of any governmental authority or of any securities exchange on which the Certificates may be listed or any usage or requirement of law with respect thereto.

303. Terms of Series of Certificates. Certificates may be executed and delivered at any time and from time to time in one or more Series, upon such terms and conditions as may then be permitted by law and as shall be determined by the Corporation and provided in the respective Supplemental Trust Agreement under which such Series of Certificates are authorized. Certificates of any Series:

(a) shall be dated, shall represent interest at a rate not in excess of the maximum rate then permitted by applicable law (calculated, unless otherwise provided in a Supplemental Trust Agreement, on the basis of a 360 day year consisting of twelve 30 day months), and shall be payable and mature in such amounts and at such time or times, as may be provided in the Supplemental Trust Agreement creating such Series of Certificates;

(b) shall be payable, as to the principal portion, Prepayment Price, if any, and interest portion of such Series of Certificates, at such place or places in lawful money of the United States of America and may have such registration privileges and such exchange privileges as may be provided in the Supplemental Trust Agreement creating such Series of Certificates and allowable under then existing law;

(c) shall have such particular designations added to their title, and shall be in such form and denominations, as provided in the Supplemental Trust Agreement creating such Series of Certificates;

(d) shall be limited as to the maximum principal amount thereof which may be delivered by the Trustee or which may be at any time Outstanding, as provided in the Supplemental Trust Agreement creating such Series of Certificates;

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for (i) Lease Payments payable under such Schedule at least equal to the principal portion of, Prepayment Price, if any, and interest portion represented by such Series of Certificates, and (ii) the disposition of the proceeds of the sale of such Series of Certificates, including the acquisition, construction, equipping or improvement of the facilities to be financed from the proceeds of such Series of Certificates or the payment or refunding of the Series of Certificates to be paid or refunded;

(c) An executed counterpart of an Assignment Agreement, effective on or before the date of execution and delivery of such Series of Certificates, assigning and transferring to the Trustee substantially all of the rights of the Corporation under the Lease relating to such Series of Certificates, except for the provisions with respect to release and indemnity of the Corporation and the right of the Corporation to receive notices under the Master Lease;

(d) One or more opinions of Special Tax Counsel to the effect that (i) the Certificates evidence undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board pursuant to the corresponding Lease and (ii) the interest portion of the Basic Lease Payments represented by the Series of Certificates being issued is excludable from gross income for federal income tax purposes, and, in the case of refunding Certificates, that the exclusion from gross income for federal income tax purposes of the interest portion of the Basic Lease Payments represented by the Certificates being refunded will not be adversely affected by the issuance of the refunding Certificates being issued;

(e) A written order to the Trustee by an Authorized Corporation Representative to execute and deliver the Series of Certificates to the purchaser or purchasers therein identified upon payment to the Trustee of a specified sum;

(f) Certified copies of resolutions of the Corporation and the School Board authorizing the issuance of such Series of Certificates;

(g) Such other documents and opinions as may be provided for in the Supplemental Trust Agreement referred to in subparagraph (a) hereof, including one or more Ground Leases (or amended Ground Leases in the case of Certificates issued for the purposes described in Section 302(b) above), or as may be required under Section 6.1 of the Master Lease;

(h) One or more Opinions of Counsel in form and substance satisfactory to each Credit Facility Issuer to the

(e) may contain provisions for the prepayment thereof at such Prepayment Price or Prices, at such time or times, upon such notice, in such manner, and upon such other terms and conditions, not inconsistent with the provisions hereof and the terms of the Master Lease, as may be provided in the Supplemental Trust Agreement creating such Series of Certificates;

(f) may have provisions requiring mandatory payments for the purchase and sinking fund prepayment of such Series of Certificates, in such amounts, at such time or times, upon such notice, in such manner, and upon such other terms and conditions, not inconsistent with the provisions hereof and the terms of the Master Lease as shall be set forth in such Supplemental Trust Agreement;

(g) may be issued as Fixed Rate Certificates, including without limitation as Capital Appreciation Certificates or Current Interest Certificates, or may be issued as Variable Rate Certificates, all in the manner set forth in the Supplemental Trust Agreement creating such Series of Certificates;

(h) may contain such other provisions and such other special terms and conditions, not contrary to the provisions hereof, as may be provided in such Supplemental Trust Agreement;

(i) shall be payable from and secured by the Trust Estate, but solely to the extent provided in and subject to the limitations of Section 305 hereof.

304. Conditions Precedent to Delivery of a Series of Certificates. The Trustee shall execute and deliver one or more Series of Certificates for the purposes set forth in Section 302 hereof to the purchaser or purchasers thereof as requested and authorized by the Corporation in accordance with the provisions of this Section 304.

Prior to the delivery by the Trustee of any Series of Certificates there shall have been received by the Trustee:

(a) A Supplemental Trust Agreement providing for the terms and conditions upon which they shall be executed and delivered by the Trustee;

(b) An executed counterpart of a corresponding Schedule to the Master Lease (or amended Schedule in the case of Certificates issued for the purposes as described in Section 302(b) and (d) above) effective on or before the date of execution and delivery of such Series of Certificates, providing

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effect that the issuance of such Series of Certificates for the purposes set forth in Section 302 is authorized by law, and the execution and delivery thereof and of the other documents described in this Section have been duly authorized by the School Board and the Corporation, all conditions precedent to the delivery thereof have been fulfilled and to the further effect that the execution of the Supplemental Trust Agreement is authorized or permitted hereunder;

(i) A certificate signed by an Authorized Corporation Representative to the effect that the Master Lease is in effect and to its knowledge there are no defaults at the time of issuance under any Lease, Ground Lease or this Trust Agreement; and

(j) In the case of the initial series of Certificates, a portion of the proceeds of which is to be used to refinance the Refinanced Facilities, the following:

(i) an executed counterpart of an escrow deposit agreement among the School Board, the Florida School Boards Association, Inc. (the "Association") and SunTrust Bank, Central Florida, National Association as Escrow Agent, providing for the legal defeasance of the Series 1990 Bonds;

(ii) a defeasance opinion of bond counsel and a verification report of an accountant pursuant to the trust indenture securing the Series 1990 Bonds;

(iii) a copy of a special warranty deed from the Association to the School Board, required by Sections 17.2 of the Lease Agreement with Option to Purchase, dated as of June 1, 1990 between the Association and the School Board, conveying to the School Board the Association's rights in the Refinanced Facilities.

The proceeds of such Series of Certificates shall be held and disbursed as provided in the Supplemental Trust Agreement providing for such Series of Certificates. The Trustee shall execute and deliver such Series of Certificates to the purchaser or purchasers thereof as directed and authorized in writing by an Authorized Corporation Representative.

305. Payments from Trust Estate Only; Distribution of Trust Estate.

(a) Unless otherwise set forth in a Supplemental Trust Agreement, each Certificate within a Series of Certificates executed and delivered pursuant to this Section shall rank pari

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passu and be equally and ratably secured under this Trust Agreement with each other Certificate of such Series, but not with any Certificates of any other Series issued pursuant to this Trust Agreement and Outstanding, without preference, priority or distinction of any such Certificate over any other such Certificate, except that to the extent that Basic Lease Payments available for payment to all Certificate holders are less than all amounts owed with respect to all Series of Certificates on any Payment Date, such amounts available shall be applied on a pro-rata basis to Certificate holders of all Series in accordance with the ratio that the principal balance due on each Series of Certificates Outstanding on such Payment Date bears to the total principal balance due on all Certificates Outstanding under this Trust Agreement on such Payment Date.

(b) Except as otherwise expressly provided in the immediately preceding paragraph and elsewhere herein, all amounts payable by the Trustee with respect to a Series of Certificates or to any Credit Facility Issuer who shall have issued a Credit Facility, if any, securing such Series pursuant to this Trust Agreement shall be paid only from the portion of the Trust Estate derived from Basic Lease Payments made pursuant to the Schedule corresponding to such Series and only to the extent that the Trustee shall have actually received sufficient income or proceeds from such portion of the Trust Estate to make such payments. Each Certificate holder agrees, and each such Credit Facility Issuer, by its execution and delivery of the Credit Facility shall be deemed to have agreed, except as otherwise expressly provided herein, to look solely to the income of and the proceeds from such portion of the Trust Estate to the extent available for distribution to such holder and each such Credit Facility Issuer as herein provided and that the Trustee is not personally liable to any Certificate holder or any such Credit Facility Issuer for any amounts payable under this Trust Agreement or subject to any liability under this Trust Agreement except liability under this Trust Agreement as a result of negligence or willful misconduct by the Trustee.

(c) So long as the Master Lease or related Ground Leases shall be in effect, all amounts of Lease Payments, insurance proceeds, indemnity payments and other payments of any kind constituting a part of the Trust Estate payable under this Trust Agreement or the Lease corresponding to such Series to the Trustee shall be paid directly to the Trustee for distribution, in accordance with Articles III, V, VI and VII of this Trust Agreement, to or for the Certificate holders or the related Credit Facility Issuer, as the case may be.

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representing interest at the same rate, and in the same form as the Certificates surrendered for exchange.

(e) Upon the occurrence and continuance of an Event of Default which requires a Credit Facility Issuer to make payments under a Credit Facility, the Credit Facility Issuer and its designated agent shall be provided with access to inspect and copy the register of the Series of Certificate holders insured by its Credit Facility.

308. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Certificates or registering the transfer of Certificates is exercised, the Trustee shall execute and deliver Certificates in accordance with the provisions of this Trust Agreement. All Certificates surrendered in any such exchanges or registrations of transfer shall forthwith be canceled by the Trustee. For every such exchange or registration of transfer of Certificates, whether temporary or definitive, the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Trustee shall not be required (a) to register the transfer of or exchange Certificates for a period of fifteen (15) days preceding any Payment Date until such Payment Date, or for a period of fifteen (15) days preceding any selection of Certificates to be prepaid until after the mailing of any notice of prepayment; or (b) to register the transfer or exchange of any Certificates called for prepayment.

309. Certificates, Mutilated, Destroyed, Stolen or Lost. In case any Certificates shall become mutilated or be destroyed, stolen or lost, the Trustee shall execute and deliver a new Certificate of the same series and of like maturity and principal amount as the Certificate so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Certificate, or in lieu of and substitution for the Certificate destroyed, stolen or lost, upon surrender of such mutilated Certificate or filing with the Trustee of evidence satisfactory to the Trustee that such Certificate has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Trustee with indemnity satisfactory to the Trustee and complying with such other reasonable regulations as the Trustee may prescribe and paying such expenses as the Trustee may incur. All Certificates so surrendered to the Trustee shall be canceled by it. Any such new Certificates executed and delivered pursuant to this Section in substitution for Certificates alleged to be destroyed, stolen or lost shall be equally secured by and entitled to equal and proportionate benefits, with all other Certificates delivered under the Trust Agreement and Outstanding.

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306. Execution.

The Certificates shall be executed in the name of, and by, the Trustee, solely as trustee under the Trust Agreement and not in its individual capacity, by the manual signature of any authorized signatory of the Trustee.

307. Negotiability, Transfer and Registration.

(a) The Trustee shall maintain, at its designated corporate trust office, a register of the names and addresses of all Certificate holders as of any particular time, and the Trustee shall, upon request of the School Board, furnish such information to the School Board.

(b) Each Certificate shall be transferable only upon the register maintained by the Trustee, by the Certificate holder in person or by his/her attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Certificate holder or his/her attorney duly authorized in writing. Upon the registration of transfer of any such Certificate, the Trustee shall deliver in the name of the transferee a new Certificate or Certificates of the same series, aggregate principal amount and maturity as the surrendered Certificate.

(c) The person in whose name any Certificate shall be registered upon the books of the Trustee shall be treated as the absolute owner of such Certificate, whether such Certificate shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal portion or Prepayment Price, if applicable, and interest portion represented by such Certificate and for all other purposes, and all such payments so made to any such Certificate holder or upon his/her order shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid, and the Trustee, the Corporation and the School Board shall not be affected by any notice to the contrary.

(d) Certificates, upon surrender thereof at the designated corporate trust office of the Trustee, together with an assignment duly executed by the Certificate holder or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Certificate holder thereof and upon payment by such Certificate holder of any charges which the Trustee may make as provided in Section 308 hereof, be exchanged for an equal aggregate principal amount of Certificates of the same maturity and series, of any denomination or denominations authorized by this Trust Agreement,

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310. Temporary Certificates. Until the definitive Certificates are prepared, the Trustee may execute and deliver, in the same manner as is provided in Section 306, in lieu of definitive Certificates, one or more temporary Certificates of the same series and substantially of the tenor of the definitive Certificates in lieu of which such temporary Certificate or Certificates are issued, in denominations of \$5,000 or any multiples thereof, and with such omissions, insertions and variations as may be appropriate for temporary Certificates. The Trustee, at the expense and direction of the School Board, shall prepare and execute and, upon the surrender of such temporary Certificates, and the cancellation of such surrendered temporary Certificates, the Trustee shall without charge to the Holder thereof, in exchange therefor, deliver definitive Certificates of the same series, of the same aggregate principal amount and maturity as the temporary Certificates surrendered. Until so exchanged, the temporary Certificates shall in all respects be entitled to the same benefits and security as definitive Certificates of the same series executed and delivered pursuant to the Trust Agreement.

311. Privilege of Prepayment and Prepayment Price. Certificates subject to prepayment prior to maturity pursuant to this Trust Agreement may be prepaid, upon notice given as provided in this Article III, at such times, at such Prepayment Prices and upon such terms as specified in this Article III or in the Supplemental Trust Agreement authorizing the issuance of such Certificate.

312. Prepayment. Whenever by the terms of this Trust Agreement the Certificates are required to be prepaid, the Trustee shall select the Certificates to be prepaid in accordance with the provisions of Section 313 hereof. The Trustee shall select a Prepayment Date, and at the earliest practicable time give the notice of prepayment and pay the Prepayment Price thereof, plus interest accrued and unpaid to the Prepayment Date, in accordance with the terms of this Article III.

313. Selection of Certificates to be Prepaid. If less than all of the Certificates of a Series shall be called for prepayment, the particular Certificates or portions of Certificates to be prepaid shall be in multiples of \$5,000 and, except as otherwise provided in a Supplemental Trust Agreement, such Certificates or portions of Certificates shall be prepaid in such order of maturity as shall be designated by the School Board. If less than all of the Certificates of like maturity shall be called for prepayment, the particular Certificates or portions thereof to be prepaid shall be selected by lot by the Trustee in such manner as the Trustee shall deem fair and

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appropriate. The portion of any Certificate of a denomination of more than \$5,000 to be prepaid shall be in the principal amount of \$5,000 or an integral multiple thereof, and, in selecting portions of such Certificates for prepayment, the Trustee shall treat each such Certificate as representing that number of Certificates of \$5,000 denomination which is obtained by dividing the principal amount of such Certificate to be prepaid in part by \$5,000.

314. Notice of Prepayment. When prepayment of Certificates is required pursuant to Section 312 hereof, the Trustee shall give notice of the prepayment of such Certificates, which notice shall specify the maturities of the Certificates to be prepaid, the CUSIP numbers (which shall be for informational purposes only and shall not affect the validity of such notice), the prepayment date and the place or places where amounts due upon such prepayment will be payable and, if less than all of the Certificates of a Series are to be prepaid, the letters and numbers or other distinguishing marks of such Certificates to be prepaid, and, in the case of Certificates to be prepaid in part only, such notice shall also specify the respective portions of the principal amounts thereof to be prepaid. Such notice shall further state that on such date there shall become due and payable with respect to each Certificate to be prepaid the Prepayment Price thereof, or the Prepayment Price of the specified portions of the principal thereof to be prepaid in part only, together with interest accrued to the Prepayment Date, and that from and after such date interest thereon shall cease to accrue and be payable. The Trustee shall mail a copy of such notice, postage prepaid, not less than 30 days before the Prepayment Date in the case of optional prepayment, extraordinary prepayment resulting from damage, destruction or condemnation of facilities, extraordinary prepayment from amounts in excess of Basic Lease Payments coming due in the next Fiscal Year remaining in the Acquisition Account after completion of the facilities or mandatory sinking fund prepayment, and not less than 5 days nor more than 10 days before the Prepayment Date in the case of extraordinary prepayment resulting from termination of all Leases as a result of nonappropriation or default by the School Board, to the Holders of any Certificates or portions of Certificates which are to be prepaid, at their last addresses appearing upon the registry books, but any defect in the notice to a particular Certificate holder shall not affect the validity of the proceedings for the prepayment of other Certificates. Notwithstanding anything in this Section 314 to the contrary, the Trustee shall not give notice that the Certificates are subject to optional prepayment pursuant to a Supplemental Trust Agreement unless and until the School Board shall have deposited with the Trustee to the credit of the related Prepayment Account an amount

together with interest earnings, if any, sufficient to pay in full the principal of the Certificates subject to prepayment, plus accrued interest and premium, if any, on such Certificates to the date established for such prepayment. Notice of such prepayment shall be provided to any depository not less than two days prior to mailing of such notice, to the extent available.

315. Payment of Prepaid Certificates. Notice having been given in the manner provided in Section 314, the Prepayment Price of the Certificates or portions thereof so called for prepayment shall become due and payable on the Prepayment Date so designated at the Prepayment Price, plus the interest portion accrued and unpaid to the Prepayment Date, and, upon presentation and surrender thereof at the office specified in such notice such Prepayment Price of the Certificates, or portions thereof shall be paid. If there shall be selected for prepayment less than all of the Certificates, the Trustee shall execute and deliver, upon the surrender of such Certificates, without charge to the owner thereof, for the aggregate balance of the principal amount of the Outstanding Certificates so surrendered, at the option of the owner thereof, Certificates of like maturity in any of the authorized denominations. If on the Prepayment Date, moneys for the payment of the Prepayment Price of all the Certificates of a Series or portions thereof of any like maturity to be prepaid, shall be held by the Trustee so as to be available therefor on the Prepayment Date and if notice of prepayment shall have been given as aforesaid, then, from and after the Prepayment Date the interest portion of the Certificates or portions thereof of such maturity so called for prepayment shall cease to accrue and become payable. If said moneys shall not be so available on the Prepayment Date, the principal portion represented by such Certificates or portions thereof shall continue to bear interest until paid at the same rate as would have accrued had it not been called for prepayment.

316. Cancellation of Certificates. All Certificates paid or prepaid, either at or before maturity, shall be delivered to the Trustee when such payment or prepayment is made, and such Certificates shall thereupon be promptly canceled and destroyed. Upon the cancellation and deletion of any Certificates by the Trustee, the Trustee shall execute a certificate of cancellation in duplicate by the signature of one of its authorized signatories describing the Certificates so canceled, and executed certificates shall be filed with the School Board and the Corporation and the other executed certificate shall be retained by the Trustee.

317. Qualification for The Depository Trust Company. The Trustee is hereby authorized to take such actions as may be

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necessary from time to time to qualify any Series of Certificates for deposit with The Depository Trust Company of New York, including but not limited to wire transfers of interest and principal payments with respect to such Series of Certificates, utilization of electronic book-entry data received from The Depository Trust Company of New York in place of actual delivery of Certificates and provision of notices with respect to Certificates registered by The Depository Trust Company of New York (or any of its designees identified to the Trustee) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with The Depository Trust Company of New York may adversely affect the interest of any of the beneficial owners of the Certificates; provided, however, that the Trustee shall not be liable with respect to any such arrangements it may make pursuant to this Section. Without limiting the foregoing, the Trustee may deliver a Series of Certificates to a bank or trust company serving as custodian (which may be the Trustee serving in the capacity of custodian) to provide for a book-entry or similar method for the registration and registration of transfers of such Series of Certificates; provided that the holders of such Series of Certificates always may receive upon request certificates evidencing their ownership of Certificates.

ARTICLE IV

ESTABLISHMENT AND ADMINISTRATION OF FUNDS AND ACCOUNTS; PREPAYMENT OF CERTIFICATES

401. Establishment of Project Fund. There is hereby established with the Trustee a special trust fund to be designated as the "Project Fund". The Trustee shall keep the Project Fund separate and apart from all other funds and moneys held by it. Within the Project Fund, the Trustee shall establish pursuant to each Supplemental Trust Agreement, as necessary, the following accounts and subaccounts for each Series of Certificates: (a) an Acquisition Account and a Cost of Issuance Subaccount therein, more particularly described in Section 402 hereof; (b) a Capitalized Interest Account more particularly described in Section 403 hereof; (c) a Lease Payment Account, more particularly described in Section 404 hereof; (d) a Reserve Account, more particularly described in Section 405 hereof; and (e) a Prepayment Account, more particularly described in Section 406 hereof. The Trustee shall establish separate Acquisition Accounts, Cost of Issuance Subaccounts, Capitalized Interest Accounts, Lease Payment Accounts, Reserve Accounts and Prepayment Accounts for each Project in the Supplemental Trust Agreement authorizing the issuance of the Series of Certificates corresponding to each such Project. The Trustee may create additional Accounts and Subaccounts in any Supplemental Trust Agreement at the request of the School Board. Each such account and subaccount shall be designated by the Trustee with the Series of the Certificates to which they relate.

On the date of delivery of each Series of Certificates the Trustee shall deposit the proceeds thereof as provided in the Schedule or Schedules and the Supplemental Trust Agreement authorizing such Series of Certificates. The requirements of Section 402 hereof shall not apply to the Refinanced Facilities.

402. Acquisition Account.

(a) There shall be paid into each Acquisition Account the amounts required to be so paid by the provisions hereof or by the provisions of the Supplemental Trust Agreement authorizing the issuance of the Series of Certificates to which such Acquisition Account relates, and the Schedule or Schedules related thereto.

(b) Pursuant to an election by the School Board under Section 5.4(a) of the Master Lease, Net Proceeds with respect to any Facilities, may be deposited into the Acquisition Account established under the Supplemental Trust Agreement authorizing

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the issuance of the Series of Certificates to which such Acquisition Account relates.

(c) The Cost (other than the Costs of Issuance) of the Facilities comprising each Project shall be paid from the amounts on deposit in the related Acquisition Account. Actual amounts paid for particular Facilities may be more or less than the estimated amounts set forth initially in a Schedule, so long as the certifications provided below can be made. The Trustee shall make such payments upon receipt of a requisition substantially in the form of Exhibit B hereto, signed by an Authorized School Board Representative certifying with respect to each payment to be made: (1) the requisition number, (2) the name and address of the person, firm, corporation or agency to whom payment is due or has been made, (3) the amount to be paid, (4) that each obligation, item of cost or expense mentioned therein has been properly incurred, is an item of Cost of the Facilities comprising the related Project and has not been the basis of any previous withdrawal, and (5) that the payment of the Cost of the Facilities comprising such Project will not cause the balance remaining in such Acquisition Account after such payment to be less than the amount necessary to pay the remaining estimated Costs to be paid from such account or that sufficient other moneys are available therefor. The Trustee shall not be responsible for investigation of underlying facts, and may conclusively rely on the representations contained in such requisition. Payments may be made from such Acquisition Account in order to reimburse the School Board for payments previously made to pay the Costs of the Facilities comprising such Project.

The Trustee shall keep separate records for each Facility financed under a particular Schedule. Payments shall be made by the Trustee for Costs of land in accordance with the following:

(i) Receipt by the Trustee and the related Credit Facility Issuer of a title insurance policy, if required by such related Credit Facility Issuer pursuant to Section 6.1 of the Master Lease (the Trustee shall be notified in writing of such requirement);

(ii) Receipt by the Trustee and the related Credit Facility Issuer of an Opinion of Counsel described in Section 6.1 of the Master Lease;

(iii) An executed Schedule or Amendment to the related Schedule describing the land and the cost thereof;

completion of acquisition of such Facilities. Upon the filing of such certificate any amounts remaining in the related Acquisition Account shall be either (a) transferred to the related Lease Payment Account and applied as a credit to Basic Lease Payments due under the particular Schedule with respect to which such surplus is applicable, in accordance with Section 3.2(b) of the Master Lease or (b) if there shall remain in the related Acquisition Account an amount greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under such Lease, transferred to the related Prepayment Account and utilized to prepay the related Series of Certificates at a price of par plus interest accrued to the date of prepayment, in the manner provided in the related Supplemental Trust Agreement and Section 7.2(B) of the Master Lease.

(f) In the event that a Lease Term terminates under Section 4.1 of the Master Lease prior to the completion of the acquisition, construction and installation of the Facilities comprising the related Project as evidenced by the delivery of a Certificate of Acceptance, the Trustee shall transfer all amounts remaining in the related Acquisition Account to the related Lease Payment Account and apply such amounts pursuant to Section 504 hereof.

403. Capitalized Interest Accounts. Funds in each Capitalized Interest Account relating to a Series of Certificates shall be transferred to the related Lease Payment Account in an amount necessary to pay the interest portion of Lease Payments coming due during construction represented by such Series of Certificates. Such transfer shall be made on the Business Day before each Payment Date for such Series, until the amounts in such Capitalized Interest Account are exhausted.

404. Lease Payment Accounts.

(a) In addition to the moneys required to be deposited in a Lease Payment Account pursuant to Sections 401, 402 and 405 hereof and except as provided in Section 406(b) hereof, all Basic Lease Payments for the Facilities financed under a Lease shall be deposited by the Trustee in the related Lease Payment Account immediately upon their receipt. The Trustee shall pay out of such Lease Payment Account, (i) on each Payment Date, the amount required for the interest portion of the Basic Lease Payment for such Facilities payable on such date to the related Certificate holders, (ii) on each Payment Date for principal the amount required for the principal portion of the Basic Lease Payments for such Facilities payable on such date to the related Certificate holders, and (iii) in the event of the termination of the related Lease Term pursuant to Section 4.1(d) of the Master

(iv) A "Phase I" environmental audit prepared by an independent engineer or other qualified consultant acceptable to the applicable Credit Facility Issuer and the School Board;

(v) A copy of a recent survey plat of the land in questions prepared, sealed and certified to the School Board and the Trustee by a licensed Florida surveyor, in form satisfactory to the School Board;

(vi) Unless indicated in the Phase I environmental audit that soil borings are unnecessary, a report on soil conditions and an engineer's certification in form and substance acceptable to the School Board confirming the feasibility of the proposed construction; and

(vii) Certification by the School Board that adequate water, sanitary sewer and storm sewer utilities, electric power, telephone and other utilities are available to the land, or the cost of making them available is included in the School Board's acquisition and construction budget.

Before payment is made pursuant to a requisition for real estate improvements, regardless of whether the underlying land was previously owned by the School Board or is being acquired with Certificate proceeds, there shall be provided to the Trustee items (i) through (vii) above with respect to the land underlying such real estate improvements, and in the case of underlying land previously owned by the School Board, there shall be provided to the Trustee a related Ground Lease or amendment to the related Ground Lease adding such parcel of land thereto.

(d) Costs of Issuance of Certificates shall be paid from the related Cost of Issuance Subaccount in the related Acquisition Account upon receipt by the Trustee of a requisition substantially in the form of Exhibit C hereto, signed by an Authorized School Board Representative stating with respect to each payment to be made: (1) the requisition number, (2) the name and address of the person, firm, corporation or agency to whom payment is due, (3) the amount to be paid and (4) that such payment obligation has been properly incurred, is a Cost of Issuance for the related Project and has not been the basis of a previous withdrawal.

(e) The completion of the acquisition, construction and installation of the Facilities comprising each Project financed under a particular Lease shall be evidenced by a Certificate of Acceptance of the School Board and the Corporation in the form attached as Exhibit B to the Master Lease, which Certificate of Acceptance shall be filed with the Trustee upon

Lease for deposit in the related Prepayment Account to be applied to the prepayment of the related Certificates pursuant to Section 315 hereof amounts on deposit in the related Lease Payment Account sufficient to pay the Prepayment Price of the related Certificates.

(b) Pursuant to an election by the School Board under Section 3.4(b) of the Master Lease, Net Proceeds with respect to any Facilities of less than ten percent (10%) of the remaining principal portion of the Basic Lease Payments relating to such Facilities shall be deposited in the related Lease Payment Account to be credited against Basic Lease Payments next coming due under the related Schedule in accordance with Section 3.2(c) of the Master Lease.

405. Reserve Accounts.

Pursuant to the Supplemental Trust Agreement authorizing the issuance of any Series of Certificates, there may be established and maintained a separate Reserve Account to secure the payment of the principal and/or interest portion of the Basic Lease Payments related to such Series of Certificates. Each such Reserve Account shall secure only the Series of Certificates for which it has been established.

(a) The Reserve Account shall be maintained by the Trustee at the Reserve Account Requirement until the Basic Lease Payments related to a Series of Certificates for which it was established are paid in full pursuant to the terms of the Master Lease and the related Schedule, or the School Board has prepaid all such Basic Lease Payments in accordance with Section 7.2 or Section 7.3 of the Master Lease, or the Trust Agreement is terminated. The Trustee shall apply moneys in a Reserve Account as provided in this Section 405 or as provided in a Supplemental Trust Agreement.

(b) If on any Lease Payment Date (after taking into account Basic Lease Payments made to the Trustee on such Lease Payment Date) immediately preceding a Payment Date the amount in any Lease Payment Account shall be less than the amount required to pay the interest portion and principal portion of the Basic Lease Payments then due in relation to a Series of Certificates for which it was established, the Trustee shall transfer from the Reserve Account established in relation to such Series of Certificates to such Lease Payment Account the amount necessary to make good the deficiency. Any amounts transferred from a Reserve Account pursuant to this subsection (b) shall, to the extent of such transfer, be deemed to satisfy the School Board's obligation to make such Basic Lease Payment. In the event of any

(e) Any income or interest earned by, or increment to any Reserve Account due to the investment thereof paid into the applicable Lease Payment Account established for the particular Series of Certificates secured by such Reserve Account pursuant to Section 408(b) hereof shall be credited toward the interest portion of Basic Lease Payments represented by such Series next coming due, and the Trustee shall (to the extent reasonably ascertainable) notify the School Board at least twenty-five (25)

(f) Notwithstanding the foregoing, in lieu of the required deposit into the related Reserve Account, the Trustee is hereby authorized to accept and the Lessee may cause to be deposited into the Reserve Account pursuant to Section 3.1 of the Master Lease, a Reserve Account Letter of Credit/Insurance Policy either in lieu of any cash amount required to be deposited therein in connection with the issuance of any Series of Certificates or in substitution for the full amounts then on deposit therein or in an amount equal to the difference between the amount required to be deposited and the sum, if any, then on deposit in the Reserve Account, which Reserve Account Letter of Credit/Insurance Policy shall be payable (upon the giving of notice as required thereunder) on any Payment Date on which a deficiency exists which cannot be remedied by moneys in any other fund or account held pursuant to the Trust Agreement and available for such purpose. If any such Reserve Account Letter of Credit/Insurance Policy is substituted for moneys on deposit in the Reserve Account, or if on a valuation date there are excess moneys in the Reserve Account, the excess moneys in the Reserve Account shall be transferred to and deposited in the related Lease Payment Account. If a disbursement is made from a Reserve Account Letter of Credit/Insurance Policy, the School is hereby obligated to either reinstate the maximum limits of such Reserve Account Letter of Credit/Insurance Policy immediately following such disbursement or to deposit into the Reserve Account, as provided in Section 3.1 of the Master Lease for restoration of withdrawals from the Reserve Account, funds in the amount of the disbursement made under such Reserve Account Letter of Credit/Insurance Policy.

In the event that upon the occurrence of any deficiency in a Lease Payment Account, the Reserve Account is then funded with a Reserve Account Letter of Credit/Insurance Policy, the Trustee shall, on the payment due to which such deficiency relates, draw upon or cause to be paid under the Account Letter of Credit/Insurance Policy an amount sufficient to remedy such deficiency, in accordance with the terms and provisions of the Reserve Account Letter of Credit/Insurance Policy as applicable, and any corresponding reimbursement or other agreement governing the Reserve Account Letter of Credit/Insurance Policy; provided, however, that if at the time of such deficiency the Reserve Account is only partially funded with a Reserve Account Letter of Credit/Insurance Policy, prior to drawing on the Reserve Account Letter of Credit/Insurance Policy, as applicable, the Trustee shall first apply any cash and securities on deposit in the Reserve Account to remedy the deficiency in accordance with this

406. Prepayment Accounts.

(b) The Trustee shall deposit in each Prepayment Account as received, all moneys, if any, paid to it for such purpose by the School Board pursuant to provisions of Section 7.2 of the Master Lease. In the event of the occurrence of an Event of Mandatory Prepayment pursuant to an election under Section 5.4(b) of the Master Lease, the Trustee shall deposit in the related Prepayment Account Net Proceeds for such purpose. Also, in the event of the occurrence of an Event of Mandatory Prepayment at the election of a Credit Facility Issuer as a result of termination of all Leases for the reasons referred to in Sections 4.1(b) or 4.1(c) of the Master Lease, the Trustee shall deposit in the related Prepayment Account moneys paid by the School Board and the related Credit Facility Issuer for such purpose, and shall transfer to the related Prepayment Account moneys on hand in the related Lease Payment Account and not needed to pay the principal portion and interest portion due or past due represented by the related Series of Certificates, sufficient to pay the Prepayment Price of such Series of Certificates pursuant to Section 404 hereof. All of said moneys shall be set aside in the corresponding Prepayment Account for the purpose of prepaying a principal amount of the related Series of Certificates corresponding to the principal portion of Basic Lease Payments prepaid or to the principal portion of the Lease Payments Option in the event of an election to close the facilities, and shall be applied on or after the Prepayment Date to the payment of such principal amount of the related Series of Certificates, together with the accrued interest relating thereto, upon presentation and surrender of such Certificates.

407. Deposits of Money.

(b) All moneys held under this Trust Agreement by the Trustee shall be invested in accordance with Section 408 hereof, provided, however, that it shall not be necessary for the Trustee to give or obtain security for the deposit of any moneys held in trust and set aside by it for the payment of the principal portion or Prepayment Price of or interest portion of the Basic Lease Payments represented by any Certificates or to give security for any such investment to be made by investment securities purchased as an investment of such moneys.

(c) All moneys deposited with the Trustee shall be credited to the particular account to which such moneys belong.

408. Investment of Certain Accounts.

(a) Moneys held in each Acquisition Account, Capitalized Interest Account, Lease Payment Account, Reserve Account and Prepayment Account shall be invested and reinvested by the Trustee, solely as directed by an Authorized School Board Representative, to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Accounts, provided that moneys in each Acquisition Account shall not be invested in Investment Securities maturing more than three (3) years after the date of investment, and provided, further, that moneys in each Reserve Account shall be invested in Investment Securities with maturities not longer than five (5) years. The Trustee shall make all such investments of moneys held by it only as directed in accordance with instructions which may be standing (instructions) confirmed in writing, received from an Authorized School Board Representative and the Trustee shall have no responsibility for determining whether Investment Securities are legal under State law for investment of the School Board's funds.

(b) Subject to the first sentence of Section 409, interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investments and net of amounts deemed Excess Earnings) earned on any moneys or investments in an Acquisition Account shall be either (1) at the direction of an Authorized School Board Representative

retained in such account until delivery of a Certificate of Acceptance, or (ii) automatically transferred to the related Lease Payment Account without need for any requisition or other direction and, together with interest earnings on investments in such Lease Payment Account (which shall be retained therein), applied on the next occurring Lease Payment Date as a credit against the Basic Lease Payment then due on such date under the related Lease and deemed to be payment of the interest portion thereof. Interest earned on any moneys or investments in each Cost of Issuance Subaccount shall be deposited in the related Acquisition Account. Interest and other income received by the Trustee from investments of moneys on deposit in each Reserve Account (net of amounts deemed by the School Board to be Excess Earnings) and the related Capitalized Interest Account, if any, shall, prior to delivery of a Certificate of Acceptance, be deposited in the Acquisition Account, and after such date, be deposited in the related Lease Payment Account; provided, however, that all interest and other income received by the Trustee on investment of a Reserve Account shall be retained therein in the event that amounts on deposit in such Reserve Account are less than the Reserve Account Requirement applicable thereto. Interest earned on moneys and investments in a Prepayment Account shall be applied on the next ensuing Prepayment Date toward payment of amounts due to the related Certificate holders, in accordance with the provisions of Article III hereof. The School Board shall give written notice to the Trustee after each calculation period of amounts deemed by the School Board to be Excess Earnings and the Trustee may rely conclusively on such notice for purposes of determining the Excess Earnings amount hereunder.

(c) Nothing in this Trust Agreement shall prevent any Investment Securities acquired as investments of funds held under this Trust Agreement from being issued or held in book-entry form on the books of the Department of the Treasury of the United States of America.

409. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Account created under the provisions of this Trust Agreement shall be deemed at all times to be a part of such Account and any profit realized from the liquidation of such investment shall be credited to, and any loss resulting from the liquidation of such investment shall be charged to, the computation of net interest earned on the moneys and investments of such Account.

In computing the amount in any Account created under the provisions of this Trust Agreement for any purpose provided in this Trust Agreement, obligations purchased as an investment of

moneys therein shall be valued at the amortized cost of such obligations plus accrued interest. Such computation shall be determined as and when needed. Investments in the Reserve Account shall be valued annually.

Except as otherwise provided in this Trust Agreement, the Trustee shall sell at the best price reasonably obtainable or present for redemption or transfer as provided in the next sentence any obligation so purchased as an investment whenever it shall be requested in writing by the Authorized School Board Representative so to do or whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Account or subaccount held by it. In lieu of such sale or presentment for redemption, the Trustee may, in making the payment or transfer from any Account mentioned in the preceding sentence, transfer such investment obligations or interest appertaining thereto if such investment obligations shall mature or be collectible at or prior to the time the proceeds thereof shall be needed and such transfer of investment obligations may be made in book-entry form. The Trustee shall not be liable or responsible for making any such investment in the manner provided above.

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ARTICLE V

COVENANTS, DEFAULT AND LIMITATIONS OF LIABILITY

501. Trustee to Perform each Lease. The Trustee covenants and agrees with the Certificate holders and each Credit Facility issuer, if any, to perform or cause to be performed all obligations and duties imposed on it as assignee of the Corporation of each Lease, and to enforce each Lease against the School Board.

502. Notice of Nonpayment. In the event of delinquency in the payment when due of Basic Lease Payments by the School Board pursuant to a Lease, the Trustee shall give notice to the School Board on the Business Day following the day payment was due, that such Basic Lease Payments have not been received. In the event of a delinquency in the payment when due of Additional Lease Payments or Supplemental Payments by the School Board pursuant to a Lease, the Trustee shall give notice to the School Board on the Business Day following the day payment was due (if payment was due to the Trustee) or on the Business Day following the date of receipt of notice of nonpayment from the party to whom such Additional Lease Payment or Supplemental Payment was due (if payment was due to a payee other than the Trustee).

503. Events of Default. Each of the following events is hereby declared to be an event of default hereunder:

(a) Payment of any installment of interest represented by any Certificate shall not be made when the same shall become due and payable; or

(b) Payment of any principal, whether at maturity or upon call for redemption, or any redemption premium with respect to any Certificate shall not be made when the same shall become due and payable; or

(c) An "Event of Default" shall occur and be continuing under Section 8.1 of the Master Lease.

504. Remedies on Default or Non-Appropriation. Upon the occurrence of an event of default by the School Board with respect to any Lease under Section 8.1 of the Master Lease, or upon termination of the Lease Term of all Leases as a result of nonappropriation, the Trustee, with the consent or at the direction of each Credit Facility Issuer insuring a Series of Certificates, and upon receipt of indemnity, shall be entitled to enforce the rights and exercise the remedies provided in the Master Lease, as appropriate and shall pursue one or more of such

remedies at the direction of the Holders of a majority in aggregate principal amount of the Certificates of each Series Outstanding which is affected by such remedies, subject to the provisions of Section 707 hereof.

Any amounts collected following an event of default or nonappropriation shall be applied in accordance with the provisions of this Section and if all amounts due on the Certificates or otherwise hereunder have been fully paid (or provision for payment thereof has been made), such amounts shall be paid to the School Board.

(a) All such moneys collected in connection with a particular Lease shall be deposited into one or more special accounts established by the Trustee for the Series of Certificates relating thereto and applied:

First: To the payment of the reasonable costs of the Trustee related to such Lease, including counsel fees and expenses, any disbursements of the Trustee and its reasonable compensation;

Second: To the payments related to such Lease, if any, required to be paid to the Treasury Department of the United States under the Code;

Third: To the payment to the persons entitled thereto of all installments of the interest then due represented by all Series of Certificates related to such Lease in the order of such maturity of the installments of such interest portion, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due represented by such installment, to the persons entitled thereto, without any discrimination or preference;

Fourth: To the payment to the persons entitled thereto of the unpaid principal portion or Prepayment Price of all Series of Certificates related to such Lease which shall have become due whether at maturity or by call for prepayment in the order of their due dates and, if the amount available shall not be sufficient to pay in full all Certificates due on any date, then to the payment thereof ratably, according to the amount of principal portion, or Prepayment Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

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Fifth: To the payment of any ground rent or other amounts then due and payable under the corresponding Ground Lease, if any.

(b) If, at the election of a Credit Facility Issuer, an Event of Extraordinary Prepayment shall have occurred, the Trustee shall send notice of such extraordinary prepayment as required under Section 314 and shall apply all such moneys in accordance herewith and with the applicable Supplemental Trust Agreement.

Except as otherwise provided in Section 305(a) hereof, in the case of partial payment of Basic Lease Payments, whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be on a Lease Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date.

505. Account and Reports.

(a) The Trustee shall keep a copy of this Trust Agreement and all Supplemental Trust Agreements and proper books of record and account in which complete and correct entries shall be made of its transactions relating to each Project on a Facility by Facility basis and each Account established under this Trust Agreement, which shall be subject to the inspection of the Corporation and the School Board during normal business hours and upon reasonable notice and which shall be maintained by the Trustee at the expense of the School Board for a period of six (6) years following termination of this Trust Agreement.

(b) The Trustee shall advise the Corporation and the School Board promptly after the end of each month of its transactions during such month relating to each Account held by it under this Trust Agreement.

506. Liability to Certificate Holders for Payment. Except as otherwise provided in this Trust Agreement, the Trustee shall have no obligation or liability to the Certificate holders with

respect to the School Board's obligation to pay Basic Lease Payments when due, or with respect to the performance by the School Board of any other covenants made by it in the Master Lease. The Trustee shall not be liable or responsible because of the failure of the Corporation or the School Board or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Corporation or the School Board or because of the loss of any money arising through the insolvency or the act or default or omission of any depository. The Trustee shall not be responsible for the application of any of the proceeds of Certificates or any other money deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Trust Agreement. The immunities and exemption from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

507. Possession and Enjoyment. With respect to each Project, from and after the acceptance by the School Board of the Facilities comprising such Project in accordance with the terms of the Master Lease, the Trustee hereby agrees that it will not interfere with the Lease Terms and that the School Board shall, during such Lease Terms, peaceably and quietly have and hold and enjoy such Facilities, without suit, trouble or hindrance from the Trustee, except as expressly set forth in such Leases.

508. Warranties. THE TRUSTEE, BY ACCEPTANCE OF THE TRUST AGREEMENT, AND THE CORPORATION, BY DELIVERY OF THE LEASES, MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESSED OR IMPLIED, AS TO THE TITLE TO, VALUE, DESIGN, CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF ANY OF THE FACILITIES, OR PORTION THEREOF, OR AS TO WHETHER THE QUALITY OR CAPACITY OF THE MATERIAL OR WORKMANSHIP IN SUCH FACILITIES OR ANY WARRANTY THAT SUCH FACILITIES WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATIONS OR CONTRACT WHICH PROVIDES FOR SPECIFIC MACHINERY, OPERATORS OR SPECIAL METHODS OR ANY OTHER WARRANTY OF ANY KIND WHATSOEVER. In no event shall the Trustee be liable for any incidental, indirect, special or consequential damage in connection with or arising out of any Lease or the existence, furnishing, functioning or the School Board's use of any item, product or service provided for in any Lease.

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ARTICLE VI

CONCERNING THE TRUSTEE

601. Employment of Trustee. In consideration of the recitals hereinabove set forth and for other valuable consideration, the Trustee hereby agrees to receive, hold, invest and disburse the moneys to be paid to it pursuant to the Master Lease for credit to the various funds and accounts established by this Trust Agreement; to prepare, execute, deliver and deal with the Certificates; and to apply and disburse the Trust Estate and other moneys received pursuant to the Master Lease to the Certificate holders subject to the limitations set forth in this Trust Agreement; and to perform certain other functions, all as expressly provided in and subject to the express terms and conditions of, this Trust Agreement. Prior to the occurrence of any Event of Default hereunder and after the curing of all such Events of Default that may have occurred, the Trustee shall perform only such duties of the Trustee as are specifically set forth in this Trust Agreement.

602. Trustee Acceptance of Duties.

(a) The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Trust Agreement by executing and delivering this Trust Agreement, and by executing such acceptance the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Certificates thereafter to be delivered, but only, however, upon the express terms and conditions set forth herein.

(b) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect all books, papers and records of the School Board pertaining to each Project and each Lease, and to take such memoranda from and with regard thereto as may be desired.

(c) The Trustee shall not be required to give bond or surety in respect of the execution of said trusts powers or otherwise in respect of this Trust Agreement.

(d) Before taking any action referred to in Article V, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its failure to comply with the standard of care prescribed by Section 612 hereof or liability which is adjudicated to have resulted from its

negligence or willful misconduct. Notwithstanding any other provision contained herein, the Trustee shall be under no obligation to institute any suit or to undertake any remedial proceeding in the Event of a Default under this Trust Agreement or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts hereby created or in the enforcement of any rights and powers hereunder, including its acceptance or possession of the Facilities, until it shall be indemnified to its reasonable satisfaction against any and all reasonable costs, expenses, outlays and reasonable counsel fees and other reasonable disbursements, and against all liability, including any liability in connection with any hazardous waste on any Facility Site.

(e) The Trustee shall not be liable for any error of judgment made in good faith by any officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(f) The recitals, statements and representations in this Trust Agreement or in the Certificates, save only the Trustee's execution of the Certificates, have been made by the Corporation and not by the Trustee; and the Trustee shall be under no responsibility for the correctness thereof. The Trustee shall not be responsible for the validity, priority, recording or filing of this Trust Agreement, the Master Lease, or the Assignment Agreements, or for insuring the Facilities or collecting any insurance moneys, or for the validity of the execution by the Corporation of this Trust Agreement or of any supplements hereto or instruments of further assurance, or for the sufficiency of the Trust Estate, or for the value or title of the Facilities or as to the maintenance of the security hereof, except as otherwise expressly provided herein.

(g) Except as to the acceptance of the trusts created hereunder, the Trustee shall have no responsibility in respect of the due execution or acknowledgment of this Trust Agreement by the Corporation, the validity or sufficiency of this Trust Agreement, or the validity of the Certificates or the issuance thereof.

603. Evidence on Which Trustee May Act.

(a) The Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Trust Agreement shall be protected in acting upon any such instrument reasonably believed by it to be

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genuine and to have been signed or presented by the proper party or parties. The Trustee may, but shall not be obligated to, consult with recognized counsel in the field of commercial banking and corporate trust administration, who may or may not be counsel to the School Board, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Trust Agreement in good faith and in accordance herewith.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Trust Agreement, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized School Board Representative, and such certificate shall be full warranty for any action taken or suffered in good faith under the provisions of this Trust Agreement upon the faith thereof. But in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided hereunder, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the School Board to the Trustee shall be sufficiently executed in the name of the School Board by an Authorized School Board Representative.

(d) The Trustee shall not be deemed to have notice of any Event of Default hereunder except a default in the payment of Lease Payments, unless the Trustee shall have actual knowledge thereof or be specifically notified thereof in writing.

(e) The Trustee may buy, sell, own, hold and deal in any of the Certificates, and may join in any action which any Certificate holder may be entitled to take with like effect as if the Trustee were not a party to this Trust Agreement. The Trustee, either as principal or agent, may also engage in or have an interest in any financial or other transaction with the School Board or Corporation, and may act as depository, trustee, or agent for any committee or body of Certificate holders or other obligations of the School Board as freely as if it were not Trustee hereunder.

(f) The Trustee shall not be answerable or accountable except for the performance of its duties and obligations as are specifically set forth in this Trust Agreement and except for its own willful misconduct or negligence. The permissive right of

the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty.

(g) No provision of this Trust Agreement shall be construed to relieve the Trustee from liability for its own negligent action, willful misconduct or negligent failure to act. However, in no event shall the Trustee be liable to any party: (i) for any losses on investments made in accordance with Section 608 hereof; (ii) for special, indirect or consequential damages including loss of profits or business, arising under or in connection with this Trust Agreement regardless of the form of action; (iii) for the use of the proceeds of sale of any Certificates; (iv) for compliance by the School Board with any covenant regarding the yield on investments made in accordance with Section 408 hereof.

(h) The Trustee may exercise any powers hereunder and perform any duties required of it through attorneys, agents, receivers, officers or employees, and shall be entitled to advice of counsel concerning its duties hereunder and all questions hereunder. Except as otherwise provided herein, the Trustee shall not be answerable for the exercise of any discretion or power hereunder nor for any act or failure to act in connection with the trust hereunder, except only its own willful misconduct or negligence.

604. Compensation to Trustee. The School Board has agreed in the Master Lease to pay to the Trustee reasonable fees and expenses as agreed to between the School Board and the Trustee. The Trustee shall have a prior lien for the foregoing on the Trust Estate.

605. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Trust Agreement by giving not less than 60 days written notice to the Corporation, the School Board and the Holders of all Certificates Outstanding, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed by the School Board or the Certificate holders as provided in Section 607, in which event such resignation shall take effect immediately on the appointment of such successor provided, however, that in the event no successor has been appointed, the Trustee shall continue to serve until such appointment. The Trustee may petition a court of competent jurisdiction for the appointment of a successor.

606. Removal of Trustee. Prior to the occurrence of an event of default, or termination of the Lease Term of all Leases

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as a result of nonappropriation, the Trustee may be removed at any time by an instrument or concurrent instruments in writing appointing a successor, filed with the Trustee, and signed by the Corporation and the School Board, with cause, or by the Holders of a majority in principal amount of each Series of Certificates then Outstanding or their attorneys-in-fact duly authorized with or without cause, or by the Credit Facility Issuers insuring a majority in principal amount of each Series of Certificates then Outstanding with cause. After the occurrence of an event of default, or termination of the Lease Term of all Leases as a result of nonappropriation, the Trustee may be so removed with or without cause by the Holders of a majority in principal amount of each Series of Certificates then Outstanding or their attorneys-in-fact duly authorized, or by the Credit Facility Issuers insuring a majority in principal amount of each Series of Certificates then Outstanding.

607. Appointment of Successor Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, a successor may be appointed by the School Board, as long as the School Board is not in default under the Master Lease and the Master Lease is in full force and effect. In the event that no appointment of a successor Trustee shall be made pursuant to the foregoing provisions within 45 days after the Trustee shall have given to the School Board written notice as provided in Section 605 or after a vacancy in the office of the Trustee shall have occurred by reason of its removal as provided in Section 606 or by reason of its inability to act, a successor Trustee may be appointed by the Holders of a majority in principal amount of each Series of Certificates then Outstanding, excluding any Certificates held by or for the account of the School Board, by an instrument or concurrent instruments in writing signed and acknowledged by such Certificate holders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Corporation, the School Board and the predecessor. For purposes of this Article VI, "appointment" of a successor Trustee shall be deemed to occur upon designation, acceptance and commencement of performance of duties by the successor Trustee.

(b) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company or national banking association, having capital stock and

surplus aggregating at least \$50,000,000 or at least \$500,000,000 in trust assets under management, if there be such bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Trust Agreement.

(c) Each Credit Facility Issuer shall be furnished with written notice of the resignation or removal of the Trustee, Paying Agent and Registrar and of the appointment of, and acceptance of duties by, any successor thereto.

608. Transfer of Rights in Property to Successor Trustee. Any successor Trustee appointed under this Trust Agreement shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Corporation and the School Board an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Corporation, the School Board or the successor Trustee execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Trust Agreement and shall pay over, assign and deliver to the successor Trustee any money or property subject to the trusts and conditions herein set forth together with any paid but unearned fees. Should any deed, conveyance or instrument in writing from the School Board and the Corporation be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, power and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and as far as may be authorized by law, be executed, acknowledged and delivered by the School Board and the Corporation.

609. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of a state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by

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this Trust Agreement, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act.

610. Addition of Authorized Signatures. In case any of the Certificates contemplated to be delivered under this Trust Agreement shall have been executed but not delivered, any successor Trustee may adopt the authorized signature of any predecessor Trustee so executing such Certificates and deliver such Certificates so executed; and in case any of the said Certificates shall not have been executed, any successor Trustee may execute such Certificates in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Certificates or in this Trust Agreement provided that the certificate of the Trustee shall have.

611. Indemnification to Trustee. The School Board has in Section 5.7 of the Master Lease agreed, to the extent permitted by law, including the provisions of Section 768.28 Florida Statutes, to indemnify and save the Trustee harmless from and against all liabilities, including consequential damages and reasonable legal fees and expenses arising out of the administration of the trusts pursuant to this Trust Agreement, and all matters concerning the Trustee's duties and obligations with respect to the Lessees and the Assignment Agreements including the issuance of the Certificates, except in the case of liability, obligations and damages arising out of the Trustee's negligence or willful misconduct.

612. Obligation to Act on Defaults. If any Event of Default shall have occurred and be continuing, the Trustee shall, subject to the provisions of Section 501, exercise such of the rights and remedies vested in it by this Trust Agreement and shall use the same degree of care in their exercise as a prudent man would exercise or use in the circumstances in the conduct of his own affairs; provided that if in the opinion of the Trustee such action may tend to involve expense or liability, it shall not be obligated to take such action unless it is furnished with indemnity satisfactory to it.

613. Intervention by Trustee. The Trustee may intervene, and upon the written request of Certificate holders of a majority in aggregate principal amount of each Series of Certificates then Outstanding and receipt of indemnity shall intervene, on behalf of Certificate holders or the related Credit Facility Issuer in any judicial proceeding to which the School Board or the Corporation is a party and which in the opinion of the Trustee and its attorneys has a substantial bearing on the interests of

Certificate holders. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

614. Third Party Beneficiaries. Each Credit Facility Issuer is hereby expressly recognized as a third party beneficiary to this Trust Agreement and, so long as the Credit Facility issued by such Credit Facility Issuer is in effect and the Credit Facility Issuer is properly honoring drawings thereunder, it shall be entitled to enforce the obligations to the Credit Facility Issuer hereunder of the Corporation and the Trustee and of the School Board to the Credit Facility Issuer under the Master Lease.

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ARTICLE VII

AMENDMENTS

701. Mailing. Any provision in this Article for the mailing of a notice or other paper to Certificate holders of a Series of Certificates shall be fully complied with if it is mailed postage prepaid only (1) to each Holder of Certificates of such Series then Outstanding at his/her address, if any, appearing upon the registry books of the Trustee, (ii) to the Credit Facility Issuer with respect to such Series of Certificates and (iii) to the Trustee.

702. Power of Amendment. The Trust Agreement and the rights and obligations provided hereby may be modified or amended at any time by a Supplemental Trust Agreement, entered into between the Trustee and the Corporation (with the written consent of the School Board so long as the Lease Term of the Master Lease shall remain in effect and no default shall have occurred thereunder) without the consent of any Certificate holders, but only (1) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Trust Agreement, or (2) to insert such provisions clarifying matters which they deem necessary or desirable and which are not contrary to or inconsistent with this Trust Agreement as theretofore in effect, or (3) to issue one or more Series of Certificates pursuant to Article III hereof, or (4) to permit a Series of Certificates to be issued in book-entry form with or without physical certificates, (5) to facilitate compliance with modifications to the continuing disclosure requirements currently reflected in Rule 15c 2-12(b)(5) promulgated by the Securities and Exchange Commission, (6) to facilitate the issuance of Variable Rate Certificates or to convert Variable Rate Certificates to Fixed Rate Certificates, (7) to facilitate the issuance of Capital Appreciation Certificates or (8) to make any other modification or amendment that in the judgment of the Trustee (upon the advice of counsel, if requested) will not have a material adverse effect on the interests of any of the Certificate holders. Any other modification or amendment of this Trust Agreement and of the rights and obligations of the Corporation and of the Holders of the Certificates hereunder, may be made by a Supplemental Trust Agreement, entered into between the Trustee and the Corporation with the written consent given, as provided in Section 703 hereof but subject to Section 707 hereof, of the Holders of at least a majority in principal amount of the Certificates Outstanding of each Series at the time such consent is given and who are affected by such modifications or amendments and the written consent of the School Board so long as the Lease Term of the Master Lease shall remain in effect and no default shall have

occurred thereunder; provided, however, that if any such modification or amendment will, by its terms, not take effect so long as any affected Certificates remain Outstanding, the consent of the Holders of such Certificates shall not be required and such Certificates shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Certificates under this Section. No such modification or amendment shall permit a change in the terms of prepayment or maturity of the principal portion of any Outstanding Certificates or of any installment of the interest portion thereon or a reduction in the principal portion or the Prepayment Price thereof or in the interest portion thereon or in the consents required for such modifications or amendments without the consent of the Holders of such Certificates, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. The Trustee shall be entitled to receive an opinion of counsel as to whether or not, in accordance with the foregoing powers of amendment, Certificates of any particular Series or maturity would be affected by any modification or amendment of this Trust Agreement. Copies of all amendments hereto shall be provided to the Rating Agencies, whether effected pursuant to Section 702 or Section 703 hereof.

703. Consent of Certificate Holders. The Trustee and the Corporation (at the direction of the School Board so long as the Lease Term of the Master Lease shall remain in effect and no default shall have occurred thereunder) may at any time enter into a Supplemental Trust Agreement making a modification or amendment permitted by the provisions of Section 702 to take effect when and as provided in this Section but subject to Section 707 hereof. A copy of such Supplemental Trust Agreement (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to affected Certificate holders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Trustee to such Certificate holders (but failure to mail such copy and request shall not affect the validity of the Supplemental Trust Agreement when consented to as provided in this Section). Such Supplemental Trust Agreement shall not be effective unless and until (1) there shall have been filed with the Trustee (a) the written consents of Holders of the percentages of Outstanding Certificates specified in Section 702 and (b) an Opinion of Counsel stating that such Supplemental Trust Agreement has been duly and lawfully entered into by the parties thereto and filed with the School Board, the Trustee and the Corporation in accordance with the provisions of this Trust Agreement, is authorized or permitted by this Trust Agreement, and is valid and binding upon the parties thereto in accordance with its terms. Each such consent shall be effective only if accompanied by proof of the Holder, at the date

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of such consent, of the Certificates with respect to which such consent is given, which proof shall be such as is permitted by Section 802. A certificate or certificates executed by the Trustee and filed with the School Board and the Corporation stating that it has examined such proof and that such proof is sufficient in accordance with Section 802 shall be conclusive that the consents have been given by the Holders of the Certificates described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Certificates giving such consent and, anything in Section 802 to the contrary notwithstanding, upon any subsequent Holder of such Certificates and of any Certificates issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Certificates giving such consent or a subsequent Holder thereof by filing such revocation with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 703 provided for is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the School Board and the Corporation to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages in principal amount of Certificates shall have filed their consents to the Supplemental Trust Agreement, the Trustee shall make and file with the School Board and the Corporation a written statement that the Holders of such required percentages in principal amount of Certificates have filed such consent. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Trust Agreement (which may be referred to as a Supplemental Trust Agreement entered into by the parties thereto on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages in principal amount of Certificates and will be effective as provided in this Section 703, may be given to Certificate holders by the Trustee by mailing such notice to Certificate holders (but failure to mail such notice shall not prevent such Supplemental Trust Agreement from becoming effective and binding as in this Section 703 provided). A record, consisting of the certificates or statements required or permitted by this Section 703 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Trust Agreement making such amendment or modification shall be deemed conclusively binding upon the School Board and the Corporation, the Trustee and the Holders of all Certificates affected by such Supplemental Trust Agreement at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such

Supplemental Trust Agreement in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period provided, however, that the Trustee, the School Board and the Corporation during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Trust Agreement as they may deem expedient.

704. Modifications by Unanimous Consent. The terms and provisions of this Trust Agreement applicable to a Series of Certificates and the rights and obligations of the Trustee and the Corporation and of the Holders of the Certificates of such Series hereunder may be modified or amended, with the written consent of the School Board in any respect upon entering into by the parties thereto of a Supplemental Trust Agreement and the consent of the Holders of all the Certificates then Outstanding of such Series, such consent to be given as provided in Section 703 except that no notice to Certificate holders by mailing shall be required.

705. Exclusion of Certificates. Certificates owned or held by or for the account of the School Board shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Certificates provided for in this Article VII and the School Board shall not be entitled with respect to such Certificates to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the School Board shall furnish the Trustee a certificate of an Authorized School Board Representative, upon which the Trustee may rely, describing all Certificates so to be excluded.

706. Notation on Certificates. Certificates executed and delivered after the effective date of any action taken as in this Article VII provided may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the School Board, the Corporation and the Trustee as to such action, and in that case upon demand of the Holder of any Certificate Outstanding at such effective date and presentation of his/her Certificate for the purpose at the designated corporate trust office of the Trustee or upon any transfer or exchange of any Certificate Outstanding at such effective date, suitable notation shall be made on such Certificate or upon any Certificates issued upon any such transfer or exchange by the Trustee as to any such action. If the School Board, the Corporation and the Trustee shall so determine, new Certificates so modified as in the opinion of the Trustee, the Corporation and the School Board to conform to such action shall be prepared,

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executed and delivered, and upon demand of the Holder of any Certificate then Outstanding shall be exchanged, without cost to such Certificate holder, for Certificates of the same maturity then Outstanding, upon surrender of such Certificates.

707. Credit Facility Issuers Deemed Certificate Holders. Notwithstanding any other provisions of this Trust Agreement, including without limitation this Article VII, whenever the consent of a Certificate holder shall be required under this Trust Agreement for any purpose except those modifications or amendments affecting a change in the terms of prepayment or maturity of the principal portion of any Outstanding Certificates or of any installment of the interest portion thereon or a reduction in the principal portion thereon or of the requirement that such modifications or amendments not be made without the consent of the Holders of such Certificates, any Certificate insured or guaranteed by a Credit Facility shall be deemed to be owned by the Credit Facility Issuer issuing such Credit Facility, so long as such Credit Facility Issuer has not defaulted on the obligations under its Credit Facility.

ARTICLE VIII

MISCELLANEOUS

801. Defalcance.

(a) If the principal portion or Prepayment Price of all Certificates, if applicable, and the interest portion due or to become due thereon, shall be paid at the times and in the manner stipulated in such Certificates and in this Trust Agreement, and all amounts owing to the Trustee under this Trust Agreement shall have been paid, then the pledge of the Trust Estate and all covenants, agreements and other obligations of the School Board under this Trust Agreement in favor of such Certificates shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause statements for such period or periods as shall be requested by the School Board to be prepared and filed with the School Board and, upon the request of the School Board, shall execute and deliver to the School Board all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the School Board all moneys or securities held by it pursuant to this Trust Agreement which are not required for the payment of the principal portion or Prepayment Price, if applicable, and interest portion due or to become due with respect to such Certificates not theretofore surrendered for such payment or prepayment or for the payment of amounts owing to any Credit Facility Issuer under a Reimbursement Agreement or as ground rent under any Ground Lease.

(b) Certificates for the payment or prepayment of which moneys shall have been set aside sufficient to pay the principal portion, the Prepayment Price, if applicable, and interest portion to become due to maturity or earlier prepayment, shall be held in trust by the Trustee as escrow holder (through deposit by the School Board of funds for such payment or prepayment of the Purchase Option Price of one or more Facilities pursuant to Section 7.3 of the Master Lease or otherwise) shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 801 except that the obligation of the School Board to make, or cause to be made, Basic Lease Payments from such set-aside amounts shall continue. Any Outstanding Certificates shall, prior to the maturity or Prepayment Date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 801 if the Trustee shall receive an Opinion of Counsel to that effect and (a) in case any of said Certificates are to be prepaid on any date prior to their maturity, the School Board shall have given to the Trustee

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irrevocable instructions in writing from an Authorized School Board Representative to mail as provided in Article III a notice of prepayment of such Certificates (other than Certificates which have been purchased by the Trustee at the direction of the School Board or purchased or otherwise acquired by the School Board and delivered to the Trustee as hereinafter provided prior to the mailing of such notice of prepayment) on said date, (b) there shall have been deposited with the Trustee as escrow holder moneys consisting of either cash in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee as escrow holder at the same time, shall be sufficient, to pay when due the principal portion or Prepayment Price, if applicable, and interest portion due and to become due with respect to said Certificates on or prior to the prepayment date or maturity date thereof, as the case may be, and (c) in the event said Certificates are not by their terms subject to prepayment within the next succeeding 60 days, the School Board shall have given the Trustee in form satisfactory to it, instructions to mail a notice to the Holders of such Certificates that the deposit required by (b) above has been made with the Trustee as escrow holder and that said Certificates are deemed to have been paid in accordance with this Section 801 and stating such maturity or Prepayment Date upon which moneys are expected to be available for the payment of the principal or Prepayment Price, if applicable, of said Certificates, other than Certificates which have been purchased by the Trustee at the direction of the School Board or purchased or otherwise acquired by the School Board and delivered to the Trustee as hereinafter provided prior to the mailing of the notice of prepayment referred to in clause (a) above. The Trustee shall, if so directed by the School Board (i) prior to the maturity date of Certificates deemed to have been paid in accordance with this Section 801 which are not to be prepaid prior to their maturity date or (ii) prior to the mailing of the notice of prepayment referred to in clause (a) above with respect to any Certificates deemed to have been paid in accordance with this Section 801 which are to be prepaid on any date prior to their maturity, apply moneys deposited with the Trustee as escrow holder in respect of such Certificates or sell Defeasance Securities so deposited with the Trustee and apply the proceeds thereof to the purchase of such Certificates and the Trustee shall immediately thereafter cancel all such Certificates so purchased; provided, however, that the moneys and Defeasance Securities remaining on deposit with the Trustee after the purchase and cancellation of such Certificates shall be sufficient to pay when due the principal or Prepayment Price, if applicable, of, and interest portion due or to become due with respect to all Certificates, in respect of which such moneys and

Defeasance Securities are being held by the Trustee on or prior to the Prepayment Date or maturity date thereof, as the case may be. If, at any time (i) prior to the maturity date of Certificates deemed to have been paid in accordance with this Section 801 which are not to be prepaid prior to their maturity date or (ii) prior to the mailing of the notice of prepayment referred to in clause (a) with respect to any Certificates deemed to have been paid in accordance with this Section 801 which are to be prepaid on any date prior to their maturity, the School Board shall purchase or otherwise acquire any such Certificates and deliver such Certificates to the Trustee prior to their maturity date or Prepayment Date, as the case may be, the Trustee shall immediately cancel all such Certificates so delivered; such delivery of Certificates to the Trustee shall be accompanied by directions from the School Board to the Trustee as to the manner in which such Certificates are to be applied against the obligation to pay or prepay Certificates deemed paid in accordance with this Section 801. The directions given by the School Board to the Trustee referred to in the preceding sentences shall also specify the portion, if any, of such Certificates so purchased or delivered and canceled to be applied against the obligation to pay Certificates deemed paid in accordance with this Section 801 upon their maturity date or dates and the portion, if any, of such Certificates so purchased or delivered and canceled to be applied against the obligation to prepay Certificates deemed paid in accordance with this Section 801 on any date or dates prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations of Certificates as provided in this Section 801 the total amount of moneys and Defeasance Securities remaining on deposit with the Trustee under this Section 801 is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of the remaining Certificates in order to satisfy subclause (b) of this subsection of Section 801, the Trustee shall, if requested by the School Board, pay the amount of such excess to the School Board free and clear of any trust, lien, pledge or assignment securing said Certificates or otherwise existing under this Trust Agreement. Except as otherwise provided in this subsection of Section 801, neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section 801 nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal portion or Prepayment Price, if applicable, and interest portion represented by said Certificates; provided that any cash received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, as verified by a certificate delivered

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to the Trustee by a firm of independent certified public accountants acceptable to the Trustee, shall be paid over to the School Board as received by the Trustee, free and clear of any trust, lien or pledge securing said Certificates or otherwise existing under this Trust Agreement, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal or Prepayment Price, if applicable, and interest represented by said Certificates on or prior to such prepayment date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the School Board, as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Certificates or otherwise existing under this Trust Agreement.

(c) Anything in this Trust Agreement to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment of any of the Certificates which remain unclaimed for six (6) years after the date when such Certificates have become due and payable, either at their stated maturity dates or by call for prepayment, if such moneys were held by the Trustee at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Trustee after the said date when such Certificates became due and payable, shall, at the written request of the School Board be repaid by the Trustee to the School Board, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Certificate holders shall look only to the School Board for the payment of such Certificates; provided, however, that before being required to make any such payment to the School Board, the Trustee shall, at the expense of the School Board, cause to be published at least twice, at an interval of not less than seven (7) days between publications, in an Authorized Newspaper, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall not be less than thirty (30) days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the School Board.

802. Evidence of Signatures of Certificate Holders and Ownership of Certificates.

(a) Except as otherwise provided in Section 707 hereof, any request, consent, revocation of consent or other instrument which this Trust Agreement may require or permit to be signed and executed by the Certificate holders may be in one or more instruments of similar tenor, and shall be signed or executed by such Certificate holders in person or by their

attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Certificates, shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable: the fact and date of the execution by any Certificate holder or his/her attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a partner of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his/her authority.

(b) The ownership of Certificates and the amount, numbers and other identification, and date of holding the same shall be proved by the register maintained by the Trustee.

(c) Any request or consent by the Holder of any Certificate shall bind all future Holders of such Certificate or any Certificates issued in exchange therefor or in lieu thereof in respect of anything done or suffered to be done by the School Board, the Corporation or the Trustee in accordance therewith.

803. Moneys Held for Particular Certificates. Subject to Section 801(c) hereof, the amounts held by the Trustee for the payment of the interest portion, principal portion or Prepayment Price due on any date with respect to particular Certificates shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Certificates entitled thereto.

804. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Trust Agreement shall be retained in its possession and shall be subject during normal business hours and upon reasonable prior notice to the inspection of the School Board and the Corporation, and any Certificate holder and their agents and their representatives, any of whom may at their own expense make copies thereof.

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805. Parties Interest Herein. Subject to Section 614, nothing herein, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Corporation, the Trustee and the Holders of the Certificates, remedies or claims under or by reason hereof or any covenant, condition or stipulation thereof, provided that with respect to the provisions hereof which require the Trustee to give notice to the School Board, obtain the School Board's consent, pay or deliver to the School Board any moneys held by the Trustee hereunder or grant to the School Board any right or privilege whatsoever, such provisions shall also be for the benefit of the School Board and, upon the failure of the Trustee to comply therewith, the School Board shall have such rights, remedies and claims as are provided hereunder or by reason hereof or by law. All covenants, stipulations, promises and agreements herein contained by and on behalf of the Corporation shall be for the sole and exclusive benefit of the School Board, the Corporation, the Trustee and the Holders of the Certificates.

806. Severability. If any one or more of the covenants or agreements provided in this Trust Agreement on the part of the Corporation or the Trustee to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Trust Agreement.

807. Recording and Filing. The School Board shall be responsible for the recording and filing of instruments or documents of further assurance, if any, as may be required by law in order to effectively convey the interests contemplated by this Trust Agreement.

808. Notices. Unless otherwise specified herein, all notices, requests, demands or other communications (other than payments by the School Board) to or upon the respective parties listed below shall be deemed to have been given (i) in the case of notice by letter, when delivered to the addressee by hand or on the third day after deposit in the mails, by first class mail, postage prepaid, return receipt requested, (ii) in the case of notice by cable, when delivered to the cable company, charges prepaid, (iii) in the case of notice by telex or bank wire, when sent, answer back received, and (iv) if given by telephone, when communicated to the person or to the holder of the office specified as the person or officeholder to whose attention communications are to be given, addressed to them as follows or to such other address as any of the parties may designate by written notice to the other party:

Corporation:

Orange County School Board Leasing Corporation
445 West Amelia Street / ELC-4
Orlando, Florida 32801
Attention: President

School Board:

The School Board of Orange County, Florida
445 West Amelia Street / ELC-4
Orlando, Florida 32801
Attention: Deputy Superintendent for Business Services

Trustee:

SouthTrust Bank of Florida, National Association
101 N.E. 3rd Avenue
Suite 100
Fort Lauderdale, Florida 33301
Attention: Corporate Trust Department

Rating Agencies:

Moody's Investors Service, Inc.
99 Church Street
New York, New York 10007-2796
Attention: Public Finance Department

Standard & Poor's, a Division of McGraw-Hill, Inc.
25 Broadway
New York, New York 10004
Attention: Municipal Department

Fitch Investors Service, L.P.
One State Street Plaza
New York, New York 10004

Credit Facility Issuers:

As set forth on the Schedule applicable to the Series of Certificates.

Notice shall also be given by the School Board to the Rating Agencies of the occurrence of any one or more of the following: (i) the appointment of a Successor Trustee, (ii) the expiration or termination of a Credit Facility, (iii) the prepayment or defeasance of any of the Outstanding Certificates in accordance with Section 801 or 802 hereof or (iv) a material modification of

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or amendment to this Trust Agreement, the Master Lease, any Ground Lease, any Assignment Agreement, any Lease Schedule or any Credit Facility.

809. Applicable Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State of Florida.

810. Binding on Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties, the Certificate holders and each Credit Facility Issuer and their respective successors and assigns.

811. Captions. Captions preceding the text of the several Articles and Sections hereof, and the table of contents, are solely for convenience of reference and shall not constitute a part of this Trust Agreement or affect its meaning, construction or effect.

812. Legal Holidays. Unless otherwise provided herein if the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Trust Agreement, is not a Business Day such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided herein, and no interest shall accrue on such payments for the period after such date.

813. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Master Trust Agreement by their duly authorized officers as of the date and year first written above.

(SEAL)

ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION

Attest:

Donald Shaw
Dr. Donald Shaw
Secretary

By:

Susan Landis Arkin
Susan Landis Arkin
President

(SEAL)

SOUTHRUST BANK OF FLORIDA,
NATIONAL ASSOCIATION,
as Trustee

By:

Michael J. Marra
Michael J. Marra
Authorized Signatory

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STATE OF FLORIDA)
) SS:
COUNTY OF ORANGE)

I, J. Anne R. Jensen, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Susan Landis Arkin and Dr. Donald Shaw, personally known to me to be the same persons whose names are, respectively, as President and Secretary, of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION, a Florida not-for-profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being hereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21st day of May, 1997.

NOTARY PUBLIC
SEAL OF OFFICE:

J. Anne R. Jensen
NOTARY PUBLIC, STATE OF FLORIDA
J. Anne R. Jensen
My Commission Expires 05/23/2001
Date of Birth 05/15/2001
(Name of Notary Public, Print, State or Type as Certified)
☐ Personally known to me, or
☐ Produced Identification:
(Type of Identification Produced)
☐ DID take an oath, or ☐ DID NOT take an oath.

STATE OF FLORIDA)
) SS:
COUNTY OF ORANGE)

I, J. Anne R. Jensen, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Michael J. Marra, personally known to me to be the same person whose name is, as Authorized Signatory of SOUTHWEST BANK OF FLORIDA, NATIONAL ASSOCIATION, a national banking association, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that she/he, being hereunto duly authorized, signed, sealed with the seal of said association, and delivered the said instrument as the free and voluntary act of said association and as her/his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21st day of May, 1997.

NOTARY PUBLIC
SEAL OF OFFICE:

J. Anne R. Jensen
NOTARY PUBLIC, STATE OF FLORIDA
J. Anne R. Jensen
My Commission Expires 05/23/2001
Date of Birth 05/15/2001
(Name of Notary Public, Print, State or Type as Certified)
☐ Personally known to me, or
☐ Produced Identification:
(Type of Identification Produced)
☐ DID take an oath, or ☐ DID NOT take an oath.

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EXHIBIT A

FORM OF CERTIFICATE OF PARTICIPATION

Front of Certificate

REGISTERED
NUMBER _____ \$ _____ REGISTERED

CERTIFICATE OF PARTICIPATION SERIES _____

Evidencing an Undivided Proportionate Interest of the
Owner Hereof in Basic Lease Payments to be Made by
THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
as Lessee, Pursuant to a Master Lease Purchase Agreement
with Orange County School Board Leasing Corporation, as Lessor

INTEREST RATE _____ ORIGINAL
MATURITY DATE _____ ISSUE DATE _____ CUSIP NO. _____

REGISTERED OWNER:

PRINCIPAL SUM: _____ DOLLARS

THIS IS TO CERTIFY THAT the registered owner named above is the owner of this Certificate of Participation, Series _____ (this "Certificate"), evidencing an undivided proportionate interest in Basic Lease Payments (as set forth in Schedule No. _____ to the hereinafter mentioned Master Lease Purchase Agreement (collectively, the "Series _____ Lease")) to be made by the School Board of Orange County, Florida (the "School Board") acting as the governing body of the School District of Orange County, Florida (the "District") pursuant to the Master Lease Purchase Agreement, dated as of May 1, 1997 (the "Master Lease"), between Orange County School Board Leasing Corporation, a not-for-profit corporation duly organized and existing under the laws of the State of Florida, as lessor (the "Corporation"), and the School Board, as lessee. Under a Series _____ Assignment Agreement dated as of _____ (the "Assignment Agreement") entered into by and between the Corporation and SouthTrust Bank of Florida, National Association, Fort Lauderdale, Florida, as trustee (such bank and any successor thereto hereinafter called the "Trustee"), the Corporation has

transferred to the Trustee, for the benefit of the Certificate Holders, all of its rights under the Series _____ Lease (except for its right to indemnification under Section 5.7 of the Master Lease and its right to receive notices under the Master Lease) including its rights to receive Basic Lease Payments thereunder, with respect to the Series _____ facilities identified in said Schedule _____ (the "Series Facilities").

The registered owner of this Certificate ("Certificate Holder") is entitled to receive, subject to the terms of the Master Lease and the Trust Agreement (hereinafter defined), on the maturity date specified above (the "Maturity Date"), unless prepaid prior thereto as provided herein, the principal sum specified above, representing the portion of the Basic Lease Payments designated as principal and coming due on the Maturity Date, and to receive on February 1 and August 1 of each year, commencing _____, to and including the final Maturity Date or the date of prepayment, whichever is earlier, the interest portion of the Basic Lease Payments payable to Certificate Holders on such dates. Said amounts are payable in lawful money of the United States of America. The amounts representing principal portion and Prepayment Price shall be payable at the designated corporate trust office of the Trustee and the amounts representing interest portion shall be payable by check or draft of the Trustee mailed to the registered owner at the address of the registered owner as it shall appear on the registration books maintained by the Trustee as of the 15th day of the month next preceding the month in which such payment is due. Such interest portion may be paid by wire transfer to a bank within the United States to the registered owners of \$1,000,000 or more upon their request in writing received at least 15 days prior to any Payment Date.

The Basic Lease Payments are payable from funds appropriated by the School Board for such purpose from current or other funds authorized by law and regulations of the State of Florida Department of Education. The School Board is not legally required to appropriate moneys for this purpose. NEITHER THE SCHOOL BOARD, THE DISTRICT, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY, EXCEPT FROM APPROPRIATED FUNDS, ANY SUMS DUE UNDER THE SERIES _____ LEASE FROM ANY SOURCE OF TAXATION, AND THE FULL FAITH AND CREDIT OF THE SCHOOL BOARD AND THE DISTRICT IS NOT PLEDGED FOR PAYMENT OF SUCH SUMS DUE THEREUNDER AND SUCH SUMS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE SCHOOL BOARD OR THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

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THE TRUSTEE HAS NO OBLIGATION OR LIABILITY TO MAKE PAYMENTS WITH RESPECT TO THIS CERTIFICATE EXCEPT FROM FUNDS RECEIVED BY IT PURSUANT TO THE TRUST AGREEMENT REFERRED TO ON THE REVERSE HEREOF.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS CERTIFICATE SET FORTH ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HEREIN.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and laws of the State of Florida and the Trust Agreement to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Certificate have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an Authorized Signatory of the Trustee, not in its individual capacity, but solely as Trustee under the Trust Agreement.

SOUTHWEST BANK OF FLORIDA,
NATIONAL ASSOCIATION,
as Trustee

Date: _____ By: _____

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the nature, extent and manner of enforcement of such agreements and covenants, the rights and remedies of the Certificate Holders with respect thereto, certain limitations relating to the issuance of additional Series of Certificates under the Trust Agreement, the manner in which the terms of the Trust Agreement may be amended, and the other terms and conditions upon which the Certificates are delivered thereunder.

Reference is hereby made to the Trust Agreement and any and all supplements, modifications or amendments thereof for a description of the pledge of the Trust Estate and assignment and covenants securing the Certificates, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the Holders of the Certificates with respect thereto, the terms and conditions upon which the Holders of the Certificates shall cease to be entitled to any lien, benefit or security under the Trust Agreement and for the other terms and provisions thereof and the pledge of the Trust Estate and the terms and conditions upon which all covenants of the Trustee to the Holders of such Certificates shall thereupon cease, terminate and become void and be discharged and satisfied. All covenants, agreements and obligations of the School Board under the Series _____ Lease with respect to the Series _____ Facilities or a portion thereof may be discharged and satisfied prior to the maturity or prepayment of this Certificate if moneys or certain specified securities have been deposited with the Trustee in the manner provided in the Trust Agreement.

[This Certificate shall be issued initially pursuant to a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"), which shall act as securities depository for the Certificates, with no physical distribution of certificates to be made. Any provisions of the Trust Agreement or this Certificate requiring physical delivery of Certificates shall, under the book-entry-only system, be deemed to be satisfied by a notation on the records maintained by DTC of ownership interests of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Certificates ("Beneficial Owners").

This Certificate shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Certificate is held in book-entry-only form Cede & Co. shall be considered the registered owner for all purposes hereof, including the payment

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Back of Certificate

Capitalized terms used herein but not otherwise defined herein shall have the meaning given to such terms in the Trust Agreement.

All amounts payable by the Trustee with respect to this Certificate shall be paid from (i) the Basic Lease Payments received by the Trustee from the School Board pursuant to the terms of the Series _____ Lease, (ii) all amounts from time to time deposited in the Funds and accounts created under the Master Trust Agreement dated as of _____, 1997, between the Corporation and the Trustee (as the same may be amended and supplemented from time to time, the "Trust Agreement"), including investment earnings; (iii) any proceeds received by the Trustee upon the sale, re-letting or other disposition of the Series _____ Facilities or the pursuit of any other remedy pursuant to the Master Lease, and (iv) Net Proceeds resulting from any insurance or other financial guaranty claim or payment or any claim of condemnation award payable with respect to the Series _____ Facilities pursuant to the Master Lease and the Trust Agreement, but only to the extent that the Trustee shall have actually received sufficient income or proceeds from the Trust Estate (defined in the Trust Agreement) to make such payments. It is provided in the Master Lease that the cost and expense of the performance by the School Board of its obligations thereunder including, without limitation, the payment of all Basic Lease Payments and all other amounts required to be paid by the School Board thereunder, shall be subject to and dependent upon appropriations being duly made from time to time by the School Board for such purposes or other amounts being lawfully available therefor. The payment of the principal portion and interest portion of the Basic Lease Payments represented by the Certificates is not a liability or charge upon the credit of the Trustee or the Corporation, and neither the Trustee nor the Corporation has any obligation to make such payments, other than the Trustee's obligation to make such payments from the income from and proceeds of the sources described above.

This Certificate has been executed by the Trustee pursuant to the Trust Agreement. Copies of the Trust Agreement and the Series _____ Lease are on file at the designated corporate trust office of the Trustee, and reference to the Trust Agreement and the Series _____ Lease and any and all supplements or amendments thereto is made for a description of the funds and accounts established under the Trust Agreement for the purpose of securing the Certificates, the agreements and covenants of the School Board in the Series _____ Lease with respect to the Series _____ Project and Basic Lease Payments to be made by the School Board,

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of principal and interest portions of Basic Lease Payments represented by this Certificate. Payment to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee, the Corporation or the School Board.)

This Certificate shall be transferable upon the registration books of the Trustee, which shall be kept at the principal corporate trust office of the Trustee upon payment of any charges required. Except when registration of the Certificate is being maintained by persons to a book-entry-only system, the Certificate Holder may transfer this Certificate in person or by such Certificate Holder's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Certificate Holder or such Certificate Holder's duly authorized attorney. Upon the transfer of this Certificate, the Trustee shall deliver in the name of the transferee a new Certificate or Certificates of the same aggregate principal amount and maturity as the surrendered Certificate. The Trustee may deem and treat the person in whose name this Certificate is registered upon the register of the Trustee as the absolute owner hereof for all purposes, and all such payments so made to any such Certificate Holder or upon such Certificate Holder's order shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid, and the Trustee shall not be affected by any notice to the contrary.

The Certificates shall be delivered in registered form in the denominations of \$5,000 or any integral multiple of \$5,000. The Certificates, upon surrender thereof at the designated corporate trust office of the Trustee with a written instruction satisfactory to the Trustee, duly executed by the Certificate Holder or such Certificate Holder's attorney duly authorized in writing, may, at the option of the Certificate Holder and upon payment by such Certificate Holder of any charges which the Trustee may make as provided in the Trust Agreement, be exchanged for an equal aggregate principal amount of registered Certificates of the same maturity of any other authorized denominations.

Optional Prepayment: Certificates maturing on or before August 1, _____, shall not be subject to prepayment at the option of the School Board.

Certificates maturing after August 1, _____, shall be subject to prepayment on or after August 1, _____, if the School Board

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elects to prepay the principal portion of Basic Lease Payments due under the Series _____ Leases in whole at any time, or in part on the first day of any calendar month, and if in part, in such order of maturity of Certificates corresponding to the due dates of the principal portion of the Basic Lease Payments under the Series _____ Lease(s) as shall be designated by the School Board to be prepaid, and by lot within a maturity in such manner as the Trustee may determine, at the Prepayment Price expressed as a percentage of the principal portion of Basic Lease Payments represented by the Certificates or portions thereof to be prepaid as set forth opposite such period in the following table, plus the interest accrued to the Prepayment Date:

Prepayment Period (Both Dates Inclusive)	Prepayment Price
August 1, _____ through July 31, _____	8
August 1, _____ through July 31, _____	
August 1, _____ and thereafter	

Extraordinary Prepayment: (i) Certificates shall be subject to prepayment in whole or in part at any time and if in part, in such order of maturity, as shall be designated by the School Board, and by lot within a maturity in such manner as the Trustee shall determine to be fair and appropriate, in an amount equal to the principal portion of Basic Lease Payments prepaid under the Series _____ Lease(s), at a Prepayment Price of par plus the interest accrued to the Prepayment Date, if (A) there are Net Proceeds equal to or greater than ten percent (10%) of the remaining principal portion of the Basic Lease Payments relating to the Series _____ Facilities as a result of damage, destruction or condemnation of any portion of the Series _____ Facilities and an election is made by the School Board under Section 5.4(b) of the Master Lease to apply the amount to the prepayment in part of the principal portions of Basic Lease Payments relating to the Series _____ Facilities and represented by the Certificates, or (B) there shall remain in the Series 1997A Acquisition Account an amount greater than the amount of Basic Lease Payments coming due in the immediately following Fiscal Year under the Series _____ Lease(s), upon delivery by the School Board of a Certificate of Acceptance indicating completion of the acquisition, construction, installation and payment of all costs of the Series _____ Facilities.

(ii) At the election of the Series _____ Credit Facility Issuer, Certificates shall be subject to prepayment in whole at any time, at a Prepayment Price of par plus the interest accrued to the Prepayment Date, if the Lease

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the Prepayment Price thereof, or the Prepayment Price of the specified portions of the principal thereof in the case of Certificates to be prepaid in part only, together with interest accrued to the prepayment date, and that from and after such date interest thereon shall cease to accrue and be payable. The Trustee shall mail a copy of such notice, postage prepaid, not less than 30 days before the prepayment date in the case of optional prepayment, extraordinary prepayment resulting from damage, destruction or condemnation of Facilities or mandatory sinking fund prepayment for the Certificates to be prepaid and not less than 5 days nor more than 10 days before the Prepayment Date in the case of extraordinary prepayment resulting from termination of all Leases as a result of nonappropriation or default by the School Board, to the Certificate Holders of any Certificates or portions thereof which are to be prepaid, at their last addresses appearing upon the registry books, but any defect in the notice to a particular Certificate Holder shall not affect the validity of the proceedings for the prepayment of other Certificates. Notice, to the extent available, of such prepayment shall be provided to any depository not less than two days prior to mailing of such notice.

THE OBLIGATION OF THE SCHOOL BOARD TO MAKE BASIC LEASE PAYMENTS UNDER SCHEDULE NO. _____ OF THE MASTER LEASE IS A SPECIAL AND LIMITED OBLIGATION SUBJECT TO ANNUAL APPROPRIATION BY THE SCHOOL BOARD, AS FURTHER PROVIDED ON THE FRONT OF THIS CERTIFICATE.

Form of Opinion of Special Tax Counsel

Statement of Insurance

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Term of all Leases is terminated for the reasons referred to in Section 4.1(b) or 4.1(c) of the Master Lease.

Mandatory Sinking Fund Prepayment: Certificates maturing on August 1, _____ are subject to mandatory prepayment prior to maturity in part, from payments of the principal portion of Basic Lease Payments as set forth in the Series _____ Lease, through the operation of a sinking fund on each August 1 in the years and in the following amounts set forth below at a Prepayment Price of par plus the interest accrued to the Prepayment Date.

August 1 of the Year	Principal Amount
	\$

* Final Maturity.

If less than all the Certificates of like maturity shall be called for prepayment, the particular Certificates or portions thereof to be prepaid shall be selected by lot by the Trustee in such manner as the Trustee shall deem fair and appropriate. The portion of any Certificate of a denomination of more than \$5,000 to be prepaid shall be in the principal amount of \$5,000 or an integral multiple thereof, and, in selecting portions of such Certificates for prepayment, the Trustee shall treat each such Certificate as representing that number of Certificates in \$5,000 denominations which is obtained by dividing the principal amount of such Certificate to be prepaid in part by \$5,000. Interest represented by Certificates so prepaid shall be paid from the amount then available to prepay Certificates.

When prepayment of Certificates is required pursuant to the Trust Agreement, the Trustee shall give notice of the prepayment of such Certificates, which notice shall specify the maturities of the Certificates to be prepaid, the CUSIP numbers (which shall be for informational purposes only and shall not affect the validity of such notice) the prepayment date and the place or places where amounts due upon such prepayment will be payable and, if less than all of the Certificates are to be prepaid, the letters and numbers or other distinguishing marks of such Certificates to be prepaid, and, in the case of Certificates to be prepaid in part only, such notice shall also specify the respective portions of the principal amount thereof to be prepaid. Such notice shall further state that on such date there shall become due and payable upon each Certificate to be prepaid

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ASSIGNMENT

For value received _____ the undersigned does hereby sell, assign and transfer unto the within-mentioned Certificate and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the Certificate register of the Trustee with full power of substitution in the premises.

Dated: _____
Signature Guaranteed: _____

NOTE: The signature on this Assignment must correspond with the name as written on the face of the within-mentioned Certificate in every particular without alteration or enlargement or any change whatsoever

Social Security or Other
Identifying Number of
Transferor: _____

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

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

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UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to Minors
Act _____
(State)

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

EXHIBIT B
REQUISITION NO. _____
\$ _____
CERTIFICATES OF PARTICIPATION
SERIES _____

Evidencing Undivided Proportionate Interest of the Owners Thereof in Basic Payments to be Made by THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
As Lessee, Pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor

TO: SouthTrust Bank of Florida, National Association

Trustee under the Master Trust Agreement dated as of May 1, 1997, with Orange County School Board Leasing Corporation ("Trust Agreement")

This Requisition is made pursuant to Section 402(c) of the Trust Agreement to pay Costs of the Series _____ Facilities.

The Trustee is hereby directed to pay sums out of the Series _____ Acquisition Account as follows:

Name & Address of Payee	Purpose of Payment	Amount
----------------------------	--------------------	--------

TOTAL

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The undersigned hereby certifies that (a) each obligation, item of cost or expense herein has been properly incurred, (b) each obligation, item of cost or expense herein is an item of the Cost of the Series _____ Facilities and has not been the basis of any previous withdrawal, and (c) such payment will not cause the balance remaining in the Series Acquisition Account after such payment to be less than the amount necessary to pay the remaining estimated Costs to be paid from the Series _____ Acquisition Account, or sufficient other moneys are available therefor.

Dated: _____

Authorized School Board
Representative

EXHIBIT C
REQUISITION NO. _____
\$ _____
CERTIFICATES OF PARTICIPATION
SERIES _____

Evidencing Undivided Proportionate Interests of the Owners Thereof in Basic Lease Payments to be made by THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
As Lessee, Pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor

TO: SouthTrust Bank of Florida, National Association
Trustee under the Master Trust Agreement dated as of May 1, 1997, with Orange County School Board Leasing Corporation ("Trust Agreement")

This Requisition is made pursuant to Section 402(d) of the Trust Agreement to pay Costs of Issuance of the Certificates.

The Trustee is hereby directed to pay sums out of the Cost of Issuance Subaccount in the Series _____ Acquisition Account as follows:

Payee	Purpose of Payment	Amount
-------	--------------------	--------

TOTAL

The undersigned hereby certifies that each payment obligation has been properly incurred, is a Cost of Issuance and has not been the basis of a previous withdrawal.

Dated: _____

Authorized School Board
Representative

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SERIES 2017B SUPPLEMENTAL TRUST AGREEMENT

by and between

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION

and

**U.S. BANK NATIONAL ASSOCIATION,
(successor in interest to SouthTrust Bank of Florida, National Association)
as Trustee**

Dated as of September 1, 2017

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Error! Unknown document property name.

WHEREAS, the Corporation assigned substantially all of its interest in the Series 2002A-1 Ground Lease and the Series 2002A Leases to the Trustee pursuant to a Series 2002A Assignment Agreement dated as of June 15, 2002; and

WHEREAS, as a result of a decline in interest rates, the School Board refinanced a portion of its obligations under the Series 2002A-1 Lease and Series 2002A-2 Lease by amending and restating Schedule 2002A-1 and amending and restating Schedule 2002A-2 and issuing Certificates of Participation, Series 2006B (the "Series 2006B Certificates") in an aggregate principal amount of \$111,165,000 pursuant to the Trust Agreement, as supplemented by a Series 2006B Supplemental Trust Agreement dated as of March 1, 2006 (the Trust Agreement as so supplemented is referred to herein as the "Series 2006B Supplemental Trust Agreement"); and

WHEREAS, as a result of a decline in interest rates and in order to achieve savings, the School Board refinanced an additional portion of its obligations under the Series 2002A-1 Lease and Series 2002A-2 Lease and refunded all of the outstanding Series 2002A Certificates through the further amendment and restatement of Schedule 2002A-1 and Schedule 2002A-2, and the issuance, pursuant to the Series 2012B Supplemental Trust Agreement, of refunding Certificates of Participation, Series 2012B, in the aggregate principal amount of \$78,730,000 (the "Series 2012B Certificates"), a portion of which represent undivided proportionate interests of the owners thereof in a portion of the Basic Lease Payments to be made by the School Board pursuant to the Series 2002A-1 Lease and Series 2002A-2 Lease, payable equally and ratably with the Series 2006B Certificates allocable to the Series 2002A-1 Lease and Series 2002A-2 Lease; and

WHEREAS, as a result of favorable market conditions for obligations such as the School Board's obligations under Schedule 2002A-1 and Schedule 2002A-2, the School Board refinanced an additional portion of its obligations under the Series 2002A-1 Lease and Series 2002A-2 Lease and refunded the Series 2006B Certificates maturing on August 1 in the years 2017 through 2024, through the further amendment and restatement of Schedule 2002A-1 and Schedule 2002A-2, and the issuance, pursuant to the Series 2016A Supplemental Trust Agreement, of refunding Certificates of Participation, Series 2016A, in the aggregate principal amount of \$108,155,000 (the "Series 2016A Certificates"), a portion of which represent undivided proportionate interests of the owners thereof in a portion of the Basic Lease Payments to be made by the School Board pursuant to the Series 2002A-1 Lease and Series 2002A-2 Lease, payable equally and ratably with the Series 2012B Certificates allocable to the Series 2002A-1 Lease and Series 2002A-2 Lease; and

WHEREAS, as a result of current favorable market conditions for obligations such as the School Board's obligations under Schedule 2002A-1 and Schedule 2002A-2, and in order to achieve savings, the School Board wishes to refinance an additional portion of its obligations under (i) the Series 2002A-1 Lease by amending and restating Schedule 2002A-1 ("Amended and Restated Schedule 2002A-1") and (ii) the Series 2002A-2 Lease by amending and restating Schedule 2002A-2 ("Amended and Restated Schedule 2002A-2"); and

WHEREAS, to accomplish such refinancing the Corporation is entering into this Series 2017B Supplemental Indenture with the Trustee providing for the issuance of \$71,080,000 aggregate principal amount Certificates of Participation, Series 2017B (the "Series 2017B Certificates") to advance refund the Series 2012B Certificates maturing on August 1, 2024 through and including August 1, 2027 (the "Refunded Series 2012B Certificates"), currently outstanding in the aggregate principal amount of \$75,935,000, which Series 2017B Certificates will represent undivided proportionate interests in a portion of the principal portion and interest portion of the basic lease payments to be made under the Series 2002A-1 Lease and the Series 2002A-2 Lease equally and ratably with the portion of the Series 2016A Certificates that represent an interest in Schedule 2002A-1 and Schedule 2002A-2, respectively; and

THIS SERIES 2017B SUPPLEMENTAL TRUST AGREEMENT, dated as of September 1, 2017 (the "Series 2017B Supplemental Trust Agreement"), supplementing the Master Trust Agreement, dated as of May 1, 1997 (the "Master Trust Agreement" and together with this Series 2017B Supplemental Trust Agreement, the "Trust Agreement"), by and between ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION, a not-for-profit corporation, duly organized and existing under the laws of the State of Florida (the "Corporation"), as lessor under the within mentioned Master Lease, and U.S. BANK NATIONAL ASSOCIATION (successor in interest to SouthTrust Bank of Florida, National Association.), a national banking association with corporate trust powers qualified to accept trusts of the type set forth in the Trust Agreement, with its designated corporate trust office in Orlando, Florida, as trustee (the "Trustee").

WITNESSETH

WHEREAS, The School Board of Orange County, Florida (the "School Board") has deemed it to be in its best interest to lease-purchase certain real and personal property from time to time and has entered into a Master Lease Purchase Agreement, dated as of May 1, 1997 (the "Master Lease") between the Corporation, as lessor, and the School Board, as lessee; and

WHEREAS, pursuant to the Master Lease, the School Board may from time to time, by execution of a Schedule to the Master Lease, direct the Corporation to acquire, construct and lease-purchase to the School Board the items of real or personal property described in such Schedule (which items of property are collectively referred to herein as "Facilities"); and

WHEREAS, provision for the payment of the cost of acquiring, constructing and installing such Facilities may be made by the issuance and sale from time to time of one or more Series (as defined in the Trust Agreement) of Certificates of Participation issued under the Trust Agreement (the "Certificates"), which shall be secured by and be payable from Basic Lease Payments to be made by the School Board pursuant to the Master Lease and related Schedules; and

WHEREAS, the School Board and the Corporation have entered into a (i) Series 2002A-1 Ground Lease dated as of June 15, 2002, as amended as of November 1, 2002, March, 1, 2005, June 1, 2005, July 1, 2007, April 1, 2009 and July 1, 2009 (as amended, the "Series 2002A-1 Ground Lease"), (ii) Schedule 2002A-1 to the Master Lease dated as of June 15, 2002, as amended and restated as of November 1, 2002, March 1, 2005, June 1, 2005, March 1, 2006, July 1, 2007, March 1, 2009, July 1, 2009, May 1, 2012 and May 1, 2016 (as amended and restated, "Schedule 2002A-1," and together with the Master Lease, the "Series 2002A-1 Lease"), and (iii) Schedule 2002A-2 to the Master Lease dated as of June 15, 2002, as amended and restated as of March 1, 2006, July 1, 2009, May 1, 2012 and May 1, 2016 (as amended and restated, "Schedule 2002A-2," and together with the Master Lease, the "Series 2002A-2 Lease," and together with the Series 2002A-1 Lease, the "Series 2002A Leases"), pursuant to which the School Board leased certain real property to the Corporation and subleased from the Corporation such real property and leased the improvements thereon, known respectively as the "Series 2002A-1 Facility Sites" and the "Series 2002A-1 Facilities" and "Series 2002A-2 Facilities;" and

WHEREAS, to provide funds for the acquisition and construction of the Series 2002A-1 Facilities and Series 2002A-2 Facilities, Certificates of Participation, Series 2002A (the "Series 2002A Certificates") were issued in the aggregate principal amount of \$129,585,000 pursuant to the Trust Agreement, as supplemented by a Series 2002A Supplemental Trust Agreement dated as of June 15, 2002, as amended by the First Amendment to Series 2002A Supplemental Trust Agreement dated as of July 1, 2009 (the Trust Agreement as so supplemented is referred to herein as the "Series 2002A Trust Agreement"); and

WHEREAS, a portion of the proceeds of the Series 2017B Certificates will be deposited with U.S. Bank National Association, as escrow agent (in such capacity, the "Escrow Agent") under an Escrow Deposit Agreement (the "Escrow Deposit Agreement") to be entered into by the School Board and the Escrow Agent, and invested in Government Obligations (as defined therein) until used to prepay the Refunded Series 2012B Certificates on August 1, 2022, at a prepayment price equal to 100% of the principal amount thereof; and

WHEREAS, all things necessary to make the Series 2017B Certificates, when executed by the Trustee and issued as provided herein and in the Trust Agreement, the valid, binding and legal obligations according to the terms thereof, have been done and performed, and the creation, execution and delivery of this Series 2017B Supplemental Trust Agreement, and the creation, execution and issuance of the Series 2017B Certificates subject to the terms thereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS SERIES 2017B SUPPLEMENTAL TRUST AGREEMENT WITNESSETH:

ARTICLE I DEFINITIONS

SECTION 101. DEFINITIONS. Words and terms that are defined in the Master Trust Agreement, shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent. In addition to the words and terms elsewhere defined in this Series 2017B Supplemental Trust Agreement, the following words and terms as used in this Series 2017B Supplemental Trust Agreement shall have the following meaning unless the context or use indicates another or different meaning or intent:

"Amended and Restated Schedule 2002A-1" shall mean that certain Schedule 2002A-1, dated as of June 15, 2002, as amended and restated as of November 1, 2002, March 1, 2005, June 1, 2005, March 1, 2006, July 1, 2007, March 1, 2009, July 1, 2009, May 1, 2012, May 1, 2016, and September 1, 2017, by and among the School Board, the Corporation and the Trustee as, assignee of the Corporation.

"Amended and Restated Schedule 2002A-2" shall mean that certain Schedule 2002A-2, dated as of June 15, 2002, as amended and restated as of March 1, 2006, July 1, 2009, May 1, 2012, May 1, 2016, and September 1, 2017, by and among the School Board, the Corporation and the Trustee, as assignee of the Corporation.

"Business Day" shall mean a day other than (a) a Saturday, Sunday or day on which banks in the State of New York or banks located in each of the cities in which the designated corporate office of the Trustee is located are required or authorized by law or executive order to close for business, and (b) a day on which The New York Stock Exchange is closed.

"Closing Date" shall mean the date of delivery of the Series 2017B Certificates to the respective Participating Underwriters against payment therefor.

"Disclosure Agreement" shall mean that certain Disclosure Dissemination Agent Agreement (Series 2017B Certificates), dated as of September 6, 2017, executed and delivered by the School Board and Digital Assurance Certification, L.L.C. in connection with the issuance of the Series 2017B Certificates.

“**Financing Documents**” shall mean collectively, the Series 2002A-1 Lease, the Series 2002A-2 Lease, the Master Trust Agreement, the Series 2017B Supplemental Trust Agreement, the Series 2002A-1 Ground Lease and the Series 2002A Assignment Agreement.

“**Fitch**” shall mean Fitch Ratings.

“**Interest Payment Date**” shall mean (a) each February 1 and August 1, commencing February 1, 2018, (b) with respect to any Series 2017B Certificates which are to be prepaid, any date on which such prepayment is made, and (c) the applicable Maturity Date.

“**Maturity Date**” shall mean, as applicable, August 1 in the years set forth in Section 201(d) hereof.

“**Moody’s**” shall mean Moody’s Investors Service.

“**Participating Underwriter**” shall mean any of the original underwriters of the Series 2017B Certificates required to comply with the Rule in connection with the offering of the Series 2017B Certificates.

“**Rating Agency**” shall mean each of Moody’s, Standard & Poor’s and Fitch, and any other nationally recognized rating service which, at the request of the School Board, shall have provided a rating on any Outstanding Series 2017B Certificates.

“**Record Date**” shall mean the fifteenth calendar day, whether or not a Business Day, of the month preceding an Interest Payment Date.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**Series 2002A-1 Lease**” shall mean the Master Lease as supplemented by Amended and Restated Schedule 2002A-1.

“**Series 2002A-2 Lease**” shall mean the Master Lease as supplemented by Amended and Restated Schedule 2002A-2.

“**Series 2017B Certificates**” shall mean the \$71,080,000 Certificates of Participation, Series 2017B Evidencing Undivided Proportionate Interests of the Owners thereof in Basic Lease Payments to be made by The School Board of Orange County, Florida, as Lessee, pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor.

“**Series 2017B Cost of Issuance Account**” shall mean the Series 2017B Cost of Issuance Account established in Section 401 hereof.

“**Standard & Poor’s**” shall mean S&P Global Ratings, its successors and assigns.

[End of Article I]

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deem adequate and appropriate. Subject to the provisions of the Trust Agreement, the Series 2017B Certificates shall be substantially in the form set forth in Exhibit A of the Trust Agreement.

(f) The principal portion or Prepayment Price of the Series 2017B Certificates shall be payable at the designated corporate trust office of the Trustee. Except as otherwise provided in connection with the maintenance of a book entry only system of registration of the Series 2017B Certificates, the interest portion represented by the Series 2017B Certificates shall be payable by check or draft of the Trustee mailed to the holder thereof at the address of the holder shown on the registration records maintained by the Trustee as of the Record Date next preceding the Interest Payment Date. Such interest portion may be paid by wire transfer within the United States to the registered owners of \$1,000,000 or more in aggregate principal amount of Series 2017B Certificates upon their request in writing received no later than the Record Date next preceding any Interest Payment Date. The Trustee may charge the Series 2017B Certificate holder a reasonable fee for the cost of the wire transfer.

So long as there shall be maintained a book-entry-only system with respect to the Series 2017B Certificates, the following provisions shall apply:

The Series 2017B Certificates shall initially be issued in the name of Cede & Co. as nominee for The Depository Trust Company (“DTC”), which will act initially as securities depository for the Series 2017B Certificates and so long as the Series 2017B Certificates are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, the Series 2017B Certificates shall be deposited with DTC, which shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants (“DTC Participants”) and other institutions that clear through or maintain a custodial relationship with DTC Participants, either directly or indirectly (“Indirect Participants”). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2017B Certificates (“Beneficial Owners”).

The principal and interest portions of Basic Lease Payments represented by the Series 2017B Certificates shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee, the Corporation or the School Board.

The Series 2017B Certificates shall initially be issued in the form of one fully registered Series 2017B Certificate for each maturity and shall be held in such form until maturity. Individuals may purchase beneficial interests in the amount of \$5,000 or integral multiples thereof in book-entry-only form, without certificated Series 2017B Certificates, through DTC Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE SERIES 2017B CERTIFICATES, ANY NOTICE TO BE PROVIDED TO ANY REGISTERED OWNER WILL BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICE TO DTC PARTICIPANTS AND DTC PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICE TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICE TO INDIVIDUAL PURCHASERS OF BENEFICIAL INTERESTS.

The School Board and the Trustee have entered into a Blanket Issuer Letter of Representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the School Board. In the event of such termination, the School Board shall select another securities depository. If the School Board does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Series 2017B Certificates in the form of fully registered Series 2017B

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ARTICLE II THE SERIES 2017B CERTIFICATES

SECTION 201. AUTHORIZATION OF SERIES 2017B CERTIFICATES. (a) There is hereby created a Series of Certificates to be issued under the Trust Agreement to be known as “Certificates of Participation, Series 2017B, Evidencing Undivided Proportionate Interests of the Owners thereof in Basic Lease Payments to be made by The School Board of Orange County, Florida, as Lessee, pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor.” The Series 2017B Certificates shall be issued for the purpose of (i) providing for the payment of the principal and interest portions of Basic Lease Payments represented by the Refunded Series 2012B Certificates, and to pay the Prepayment Price of the Refunded Series 2012B Certificates on the Prepayment Date and (ii) paying Costs of Issuance of the Series 2017B Certificates.

(b) The principal portion represented by the Series 2017B Certificates due at maturity or upon prepayment thereof shall represent undivided proportionate interests in the principal portion of the Basic Lease Payments due on each of the Lease Payment Dates set forth on Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2 to the Master Lease, payable equally and ratably with the portion of the Series 2016A Certificates that represent an interest in Schedule 2002A-1 and Schedule 2002A-2, respectively, to and including the maturity or earlier prepayment date of each Series 2017B Certificate.

(c) The interest portion represented by the Series 2017B Certificates shall be payable on each Interest Payment Date as set forth herein. Said interest shall represent an undivided proportionate interest in the interest portion of Basic Lease Payments due on each Lease Payment Date as set forth on Amended and Restated Schedule 2002A-1 and Amended and Restated Schedule 2002A-2 to the Master Lease, payable equally and ratably with the portion of the Series 2016A Certificates that represent an interest in Schedule 2002A-1 and Schedule 2002A-2, respectively, to and including the maturity or earlier prepayment date of each Series 2017B Certificate.

(d) The Series 2017B Certificates shall be dated as of the Closing Date and shall also show the date of authentication thereof. The interest portion of Basic Lease Payments represented by the Series 2017B Certificates shall be payable from the Interest Payment Date next preceding the date of execution and delivery to which payment has been made or provided for, unless a Series 2017B Certificate is issued prior to February 1, 2018, in which case such Series 2017B Certificate shall bear interest from the Closing Date. The Series 2017B Certificates shall initially be issued in the aggregate principal amount of \$71,080,000, shall mature on the dates and in the principal amounts set forth below, and shall represent the right to receive interest at the annual rates, calculated on the basis of a 360-day year comprised of twelve 30-day months, set forth opposite such dates and amounts, respectively.

Maturity Date (August 1)	Principal Amount	Interest Rate
2024	\$ 1,340,000	5.00%
2025	1,375,000	5.00
2026	33,375,000	5.00
2027	34,990,000	5.00

(e) The Series 2017B Certificates shall be delivered in registered form in denominations of \$5,000 or any integral multiple of \$5,000. Unless the Corporation shall otherwise direct, the Series 2017B Certificates shall be lettered and numbered in such manner as the Trustee shall

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Certificates in denominations of \$5,000 and any integral multiple thereof, in accordance with instructions from Cede & Co.

SECTION 202. ISSUANCE OF SERIES 2017B CERTIFICATES. The Series 2017B Certificates shall be issued upon delivery to the Trustee of the documents referred to in Section 304 of the Master Trust Agreement and the payment of the purchase price therefor, and upon delivery of the following additional documents:

(a) The Escrow Deposit Agreement providing for the payment of the Basic Lease Payments represented by, and the Prepayment Price on the Prepayment Date of, the Refunded Series 2012B Certificates; and

(b) A report by a firm of independent certified public accountants as to the adequacy of the Defeasance Securities and cash, if any, deposited with the Escrow Agent for payment of the Basic Lease Payments represented by, and the Prepayment Price of, the Refunded Series 2012B Certificates; and

(c) The opinions of Co-Special Tax Counsel to the effect that the Refunded Series 2012B Certificates are deemed to have been paid within the meaning of Section 801 of the Trust Agreement.

[End of Article II]

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ARTICLE III

PREPAYMENTS

SECTION 301. EXTRAORDINARY PREPAYMENT OF SERIES 2017B CERTIFICATES. The Series 2017B Certificates shall be subject to prepayment in the event the Series 2002A Leases terminate prior to payment in full of all of the Basic Lease Payments due thereunder, to the extent the Trustee has moneys available for such purposes pursuant to the Series 2017B Trust Agreement and the Series 2002A Leases, to the extent and subject to the limitations provided in the Master Lease.

SECTION 302. NO OPTIONAL PREPAYMENT OF SERIES 2017B CERTIFICATES .

No Optional Prepayment. The Series 2017B Certificates are not subject to prepayment at the option of the School Board.

[End of Article III]

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ARTICLE V

MISCELLANEOUS PROVISIONS RELATING TO
SERIES 2017B CERTIFICATES

SECTION 501. INTENTIONALLY OMITTED.

SECTION 502. CONTINUING DISCLOSURE. Pursuant to the Series 2002A-1 Lease and the Series 2002A-2 Lease, the School Board has undertaken all responsibility for compliance with continuing disclosure requirements, and neither the Corporation nor the Trustee shall have liability to the owners of the Series 2017B Certificates or any other person with respect to the Rule. Notwithstanding any other provision of the Trust Agreement, failure of the School Board to comply with the Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Series 2017B Certificates, and upon being indemnified to its satisfaction, shall) or any owner of Outstanding Series 2017B Certificates or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School Board to comply with its obligations under the Series 2002A-1 Lease and the Series 2002A-2 Lease. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2017B Certificates (including persons holding Series 2017B Certificates through nominees, depositories or other intermediaries), or (b) is treated as the Holder of any Series 2017B Certificates for federal income tax purposes.

SECTION 503. PROVISIONS OF MASTER TRUST AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Trust Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Trust Agreement and this Series 2017B Supplemental Trust Agreement, the terms hereof shall control.

SECTION 504. COUNTERPARTS. This Series 2017B Supplemental Trust Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 505. HEADINGS. Any heading preceding the text of the several Articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series 2017B Supplemental Trust Agreement, nor shall they affect its meaning, construction or effect.

SECTION 506. LAWS. This Series 2017B Supplemental Trust Agreement shall be construed and governed in accordance with the laws of the State of Florida.

SECTION 507. BROKERAGE CONFIRMATIONS. The Corporation acknowledges that to the extent the regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Corporation the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Corporation specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Corporation periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

[End of Article V]

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ARTICLE IV

ESTABLISHMENT OF ACCOUNTS; APPLICATION OF
SERIES 2017B CERTIFICATE PROCEEDS; DISBURSEMENTS

SECTION 401. ESTABLISHMENT OF ACCOUNTS.

(a) There is hereby established a Series 2017B Cost of Issuance Account, more particularly described in Section 402 of the Trust Agreement. The Series 2002A Trust Agreement has established within the Project Fund the Series 2002A Lease Payment Account and the Series 2002A Prepayment Account, more particularly described in Sections 404 and 406, respectively, of the Trust Agreement.

(b) The moneys on deposit in the Accounts and Subaccounts described herein shall be disbursed by the Trustee in the manner and for the purposes described in the Trust Agreement. Moneys in the Series 2002A Lease Payment Account shall be paid in accordance with Section 404 of the Trust Agreement on a pro rata basis to the holders of the Outstanding Series 2016A Certificates allocable to the Series 2002A Leases and the Series 2017B Certificates. Moneys in the Series 2002A Prepayment Account shall be paid in accordance with Section 406 of the Trust Agreement on a pro rata basis to the holders of the Outstanding Series 2016A Certificates allocable to the Series 2002A Leases and the Series 2017B Certificates.

SECTION 402. APPLICATION OF PROCEEDS OF SERIES 2017B CERTIFICATES. The Trustee shall deposit (a) in the escrow deposit trust fund created pursuant to the Escrow Deposit Agreement from the proceeds of the Series 2017B Certificates, together with other available funds, the sum of \$ 87,647,336.17, which amount is to be invested in Government Obligations (except for \$635.97 which will be held in cash) pursuant to the Escrow Deposit Agreement, to be used to pay when due the portion of Basic Lease Payments represented by, and the Prepayment Price on the Prepayment Date of, the Refunded Series 2012B Certificates, all in accordance with the Escrow Deposit Agreement, and (b) the amount of \$239,584.43 in the Series 2017B Cost of Issuance Account.

[End of Article IV]

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IN WITNESS WHEREOF, the parties have executed this Series 2017B Supplemental Trust Agreement by their duly authorized officers as of the date and year first written above.

[SEAL]

**ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION**

Attest: _____
Barbara M. Jenkins, Ed.D.
Secretary

By: _____
William Sublette
President

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

By: _____
Leanne M. Duffy
Vice President

The School Board of Orange County, Florida hereby consents to the execution of this Series 2017B Supplemental Trust Agreement by the parties hereto and agrees to abide by the terms applicable to it herein.

**THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA**

By: _____
William Sublette, Chairman

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**SERIES 2002A-1
GROUND LEASE**

Dated as of June 15, 2002

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee

(Series 2002A-1 Facility Sites)

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EXHIBIT A - SERIES 2002A-1 FACILITY SITES

WHEREAS, it is possible that a portion of the Series 2002A-1 Facilities may be attached to one or more existing structures of the School Board adjacent to the Series 2002A-1 Facility Sites; may be dependent upon adjacent property of the School Board for pedestrian and vehicular ingress, egress and access to and from and between the Series 2002A-1 Facility Sites and the public roads adjoining the adjacent property of the School Board ("Access"); and may further be dependent upon the School Board's adjacent property for utility and other services which would be necessary for the full use and enjoyment of the Series 2002A-1 Facility Sites including, but not limited to, drainage, sewer and water service, electric, telephone and gas service and parking of vehicles (collectively, "Services"); and

WHEREAS, the Corporation desires to acquire from the School Board, pursuant to this Series 2002A-1 Ground Lease, and the School Board is willing to grant to the Corporation, the right to utilize the adjacent property of the School Board to the extent reasonably necessary for Access and for the Services, and the Corporation and the School Board desire to provide for the structural attachment of certain of the Series 2002A-1 Facilities to the adjacent property of the School Board; and

WHEREAS, the ground leasing of the Series 2002A-1 Facility Sites, the sub-leasing of the Series 2002A-1 Facility Sites back to the School Board and the lease-purchase financing and construction of the Series 2002A-1 Facilities are herein collectively referred to as the "Series 2002A-1 Project"; and

WHEREAS, the School Board has on May 14, 2002, after due notice as required by law, held an open, public meeting on the proposal of entering into this Series 2002A-1 Ground Lease, at which meeting a copy of this Series 2002A-1 Ground Lease in final form was available for inspection and review by the public; and

WHEREAS, provisions for the payment of the cost of acquiring and constructing the Series 2002A-1 Facilities have been made by (a) establishing a trust pursuant to the Master Trust Agreement dated as of May 1, 1997, as supplemented by a Series 2002A Supplemental Trust Agreement dated as of June 15, 2002 (as the same may be further amended or supplemented from time to time, the "Trust Agreement"), between the Corporation and U.S. Bank National Association (U.S. Bank Trust National Association and successor to SouthTrust Bank of Florida, National Association) (the "Trustee"), and irrevocably assigning to the Trustee without recourse all of the Corporation's right, title and interest in and to this Series 2002A-1 Ground Lease and the Series 2002A-1 Lease and one other lease to be entered into contemporaneously herewith (the "Series 2002A-2 Lease", as defined in the Trust Agreement), except for certain rights to indemnification and to receive notices, (b) directing the Trustee for such trust to execute and deliver to the public certificates of participation (the "Series 2002A Certificates") evidencing undivided proportionate interests of the Owners thereof in the right to receive Basic Lease Payments to be made by the School Board, as lessee, pursuant to the Series 2002A-1 Lease and the Series 2002A-2 Lease (the "Series 2002A-1 Lease and the Series 2002A-2 Lease" being collectively referred to as the "Series 2002A Leases") and (c) directing the Trustee to hold the proceeds of sale of the Series 2002A Certificates in trust subject to application only to pay the costs of acquisition and construction of the Series 2002A-1 Facilities and the costs of the Series 2002A-2 Facilities (as defined in the Trust Agreement) (collectively, the "Series 2002A Facilities"); and

THIS SERIES 2002A-1 GROUND LEASE dated as of June 15, 2002, between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, (the "School Board") acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor and ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 237.40, Florida Statutes, as Lessee:

WITNESSETH:

WHEREAS, the School Board has the power, under Section 230.23(2) Florida Statutes, as amended, to receive, purchase, acquire, lease, sell, hold, transmit and convey title to real and personal property for educational purposes, and under Section 230.23(9) Florida Statutes, as amended, to enter into leases or lease-purchase agreements of grounds and educational facilities, or of educational facilities for school purposes; and

WHEREAS, the Corporation has the authority to acquire educational facilities by lease or deed for the benefit of the School Board; and

WHEREAS, the Corporation is a "private corporation" within the meaning of Section 230.23(9)(b)6, Florida Statutes, as amended, and is a "direct support organization" within the meaning of Section 237.40, Florida Statutes, as amended; and

WHEREAS, in order to carry out its powers and authority to acquire facilities and equipment, the School Board and the Corporation have entered into a Master Lease Purchase Agreement dated as of May 1, 1997 (as the same may be amended and supplemented from time to time, the "Master Lease"); and

WHEREAS, the School Board is the owner of certain real property located in Orange County, Florida, and described in Exhibit A attached hereto (which real property, together with all buildings, structures and improvements now or hereafter erected or situated thereon, any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land, and all fixtures, additions, alterations or replacements thereto, now or hereafter located in, on or used in connection with or attached or made to such land is hereinafter referred to as a "Series 2002A-1 Facility Site" or, in the case of separate parcels, such parcels are herein collectively referred to as the "Series 2002A-1 Facility Sites"); and

WHEREAS, the School Board desires to lease-purchase one or more particular educational facilities to be located on the Series 2002A-1 Facility Sites and desires to lease purchase certain other educational facilities and sites (individually and collectively, the "Series 2002A-1 Facilities"), pursuant to Schedule 2002A-1 to the Master Lease (which schedule, upon being executed and delivered by the School Board and the Corporation, together with the terms and provisions of the Master Lease, constitutes a separate lease, as the same may be amended or supplemented from time to time, the "Series 2002A-1 Lease"); and

WHEREAS, each Series 2002A Certificate represents an undivided proportionate interest in the principal portion of the Basic Lease Payments set forth in Schedules 2002A-1 and 2002A-2 due and payable on the maturity date or earlier prepayment date of the Series 2002A Certificates and in the interest portion of the Basic Lease Payments set forth in Schedules 2002A-1 and 2002A-2 due and payable semiannually, to and including such maturity date or earlier prepayment date; and

WHEREAS, the Corporation will assign to the Trustee all of its right, title and interest in and to this Series 2002A-1 Ground Lease, the Series 2002A Leases and the Series 2002A Lease Payments (except for certain indemnification rights and the right of the Corporation to receive notices), pursuant to the Series 2002A Assignment Agreement dated as of June 15, 2002 (as the same may be amended or supplemented from time to time, the "Series 2002A Assignment Agreement"); and

WHEREAS, the School Board intends for the Series 2002A Leases to remain in full force and effect after the last Lease Payment Date for the Series 2002A Facilities and until payment in full of the Series 2002A Certificates, unless sooner terminated in accordance with the terms provided therein; and

WHEREAS, the School Board intends for this Series 2002A-1 Ground Lease to remain in full force and effect until the termination of the Lease Term, as provided below:

NOW, THEREFORE, the School Board and the Corporation accordingly hereby covenant and agree as follows:

Section 1. Lease of Series 2002A-1 Facility Sites. Subject to Permitted Encumbrances (as described in Exhibit A attached hereto and made a part hereof), the School Board hereby demises and leases the Series 2002A-1 Facility Sites, more particularly described in Exhibit A, to the Corporation, and the Corporation hereby hires, takes and leases the Series 2002A-1 Facility Sites from the School Board, for the term, at the rental and on the conditions herein set forth. Such demising and leasing shall include the following rights:

(i) The right to utilize the adjacent property of the School Board for Access and for the Services reasonably necessary to the full use and enjoyment of the Series 2002A-1 Facility Sites; provided that the locations on the adjacent property of the School Board utilized for such purposes shall be reasonably agreed upon by the Corporation and the School Board; and provided, further, that the rights shall include, but not necessarily be limited to, the right to utilize for such purposes any portion of the adjacent property of the School Board (e.g., the rights shall include, but not necessarily be limited to, the right to utilize for appropriate purposes, any drives, parking areas, drainage facilities or sewer, water, gas, electric or telephone lines from time to time located upon the adjacent property of the School Board, together with the right to "tie-in" or "connect" thereto). If the Lease Term of the Series 2002A Leases terminates prior to the termination of the term of this Series 2002A-1 Ground Lease, the School Board and the Corporation shall each have the right to install such meters or submeters as may be reasonably appropriate to the end that the Corporation is charged for consumption of such utilities on the Series 2002A-1 Facility Sites.

(ii) The adjacent property of the School Board and the Series 2002A-1 Facilities may contain certain elements, features or parts which are structural elements of both the adjacent property of the School Board and the Series 2002A-1 Facilities. Such adjacent property structural elements include, but are not necessarily limited to, the following:

(A) All utility lines, ducts, conduits, pipes and other utility fixtures and appurtenances which are located on or within either the Series 2002A-1 Facility Sites or Series 2002A-1 Facilities on the one hand or the adjacent property of the School Board on the other hand and which, directly or indirectly, in any way, service the other.

(B) All division walls (hereinafter referred to as "Party Walls") between the Series 2002A-1 Facilities and the adjacent property of the School Board upon the common line between the Series 2002A-1 Facility Sites and the adjacent property of the School Board (hereinafter referred to as the "Lot Line") provided that the mere fact that such a division wall is found not to be on the Lot Line shall not preclude that division wall from being a Party Wall.

(C) The roof and all roof support structures and any and all appurtenances to such roof and roof support structures including, without limitation, the roof covering, roof trim and roof drainage fixtures (collectively the "Roofing") to the extent interrelated between the Series 2002A-1 Facilities and the adjacent property of the School Board. Should the Roofing of any Series 2002A-1 Facilities extend beyond the Lot Line, the right therefor is hereby granted and should the Roofing of the adjacent property of the School Board extend beyond the Lot Line onto the Series 2002A-1 Facility Sites, the right therefor is hereby reserved.

(D) The entire concrete floor slab or wood floor system if utilized in lieu thereof and all foundational and support structures and appurtenances thereto to the extent interrelated between the Series 2002A-1 Facilities and the adjacent property of the School Board (collectively referred to as "Flooring"). Should the Flooring of the Series 2002A-1 Facilities extend beyond the Lot Line, the right therefor is hereby granted and should the Flooring of the adjacent property of the School Board extend beyond the Lot Line onto the Series 2002A-1 Facility Sites, the right therefor is hereby reserved.

(iii) The Series 2002A-1 Facility Sites rights further include the right of the Series 2002A-1 Facilities to encroach upon the adjacent property of the School Board as a result of minor inaccuracies in survey, construction or reconstruction or due to settlement or movement. The encroaching Series 2002A-1 Facilities shall remain undisturbed for as long as same exist and, for so long as such encroachment exists, that portion of the adjacent property of the School Board on which same exists shall be deemed to be a part of the Series 2002A-1 Facility Sites. In addition, the Series 2002A-1 Facility Sites rights include the right to utilize that portion of the adjacent property of the School Board as may be reasonably necessary in order to maintain and repair the Series

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reflect the release of one or more portions of the Series 2002A-1 Facility Sites from this Series 2002A-1 Ground Lease.

Section 3. Rent. (a) So long as the Lease Term has not been terminated as a result of non-appropriation or default pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, the Corporation shall pay to the School Board as and for rental for the Series 2002A-1 Facility Sites the sum of one dollar (\$1.00) per annum, which sum shall be due in advance on the Commencement Date (pro rated) and annually thereafter on the first day of each renewal Lease Term. At the option of the Corporation, the Corporation may prepay all or a portion of the Ground Rent payable hereunder for the entire initial lease term hereof from the proceeds of sale of the Certificates or otherwise.

(b) From and after the date on which the Lease Term shall have been terminated as a result of non-appropriation or default pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, the Corporation shall pay as and for rental for the Series 2002A-1 Facility Sites an amount determined by an M.A.I. appraisal to be the fair market rental for the Series 2002A-1 Facility Sites (the "Appraisal"), which Appraisal shall be prepared by an appraiser selected by the Trustee as assignee of the Corporation (the cost of such Appraisal to be paid by the Trustee and reimbursed as provided in Article VI of the Trust Agreement); provided, however, that such fair market rental and the payment thereof shall be subject to the following adjustments and conditions:

(i) if the Lease Term shall have been terminated on a date other than June 30 of any year, the fair market rental determined pursuant to the Appraisal shall be pro rated for the number of days between the date of termination and the next succeeding July 1;

(ii) for each twelve month period beginning on the July 1 next succeeding the date on which such termination occurs and beginning on each succeeding July 1, the amount of the fair market rental determined by the Appraisal shall be adjusted by the percentage (positive or negative) which is equal to the Implicit Price Deflator of the Consumer Price Index published by the United States Department of Commerce for the region of the United States where Florida is located or for the United States as a whole if not so published for such region;

(iii) the fair market rental due in any year shall be paid in the current year only to the extent that the moneys received by the Trustee as assignee of the Corporation from the exercise of the remedies permitted under the Series 2002A-1 Lease during the preceding twelve months prior to such July 1 exceeded the principal and interest portion of Basic Lease Payments under the Series 2002A-1 Lease payable for such preceding twelve months and other amounts described in Section 604 of the Trust Agreement; provided, however, that any portion of such fair market rental not paid in any year due to the provisions of this clause (iii) shall remain due and payable and shall accumulate from year to year and shall be paid in any future year to the extent that moneys received in such year from the exercise of the remedies permitted by the Series 2002A-1 Lease exceed the principal and interest portion of Basic Lease Payments under the Series 2002A-1 Lease and other amounts described in Section 604 of the Trust Agreement and the fair market rental due in such years; and

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2002A-1 Facilities. The Series 2002A-1 Facility Sites rights further include cross rights of support and use over, upon, across, under, through and into the common structural elements in favor of the Corporation (and like rights are hereby reserved unto the School Board) for the continued use, benefit and enjoyment and continued support, service, maintenance and repair of all such common structural elements.

The School Board, at its sole expense, shall bring or cause to be brought to the Series 2002A-1 Facility Sites adequate connections for water, electrical power, telephone, storm sewerage and sewerage, and shall arrange with the appropriate utility companies for furnishing such services and shall provide to the Series 2002A-1 Facility Sites water services and capacity sufficient for the contemplated operation of the Series 2002A-1 Facilities thereon; including, but not limited to, heating, ventilation and air conditioning equipment. Either the School Board or the Corporation shall have the right, at its own expense, to request and receive telephone and communication services from the utility companies furnishing such services subject to the customary rules and regulations of said utility companies whether the companies deliver such services directly through their own conduits or pipes, or through conduits and pipes owned by the School Board. The School Board agrees to grant such utility companies rights of access over, under and across the remaining property of the School Board adjoining the Series 2002A-1 Facility Sites, if any, as shall be necessary and convenient for the efficient operation of the Series 2002A-1 Facility Sites, and which do not materially impair the present and future uses of such remaining property of the School Board, if any.

Section 2. Ground Lease Term; Option to Renew. The initial Ground Lease Term for the Series 2002A-1 Facility Sites shall commence on the date of the delivery of this Series 2002A-1 Ground Lease (the "Commencement Date") and shall end on July 31, 2032. If, upon the termination of the Lease Term as a result of non-appropriation or default pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, the Corporation or the Trustee as the assignee of the Corporation excludes the School Board from possession of the Series 2002A-1 Facility Sites and Series 2002A-1 Facilities, the School Board grants to the Corporation the right and option to renew this Series 2002A-1 Ground Lease for an additional term not to exceed five (5) years, at a fair market rental to be determined, adjusted and paid in the manner set forth in Section 3 of this Series 2002A-1 Ground Lease.

Notwithstanding the foregoing, this Series 2002A-1 Ground Lease may be terminated by the School Board on any date prior to the end of the initial term or any renewal term hereof, which date is at least one (1) day after the date of termination of the Series 2002A-1 Lease, upon not less than ten (10) days prior written notice to the Corporation, (a) upon payment of the Purchase Option Price, pursuant to Section 7.2 of the Master Lease, with respect to the Series 2002A-1 Facilities, and full performance and satisfaction of the School Board's obligations under the Series 2002A-1 Lease, or (b) upon the provision for payment of all Lease Payments under the Series 2002A-1 Lease pursuant to Section 7.3 of the Master Lease, together in each case with payment of the sum of \$1.00. This Series 2002A-1 Ground Lease may likewise be modified at the request of the School Board at any time, upon similar notice and modification of the Series 2002A-1 Lease (a) to reflect the substitution of all or a portion of the Series 2002A-1 Facilities and Series 2002A-1 Facility Sites in accordance with Section 6.4 of the Master Lease, or (b) upon payment or provision for payment of the Purchase Option Price of all or a portion of one or more particular Series 2002A-1 Facilities pursuant to Section 7.3 of the Master Lease, to

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(iv) the failure to pay any portion of the fair market rental in any year due to insufficiencies of moneys realized from the exercise of the remedies permitted under the Series 2002A-1 Lease (1) shall not give rise to any obligation to pay interest on such unpaid fair market rental and (2) shall not constitute a default under this Series 2002A-1 Ground Lease by the Corporation or the Trustee as the assignee of the Corporation. The Trustee as assignee of the Corporation shall be obligated for payment of Ground Rent only to the extent of funds provided by the School Board, the Corporation, the Certificate holders, the Series 2002A Credit Facility issuer or any Permitted Transferee (hereinafter defined).

Section 4. Title to Series 2002A-1 Facility Sites; Possession. (a) Upon the Commencement Date and throughout the term of this Series 2002A-1 Ground Lease, fee title to the Series 2002A-1 Facility Sites shall be in the name of the School Board, subject to Permitted Encumbrances; title to the Series 2002A-1 Facilities constructed on the Series 2002A-1 Facility Sites shall be in the name of the School Board, but shall remain severed from title to the Series 2002A-1 Facility Sites until the earlier of (i) payment in full, or provision for payment, of all Lease Payments under the Series 2002A-1 Lease or payment of the then applicable Purchase Option Price of the Series 2002A-1 Facilities, in accordance with Sections 7.2 or 7.3 of the Master Lease and Section 2 hereof, or (ii) the end of the term of this Series 2002A-1 Ground Lease.

(b) The Corporation shall at all times during the term of this Series 2002A-1 Ground Lease have a leasehold estate in the Series 2002A-1 Facility Sites with full right to vest the use, enjoyment and possession of such leasehold estate therein in a Permitted Transferee (as defined herein).

(c) Possession and use of the Series 2002A-1 Facility Sites, together with all improvements thereon, shall, upon the last day of the term of this Series 2002A-1 Ground Lease or earlier termination of this Series 2002A-1 Ground Lease pursuant to Section 2 hereof, automatically revert to the School Board free and clear of liens and encumbrances other than Permitted Encumbrances without necessity of any act by the Corporation or any Permitted Transferee. Upon such termination of this Series 2002A-1 Ground Lease, the Corporation shall peacefully and quietly surrender to the School Board the Series 2002A-1 Facility Sites together with any improvements located in or upon the Series 2002A-1 Facility Sites. Upon such surrender of the Series 2002A-1 Facility Sites, the Corporation or any Permitted Transferee, at the reasonable request of the School Board, shall execute an instrument in recordable form evidencing such surrender and shall deliver to the School Board all books, records, construction plans, surveys, permits and other documents relating to, and necessary or convenient for, the operation of the Series 2002A-1 Facility Sites in the possession of the Corporation or any Permitted Transferee.

(d) Any personal property of the Corporation, any Permitted Transferee or any Person which shall remain on the Series 2002A-1 Facility Sites after expiration or earlier termination of the term of this Series 2002A-1 Ground Lease and for thirty (30) days after request by the School Board for removal, shall, at the option of the School Board, be deemed to have been abandoned and may be retained by the School Board and the same may be disposed of, without accountability, in such manner as the School Board may see fit.

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(e) If the Corporation or any Permitted Transferee holds over or refuses to surrender possession of the Series 2002A-1 Facility Sites after expiration or earlier termination of this Series 2002A-1 Ground Lease, the Corporation or any Permitted Transferee shall be a tenant at sufferance and shall pay rent equal to the fair market rental of the Series 2002A-1 Facility Sites determined in the manner provided in Section 3(b) hereof.

Section 5. Use of Series 2002A-1 Facility Sites; Assignments and Subleases. The Corporation may use the Series 2002A-1 Facility Sites for any lawful purpose; however, the parties agree that unless the Series 2002A-1 Lease shall have been terminated as a result of non-appropriation or default pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, the Series 2002A-1 Facility Sites shall be used solely for educational purposes. Unless the Series 2002A-1 Lease shall have been so terminated, no assignment of this Series 2002A-1 Ground Lease or subletting of the Series 2002A-1 Facility Sites may be made except as provided in the Series 2002A Assignment Agreement, the Series 2002A-1 Lease, the Trust Agreement and in any agreement with a Credit Facility Issuer (as defined in the Trust Agreement), if any, without the prior written consent of the School Board. In the event that the Series 2002A-1 Lease shall be terminated pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, then the Corporation's interest in this Series 2002A-1 Ground Lease may be assigned by the Trustee to any third party, including a Credit Facility Issuer (a "Permitted Transferee"), who may alter, modify, add to or delete from the Series 2002A-1 Facilities existing from time to time on the Series 2002A-1 Facility Sites.

The School Board represents and covenants that the Series 2002A-1 Facility Sites are presently zoned to allow government use, and that the School Board shall take no action with respect to zoning or other land use regulation applicable to the Series 2002A-1 Facility Sites except as directed by the Corporation. The School Board shall do everything in its power to assist the Corporation in obtaining such building permits, subdivision approvals, or zoning changes or variances as the Corporation may deem necessary or desirable or such other permits, licenses, approvals or other actions which the Corporation deems necessary or desirable in order to enable the Corporation to use the Series 2002A-1 Facility Sites for such purposes as the Corporation shall determine, provided, however, that neither the Corporation nor any Permitted Transferee shall use or permit the Series 2002A-1 Facility Sites to be used in violation of any valid present or future laws, ordinances, rules or regulations of any public or governmental authority at any time applicable thereto.

It is understood that all right, title and interest of the Corporation in and to this Series 2002A-1 Ground Lease is to be irrevocably assigned by the Corporation to the Trustee pursuant to the Series 2002A Assignment Agreement. The School Board agrees that upon such assignment the Trustee shall have all of the rights of the Corporation hereunder assigned to the Trustee, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Series 2002A-1 Ground Lease or otherwise) that the School Board may from time to time have against the Corporation or any person or entity associated or affiliated therewith. The School Board acknowledges that the Trustee is acting on behalf of the Series 2002A-1 Certificate holders, and may, under certain circumstances assign this Series 2002A-1 Ground Lease to a Permitted Transferee.

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(a) So long as the Series 2002A-1 Lease is in effect, the Net Proceeds resulting therefrom shall be applied pursuant to the Master Lease.

(b) After the end of the Lease Term of the Series 2002A-1 Lease, (i) if such person acquires title to such a substantial portion of the Series 2002A-1 Facility Sites that the Corporation determines that it cannot economically make use of the residue thereof for the lawful purposes intended or permitted by this Series 2002A-1 Ground Lease, such acquisition of title or payment of such claim shall terminate the Ground Lease Term, effective as of the date on which the condemning party takes possession thereof or on the date of payment of such claim, as applicable, and the Net Proceeds resulting therefrom shall be paid to the School Board and the Corporation, as their respective interests may appear; and (ii) if such person acquires title to a portion of the Series 2002A-1 Facility Sites such that the Corporation determines that it can economically make beneficial use of the residue thereof for the purposes intended by this Series 2002A-1 Ground Lease, then this Series 2002A-1 Ground Lease shall continue in full force and effect and the Net Proceeds resulting therefrom shall be paid to the School Board and the Corporation, as their respective interests appear.

(c) Any taking of any portion of the Series 2002A-1 Facilities shall be deemed substantial hereunder.

(d) It is understood that the foregoing provisions of this Section 10 shall not in any way restrict the right of the School Board or the Corporation to appeal the award made by any court or other public agency in any condemnation proceeding.

Section 11. Estoppel Certificates. The School Board, at any time and from time to time, upon not less than thirty (30) days prior written notice from the Corporation, will execute, acknowledge and deliver to the Corporation, or to whomsoever it may direct, a certificate of the School Board certifying that this Series 2002A-1 Ground Lease is unmodified (or, if there have been any modifications, identifying the same), that this Series 2002A-1 Ground Lease is in full force and effect and that there is no default hereunder (or, if so, specifying the default). It is intended that any such certificate may be relied upon by any Person.

Section 12. Amendments. No amendment may be made to this Series 2002A-1 Ground Lease without the prior written consent of the Trustee and the Series 2002A Credit Facility Issuer. Notwithstanding the foregoing, this Series 2002A-1 Ground Lease may be amended without the prior written consent of the Trustee and the Series 2002A Credit Facility Issuer for the purpose of adding or correcting a legal description and/or the permitted encumbrances for any designated Series 2002A-1 Facility Site. Copies of all amendments hereto shall be provided to the Rating Agencies (as defined in the Trust Agreement), whether effected pursuant to Section 702 or Section 703 of the Trust Agreement.

Section 13. Binding Effect. This Series 2002A-1 Ground Lease shall inure to the benefit of and shall be binding upon the Corporation and the School Board and their respective successors and assigns, provided, however, that the Trustee is entitled to the benefits of the provisions hereof.

Notwithstanding anything to the contrary herein or in any exhibit, instrument, document or paper relating to this Series 2002A-1 Ground Lease or any of the transactions contemplated hereby, the parties hereto acknowledge and agree that upon the assignment by the Corporation of its rights hereunder to the Trustee pursuant to the Series 2002A Assignment Agreement, the Corporation shall have no further obligation, liability or responsibility hereunder and no party hereto nor its successors or assigns shall look to the Corporation for any damages, expenses, fees, charges or claims with respect to the failure of any obligations hereunder to be performed.

Section 6. Right of Entry. Unless the Series 2002A-1 Lease shall have been terminated as a result of non-appropriation or default pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, the School Board shall have the right for any of its duly authorized representatives to enter upon the Series 2002A-1 Facility Sites at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 7. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Series 2002A-1 Ground Lease, which default continues for sixty (60) days following notice and demand for correction thereof to the Corporation, the School Board may exercise any and all remedies granted by law; provided, however, that so long as any Series 2002A Certificates are outstanding and except as provided in Section 2 herein, this Series 2002A-1 Ground Lease shall not be terminated. The School Board shall have recourse solely against the leasehold estate of the Corporation in the Series 2002A-1 Facility Sites, and any proceeds thereof, for the payment of any liabilities of the Corporation hereunder. The rights of the School Board under this Section 7 shall be subordinate in all respects to the rights of the holders of the Series 2002A Certificates.

Section 8. Quiet Enjoyment. The Corporation at all times during the term of this Series 2002A-1 Ground Lease shall peacefully and quietly have, hold and enjoy the Series 2002A-1 Facility Sites, without hindrance or molestation subject to the provisions hereof and of the Series 2002A-1 Lease, the Series 2002A Assignment Agreement and the Trust Agreement.

Section 9. Liens. Unless the Series 2002A-1 Lease shall have been terminated as a result of non-appropriation or default pursuant to Section 4.1(b) or 4.1(c) of the Master Lease, neither the School Board nor the Corporation shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to such Series 2002A-1 Facility Sites, other than Permitted Encumbrances. The School Board shall reimburse the Trustee for any expense incurred by the Trustee in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim. Upon termination of the Series 2002A-1 Lease as provided above, the Corporation, the Trustee and any Permitted Transferee may enter into a mortgage or other encumbrance of its leasehold estate in the Series 2002A-1 Facility Sites, provided, however, that the School Board's title to the Series 2002A-1 Facility Sites shall not be subject to or encumbered by any such mortgage or other encumbrance, including without limitation any mechanic's or materialman's liens.

Section 10. Condemnation. In the event that any person, public or private, shall by virtue of eminent domain or condemnation proceedings, or by purchase in lieu thereof, at any time during the Ground Lease Term acquire title to the Series 2002A-1 Facility Sites:

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Section 14. No Merger of Leasehold Estate. There shall be no merger of this Series 2002A-1 Ground Lease or of the leasehold estate hereby created with the fee estate in the Series 2002A-1 Facility Sites by reason of the fact that, through the exercise of remedies hereunder or otherwise, the same person may acquire or hold, directly or indirectly, this Series 2002A-1 Ground Lease or leasehold estate hereby created or any interest herein or therein, and the fee estate in the Series 2002A-1 Facility Sites or any interest in such fee estate. There shall be no merger of this Series 2002A-1 Ground Lease with the Series 2002A-1 Lease by reason of the fact that the School Board is the owner of the fee title to the Series 2002A-1 Facility Sites and of the Series 2002A-1 Facilities and the leasehold estate in the Series 2002A-1 Facility Sites and the Series 2002A-1 Facilities created under the Series 2002A-1 Lease.

Section 15. Notices. All notices, certificates, requests or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid to the following addresses, or to such other address or addresses as shall be designated by the parties in writing:

Corporation: 445 West Amelia Street/ELC-4
Orlando, Florida 32801
Attention: Treasurer

School Board: 445 West Amelia Street/ELC-4
Orlando, Florida 32801
Attention: Chief Financial Officer

With copies to

Trustee: U.S. Bank National Association
300 W. Cypress Creek Rd.
Suite 560
Fort Lauderdale, Florida 33309
Attention: Corporate Trust Department

Series 2002A Credit Facility Issuer: MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attn: Surveillance Department

Section 16. Severability. In the event any provision of this Series 2002A-1 Ground Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 17. Applicable Law. This Series 2002A-1 Ground Lease shall be governed by and construed in accordance with the laws of the State of Florida.

Section 18. Execution in Counterparts. This Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which constitute but one and the same instrument.

Section 19. Memorandum of Lease. Simultaneously with the execution of this Series 2002A-1 Ground Lease, the School Board and the Corporation shall each execute, acknowledge and deliver a Memorandum of Lease with respect to this Series 2002A-1 Ground Lease. Said Memorandum of Lease shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Series 2002A-1 Ground Lease. Upon the modification of this Series 2002A-1 Ground Lease as provided in Section 2 hereof, the Memorandum of Lease shall be appropriately amended.

Section 20. No Personal Liability. No covenant or agreement contained in this Series 2002A-1 Ground Lease shall be deemed to be the covenant or agreement of any member of the School Board or the Corporation or any officer, employee or agent of the School Board or the Corporation, or of any successor thereto, in an individual capacity, and neither the members of the School Board or the Corporation executing this Series 2002A-1 Ground Lease nor any officer, employee, agent of the School Board or the Corporation shall be personally liable or accountable by reason of the execution or delivery hereof.

Section 21. Third Party Beneficiary. The Series 2002A Credit Facility Issuer shall be deemed to be a third party beneficiary of this Series 2002A-1 Ground Lease.

IN WITNESS WHEREOF, the Corporation has caused this Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officers and the School Board has caused this Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA

By: Susan Landis Arkin
Susan Landis Arkin
Chairman

[SEAL]

Attest:

By: Ronald Blocker
Ronald Blocker
Secretary

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION

By: Susan Landis Arkin
Susan Landis Arkin
President

[SEAL]

Attest:

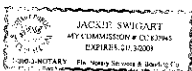
By: Ronald Blocker
Ronald Blocker
Secretary

STATE OF FLORIDA)
)SS:
COUNTY OF ORANGE)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Susan Landis Arkin and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, respectively of THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said School Board and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of Dec., 2002.

NOTARY PUBLIC
SEAL OF OFFICE:



Jackie Swigart
NOTARY PUBLIC, STATE OF FLORIDA
Jackie Swigart
(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or
☐ Produced identification:

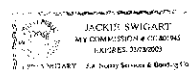
(Type of Identification Produced)
☐ DID take an oath, or ☒ DID NOT take an oath.

STATE OF FLORIDA)
)SS:
COUNTY OF ORANGE)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Susan Landis Arkin and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as President and Secretary, respectively of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION, a Florida not-for-profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of Dec., 2002.

NOTARY PUBLIC
SEAL OF OFFICE:



Jackie Swigart
NOTARY PUBLIC, STATE OF FLORIDA
Jackie Swigart
(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)
☐ DID take an oath, or ☒ DID NOT take an oath.

EXHIBIT A

SERIES 2002A-1 FACILITY SITES

A. DESCRIPTION OF REAL ESTATE

Community Education Partners, Inc. Building East

LOT 1, SEMORAN SCOTTY'S, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 33, PAGE 60, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

LESS THE SOUTH 30 FEET THEREOF CONVEYED TO THE CITY OF ORLANDO, FLORIDA IN THOSE CERTAIN QUIT CLAIM DEEDS FILED SEPTEMBER 14, 1998 IN BOOK 4944, PAGE 2710 AND FILED SEPTEMBER 28, 1995 IN BOOK 4951, PAGE 1143.

TOGETHER WITH EASEMENTS ESTABLISHED IN THOSE CERTAIN CROSS ACCESS EASEMENT AGREEMENTS FILED IN BOOK 4829, PAGE 1368 AND BOOK 4829, PAGE 1374.

Community Education Partners, Inc. Building West

PARCEL B

PARCEL 1, PARCEL 2, AND RETENTION TRACT "A", OF "ROSEMONT CROSSINGS" ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 20, PAGE 149, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, LESS THE FOLLOWING DESCRIBED PROPERTY:

BEGIN AT THE WESTERLY MOST CORNER OF SAID PARCEL 1; THENCE NORTH 32° 24' 05" EAST, ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 1, A DISTANCE OF 55.62 FEET; THENCE NORTH 73° 01' 26" EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, A DISTANCE OF 203.13 FEET; THENCE SOUTH 57° 41' 21" EAST, ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 1, A DISTANCE OF 62.82 FEET; THENCE SOUTH 32° 41' 39" WEST 209.90 FEET TO THE SOUTHWESTERLY LINE OF SAID PARCEL 1; THENCE NORTH 57° 35' 55" WEST, ALONG SAID SOUTHWESTERLY LINE, A DISTANCE OF 194.00 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH

THAT EASEMENT RESERVED IN WARRANTY DEED FILED JANUARY 25, 1991 IN OFFICIAL RECORDS BOOK 4256, PAGE 3266, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL 1, ROSEMONT CROSSINGS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 20, PAGE 149, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

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57° 35' 55" EAST 70.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 11549.20 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 02° 26' 12", A DISTANCE OF 491.14 FEET; THENCE NORTH 58° 21' 39" EAST 76.69 FEET; THENCE SOUTH 36° 20' 42" EAST 20.00 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF CINDERLANE PARKWAY, SAID LINE BEING OF THE ARC OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS 195.00 FEET; THENCE FROM A TANGENT BEARING OF SOUTH 53° 39' 18" WEST RUN WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 17 46 11 A DISTANCE OF 60.48 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE, CONCAVE NORTHERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89° 01' 22" A DISTANCE OF 38.84 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 11529.20 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE AND NORTHERLY RIGHT OF WAY LINE OF U.S. 441, THROUGH A CENTRAL ANGLE OF 02° 39' 34", A DISTANCE OF 504.41 FEET TO THE POINT OF TANGENCY; THENCE NORTH 57° 35' 55" WEST, ALONG THE SOUTHWEST LINE OF SAID PARCEL 2, A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING.

Dillard St. Elementary School Replacement

[To Come]

Glenridge Middle School Replacement

A parcel of land located in Section 17 Township 22 South, Range 30 East Orange County, Florida, being also located in Orlando Park Replat, Plat Book K, Page 107, and Second Section Orlando Park, Plat Book N, Page 27, of the Public Records of Orange County, Florida, being more particularly described as follows:

Commencing at the intersection of the Northerly projection of the East line of Timberlane (as recorded in Plat Book U, Page 108, of the Public Records of Orange County, Florida) and the Southerly right-of-way line of Glenridge Way (60-foot Right of Way); thence N 89° 26' 46" E, along the Southerly right-of-way line of said Glenridge Way, a distance of 600.07 feet to the Point of Beginning.

Thence continuing along the Southerly right-of-way line of said Glenridge Way, N 89° 26' 46" E, a distance of 722.45 feet to a point; thence continuing along the Southerly right-of-way line of said Glenridge Way, N 89° 11' 25" E a distance of 303.31 feet to a point; thence leaving the Southerly right-of-way line of said Glenridge Way, S 0° 48' 35" E a distance of 244.60 feet to a point; thence along the arc of a curve to the right an arc distance of 536.65 feet (said curve having a radius of 1000.00 feet, a Delta Angle of 30° 44' 51" and a chord bearing and distance of S 14° 33' 50" W, 530.23 feet) to a point; thence along the arc of a curve to the left, an arc distance of 195.04 feet (said

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COMMENCE AT THE WESTERLY MOST CORNER OF SAID PARCEL 1; THENCE N 32° 24' 05" EAST, ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 1, A DISTANCE OF 55.62 FEET; THENCE N 73° 01' 26" EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUE NORTH 73° 01' 26" EAST, A DISTANCE OF 24.00 FEET; THENCE RUN SOUTH 16° 58' 34" EAST, A DISTANCE OF 61.47 FEET; THENCE RUN SOUTH 57° 35' 55" EAST, A DISTANCE OF 118.96 FEET; THENCE RUN SOUTH 32° 41' 39" WEST, A DISTANCE OF 24.00 FEET; THENCE RUN NORTH 57° 35' 55" W, A DISTANCE OF 127.72 FEET; THENCE RUN NORTH 16° 58' 34" WEST, A DISTANCE OF 70.35 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

ALSO TOGETHER WITH

THAT SIGN EASEMENT AND UNDERGROUND UTILITY EASEMENT RESERVED IN WARRANTY DEED FILED SEPTEMBER 7, 1989, IN OFFICIAL RECORDS BOOK 4113, PAGE 832, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

SIGN EASEMENT

COMMENCE AT THE EASTERLYMOST CORNER OF PARCEL 3 OF ROSEMONT CROSSINGS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 20, PAGE 149, PUBLIC RECORD OF ORANGE COUNTY, FLORIDA, THENCE RUN SOUTHWESTERLY ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 3. SAID LINE BEING THE ARC OF A CURVE, CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 195.00 FEET; THROUGH A CENTRAL ANGLE OF 26° 26' 28", A DISTANCE OF 89.99 FEET; THENCE SOUTH 80° 23' 36" WEST, 5.00 FEET FOR A POINT OF BEGINNING; THENCE CONTINUE SOUTH 80° 23' 36" WEST, 10.00 FEET; THENCE NORTH 09° 36' 24" WEST, 5.00 FEET; THENCE NORTH 80° 23' 36" EAST, 10.00 FEET; THENCE SOUTH 69° 36' 24" EAST, 5.00 FEET TO THE POINT OF BEGINNING.

20' UTILITY EASEMENT ADJACENT TO U.S. 441:

THAT PORTION OF PARCELS 1, 2, AND 3 OF ROSEMONT CROSSINGS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 20, PAGE 149, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

BEGIN A SOUTHERLY CORNER OF SAID PARCEL 1; THENCE NORTH 57° 35' 55" WEST ALONG THE SOUTHWEST LINE OF SAID PARCEL 1, A DISTANCE OF 40.00 FEET; THENCE NORTH 32° 24' 05" EAST 20.00 FEET; THENCE SOUTH

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curve having a radius of 952.20 feet, a Delta Angle of 11° 44' 09", and a chord bearing and distance of S 24° 04' 11" W, 194.70 feet) to a point; thence N 76° 32' 41" W a distance of 50.24 feet to a point; thence S 89° 51' 56" W a distance of 127.76 feet to a point on the Easterly line of Landfill Parcel OUI; thence along the Easterly line of said Landfill Parcel OUI, N 0° 34' 51" W a distance of 320.47 feet to a point; thence along the arc of a non-tangent curve to the right an arc distance of 121.18 feet (said curve having a radius of 99.46 feet; a Delta Angle of 69° 48' 41" and a chord bearing and distance of N 51° 07' 44" W, 113.82 feet) to a point; thence S 89° 58' 27" W a distance of 55.34 feet to a point; thence N 0° 08' 04" W a distance of 27.76 feet to a point; thence S 89° 51' 56" W a distance of 254.13 feet to a point; thence N 0° 08' 04" W a distance of 362.01 feet to a point; thence S 89° 51' 56" W a distance of 144.63 feet to a point; thence N 35° 06' 18" W a distance of 161.57 feet to the Point of Beginning.

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

[To Come]

B. PERMITTED ENCUMBRANCES

Community Education Partners, Inc. Building East

1. Right-of-Way Agreement with Southern Bell Telephone and Telegraph Company filed May 14, 1974 in Official Records Book 2528, Page 1851, Public Records of Orange County, Florida.
2. Matters appearing on the recorded plat of Semoran Scotty's, according to the plat thereof as recorded in Plat Book 33, Page 60.
3. Cross Access Easement (North-South) filed December 7, 1994 in Official Records Book 4829, Page 1368, Public Records of Orange County, Florida.
4. Cross Access Easement (East-West) filed December 7, 1994 in Official Records Book 4829, Page 1374, Public Records of Orange County, Florida.
5. Overhead and Underground Easement in favor of the City of Orlando and Orlando Utilities Commission filed April 6, 1995 in Official Records Book 4876, Page 903; Amendment filed May 20, 2002 in Official Records Book 6527, Page 6908; all of the Public Records of Orange County, Florida.
6. Permanent Drainage Easement in favor of the City of Orlando filed September 28, 1995 in Official Records Book 4951, Page 1133, Public Records of Orange County, Florida.
7. Matters shown on that certain Boundary Survey prepared by McVay-Wood and Associates, Inc. dated March 21, 2002 titled Lot 1 Semoran Scotty's.

Community Education Partners, Inc. Building West

1. Declaration of Covenants and Restrictions, recorded in Official Records Book 3946, Page 4436, Public Records of Orange County, Florida.
2. Developer's Agreement as set forth in instrument recorded in Official Records Book 3946, Page 4431, Public Records of Orange County, Florida.
3. Declaration of Restrictions, recorded Official Records Book 4113, Page 0863, Public Records of Orange County, Florida.
4. Drainage Easement granted to State of Florida Department of Transportation, by instrument dated March 9, 1988, filed March 21, 1988, recorded in Official Records Book 3966, Page 2107, Public Records of Orange County, Florida.
5. Access Easement Agreement granted to RTM Central Florida, Inc., by instrument dated January 24, 1991, filed January 25, 1991, recorded in Book

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- (c) 30' Private Utility Easement;
- (d) 5' Landscape Buffer as shown on Plat;
- (e) 20' Maintenance Easement as shown on Plat;
- (f) Approved vehicular Access as shown on Plat;
- (g) Right of Way of Cinderlane Parkway as shown on Plat.
15. Access Easement Agreement, Drainage Easement Agreement, Termination of Temporary Access Easement Agreement and Termination of Temporary Access Easement Agreement as set forth in instrument recorded in Official Records Book 6527, Page 6919.
16. Drainage Easement Agreement and Termination Drainage Easement Agreement as set forth in instrument recorded in Official Records Book 6527, Page 6914.
17. Matters shown on that certain Boundary Survey prepared by McVay-Wood and Associates, Inc. dated October 15, 2001, titled Parcel 1, Parcel 2 and Retention Tract "A".

Dillard St. Elementary School Replacement

[To Come]

Glenridge Middle School Replacement

1. Restrictions, reservations and other matters contained in "Deed for Parcel 5" filed October 28, 1999 in Official Records Book 5869, Page 1163 and Official Records Book 5869, Page 2621 and "Deed for Parcel 1" filed October 28, 1999 in Official Records Book 5869, Page 970 and Official Records Book 5869, Page 2469; Partial Release of Deed Restrictions Parcel 5 filed April 30, 2002 in Official Records Book 6513, Page 5438; all in the Public Records of Orange County, Florida.
2. Notice of Establishment of the Urban Orlando Community Development District filed December 28, 1999 in Official Records Book 5910, Page 942, Public Records of Orange County, Florida.
3. Notice of Imposition of Non Ad Valorem Special Assessments within the Urban Orlando Community Development District filed January 31, 2000 in Official Records Book 5932, Page 3317, Public Records of Orange County, Florida.
4. Memorandum of Contract for Sale and Purchase of Real Estate and Developer's Agreement filed February 11, 2000 in Official Records Book 5940, Page 4918, Public Records of Orange County, Florida.

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4256, Page 3269, Public Records of Orange County, Florida.

6. Distribution Easement granted to Florida Power Corporation, by instrument dated April 22, 1988, filed June 29, 1988, recorded in Official Records Book 3993, Page 3171, Public Records of Orange County, Florida.
7. Distribution Easement granted to Florida Power Corporation, by instrument dated April 22, 1988, filed June 29, 1988, recorded in Official Records Book 3993, Page 3173.
8. Water Easement granted to Orlando Utilities Commission, by instrument dated September 5, 1989, filed September 14, 1989, recorded in Official Records Book 4115, Page 778, Public Records of Orange County, Florida.
9. Easement granted to Florida Power Corporation, by instrument dated May 6, 1949, filed May 13, 1949, recorded in Deed Book 804, Page 266, Public Records of Orange County, Florida.
10. Easement granted to Florida Power Corporation, by instrument dated November 26, 1948, filed May 13, 1949, recorded in Deed Book 804, Page 268, Public Records of Orange County, Florida.
11. Assignment and Assumption Agreement filed December 7, 1994 in Official Records Book 4829, Page 1444; Assignment and Assumption Agreement filed May 20, 2002 in Official Records Book 6527, Page 6943; Assignment and Assumption Agreement filed May 20, 2002 in Official Records Book 6527, Page 6950.
12. Access Easement Agreement and Termination of Easement dated December 27, 1994, filed February 6, 1995, recorded in Official Records Book 4851, Page 4698 Public Records of Orange County, Florida.
13. Distribution Easement granted to Florida Power Corporation, by instrument dated August 23, 1995, filed March 08, 1996, recorded in Official Records Book 5024, Page 1574, Public Records of Orange County, Florida.
14. Subject to the Plat of Rosemont Crossings, recorded in Plat Book 20, Page 149 of the Public Records of Orange County, Florida, modified by that certain Vacation and Abandonment of Easements recorded September 7, 1989 in Official Records Book 4113, Page 826, as follows:
 - (a) 30' Access Easement B, as modified by Official Records Book 4113, Page 826;
 - (b) 30' Access Easement C, as modified by Official Records Book 4113, Page 826;

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5. Declaration of Consent to Jurisdiction of Community Development District and to Imposition of Special Assessments filed October 8, 2001 in Book 6364, Page 6306.
6. Urban Orlando Community Development District Notice of the Imposition of Special Assessments filed October 15, 2001 in Book 6369, Page 5004, in the Public Records of Orange County, Florida.
7. An Ordinance Amending the Ordinance establishing a Zoning Classification of PD, Planned Development on Property...known as Baldwin Park filed May 16, 2002 in Official Records Book 6525, Page 2579, Public Records of Orange County, Florida.
8. Conditions contained in Ordinance Vacating, Closing and Abandoning Rights-of-Way filed March 6, 2002 in Official Records Book 6472, Page 6054, Public Records of Orange County, Florida.
9. Terms, conditions and reservations contained in Special Warranty Deed filed December 28, 2001 in Official Records Book 6422, Page 6379, Public Records of Orange County, Florida.
10. Matters shown on Boundary Survey prepared by Leading Edge Land Services, Inc., dated October 15, 2001, Project Number 029-01056.

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

[To Come]

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AMENDMENT NO. 1

Dated as of November 1, 2002

TO

SERIES 2002A-1
GROUND LEASE

Dated as of June 15, 2002

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida,
National Association)
as Trustee and Assignee of
ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee

(Series 2002A-1 Facility Sites)

AMENDMENT NO. 1 TO THE SERIES 2002A-1 GROUND LEASE
(Series 2002A-1 Facility Sites)

THIS AMENDMENT NO. 1, dated as of November 1, 2002 ("Amendment No. 1") to the Series 2002A-1 Ground Lease, dated as of June 15, 2002 (the "Original Ground Lease"), between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, (the "School Board") acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor and U.S. BANK NATIONAL ASSOCIATION (successor to SouthTrust Bank of Florida, National Association), as Trustee (the "Trustee") and as Assignee pursuant to a Series 2002A Assignment Agreement, dated as of June 15, 2002 (the "Series 2002A Assignment Agreement") of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 237.40, Florida Statutes, as Lessee. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Ground Lease. The Original Ground Lease, as amended by this Amendment No. 1, is hereinafter collectively referred to as the "Series 2002A-1 Ground Lease."

WITNESSETH:

WHEREAS, as of June 15, 2002, the School Board and the Corporation entered into the Original Ground Lease; and

WHEREAS, the Corporation assigned all of its interest in the Original Ground Lease to the Trustee pursuant to the Series 2002A Assignment Agreement; and

WHEREAS, the School Board wishes to amend the Original Ground Lease in order to make revisions to the list of Series 2002A-1 Facilities encumbered under the Series 2002A-1 Ground Lease.

NOW, THEREFORE, the parties hereto mutually agree to the following amendments to the Original Ground Lease.

Exhibit A - A. Description of Real Estate. Exhibit A - A. Description of Real Estate is amended to add legal descriptions for facility sites Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief. Exhibit A - A. Description of Real Estate is further amended to remove the legal descriptions for Community Education Partners, Inc. Building East, Community Education Partners, Inc. Building West and Glenridge Middle School Replacement.

Exhibit A - B. Permitted Encumbrances. Exhibit A - B. Permitted Encumbrances is amended to add permitted encumbrances for facility sites Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief. Exhibit A - B. Permitted Encumbrances is further amended to remove permitted encumbrances for Community Education Partners, Inc. Building East, Community Education Partners, Inc. Building West and Glenridge Middle School Replacement.

This Amendment No. 1 to the Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Except as amended hereby, the Series 2002A-1 Ground Lease is hereby ratified and confirmed and shall remain in full force and effect.

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IN WITNESS WHEREOF, the U.S. Bank National Association, as Assignee of the Corporation, has caused this Amendment No. 1 to Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officer and the School Board has caused this Amendment No. 1 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: Judge Rick Roach
Judge "Rick" Roach
Chairman, The School Board of Orange
County, Florida

[SEAL]

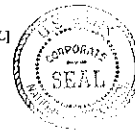
Attest:

By: Ronald Blocker
Ronald Blocker
Secretary

U.S. BANK NATIONAL ASSOCIATION

By: Peter H. Fowler
Peter H. Fowler
Vice President

[SEAL]



STATE OF FLORIDA }
COUNTY OF ORANGE }SS:

I, Ives Q. Frank, a Notary Public in and for the said County in the State of Florida, do hereby certify that Judge "Rick" Roach and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, respectively of THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said School Board and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16th day of December, 2002.

Ives Q. Frank
NOTARY PUBLIC, STATE OF FLORIDA

NOTARY PUBLIC
SEAL OF OFFICE:



Ives Q. Frank
(Name of Notary Public, Print, Stamp
or Type as Commissioned.)

☒ Personally known to me, or
Produced identification:

(Type of Identification Produced)
☐ DID take an oath, or ☐ DID NOT
take an oath.

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EXHIBIT A

SERIES 2002A-1 FACILITY SITES AS AMENDED

A. DESCRIPTION OF REAL ESTATE

Dillard Street Elementary School Replacement

[To Come]

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

[To Come]

Tildeville Elementary School Relief

PARCEL 1

A PARCEL OF LAND LOCATED IN THE SE ¼ AND THE NE ¼, SECTION 4, T23S, R27E, ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SE ¼ OF SAID SECTION 4; THENCE N0°23'38"W ALONG THE EAST LINE OF THE SE ¼ OF SAID SECTION 4, A DISTANCE OF 2417.32 FEET TO A POINT; THENCE LEAVING THE EAST LINE OF THE SE ¼ OF SAID SECTION 4, S89°36'22"W, A DISTANCE OF 813.97 FEET TO THE POINT OF BEGINNING:

THENCE S43°10'44"W, A DISTANCE OF 188.38 FEET TO A POINT;
THENCE S42°25'24"W, A DISTANCE OF 55.81 FEET TO A POINT;
THENCE S38°34'40"W, A DISTANCE OF 71.41 FEET TO A POINT;
THENCE S35°58'49"W, A DISTANCE OF 111.38 FEET TO A POINT;
THENCE S60°42'07"W, A DISTANCE OF 94.41 FEET TO A POINT;
THENCE S55°26'41"W, A DISTANCE OF 76.90 FEET TO A POINT;
THENCE S35°11'48"W, A DISTANCE OF 149.69 FEET TO A POINT;
THENCE S34°23'20"W, A DISTANCE OF 21.01 FEET TO A POINT;
THENCE N0°20'41"W, A DISTANCE OF 36.80 FEET TO A POINT;
THENCE S89°47'09"W, A DISTANCE OF 350.00 FEET TO A POINT;

THENCE N49°41'29"W, A DISTANCE OF 366.87 FEET TO A POINT ON THE SOUTHEASTERLY BOUNDARY LINE OF STONE CREEK UNIT 1, AS

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STATE OF FLORIDA }
COUNTY OF BROWARD }SS:

I, Ives Q. Frank, a Notary Public in and for the said County in the State of Florida, do hereby certify that Peter H. Fowler, personally known to me to be the same person whose name, as Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16th day of December, 2002.

Ives Q. Frank
NOTARY PUBLIC, STATE OF FLORIDA

NOTARY PUBLIC
SEAL OF OFFICE:



Ives Q. Frank
(Name of Notary Public, Print, Stamp
or Type as Commissioned.)

☐ Personally known to me, or
☒ Produced identification:

Driver's license
(Type of Identification Produced)
☐ DID take an oath, or ☐ DID NOT
take an oath.

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RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, OF THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA; THENCE N27°43'31"E ALONG THE SOUTHEASTERLY LINE OF SAID STONE CREEK UNIT 1, A DISTANCE OF 784.96 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF STONEYBROOK WEST PARKWAY (100-FOOT RIGHT-OF-WAY) AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, OF THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA, THENCE LEAVING THE SOUTHEASTERLY LINE OF SAID STONE CREEK UNIT 1, S62°16'29"E ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID STONEYBROOK WEST PARKWAY, A DISTANCE OF 887.43 FEET TO THE POINT OF BEGINNING.

PARCEL 2, TOGETHER WITH EASEMENT INTEREST:

ALL RIGHT, TITLE AND INTEREST OF THE INSURED IN AND TO THAT CERTAIN EASEMENT AGREEMENT AMONG STONEYBROOK JOINT VENTURE, A FLORIDA GENERAL PARTNERSHIP, STONEYBROOK WEST MASTER ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION, STONE CREEK HOMEOWNERS ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION, AND THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, A PUBLIC CORPORATE BODY ORGANIZED AND EXISTING UNDER THE LAWS AND CONSTITUTION OF THE STATE OF FLORIDA, RECORDED DECEMBER 19, 2000, IN BOOK 6153, PAGE 4634, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, OVER THE FOLLOWING DESCRIBED PROPERTY:

TRACT H, STONE CREEK UNIT 1, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

Hunter's Creek Elementary School Relief

[To Come]

Columbia/Bonneville Elementary School Relief

[To Come]

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B. PERMITTED ENCUMBRANCES

Dillard Street Elementary School Replacement

[To Come]

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

[To Come]

Tildenville Elementary School Relief

1. Certificate of Establishing Water Basin Boundaries of the Southwest Florida Water Management District filed December 28, 1961 in Book 992, Page 634, Public Records of Orange County, Florida. (Parcels 1 & 2)
2. Southwest Florida Water Management District Realigning the Boundaries of the Oklawaha River Basin recorded October 18, 1976 in Official Records Book 2735, Page 539, Public Records of Orange County, Florida. (Parcels 1 & 2)
3. Taxes and assessments for the year 2001, and subsequent years, which are not yet due and payable as to Parcel 2 only. School Board is exempt as to real property taxation as to Parcel 1.
4. Notice of Establishment of Stoneybrook West Community Development District recorded January 21, 2000 in Official Records Book 5927, Page 2227, and recorded January 31, 2000 in Official Records Book 5933, Page 874, all in the Public Records of Orange County, Florida. (as to Parcel 1 only)
5. Grant of Easement recorded May 5, 2000 in Official Records Book 5995, Page 3611, Public Records of Orange County, Florida. (as to Parcel 1 only)
6. Drainage Easement recorded August 9, 2000 in Official Records Book 6063, Page 2534, Public Records of Orange County, Florida. (as to Parcel 1 only)
7. Declaration of Covenants and Restrictions for Stone Creek recorded August 9, 2000 in Official Records Book 6063, Page 2541, Public Records of Orange County, Florida. (as to Parcel 2 only)
8. Subject to the rights of the public at large in and to Parcel 2 by virtue of the dedication of Parcel 2 as a Park in Plat Book 44, Pages 131 through 133, Public Records of Orange County, Florida, and the rights of members of the Stonecreek

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Homeowners Association, Inc. by virtue of the Declaration of Covenants and Restrictions specified in Exception 7 hereinabove. (as to Parcel 2 only)

9. Terms and conditions of the Easement Agreement recorded December 19, 2000 in Official Records Book 6153, Page 4634, Public Records of Orange County, Florida. (as to Parcel 2 only)

10. Terms and conditions of the Drainage Easement Agreement recorded December 19, 2000 in Official Records Book 6153, Page 4648, Public Records of Orange County, Florida. (as to Parcel 1 only)

11. Unrecorded Use Agreement between School Board and Stoneybrook Joint Venture dated December 4, 2000. (as to Parcel 1 only)

Those matters shown on the Boundary Survey prepared by Leading Edge Land Services, Inc. dated October 2, 2000, Project Number 0029-00034.

Hunter's Creek Elementary School Relief

[To Come]

Columbia/Bonneville Elementary School Relief

[To Come]

\\MIA-SRV01\counref\14200809\041126\02\16445\030700

AMENDMENT NO. 2

Dated as of March 1, 2005

TO

**SERIES 2002A-1
GROUND LEASE**

Dated as of June 15, 2002
as amended by Amendment No. 1 dated as of November 1, 2002

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida,
National Association)
as Trustee and Assignee of
ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee

(Series 2002A-1 Facility Sites)

AMENDMENT NO. 2 TO THE SERIES 2002A-1 GROUND LEASE
(Series 2002A-1 Facility Sites)

THIS AMENDMENT NO. 2, dated as of March 1, 2005 ("Amendment No. 2") to the Series 2002A-1 Ground Lease, dated as of June 15, 2002 (the "Original Ground Lease"), between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, (the "School Board") acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor and U.S. BANK NATIONAL ASSOCIATION (successor to SouthTrust Bank of Florida, National Association), as Trustee (the "Trustee") and as Assignee pursuant to a Series 2002A Assignment Agreement, dated as of June 15, 2002 (the "Series 2002A Assignment Agreement") of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 1001.453, Florida Statutes, as Lessee. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Ground Lease. The Original Ground Lease, as amended by Amendment No. 1 and by this Amendment No. 2, is hereinafter collectively referred to as the "Series 2002A-1 Ground Lease."

WITNESSETH:

WHEREAS, as of June 15, 2002, the School Board and the Corporation entered into the Original Ground Lease; and

WHEREAS, the Corporation assigned all of its interest in the Original Ground Lease to the Trustee pursuant to the Series 2002A Assignment Agreement, as recorded in the official records of Orange County, Florida on June 24, 2004, in Official Records Book 06551 at Pages 2909-2919; and

WHEREAS, the Original Ground Lease contemplated that it would be amended for the purpose of adding or correcting a legal description and/or permitted encumbrances for any Series 2002A-1 Facility Site to be ground leased pursuant to the Original Ground Lease; and

WHEREAS, as of November 1, 2002, the School Board and the Trustee entered into Amendment No. 1 to the Original Ground Lease ("Amendment No. 1"), a memorandum of which was recorded in the official records of Orange County, Florida on December 27, 2002 in Official Records Book 06719 at Pages 2207-2212, for the purpose of revising the list of Series 2002A-1 facilities encumbered under the Original Ground Lease by adding the facility sites for Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief to the list of Series 2002A-1 Facilities encumbered under the Original Ground Lease and removing the facility sites for Community Education Partners, Inc. Building East, Community Education Partners, Inc. Building West and Glenridge Middle School Replacement from the list of Series 2002A-1 Facilities sites encumbered under the Original Ground list.

WHEREAS, the School Board wishes to further amend the Original Ground Lease, as previously amended, in order to add the legal descriptions and permitted encumbrances for Winter Park High School Replacement, Dillard Street Elementary School Replacement and

Hunter's Creek Elementary School Replacement in order to subject such sites to the lien of the Series 2002A-1 Ground Lease.

NOW, THEREFORE, the parties hereto mutually agree to the following amendments to the Original Ground Lease.

Exhibit A - A. Description of Real Estate is hereby amended by replacing **Exhibit A, Part A** attached thereto with **Exhibit A, Part A** attached hereto which sets forth the real estate descriptions for Dillard Street Elementary School Replacement, Southwest Middle School Addition, Winter Part High School Replacement, Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief.

Exhibit A - B. Permitted Encumbrances is hereby amended by replacing **Exhibit A, Part B** attached thereto with **Exhibit A, Part B** attached hereto which sets forth the permitted encumbrances for Dillard Street Elementary School Replacement, Southwest Middle School Addition, Winter Part High School Replacement, Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief.

This Amendment No. 2 to the Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Except as amended hereby, the Series 2002A-1 Ground Lease is hereby ratified and confirmed and shall remain in full force and effect.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, the U.S. Bank National Association, as Assignee of the Corporation, has caused this Amendment No. 2 to Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officer and the School Board has caused this Amendment No. 2 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: Timothy Shea
Timothy Shea
Chairman, The School Board of Orange
County, Florida

[SEAL]

Attest:

By: Ronald Blocker
Ronald Blocker
Secretary



U.S. BANK NATIONAL ASSOCIATION

By: Peter H. Fowler
Peter H. Fowler
Vice President

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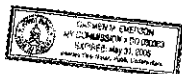
STATE OF FLORIDA)
COUNTY OF ORANGE)

I, CAIM M. EMERSON, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Timothy Shea and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, respectively of THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said School Board and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 14 day of March, 2005.

CAIM M. EMERSON
NOTARY PUBLIC, STATE OF FLORIDA

NOTARY PUBLIC
SEAL OF OFFICE:



(Name of Notary Public, Print, Stamp
or Type as Commissioned.)

☒ Personally known to me, or
Produced identification:

(Type of Identification Produced)
☐ DID take an oath, or ☒ DID NOT
take an oath.

STATE OF FLORIDA)
COUNTY OF BROWARD)

I, CAIM M. EMERSON, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Peter H. Fowler, personally known to me to be the same person whose name, as Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 14 day of March, 2005.

CAIM M. EMERSON
NOTARY PUBLIC, STATE OF FLORIDA

NOTARY PUBLIC
SEAL OF OFFICE:



(Name of Notary Public, Print, Stamp
or Type as Commissioned.)

☒ Personally known to me, or
Produced identification:

(Type of Identification Produced)
☐ DID take an oath, or ☒ DID NOT
take an oath.

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EXHIBIT A

SERIES 2002A-1 FACILITY SITES AS AMENDED

A. DESCRIPTION OF REAL ESTATE

Dillard Street Elementary School Replacement

[To Come]

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

[To Come]

Tildenville Elementary School Relief

PARCEL 1

A PARCEL OF LAND LOCATED IN THE SE ¼ AND THE NE ¼, SECTION 4, T23S, R27E, ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SE ¼ OF SAID SECTION 4; THENCE N0°23'38"W ALONG THE EAST LINE OF THE SE ¼ OF SAID SECTION 4, A DISTANCE OF 2417.32 FEET TO A POINT; THENCE LEAVING THE EAST LINE OF THE SE ¼ OF SAID SECTION 4, S89°36'22"W, A DISTANCE OF 813.97 FEET TO THE POINT OF BEGINNING:

THENCE S43°10'44"W, A DISTANCE OF 188.38 FEET TO A POINT;
THENCE S42°25'24"W, A DISTANCE OF 55.81 FEET TO A POINT;
THENCE S38°34'40"W, A DISTANCE OF 71.41 FEET TO A POINT;
THENCE S35°58'49"W, A DISTANCE OF 111.38 FEET TO A POINT;
THENCE S60°42'07"W, A DISTANCE OF 94.41 FEET TO A POINT;
THENCE S55°26'41"W, A DISTANCE OF 76.90 FEET TO A POINT;
THENCE S35°11'48"W, A DISTANCE OF 149.69 FEET TO A POINT;
THENCE S34°23'20"W, A DISTANCE OF 21.01 FEET TO A POINT;
THENCE N0°20'41"W, A DISTANCE OF 36.80 FEET TO A POINT;
THENCE S89°47'09"W, A DISTANCE OF 350.00 FEET TO A POINT;

THENCE N49°41'29"W, A DISTANCE OF 366.87 FEET TO A POINT ON THE SOUTHEASTERLY BOUNDARY LINE OF STONE CREEK UNIT 1, AS

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B. PERMITTED ENCUMBRANCES

Dillard Street Elementary School Replacement

[To Come]

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

[To Come]

Tildenville Elementary School Relief

1. Certificate of Establishing Water Basin Boundaries of the Southwest Florida Water Management District filed December 28, 1961 in Book 992, Page 634, Public Records of Orange County, Florida. (Parcels 1 & 2)
2. Southwest Florida Water Management District Resigning the Boundaries of the Oklawaha River Basin recorded October 18, 1976 in Official Records Book 2735, Page 539, Public Records of Orange County, Florida. (Parcels 1 & 2)
3. Taxes and assessments for the year 2001, and subsequent years, which are not yet due and payable as to Parcel 2 only. School Board is exempt as to real property taxation as to Parcel 1.
4. Notice of Establishment of Stoneybrook West Community Development District recorded January 21, 2000 in Official Records Book 5927, Page 2277, and recorded January 31, 2000 in Official Records Book 5933, Page 874, all in the Public Records of Orange County, Florida. (as to Parcel 1 only)
5. Grant of Easement recorded May 5, 2000 in Official Records Book 5995, Page 3611, Public Records of Orange County, Florida. (as to Parcel 1 only)
6. Drainage Easement recorded August 9, 2000 in Official Records Book 6063, Page 2534, Public Records of Orange County, Florida. (as to Parcel 1 only)
7. Declaration of Covenants and Restrictions for Stone Creek recorded August 9, 2000 in Official Records book 6063, Page 2541, Public Records of Orange County, Florida. (as to Parcel 2 only)
8. Subject to the rights of the public at large in and to Parcel 2 by virtue of the dedication of Parcel 2 as a Park in Plat Book 44, Pages 131 through 133, Public Records of Orange County, Florida, and the rights of members of the Stonecreek

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RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, OF THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA; THENCE N27°43'31"E ALONG THE SOUTHEASTERLY LINE OF SAID STONE CREEK UNIT 1, A DISTANCE OF 784.06 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF STONEYBROOK WEST PARKWAY (100-FOOT RIGHT OF WAY) AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, OF THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA; THENCE LEAVING THE SOUTHEASTERLY LINE OF SAID STONE CREEK UNIT 1, S62°16'29"E ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID STONEYBROOK WEST PARKWAY, A DISTANCE OF 887.43 FEET TO THE POINT OF BEGINNING.

PARCEL 2, TOGETHER WITH EASEMENT INTEREST:

ALL RIGHT, TITLE AND INTEREST OF THE INSURED IN AND TO THAT CERTAIN EASEMENT AGREEMENT AMONG STONEYBROOK JOINT VENTURE, A FLORIDA GENERAL PARTNERSHIP, STONEYBROOK WEST MASTER ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION, STONE CREEK HOMEOWNERS ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION, AND THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, A PUBLIC CORPORATE BODY ORGANIZED AND EXISTING UNDER THE LAWS AND CONSTITUTION OF THE STATE OF FLORIDA, RECORDED DECEMBER 19, 2000, IN BOOK 6153, PAGE 4634, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, OVER THE FOLLOWING DESCRIBED PROPERTY:

TRACT II, STONE CREEK UNIT 1, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

Hunter's Creek Elementary School Relief

[To Come]

Columbia/Bonneville Elementary School Relief

[To Come]

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Homeowners Association, Inc. by virtue of the Declaration of Covenants and Restrictions specified in Exception 7 hereinabove. (as to Parcel 2 only)

9. Terms and conditions of the Easement Agreement recorded December 19, 2000 in Official Records Book 6153, Page 4634, Public Records of Orange County, Florida. (as to Parcel 2 only)

10. Terms and conditions of the Drainage Easement Agreement recorded December 19, 2000 in Official Records Book 6153, Page 4648, Public Records of Orange County, Florida. (as to Parcel 1 only)

11. Unrecorded Use Agreement between School Board and Stoneybrook Joint Venture dated December 4, 2000. (as to Parcel 1 only)

Those matters shown on the Boundary Survey prepared by Leading Edge Land Services, Inc. dated October 2, 2000, Project Number 0029-00034.

Hunter's Creek Elementary School Relief

[To Come]

Columbia/Bonneville Elementary School Relief

[To Come]

SMIA:SRV01131694110333580906451 030700

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AMENDMENT NO. 3 TO THE SERIES 2002A-1 GROUND LEASE
(Series 2002A-1 Facility Sites)

AMENDMENT NO. 3

Dated as of June 1, 2005

TO

SERIES 2002A-1
GROUND LEASE

Dated as of June 15, 2002

as amended by Amendment No. 1 dated as of November 1, 2002,
and as amended by Amendment No. 2 dated as of March 1, 2005

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida,
National Association)
as Trustee and Assignee of
ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee
(Series 2002A-1 Facility Sites)

THIS AMENDMENT NO. 3, dated as of June 1, 2005 ("Amendment No. 3") to the Series 2002A-1 Ground Lease, dated as of June 15, 2002 (the "Original Ground Lease"), between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA (the "School Board"), acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor, and U.S. BANK NATIONAL ASSOCIATION (successor to SouthTrust Bank of Florida, National Association), as Trustee (the "Trustee") and as Assignee pursuant to a Series 2002A Assignment Agreement, dated as of June 15, 2002 (the "Series 2002A Assignment Agreement"), of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 1001.453, Florida Statutes, as Lessee. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Ground Lease. The Original Ground Lease, as amended by Amendment Nos. 1 and 2 and by this Amendment No. 3, is hereinafter collectively referred to as the "Series 2002A-1 Ground Lease."

WITNESSETH:

WHEREAS, as of June 15, 2002, the School Board and the Corporation entered into the Original Ground Lease; and

WHEREAS, the Corporation assigned all of its interest in the Original Ground Lease to the Trustee pursuant to the Series 2002A Assignment Agreement, as recorded in the official records of Orange County, Florida on June 24, 2004, in Official Records Book 06551 at Pages 2909-2919; and

WHEREAS, the Original Ground Lease contemplated that it would be amended for the purpose of adding or correcting a legal description and/or permitted encumbrances for any Series 2002A-1 Facility Site to be ground leased pursuant to the Original Ground Lease; and

WHEREAS, as of November 1, 2002, the School Board and the Trustee entered into Amendment No. 1 to the Original Ground Lease ("Amendment No. 1"), a memorandum of which was recorded in the official records of Orange County, Florida on December 27, 2002 in Official Records Book 06719 at Pages 2207-2212, for the purpose of revising the list of Series 2002A-1 facilities encumbered under the Original Ground Lease by adding the facility sites for Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief to the list of Series 2002A-1 Facilities encumbered under the Original Ground Lease and removing the facility sites for Community Education Partners, Inc. Building East, Community Education Partners, Inc. Building West and Glenridge Middle School Replacement from the list of Series 2002A-1 Facilities sites encumbered under the Original Ground Lease.

WHEREAS, as of March 1, 2005, the School Board and the Trustee entered into Amendment No. 2 to the Original Ground Lease ("Amendment No. 2"), a memorandum of which was recorded in the official records of Orange County, Florida on March 25, 2005 in Official Records Book 07889 at Pages 3363-3370, for the purpose of further amending the Series

2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the facility sites known as Winter Park High School, Hunter's Creek Elementary School Relief and Dillard Elementary School in order to subject such facility sites to the lien of the Series 2002A-1 Ground Lease.

WHEREAS, the School Board wishes to further amend the Original Ground Lease, as previously amended, in order to add the legal description and permitted encumbrances for Columbia/Bonneville Elementary School Relief in order to subject such facility site to the lien of the Series 2002A-1 Ground Lease.

NOW, THEREFORE, the parties hereto mutually agree to the following amendments to the Original Ground Lease.

Exhibit A - A. Description of Real Estate is hereby amended by replacing **Exhibit A, Part A** attached to Amendment No. 2 to Series 2002A-1 Ground Lease with **Exhibit A, Part A** attached hereto which sets forth the real estate descriptions for Dillard Street Elementary School Replacement, Winter Park High School Replacement, Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief.

Exhibit A - B. Permitted Encumbrances is hereby amended by replacing **Exhibit A, Part B** attached to Amendment No. 2 to Series 2002A-1 Ground Lease with **Exhibit A, Part B** attached hereto which sets forth the permitted encumbrances for Dillard Street Elementary School Replacement, Winter Park High School Replacement, Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief.

This Amendment No. 3 to the Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Except as amended hereby, the Series 2002A-1 Ground Lease is hereby ratified and confirmed and shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the U.S. Bank National Association, as Assignee of the Corporation, has caused this Amendment No. 3 to Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officer and the School Board has caused this Amendment No. 3 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

[SEAL]

Attest:

By:

Ronald Blocker
Secretary

[SEAL]

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By:

Timothy Shea
Chairman, The School Board of Orange
County, Florida

U.S. BANK NATIONAL ASSOCIATION

By:

Peter H. Fowler
Vice President

[AMENDMENT NO. 3 TO SERIES 2002A-1 GROUND LEASE]

IN WITNESS WHEREOF, the U.S. Bank National Association, as Assignee of the Corporation, has caused this Amendment No. 3 to Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officer and the School Board has caused this Amendment No. 3 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

[SEAL]

Attest:

By: Ronald Blocker
Secretary



[SEAL]

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: Timothy Shea
Chairman, The School Board of Orange
County, Florida

U.S. BANK NATIONAL ASSOCIATION

By: Peter H. Fowler
Vice President

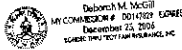
[AMENDMENT NO. 3 TO SERIES 2002A-1 GROUND LEASE]

STATE OF FLORIDA)
JSS:
COUNTY OF ORANGE)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Timothy Shea and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, respectively of THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said School Board and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 29 day of June, 2005.

NOTARY PUBLIC
SEAL OF OFFICE:



Deborah M. McGill
NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp
or Type as Commissioned.)

☒ Personally known to me, or
Produced identification:

(Type of Identification Produced)
☐ DID take an oath, or ☒ DID NOT
take an oath.

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STATE OF FLORIDA)
JSS:
COUNTY OF BROWARD)

I, Karen M. Schuler, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Peter H. Fowler, personally known to me to be the same person whose name, as Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 29 day of June, 2005.

NOTARY PUBLIC
SEAL OF OFFICE:



(Name of Notary Public, Print, Stamp
or Type as Commissioned.)

☒ Personally known to me, or
Produced identification:

(Type of Identification Produced)
☒ DID take an oath, or ☐ DID NOT
take an oath.

EXHIBIT A

SERIES 2002A-1 FACILITY SITES AS AMENDED

A. DESCRIPTION OF REAL ESTATE

Dillard Street Elementary School Replacement

PARCEL ONE

The Northwest 1/4 of the Southeast 1/4, LESS the West 600 feet of the North 363 feet and LESS Road of the North and the West and LESS the West 750 feet of the South 30 feet for Right of Way, Section 14, Township 22 South, Range 27 East, Orange County, Florida.

ALSO LESS from the above: Commence at the Northwest corner of Lot 16, SHOWALTER PARK, as recorded in Plat Book T, Page 6, Public Records of Orange County, Florida, run Northerly on extension of Easterly Right of Way line of James Drive 60 feet to the Northerly Right of Way line of Tilden Street and Point of Beginning; thence continue Northerly on said extension of Easterly Right of Way line of James Drive 135 feet; thence Easterly parallel with the Northerly Right of Way line of Tilden Street 170 feet; thence Southerly parallel with the aforesaid extension of Easterly Right of Way line of James Drive 135 feet to Northerly Right of Way line of Tilden Street; thence Westerly along said Northerly Right of Way line 170 feet to Point of Beginning.

AND

Commence at the Northwest corner of Lot 15, SHOWALTER PARK, as recorded in Plat Book T, Page 6, Public Records of Orange County, Florida; run Northerly on extension of Easterly Right of Way line of James Drive 60 feet to the Northerly Right of Way line of Tilden Street; thence continue Easterly along said Northerly Right of Way line 170 feet to Point of Beginning; thence continue Easterly along said Northerly Right of Way line 165 feet; thence Northerly parallel with aforesaid extension of Easterly Right of Way line of James Drive 135 feet; thence Westerly parallel with Northerly Right of Way line of Tilden Street 165 feet; thence Southerly parallel with aforesaid extension of the Easterly Right of Way line of James Drive 135 feet to Point of Beginning.

LESS:

The North 253.10 feet of the Northwest 1/4 of the Southeast 1/4 of Section 14, Township 22 South, Range 27 East, Orange County, Florida. LESS: The West 600.00 feet thereof; AND LESS: The North 15.00 feet thereof for Road.

PARCEL TWO

A parcel of land located in the Northwest 1/4 of the Southeast 1/4, Section 14, Township 22 South, Range 27 East, Orange County, Florida, being more particularly described as follows: Commencing at the platted corner of COURTEA OAKS PHASE 1A as recorded in Plat Book 35, Page 34, of the Public Records of Orange County, Florida, said point being located on the Northerly Right of Way line of Courteas Oaks Boulevard (75 foot Right of Way) at its intersection with the Westerly line of Lot 78, said COURTEA OAKS PHASE 1A; thence North 00 degrees 49 minutes 32 seconds East along the Westerly line of said COURTEA OAKS PHASE 1A, a distance of 436.15 feet to the Point of Beginning; thence leaving the Westerly line of said COURTEA OAKS PHASE 1A; North 89 degrees 14 minutes 50 seconds West a distance of 1014.34 feet to a point; thence South 00 degrees 51 minutes 24 seconds West a distance of 14.37 feet to a point thence North 89 degrees 26 minutes 16 seconds West a distance of 288.00 feet to a point on the Easterly Right of Way line of Dillard Street (60 foot Right of Way); thence North 00 degrees 51 minutes 24 seconds East along the Easterly Right of Way line of said Dillard Street, a distance of 122.78 feet to a point; thence leaving the Easterly Right of Way line of said Dillard Street, South 89 degrees 13 minutes 32 seconds East a distance of 463.04 feet to a point; thence South 79

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degrees 06 minutes 12 seconds East a distance of 174.66 feet to a point; thence South 89 degrees 14 minutes 50 seconds East a distance of 537.87 feet to a point; thence North 35 degrees 01 minutes 04 seconds East a distance of 45.98 feet to a point; thence North 00 degrees 49 minutes 32 seconds East a distance of 549.10 feet to a point on the Southerly Right of Way line of Division Street (60 foot Right of Way); thence South 89 degrees 26 minutes 16 seconds East along the Southerly Right of Way line of said Division Street, a distance of 110.00 feet to a point on the Westerly line of said COURTLEA OAKS PHASE 1A; thence leaving the Southerly Right of Way line of said Division Street South 00 degrees 49 minutes 32 seconds West along the Westerly line of said COURTLEA OAKS PHASE 1A, a distance of 637.01 feet to the Point of Beginning.

Southwest Middle School Addition

[Description To Come]

Winter Park High School Replacement

BEGIN AT THE SOUTH 1/4 CORNER OF SECTION 9, TOWNSHIP 22 SOUTH, RANGE 30 EAST, RUN SOUTH 87°10'40" WEST ALONG THE SOUTH LINE OF THE SE 1/4 OF THE SW 1/4 OF SAID SECTION 9, A DISTANCE OF 663.89 FEET TO THE SW CORNER OF THE E 1/2 OF SAID SE 1/4 OF THE SW 1/4; THENCE NORTH 0°55' WEST ALONG THE WEST LINE OF SAID E 1/2 OF SE 1/4 OF SW 1/4, 636.01 FEET TO THE SW CORNER OF SHERBROOKE, UNIT NUMBER ONE, AS RECORDED IN PLAT BOOK 1, PAGE 111, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE ALONG THE SOUTH BOUNDARY OF SAID SUBDIVISION NORTH 88°14' EAST 133.68 FEET; THENCE NORTH 84°58'27" EAST, 50.11 FEET; THENCE NORTH 88°14' EAST, 495.00 FEET; THENCE RUN SOUTH 88°23'44" EAST, 928.62 FEET TO A POINT ON THE WEST SIDE OF THE U.S. GOVERNMENT RAILROAD, 416 FEET WEST OF THE EAST LINE OF THE SW 1/4 OF THE SE 1/4 OF SECTION 9; THENCE SOUTH 01°24'24" EAST, 642.54 FEET TO A POINT ON THE SOUTH LINE OF SAID SW 1/4 OF SE 1/4 OF SECTION 9, WHICH POINT IS 416 FEET, NORTH 87°30'20" WEST OF THE SE CORNER OF SAID SW 1/4 OF SE 1/4; THENCE RUN NORTH 87°30'20" WEST, 4.00 FEET ALONG THE SECTION LINE COMMON TO SECTIONS 9 AND 16, TOWNSHIP 22 SOUTH, RANGE 30 EAST; THENCE SOUTH 01°04'26" EAST, 337.76 FEET TO A POINT ON THE SOUTH LINE OF THE NW 1/4 OF THE NW 1/4 OF THE NE 1/4 OF SAID SECTION 16, WHICH POINT IS 420 FEET, NORTH 88°00'50" WEST OF THE SE CORNER OF SAID NW 1/4 OF THE NW 1/4 OF THE NE 1/4; THENCE RUN NORTH 88°00'50" WEST, 946.58 FEET TO THE SW CORNER OF SAID NW 1/4 OF THE NW 1/4 OF THE NE 1/4; THENCE RUN NORTH 09°53'44" WEST, 346.10 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH:

THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 9, TOWNSHIP 22 SOUTH, RANGE 30 EAST, ALL LYING AND BEING IN ORANGE COUNTY, FLORIDA.

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ALL RIGHT, TITLE AND INTEREST OF THE INSURED IN AND TO THAT CERTAIN EASEMENT AGREEMENT AMONG STONEYBROOK JOINT VENTURE, A FLORIDA GENERAL PARTNERSHIP, STONEYBROOK WEST MASTER ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION, STONE CREEK HOMEOWNERS ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION, AND THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, A PUBLIC CORPORATE BODY ORGANIZED AND EXISTING UNDER THE LAWS AND CONSTITUTION OF THE STATE OF FLORIDA, RECORDED DECEMBER 19, 2000, IN BOOK 6153, PAGE 4634, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, OVER THE FOLLOWING DESCRIBED PROPERTY:

TRACT H, STONE CREEK UNIT 1, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

Hunter's Creek Elementary School Relief

School Tract of HUNTER'S CREEK TRACT 524, A REPLAT, according to the Plat thereof as recorded in Plat Book 53, Pages 12 and 13, of the Public Records of Orange County, Florida.

Columbia/Bonneville Elementary School Relief

THAT PORTION OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 AND THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 12, TOWNSHIP 22 SOUTH, RANGE 31 EAST, ORANGE COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID NORTHEAST 1/4 OF SECTION 12; THENCE RUN S89°02'52"E ALONG THE NORTH LINE OF SAID NORTHEAST 1/4, 40.34 FEET TO THE EAST RIGHT OF WAY LINE OF NORTH TANNER ROAD; THENCE RUN N00°34'08"E ALONG SAID EAST RIGHT OF WAY LINE, 15.00 FEET TO THE NORTH LINE OF TRACT B, TANNER ROAD PHASE 5, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 47, PAGE 28, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN S88°08'52"E ALONG SAID NORTH LINE AND THE NORTH LINE OF TRACT C, TANNER ROAD PHASE 5, 1285.34 FEET TO THE NORTHEAST CORNER OF TRACT C; THENCE RUN S00°32'21"W ALONG THE EAST LINE OF TRACT C, 15.00 FEET TO THE SOUTHEAST CORNER OF TRACT C, ALSO BEING THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 12; THENCE RUN S00°02'42"W ALONG THE EAST LINE OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4, 889.50 FEET FOR THE POINT OF BEGINNING; THENCE RUN S88°58'53"E, 161.47 FEET; THENCE RUN S40°08'02"W, 26.96 FEET; THENCE RUN S34°04'23"W, 34.84 FEET; THENCE RUN S07°42'43"W, 72.04 FEET; THENCE RUN S01°27'50"W, 65.76 FEET; THENCE RUN S12°06'41"E, 27.81 FEET; THENCE RUN S36°04'22"E, 38.18 FEET; THENCE RUN S00°53'09"E, 167.32 FEET; THENCE RUN S20°11'30"E, 92.32 FEET; THENCE RUN S35°12'01"E, 71.64 FEET; THENCE RUN S48°45'52"E, 38.66 FEET; THENCE RUN S50°28'02"E, 77.48 FEET TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4; THENCE RUN N88°58'53"W ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4, 990.25 FEET TO THE EAST LINE OF THE WEST 644.00 FEET OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN N00°05'48"E ALONG SAID EAST LINE, 335.04 FEET TO THE NORTH LINE OF THE SOUTH 336.00 FEET OF

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Tildenville Elementary School Relief

PARCEL 1

A PARCEL OF LAND LOCATED IN THE SE 1/4 AND THE NE 1/4, SECTION 4, T33S, R27E, ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SE 1/4 OF SAID SECTION 4; THENCE N9°23'38"W ALONG THE EAST LINE OF THE SE 1/4 OF SAID SECTION 4, A DISTANCE OF 2417.32 FEET TO A POINT; THENCE LEAVING THE EAST LINE OF THE SE 1/4 OF SAID SECTION 4, S89°36'22"W, A DISTANCE OF 813.97 FEET TO THE POINT OF BEGINNING:

THENCE S43°10'44"W, A DISTANCE OF 188.38 FEET TO A POINT; THENCE S42°25'24"W, A DISTANCE OF 55.81 FEET TO A POINT; THENCE S38°34'40"W, A DISTANCE OF 71.41 FEET TO A POINT; THENCE S35°58'49"W, A DISTANCE OF 111.38 FEET TO A POINT; THENCE S60°42'07"W, A DISTANCE OF 94.41 FEET TO A POINT; THENCE S55°26'41"W, A DISTANCE OF 76.90 FEET TO A POINT; THENCE S35°11'48"W, A DISTANCE OF 149.69 FEET TO A POINT; THENCE S34°23'20"W, A DISTANCE OF 21.01 FEET TO A POINT; THENCE N0°20'41"W, A DISTANCE OF 36.80 FEET TO A POINT; THENCE S89°47'09"W, A DISTANCE OF 350.00 FEET TO A POINT;

7
THENCE N49°41'29"W, A DISTANCE OF 366.87 FEET TO A POINT ON THE SOUTHEASTERLY BOUNDARY LINE OF STONE CREEK UNIT 1, AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, OF THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA; THENCE N27°43'31"E ALONG THE SOUTHEASTERLY LINE OF SAID STONE CREEK UNIT 1, A DISTANCE OF 784.06 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF STONEYBROOK WEST PARKWAY (100-FOOT RIGHT OF WAY) AS RECORDED IN PLAT BOOK 44, PAGES 131 THROUGH 133, OF THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA; THENCE LEAVING THE SOUTHEASTERLY LINE OF SAID STONE CREEK UNIT 1, S62°16'29"E ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID STONEYBROOK WEST PARKWAY, A DISTANCE OF 887.43 FEET TO THE POINT OF BEGINNING.

PARCEL 2, TOGETHER WITH EASEMENT INTEREST:

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THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN N88°58'53"W ALONG SAID NORTH LINE, 581.85 FEET TO THE EAST RIGHT OF WAY LINE OF NORTH TANNER ROAD; THENCE RUN N00°07'08"W ALONG SAID EAST RIGHT OF WAY LINE, 50.01 FEET TO THE NORTH LINE OF THE SOUTH 385 FEET OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN S88°58'53"E ALONG SAID NORTH LINE, 582.04 FEET TO THE AFORESAID EAST LINE OF THE WEST 644.00 FEET OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN N00°05'48"E ALONG SAID EAST LINE, 407.72 FEET; THENCE RUN S89°26'50"E, 50.00 FEET; THENCE RUN S00°05'48"W, 163.09 FEET TO THE NORTH LINE OF THE SOUTH 630.00 FEET OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN S88°58'53"E ALONG SAID NORTH LINE, 632.08 FEET TO THE POINT OF BEGINNING.

LESS and EXCEPT that part conveyed to Stonebriar LLC by that certain Quit-Claim Deed recorded in Official Records Book 7187, Page 3694, of the Public Records of Orange County, Florida; being described as follows:

Commence at the Northwest corner of said Northeast 1/4 of Section 12; thence run South 00 degrees 05 minutes 46 seconds West along the West line of the Northwest 1/4 of the Northeast 1/4, 351.94 feet; thence run South 89 degrees 03 minutes 20 seconds East, 201.39 feet; thence run South 43 degrees 14 minutes 34 seconds East, 146.89 feet; thence run South 89 degrees 26 minutes 50 seconds East, 207.37 feet; thence run North 00 degrees 07 minutes 43 seconds West, 19.43 feet for a Point of Beginning; thence run South 00 degrees 05 minutes 48 seconds West, 163.09 feet; thence run North 88 degrees 58 minutes 53 seconds West, 50.01 feet; thence run North 00 degrees 05 minutes 48 seconds East, 162.68 feet; thence run South 89 degrees 26 minutes 50 seconds East, 50.00 feet.

II. PERMITTED ENCUMBRANCES

Dillard Street Elementary School Replacement

1. Underground Distribution Easement in favor of Progress Energy Florida, Inc., a Florida corporation, recorded August 13, 2003 in Official Records Book 7048, Page 3089, Public Records of Orange County, Florida.
2. Distribution Easement in favor of Florida Power Corporation, a Florida corporation, recorded in Official Records Book 3832, Page 413, Public Records of Orange County, Florida.
3. Notice of Easement in favor of Time Warner Entertainment-Advance/Newhouse Partnership, through its Florida Division, d/b/a Time Warner Communications recorded March 27, 2000 in Official Records Book 5968, Page 2322, Public Records of Orange County, Florida.
4. Those matters shown on Leading Edge Land Services Survey, project no. 029-02075, last revised March 7, 2003, and Leading Edge Land Services Survey, project no. 029-02073, last revised March 7, 2003.

Southwest Middle School Addition

[To Come]

Winter Park High School Replacement

1. Easement in favor of the City of Orlando and Orlando Utilities Commission recorded December 18, 1958 in Book 467, Page 78.
2. Easement in favor of Florida Power Corporation recorded February 20, 1968 in Book 1707, Page 954.
3. Easement in favor of Florida Power Corporation recorded December 18, 1968 in Book 1788, Page 937.
4. Easement in favor of Florida Power Corporation recorded January 6, 1969 in Book 1793, Page 858.
5. Easement in favor of Florida Power Corporation recorded August 4, 1969 in Book 1859, Page 101.
6. Easement in favor of Florida Power Corporation recorded May 4, 1978 in Book 1940, Page 877.
7. Easement in favor of Laurel Homes, Inc. recorded September 14, 1971 in Book

Official Records Book 6153, Page 4634, Public Records of Orange County, Florida, (as to Parcel 2 only)

10. Terms and conditions of the Drainage Easement Agreement recorded December 19, 2000 in Official Records Book 6153, Page 4648, Public Records of Orange County, Florida. (as to Parcel 1 only)
11. Unrecorded Use Agreement between School Board and Stoneybrook Joint Venture dated December 4, 2000. (as to Parcel 1 only)

Those matters shown on the Boundary Survey prepared by Leading Edge Land Services, Inc. dated October 2, 2000, Project Number 0029-00034.

Hunter's Creek Elementary School Relief

1. Use Restrictions contained in the Special Warranty Deed recorded March 10, 2003 in Official Records Book 6819, Page 2469, Public Records of Orange County, Florida.
2. Use Restriction shown on the plat of HUNTER'S CREEK TRACT 524, A REPLAT, recorded in Plat Book 53, Pages 12 and 13, of the Public Records of Orange County, Florida.
3. Water Utilities Agreement (Contract No. W-85-6) by and between Orange County, a political subdivision of the State of Florida, and Genstar Southern Development, Inc., a Florida corporation, recorded June 10, 1985 in Official Records Book 3650, Page 2754; and amended by the Amendments recorded in Official Records Book 3798, Page 4900, Official Records Book 3818, Page 4484; Official Records Book 4222, Page 1922, and Official Records Book 4560, Page 4758; and assigned by the Assignments recorded in Official Records Book 3937, Page 682; together with the Bill of Sale recorded in Official Records Book 3831, Page 3461 and assigned by the Assignment recorded in Official Records Book 3818, Page 1053, all in the Public Records of Orange County, Florida.
4. Water Service Capacity Reservation Agreement by and between Orange County, a political subdivision of the State of Florida, and Genstar Southern Development, Inc., a Florida corporation, recorded September 8, 1986 in Official Records Book 3818, Page 1056, and assigned by the Assignment recorded in Official Records Book 3937, Page 694, all in the Public Records of Orange County, Florida.
5. The Central Subregional Wastewater Utilities Agreement (Contract No. S-85-9) by and between Orange County, a political subdivision of the State of Florida, and Genstar Southern Development, Inc., a Florida corporation, recorded June 10, 1985 in Official Records Book 3650, Page 2646; and amended by the Amendments recorded in Official Records Book 3866, Page 4473, Official Records Book 4222,

2116, Page 247.

8. Storm Drainage Easement in favor of the City of Winter Park recorded February 15, 1974 in Book 2500, Page 1993.
9. Distribution Easement in favor of Florida Power Corporation recorded September 18, 1991 in Book 4326, Page 4672.
10. Those matters shown on the BJM Associates, Inc. survey, Project No. 980CSD40, dated June 24, 2002, as re-certified February 28, 2003.

Tildenville Elementary School Relief

1. Certificate of Establishing Water Basin Boundaries of the Southwest Florida Water Management District filed December 28, 1961 in Book 992, Page 634, Public Records of Orange County, Florida. (Parcels 1 & 2)
2. Southwest Florida Water Management District Realigning the Boundaries of the Ocklawaha River Basin recorded October 18, 1976 in Official Records Book 2735, Page 539, Public Records of Orange County, Florida. (Parcels 1 & 2)
3. Taxes and assessments for the year 2001, and subsequent years, which are not yet due and payable as to Parcel 2 only. School Board is exempt as to real property taxation as to Parcel 1.
4. Notice of Establishment of Stoneybrook West Community Development District recorded January 21, 2000 in Official Records Book 5927, Page 2227, and recorded January 31, 2000 in Official Records Book 5933, Page 874, all in the Public Records of Orange County, Florida. (as to Parcel 1 only)
5. Grant of Easement recorded May 5, 2000 in Official Records Book 5995, Page 3611, Public Records of Orange County, Florida. (as to Parcel 1 only)
6. Drainage Easement recorded August 9, 2000 in Official Records Book 6063, Page 2534, Public Records of Orange County, Florida. (as to Parcel 1 only)
7. Declaration of Covenants and Restrictions for Stone Creek recorded August 9, 2000 in Official Records Book 6063, Page 2541, Public Records of Orange County, Florida. (as to Parcel 2 only)
8. Subject to the rights of the public at large in and to Parcel 2 by virtue of the dedication of Parcel 2 as a Park in Plat Book 44, Pages 131 through 133, Public Records of Orange County, Florida, and the rights of members of the Stonerick Homeowners Association, Inc. by virtue of the Declaration of Covenants and Restrictions specified in Exception 7 hereinabove. (as to Parcel 2 only)
9. Terms and conditions of the Easement Agreement recorded December 19, 2000 in

Page 1922, and Official Records Book 4560, Page 4753; and assigned by the Assignment recorded in Official Records Book 3931, Page 1004, all in the Public Records of Orange County, Florida.

6. Terms and conditions of the unrecorded Development Order and Agreement by evidence of the Notice of Adoption of Development Order and Agreement recorded January 31, 1984 in Official Records Book 3468, Page 398; and with the Assignment and Assumption Agreement recorded in Official Records Book 3928, Page 4241; and amended by the Amendments recorded in Official Records Book 3933, Page 4378, Official Records Book 4711, Page 2339, and Official Records Book 5085, Page 761 with the Corrective Affidavit recorded in Official Records Book 5108, Page 4190, all in the Public Records of Orange County, Florida.

Columbia/Bonneville Elementary School Relief

1. Use restrictions contained in the Special Warranty Deed recorded March 11, 2003 in Official Records Book 6891, Page 3075, Public Records of Orange County, Florida.
2. Use restrictions contained in the Special Warranty Deed recorded March 11, 2003 in Official Records Book 6891, Page 3078, Public Records of Orange County, Florida.
3. Those matters shown on Sears Survey Company, job no. 02033.004, last revised March 6, 2003.

MIA-FS11719210-0262803916445-030700

AMENDMENT NO. 4 TO SERIES 2002A-1 GROUND LEASE
(Series 2002A-1 Facility Sites)

AMENDMENT NO. 4

Dated as of July 1, 2007

TO

SERIES 2002A-1
GROUND LEASE

Dated as of June 15, 2002

as amended by Amendment No. 1 dated as of November 1, 2002,
as amended by Amendment No. 2 dated as of March 1, 2005, and
as further amended by Amendment No. 3 dated as of June 1, 2005

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida,
National Association)
as Trustee and Assignee of
ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee

(Series 2002A-1 Facility Sites)

THIS AMENDMENT NO. 4, dated as of July 1, 2007 ("Amendment No. 4") to Series 2002A-1 Ground Lease, dated as of June 15, 2002 (the "Original Ground Lease"), between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA (the "School Board"), acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor, and U.S. BANK NATIONAL ASSOCIATION (successor to SouthTrust Bank of Florida, National Association), as Trustee (the "Trustee") and as Assignee pursuant to a Series 2002A Assignment Agreement, dated as of June 15, 2002 (the "Series 2002A Assignment Agreement") of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 1091.453, Florida Statutes, as Lessee. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Ground Lease. The Original Ground Lease, as amended by Amendment Nos. 1, 2 and 3 and by this Amendment No. 4, is hereinafter collectively referred to as the "Series 2002A-1 Ground Lease."

WITNESSETH:

WHEREAS, as of June 15, 2002, the School Board and the Corporation entered into the Original Ground Lease; and

WHEREAS, the Corporation assigned all of its interest in the Original Ground Lease to the Trustee pursuant to the Series 2002A Assignment Agreement, as recorded in the official records of Orange County, Florida on June 24, 2002, in Official Records Book 06551 at Pages 2909-2919; and

WHEREAS, the Original Ground Lease contemplated that it would be amended for the purpose of adding or correcting a legal description and/or permitted encumbrances for any Series 2002A-1 Facility Site to be ground leased pursuant to the Original Ground Lease; and

WHEREAS, as of November 1, 2002, the School Board and the Trustee entered into Amendment No. 1 to the Original Ground Lease ("Amendment No. 1"), a memorandum of which was recorded in the official records of Orange County, Florida on December 27, 2002 in Official Records Book 06719 at Pages 2207-2212, for the purpose of revising the list of Series 2002A-1 facilities encumbered under the Original Ground Lease by adding the facility sites for Tildenville Elementary School Relief, Hunter's Creek Elementary School Relief and Columbia/Bonneville Elementary School Relief to the list of Series 2002A-1 Facilities encumbered under the Original Ground Lease and removing the facility sites for Community Education Partners, Inc. Building East, Community Education Partners, Inc. Building West and Glenridge Middle School Replacement from the list of Series 2002A-1 Facilities sites encumbered under the Original Ground list.

WHEREAS, as of March 1, 2005, the School Board and the Trustee entered into Amendment No. 2 to the Original Ground Lease ("Amendment No. 2"), a memorandum of which was recorded in the official records of Orange County, Florida on March 25, 2005 in Official Records Book 07889 at Pages 3363-3370, for the purpose of further amending the Series

2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the facility sites known as Winter Park High School, Hunter's Creek Elementary School Relief and Hilland Elementary School in order to subject such facility sites to the lien of the Series 2002A-1 Ground Lease.

WHEREAS, as of June 1, 2005, the School Board and the Trustee entered into Amendment No. 3 to the Original Ground Lease ("Amendment No. 3"), a memorandum of which was recorded in the official records of Orange County, Florida on August 4, 2005 in Official Records Book 08109 at Page 2564, for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the facility sites known as Columbia/Bonneville Elementary School Relief in order to subject such facility sites to the lien of the Series 2002A-1 Ground Lease.

WHEREAS, the School Board wishes to further amend the Original Ground Lease, as previously amended, in order to add the legal description and permitted encumbrances for Southwest Middle School Relief Addition in order to subject such facility site to the lien of the Series 2002A-1 Ground Lease.

NOW, THEREFORE, the parties hereto mutually agree to the following amendments to the Original Ground Lease:

Exhibit A - A. Description of Real Estate to the Original Ground Lease is hereby amended by inserting the legal description attached hereto as Exhibit A, Part A, which sets forth the real estate description of Southwest Middle School Relief Addition.

Exhibit A - B. Permitted Encumbrances to the Original Ground Lease is hereby amended by inserting the permitted encumbrances attached hereto as Exhibit A, Part B, which sets forth the permitted encumbrances for Southwest Middle School Relief Addition.

This Amendment No. 4 to Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

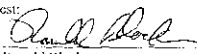
Except as amended hereby, the Series 2002A-1 Ground Lease is hereby ratified and confirmed and shall remain in full force and effect.

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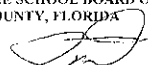
IN WITNESS WHEREOF, the U.S. Bank National Association, as Assignee of the Corporation, has caused this Amendment No. 4 to Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officer and the School Board has caused this Amendment No. 4 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

SEAL

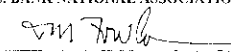
attest:

By: 
Ronald Blocker
Secretary

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: 
Karen Ardman, Chairman
The School Board of Orange County, Florida
CHAIRMAN

U.S. BANK NATIONAL ASSOCIATION

By: 
Peter H. Fowler
Vice President

[AMENDMENT NO. 4 TO SERIES 2002A-1 GROUND LEASE]

STATE OF FLORIDA)
)SS:
COUNTY OF ORANGE)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that ~~John Anderson~~ and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, respectively of THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said School Board and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16th day of July, 2007.

Jackie Swigart
NOTARY PUBLIC, STATE OF FLORIDA

NOTARY PUBLIC
SEAL OF OFFICE:



(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)
☐ DID take an oath, or ☒ DID NOT take an oath.

STATE OF FLORIDA)
)SS:
COUNTY OF ORANGE)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Peter H. Fowler, personally known to me to be the same person whose name, as Vice President of U.S. Bank National Association, a national banking association, appeared before me this day in person and acknowledged executing the same freely and voluntarily under authority duly vested in him by said association and that the seal affixed thereto is the true corporate seal of said association.

WITNESS my hand and official seal in the County and State last aforesaid this 16th day of July, 2007.



Jackie Swigart
NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or Type as Commissioned)

☒ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)

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EXHIBIT A

SERIES 2002A-1 FACILITY SITES AS AMENDED

A. DESCRIPTION OF REAL ESTATE

Southwest Middle School Relief Addition

A PARCEL OF LAND LOCATED IN SECTION 22, TOWNSHIP 23 SOUTH, RANGE 28 EAST, ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 439, OF THE PLAT OF SAND LAKE HILLS SECTION FOUR AS RECORDED IN PLAT BOOK 7, PAGE 135 OF THE PUBLIC RECORDS OF ORANGE COUNTY FLORIDA; THENCE N89°46'31"W, ALONG THE NORTH LINE OF SAID PLAT OF SAND LAKE HILLS SECTION FOUR, A DISTANCE OF 153.27 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG THE NORTH LINE OF SAID PLAT OF SAND LAKE HILLS SECTION FOUR, N89°46'31"W, A DISTANCE OF 265.15 FEET TO A POINT; THENCE LEAVING NORTH LINE OF SAID PLAT OF SAND LAKE HILLS SECTION FOUR, N00°13'29"E, A DISTANCE OF 144.48 FEET TO A POINT; THENCE N89°46'31"E, A DISTANCE OF 266.15 FEET TO A POINT; THENCE S00°13'29"W, A DISTANCE OF 144.48 FEET TO THE POINT OF BEGINNING.

B. PERMITTED ENCUMBRANCES

Southwest Middle School Relief Addition

1. School Board is exempt as to real property taxation as to the Series 2007A/B Facilities Site.
2. Those matters shown on that Leading Edge Land Services survey, Project # 029-0612H last revised _____.
3. Declaration of Covenants and Restrictions recorded August 31, 1979 in Book 3044, Page 400.
4. Sewage Pressure Main Utility Easement in favor of County of Orange recorded February 13, 1980 in Book 3093, Page 1938.

AMENDMENT NO. 5

Dated as of April 1, 2009

TO

SERIES 2002A-1
GROUND LEASE

Dated as of June 15, 2002
as amended by Amendment No. 1 dated as of November 1, 2002,
as amended by Amendment No. 2 dated as of March 1, 2005,
as amended by Amendment No. 3 dated as of June 1, 2005, and as
amended by Amendment No. 4 dated as of July 1, 2007

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida,
National Association)
as Trustee and Assignee of
ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee

(Series 2002A-1 Facility Sites)

AMENDMENT NO. 5 TO SERIES 2002A-1 GROUND LEASE
(Series 2002A-1 Facility Sites)

THIS AMENDMENT NO. 5, dated as of April 1, 2009 ("Amendment No. 5") to Series 2002A-1 Ground Lease, dated as of June 15, 2002 (the "Original Ground Lease"), between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA (the "School Board"), acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor, and U.S. BANK NATIONAL ASSOCIATION (successor to SouthTrust Bank of Florida, National Association), as Trustee (the "Trustee") and as Assignee pursuant to a Series 2002A Assignment Agreement, dated as of June 15, 2002 (the "Series 2002A Assignment Agreement") of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 1001.453, Florida Statutes, as Lessee. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Ground Lease. The Original Ground Lease, as amended by Amendment No. 1, Amendment No. 2, Amendment No. 3 and Amendment No. 4 (each as hereinafter defined), is hereinafter collectively referred to as the "Series 2002A-1 Ground Lease".

WITNESSETH:

WHEREAS, as of June 15, 2002, the School Board and the Corporation entered into the Original Ground Lease; and

WHEREAS, the Corporation assigned all of its interest in the Original Ground Lease to the Trustee pursuant to the Series 2002A Assignment Agreement, as recorded in the official records of Orange County, Florida on June 24, 2002, in Official Records Book 06551 at Pages 2909-2919; and

WHEREAS, the Original Ground Lease contemplated that it would be amended for the purpose of adding or correcting a legal description and/or permitted encumbrances for any Series 2002A-1 Facility Site to be ground leased pursuant to the Original Ground Lease; and

WHEREAS, as of November 1, 2002, the School Board and the Trustee entered into Amendment No. 1 to the Original Ground Lease ("Amendment No. 1"), a memorandum of which was recorded in the official records of Orange County, Florida on December 27, 2002 in Official Records Book 06719 at Pages 2207-2212, for the purpose of revising the list of Series 2002A-1 facilities encumbered under the Original Ground Lease by adding the facility sites designated as "Hildenville Elementary School Relief", "Hunter's Creek Elementary School Relief" and "Columbia/Bonneville Elementary School Relief" to the list of Series 2002A-1 Facility Sites encumbered under the Original Ground Lease and removing the facility sites for "Community Education Partners, Inc. Building East", "Community Education Partners, Inc. Building West" and "Glenridge Middle School Replacement" from the list of Series 2002A-1 Facility Sites encumbered under the Original Ground Lease; and

WHEREAS, as of March 1, 2005, the School Board and the Trustee entered into Amendment No. 2 to the Original Ground Lease ("Amendment No. 2"), a memorandum of which was recorded in the official records of Orange County, Florida on March 25, 2005 in Official Records Book 07889 at Pages 3363-3371, for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the Series 2002A-1 Facility Sites designated as "Winter Park High School", "Hunter's Creek Elementary School Relief" and "Dillard Street Elementary School Replacement" in order to subject such real property to the lien of the Series 2002A-1 Ground Lease;

WHEREAS, as of June 1, 2005, the School Board and the Trustee entered into Amendment No. 3 to the Original Ground Lease ("Amendment No. 3"), a memorandum of which was recorded in the

official records of Orange County, Florida on August 4, 2005 in Official Records Book 08109 at Page 2564, for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the Series 2002A-1 Facility Site designated as "Columbia/Bonneville Elementary School Relief" in order to subject such real property to the lien of the Series 2002A-1 Ground Lease;

WHEREAS, as of July 1, 2007, the School Board and the Trustee entered into Amendment No. 4 to the Original Ground Lease ("Amendment No. 4"), a memorandum of which was recorded in the official records of Orange County, Florida on July 25, 2007 in Official Records Book 09367 at Page 1038, for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal description and permitted encumbrances for the Series 2002A-1 Facility Site designated as "Southwest Middle School Addition" in order to subject such real property to the lien of the Series 2002A-1 Ground Lease;

WHEREAS, the School Board wishes to amend the Series 2002A-1 Ground Lease for the purpose of amending the legal description for the Series 2002A-1 Facility Site designated as "Dillard Street Elementary School Replacement", as shown in Exhibit A - Part A to the Series 2002A-1 Ground Lease, in order to release a portion of such Series 2002A-1 Facility Site from the lien of the Series 2002A-1 Ground Lease;

NOW, THEREFORE, the parties hereto mutually agree to the following amendments to the Series 2002A-1 Ground Lease:

1. **EXHIBIT A - SERIES 2002A-1 FACILITY SITES - A. DESCRIPTION OF REAL ESTATE** is hereby amended by removing the legal description for the Series 2002A-1 Facility Site designated as "Dillard Street Elementary School Replacement" from the real estate descriptions as shown in "EXHIBIT A" to the Series 2002A-1 Ground Lease and, in lieu thereof, inserting the legal description described in Part I of Exhibit A hereto, which sets forth the amended real estate description for the Series 2002A-1 Facility Site designated as "Dillard Street Elementary School Replacement".

2. **EXHIBIT A - SERIES 2002A-1 FACILITY SITES - B. PERMITTED ENCUMBRANCES** is hereby amended by removing the permitted encumbrances for the Series 2002A-1 Facility Site designated as "Dillard Street Elementary School Replacement" from the permitted encumbrances as shown in "EXHIBIT A" to the Series 2002A-1 Ground Lease and, in lieu thereof, inserting the permitted encumbrances described in Part II of Exhibit A hereto, which sets forth the permitted encumbrances for Dillard Elementary School.

This Amendment No. 5 to Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Except as amended hereby, the Series 2002A-1 Ground Lease is hereby ratified and confirmed and shall remain in full force and effect.

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IN WITNESS WHEREOF, U.S. Bank National Association, as Assignee of the Corporation, has caused this Amendment No. 5 to Series 2002A-1 Ground Lease to be executed in its corporate name and its corporate seal to be hereunto affixed and attested by its duly authorized officer and the School Board has caused this Amendment No. 5 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed by its duly authorized officials, all as of the date first above written.

[SEAL]

Attest:

By: Ronald Blocker
Ronald Blocker
Secretary

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: Joie Cadle
Joie Cadle, Chairman
The School Board of Orange County,
Florida

U.S. BANK NATIONAL ASSOCIATION

By: Peter H. Fowler
Peter H. Fowler
Vice President

[AMENDMENT NO. 5 TO SERIES 2002A-1 GROUND LEASE]

STATE OF FLORIDA)
COUNTY OF ORANGE)

I, Jackie Swigart, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Joie Cadle and Ronald Blocker, personally known to me to be the same persons whose names are, respectively, as Chairman and Secretary, of THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said School Board, and delivered the said instrument as the free and voluntary act of said School Board and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30 day of April, 2009.

NOTARY PUBLIC
SEAL OF OFFICE:



Jackie Swigart
NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or
☐ Produced identification

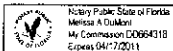
(Type of Identification Produced)

STATE OF FLORIDA
COUNTY OF ORANGE

I, Melissa A. DuMont, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Peter H. Fowler, personally known to me to be the same person whose name, as Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18 day of April, 2009.

NOTARY PUBLIC
SEAL OF OFFICE:



Melissa A. DuMont
NOTARY PUBLIC, STATE OF FLORIDA
(Name of Notary Public, Print, Stamp or Type as Commissioned.)

☒ Personally known to me, or
☐ Produced identification

(Type of Identification Produced)

EXHIBIT A

Part I - Legal Description (Dillard Street Elementary School Replacement)

A parcel of land located in the NW 1/4 of the SE 1/4, Section 14, T22S, R27E, Orange County, Florida, being more particularly described as follows:

Beginning at the platted corner of Courtlea Oaks Phase 1A as recorded in Plat Book 35, Page 34, of the Public Records of Orange County, Florida, said point being located on the northerly right-of-way line of Courtlea Oaks Boulevard (75-foot right of way) at its intersection with the westerly line of Lot 78, said Courtlea Oaks Phase 1A, thence N89°14'50"W, along the northerly right-of-way line of said Courtlea Oaks Boulevard, a distance of 1302.78 feet to a point on the easterly right-of-way line of Dillard Street (60-foot right of way); thence N0°51'24"E, along the easterly right-of-way line of said Dillard Street, a distance of 543.60 feet; thence leaving the easterly right-of-way line of said Dillard Street, S89°13'32"E, a distance of 463.04 feet; thence S70°06'12"E, a distance of 174.66 feet; thence S89°14'50"E, a distance of 537.87 feet; thence N36°01'04"E, a distance of 45.98 feet; thence N0°49'32"E, a distance of 549.10 feet to a point on the southerly right-of-way line of Division Street (60-foot right-of-way); then S89°25'16"E along the southerly right-of-way line of said Division Street, a distance of 110.00 feet to a point at the northwest corner of said Courtlea Oaks Phase 1A, thence leaving the southerly right-of-way line of said Division Street, S0°49'32"W, along the west line of said Courtlea Oaks Phase 1A, a distance of 1073.16 feet to the point of beginning.

LESS THE FOLLOWING:

A Parcel of Land located in the Northwest 1/4 of the Southeast 1/4 of Section 14, Township 22 South, Range 27 East, Orange County, Florida, being more particularly described as follows: Commencing at the platted corner of COURTLEA OAKS PHASE 1A as recorded in Plat Book 35, Page 34, of the Public Records of Orange County, Florida, said point being located on the Northerly Right-of-Way line of Courtlea Oaks Boulevard (75 foot Right-of-Way) at its intersection with the Westerly line of Lot 78, said Courtlea Oaks Phase 1A, thence North 00 degrees 49 minutes 32 seconds East along the Westerly line of said Courtlea Oaks Phase 1A, a distance of 381.98 feet to the Point of Beginning, thence leaving the Westerly line of said Courtlea Oaks Phase 1A, North 89 degrees 14 minutes 50 seconds West a distance of 602.91 feet to a point; thence North 00 degrees 45 minutes 10 seconds East, a distance of 104.18 feet to a point; thence South 89 degrees 14 minutes 50 seconds East a distance of 466.54 feet to a point; thence North 36 degrees 01 minutes 04 seconds East a distance of 45.98 feet to a point; thence North 00 degrees 49 minutes 32 seconds East a distance of 549.10 feet to a point on the Southerly Right-of-Way line of Division Street; thence South 89 degrees 26 minutes 16 seconds East along the Southerly Right-of-Way line of said Division Street, a distance of 110.00 feet; thence leaving the Southerly Right-of-Way line of said Division Street, South 00 degrees 49 minutes 32 seconds West along the Westerly line of said Courtlea Oaks Phase 1A, a distance of 691.18 feet to the Point of Beginning.

Part II - Permitted Encumbrances (Dillard Street Elementary School Replacement)

Dillard Street Elementary School Replacement

- Underground Distribution Easement in favor of Progress Energy Florida, Inc., a Florida corporation, recorded August 13, 2003 in Official Records Book 7098, Page 3089, Public Records of Orange County, Florida.

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- Distribution Easement in favor of Florida Power Corporation, a Florida corporation, recorded in Official Records Book 3832, Page 413, Public Records of Orange County, Florida.
- Notice of Easement in favor of Time Warner Entertainment-Advance/Newhouse Partnership, through its Florida Division, d/b/a Time Warner Communications recorded March 27, 2000 in Official Records Book 5968, Page 2322, Public Records of Orange County, Florida.
- Those matters shown on Leading Edge Land Services Survey, project no. 029-02075, last revised March 7, 2003, and Leading Edge Land Services Survey, project no. 029-02073, last revised March 7, 2003.
- Drainage Easement Agreement recorded July 31, 2007 in Official Records Book 9371, Page 4973, Public Records of Orange County, Florida.

IMA 180, 411, 077V016415 030702

AMENDMENT NO. 6

Dated as of July 1, 2009

TO

SERIES 2002A-1
GROUND LEASE

Dated as of June 15, 2002,
as amended by Amendment No. 1 dated as of November 1, 2002,
as amended by Amendment No. 2 dated as of March 1, 2005,
as amended by Amendment No. 3 dated as of June 1, 2005,
amended by Amendment No. 4 dated as of July 1, 2007, and as
amended by Amendment No. 5 dated as of April 1, 2009

BETWEEN

THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
acting as the governing body of
the School District of Orange County, Florida
as Lessor

AND

U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida, National Association)
as Trustee and Assignee of
ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee

(Series 2002A-1 Facility Sites)

AMENDMENT NO. 6 TO SERIES 2002A-1 GROUND LEASE
(Series 2002A-1 Facility Sites)

THIS AMENDMENT NO. 6 dated as of July 1, 2009 ("Amendment No. 6") to Series 2002A-1 Ground Lease, dated as of June 15, 2002 (the "Original Ground Lease"), between THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA (the "School Board"), acting as the governing body of the School District of Orange County, Florida (the "District"), as Lessor, and U.S. BANK NATIONAL ASSOCIATION (successor to SouthTrust Bank of Florida, National Association), as trustee (the "Trustee") and as assignee pursuant to a Series 2002A Assignment Agreement dated as of June 15, 2002 (the "Series 2002A Assignment Agreement") of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION (the "Corporation"), a not-for-profit corporation organized and existing under and pursuant to Chapter 617 and Section 1001.453, Florida Statutes, as Lessee. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Ground Lease. The Original Ground Lease, as previously amended by the hereinafter described Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4 and Amendment No. 5, is hereinafter collectively referred to as the "Series 2002A-1 Ground Lease".

WITNESSETH:

WHEREAS, as of June 15, 2002, the School Board and the Corporation entered into the Original Ground Lease; and

WHEREAS, the Corporation assigned all of its interest in the Original Ground Lease to the Trustee pursuant to the Series 2002A Assignment Agreement, as recorded in the official records of Orange County, Florida on June 24, 2002, in Official Records Book 06551 at Pages 2909-2919; and

WHEREAS, the Original Ground Lease contemplated that it would be amended for the purpose of adding or correcting a legal description and/or permitted encumbrances for any Series 2002A-1 Facility Site to be ground leased pursuant to the Original Ground Lease; and

WHEREAS, as of November 1, 2002, the School Board and the Trustee entered into Amendment No. 1 to the Original Ground Lease ("Amendment No. 1") for the purpose of revising the list of Series 2002A-1 facilities encumbered under the Original Ground Lease by adding the facility sites designated as "Hillview Elementary School Relief", "Hunter's Creek Elementary School Relief" and "Columbia/Bonnieville Elementary School Relief" to the list of Series 2002A-1 Facility Sites encumbered under the Original Ground Lease and removing the facility sites for "Community Education Partners, Inc. Building East", "Community Education Partners, Inc. Building West" and "Glennridge Middle School Replacement" from the list of Series 2002A-1 Facility Sites encumbered under the Original Ground Lease.

WHEREAS, as of March 1, 2005, the School Board and the Trustee entered into Amendment No. 2 to the Original Ground Lease ("Amendment No. 2") for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the Series 2002A-1 Facility Sites designated as "Winter Park High School", "Hunter's Creek Elementary School Relief" and "Dillard Street Elementary School Replacement" in order to subject such real property to the Series 2002A-1 Ground Lease.

WHEREAS, as of June 1, 2005, the School Board and the Trustee entered into Amendment No. 3 to the Original Ground Lease ("Amendment No. 3") for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal descriptions and permitted encumbrances for the Series 2002A-1 Facility Site designated as "Columbia/Bonnieville Elementary School Relief" in order to subject such real property to the Series 2002A-1 Ground Lease.

WHEREAS, as of July 1, 2007, the School Board and the Trustee entered into Amendment No. 4 to the Original Ground Lease ("Amendment No. 4") for the purpose of further amending the Series 2002A-1 Ground Lease by adding the legal description and permitted encumbrances for the Series 2002A-1 Facility Site designated as "Southwest Middle School Addition" in order to subject such real property to the Series 2002A-1 Ground Lease.

WHEREAS, as of April 1, 2009, the School Board and the Trustee entered into Amendment No. 5 to the Original Ground Lease ("Amendment No. 5") for the purpose of further amending the Series 2002A-1 Ground Lease by amending the legal description for the Series 2002A-1 Facility Site designated as "Dillard Street Elementary School Replacement" in order to release a portion of such Series 2002A-1 Facility Site from the Series 2002A-1 Ground Lease.

WHEREAS, the School Board wishes to amend the Series 2002A-1 Ground Lease in order to add the project designated as "Hunter's Creek Elementary School" to the list of Series 2002A-1 Facility Sites and thereby subject such real property and the improvements thereon to the Series 2002A-1 Ground Lease.

NOW, THEREFORE, the parties hereto mutually agree to the following amendments to the Series 2002A-1 Ground Lease:

1. EXHIBIT A - SERIES 2002A-1 FACILITY SITES - A. DESCRIPTION OF REAL ESTATE is hereby amended by adding the legal description for the Series 2002A-1 Facility Site designated as "Hunter's Creek Elementary School" set forth in Part I of Exhibit A attached hereto to the real estate descriptions as shown in "EXHIBIT A" to the Series 2002A-1 Ground Lease.

2. EXHIBIT A - SERIES 2002A-1 FACILITY SITES - R. PERMITTED ENCUMBRANCES is hereby amended by adding the permitted encumbrances for the Series 2002A-1 Facility Site designated as "Hunter's Creek Elementary School" shown in Part II of Exhibit A attached hereto to the permitted encumbrances as shown in "EXHIBIT A" to the Series 2002A-1 Ground Lease.

This Amendment No. 6 to Series 2002A-1 Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Except as amended hereby, the Series 2002A-1 Ground Lease is hereby ratified and confirmed and shall remain in full force and effect.


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IN WITNESS WHEREOF, the School Board has caused this Amendment No. 6 to Series 2002A-1 Ground Lease to be executed in its name and its seal to be hereunto affixed and attested by its duly authorized officials and the Trustee has caused this Amendment No. 6 to Series 2002A-1 Ground Lease to be executed in its name by one of its duly authorized officers, all as of the date first above written.

[SEAL]


Attest:

By: 
Ronald Blocker
Secretary

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: 
Joe Cadle, Chairman,
The School Board of Orange County,
Florida


U.S. BANK NATIONAL ASSOCIATION

By: 
Peter H. Fowler
Vice President

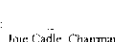
[AMENDMENT NO. 6 TO SERIES 2002A-1 GROUND LEASE]

[SEAL]

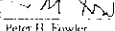
Attest:

By: 
Ronald Blocker
Secretary

THE SCHOOL BOARD OF ORANGE
COUNTY, FLORIDA

By: 
Joe Cadle, Chairman,
The School Board of Orange County,
Florida

U.S. BANK NATIONAL ASSOCIATION

By: 
Peter H. Fowler
Vice President

[AMENDMENT NO. 6 TO SERIES 2002A-1 GROUND LEASE]

12. Restrictions recorded December 26, 1985 in Book 3729, Page 2183; Supplemental Declaration recorded May 30, 1986 in Book 3791, Page 2696; and recorded January 26, 1987 in Book 3856, Page 1664; General Assignment of Contract Rights recorded July 8, 1987 in Book 3901, Page 4652; Amended and Restated Declaration recorded November 9, 1989 in Book 4131, Page 1689; Supplemental Declaration recorded June 26, 1991 in Book 4300, Page 2041; recorded October 21, 1992 in Book 4476, Page 4218; recorded March 16, 1993 in Book 4536, Page 4283; and recorded June 1, 1994 in Book 4748, Page 3899; Amendment recorded in Book 5173, Page 193; Amendment recorded in Book 5173, Page 195; Amendment recorded in Book 5367, Page 2259; Amendment recorded in Book 5388, Page 3077; and Amendment recorded in Book 5405, Page 4479; all in the Public Records of Orange County, Florida. (Affects Easement Parcel Only)

SHOWN FOR INFORMATION ONLY:

- a. Plat Book 28, Page 87.
- b. Plat Book 30, Page 143.
- c. Plat Book 34, Page 19.

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OR Bk 6551 Pg 2909
Orange Co FL 2002-0303377
06/24/2002 10:56:10am
Rec 51.00



Return to: J. FISHER
Greenberg Traurig, P.A.
450 S. Orange Ave., Suite 650
Orlando, FL 32801

This instrument was prepared by and when recorded
should be returned to:

ROBERT C. GANG, ESQ.
Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131

(This space reserved for Clerk)

**SERIES 2002A
ASSIGNMENT AGREEMENT**

BETWEEN

ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION

AND

**U.S. BANK NATIONAL ASSOCIATION
(successor to SouthTrust Bank of Florida, National Association)**

As Trustee

Dated as of June 15, 2002

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**SERIES 2002A
ASSIGNMENT AGREEMENT**

THIS AGREEMENT, made and entered into as of this 15th day of June 2002, by and between the ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION, a not-for-profit corporation organized under the laws of the State of Florida (the "Corporation"), and U.S. BANK NATIONAL ASSOCIATION (f/k/a/ U.S. Bank Trust National Association and successor to SouthTrust Bank of Florida, National Association), a national banking association with its designated corporate trust office in Fort Lauderdale, Florida, as Trustee (the "Trustee"):

WITNESSETH THAT, in the joint and mutual exercise of their powers, and in consideration of \$19.00 and other good and valuable consideration and the mutual covenants herein contained, the parties hereto recite and agree as follows:

Section 1. Recitals.

1.01. The School Board of Orange County, Florida (the "School Board"), and the Corporation have entered into a Master Lease Purchase Agreement dated as of May 1, 1997 (as the same may be amended or supplemented from time to time, the "Master Lease"), and have executed Schedules 2002A-1 and 2002A-2 thereto, each dated as of June 15, 2002, which Master Lease together with each separate schedule constitutes a separate lease (individually, the "Series 2002A-1 Lease" and the "Series 2002A-2 Lease" and collectively, the "Series 2002A Leases"), the former with respect to certain new educational facilities and sites and the latter with respect to certain improvements and certain educational facilities being financed and have entered into a Series 2002A-1 Ground Lease dated as of June 15, 2002 (as the same may be amended or supplemented from time to time, the "Series 2002A-1 Ground Lease"), with respect to the Series 2002A-1 Facilities (hereinafter defined).

1.02. Pursuant to the Series 2002A Leases, the School Board and the Corporation have agreed that (i) there shall be acquired, constructed, installed and equipped for lease-purchase to the School Board certain educational facilities and sites as described in Schedule 2002A-1 to the Master Lease (the "Series 2002A-1 Facilities"), such facilities being located on certain lands described in Schedule 2002A-1 (which, together with the improvements thereon are hereinafter collectively referred to as the "Series 2002A-1 Facility Sites") and (ii) there shall be acquired, constructed, installed and equipped for lease-purchase to the School Board certain improvements and there shall be financed certain educational facilities as described in Schedule 2002A-2 to the Master Lease (the "Series 2002A-2 Facilities"). (The 2002A-1 Facilities and the 2002A-2 Facilities are collectively referred to as the "Series 2002A Facilities"). Schedules 2002A-1 and 2002A-2 set forth the Lease Payments to be paid by the School Board for the Series 2002A Facilities (collectively, the "Series 2002A Lease Payments"). The School Board has agreed to lease-purchase the Series 2002A Facilities from the Corporation.

1.03. The Corporation and the Trustee have entered into a Master Trust Agreement dated as of May 1, 1997, as supplemented by a Series 2002A Supplemental Trust Agreement dated as of June 15, 2002 (as the same may be further amended or supplemented from time to

time, the "Trust Agreement"), which acknowledges and contemplates the execution of this Agreement in conjunction therewith. This Agreement is made for the purpose of enabling the Trustee to act as lessor under the Series 2002A Leases.

1.04. The Corporation desires to sell, assign and convey all its right, title and interest as lessee of the Series 2002A-1 Facility Sites under the Series 2002A-1 Ground Lease, and as sublessor of the Series 2002A-1 Facility Sites and lessor of the Series 2002A Facilities under the Series 2002A Leases (except for its right to indemnification under Section 5.7 of the Master Lease, and its right to receive notices under the Master Lease), to the Trustee for the benefit of the holders of the Series 2002A Certificates to be issued under the Trust Agreement.

1.05. The Trustee is willing to accept this assignment on the terms and conditions hereinafter provided.

1.06. Each of the parties has authority to enter into this Agreement and has taken all actions necessary to authorize its execution by the officers signing it.

All terms capitalized but not defined herein shall have the meanings given to them in the Trust Agreement and the Series 2002A Leases.

Section 2. Assignment.

2.01. The Corporation hereby absolutely and unconditionally sells, assigns and conveys to the Trustee, without recourse, for the benefit of all of the Series 2002A Certificate holders, all of its right, title and interest under the Series 2002A-1 Ground Lease and the Series 2002A Leases (except for its right to indemnification under Section 5.7 of the Master Lease and its rights to receive notices under the Master Lease), including, without limitation, all Series 2002A Lease Payments and other amounts required to be paid by the School Board under the Series 2002A Leases. Said assignment is absolute and unconditional and the Corporation shall have no right to receive or recover the right, title and interest herein assigned. Said assignment is not given as additional security and is not intended to be nor shall it be construed to be a mortgage, or other security agreement of any nature whatsoever, and the Corporation will hereafter have no further right or interest or claims in and to the right, title and interest herein assigned, or any part thereof, or the interest or profits and other proceeds that may be derived therefrom of any kind whatsoever. Accordingly, upon execution of this Agreement, the Corporation shall deliver to the Trustee executed counterparts of the Series 2002A-1 Ground Lease and the Series 2002A Leases. Delivery to the Trustee of such documents shall make the sale, assignment and conveyance of the Series 2002A-1 Ground Lease and the Series 2002A Leases herein made, complete and effective for all purposes. Title to the Series 2002A-1 Facility Sites and the Series 2002A Facilities shall remain vested in the School Board throughout their Lease Terms.

2.02. With respect to the sale, assignment and conveyance of the rights and interests contemplated hereunder to the Trustee, the Corporation represents, warrants and covenants to and with the Trustee and the Series 2002A Certificate holders that, upon the date of execution of this Agreement and the effective date of the sale, assignment and conveyance of the Corporation's rights under the Series 2002A-1 Ground Lease and the Series 2002A Leases, the facts stated below are and will be true and correct:

A. The Corporation is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Florida, with corporate powers and authority to own its property and carry on its business as now being conducted, and is qualified wherever necessary to perform its obligations under the Series 2002A-1 Ground Lease, the Series 2002A Leases, the Trust Agreement and this Agreement.

B. The Corporation has full power, authority and legal right to enter into and perform its obligations under the Series 2002A-1 Ground Lease, the Series 2002A Leases, the Trust Agreement and this Agreement; the execution, delivery and performance of the Series 2002A-1 Ground Lease, the Series 2002A Leases, the Trust Agreement and this Agreement by the Corporation have been duly authorized by all necessary corporate actions on the part of the Corporation, and all required approvals and consents have heretofore been duly obtained; and the Series 2002A-1 Ground Lease, the Series 2002A Leases, this Agreement and the Trust Agreement are in full force and effect.

C. The execution, delivery and performance of the Series 2002A-1 Ground Lease, the Series 2002A Leases, the Trust Agreement and this Agreement do not contravene any provision of the Articles of Incorporation or Bylaws of the Corporation, and do not and will not conflict with, violate or result in any breach of or constitute a default under any agreement or instrument to which the Corporation is a party or by which it or any of its property is bound or any constitutional or statutory provision, or order, rule, regulation, decree or ordinance of any Federal or State court, government or governmental body having jurisdiction over the Corporation or any of its properties and by which the Corporation or any of its property is bound.

D. The Series 2002A-1 Ground Lease, the Series 2002A Leases, this Agreement and the Trust Agreement are in full force and effect and the Corporation is not in default thereunder, the Series 2002A-1 Ground Lease, the Series 2002A Leases, this Agreement and the Trust Agreement are legal, valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with their respective terms, all such enforcement being subject to certain laws relating to bankruptcy, reorganization, moratorium and creditors' rights generally, and to principles of equity in the event that equitable remedies are sought.

E. The Series 2002A-1 Ground Lease and the Series 2002A Leases delivered to the Trustee are duly executed duplicate originals and, together with all Exhibits thereto, comprise the entire writing, obligation and agreement between the Corporation and School Board respecting the Series 2002A-1 Facility Sites and the Series 2002A Facilities.

F. The Corporation has complied and will at all times hereafter comply with and duly perform its obligations under the Series 2002A-1 Ground Lease, the Series 2002A Leases, the Trust Agreement and this Agreement.

G. Except as disclosed in the Offering Statement dated May 31, 2002, there is no pending or, to the knowledge of the Corporation, threatened action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental agency in any way affecting the ability of the Corporation to perform its obligations under the Series 2002A-1 Ground Lease, the Series 2002A Leases, the Trust Agreement or this Agreement.

H. The Series 2002A-1 Ground Lease and the Series 2002A Leases being herein assigned are free and clear of all claims, liens, security interests and encumbrances arising through any act or omission of the Corporation or any person claiming by, through or under it, except the rights of the School Board under the Series 2002A Leases and the Series 2002A-1 Ground Lease, including the fact that fee title to the Series 2002A-1 Facility Sites and Series 2002A Facilities is vested in the School Board.

2.03. Except as otherwise set forth in Section 2.01, from and after the date of delivery to the Trustee of this Agreement, the Corporation shall have no further rights or interest under the Series 2002A-1 Ground Lease or the Series 2002A Leases or in any Series 2002A Lease Payments or other moneys due with respect thereto or to become due under the Series 2002A Leases.

2.04. The Corporation agrees to execute and deliver to the Trustee upon request by the Trustee, any documents deemed necessary by the Trustee to further evidence or perfect the assignment and conveyance herein made with respect to the Series 2002A-1 Ground Lease and the Series 2002A Leases.

2.05. The Corporation hereby irrevocably constitutes and appoints the Trustee, its successors and assigns, as its lawful attorney, with full power of substitution and resubstitution, to collect and to sue on behalf of the Corporation in the name of the Corporation or otherwise in any court for any Series 2002A Lease Payment or other amounts due under the Series 2002A Leases, or any part thereof, to withdraw or settle any claims, suits or proceedings pertaining to or arising out of the Series 2002A Leases upon any terms, all without the assent of the Corporation, and, further, to take possession of and to endorse in the name of the Corporation any instrument for the payment of moneys received on account of the Series 2002A Lease Payments or other amounts due under the Series 2002A Leases.

2.06. The Corporation agrees that it will authorize and direct the School Board to pay to the Trustee, its successors and assigns, all Series 2002A Lease Payments and all other amounts coming due under the Series 2002A Leases.

2.07. Upon request of the Trustee, the Corporation agrees to cooperate in the Trustee's efforts to collect and cause to be remitted to the Trustee any Series 2002A Lease Payment or other amount.

2.08. In the event the Corporation receives notice from the School Board that it will exercise its option under Section 7.2 of the Master Lease to prepay the Series 2002A Lease Payments to become due thereunder or that the Series 2002A Leases will not be renewed as a result of any event of non-appropriation under the Series 2002A Leases, the Corporation shall

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All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the assignment effected by Section 2 hereof or for any claim based thereon under this Agreement against any member, officer, employee or agent of the parties hereto.

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notify the Trustee of this fact in writing no later than five Business Days after such receipt, provided, however, that failure to provide such notice shall not create any liability on the part of the Corporation.

Section 3. Administrative Provisions.

3.01. This Agreement shall be construed and governed in accordance with the laws of the State of Florida.

3.02. Any provision of this Agreement found to be prohibited by applicable laws shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Agreement.

3.03. This Agreement may not be amended without the prior written consent of the Series 2002A Credit Facility Issuer.

3.04. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

3.05. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Agreement.

Section 4. Non-Recourse

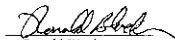
4.01. The assignment contained in this Agreement is agreed to be non-recourse with respect to the Corporation and the Corporation shall have no liability to the Trustee, or any Certificate holders hereunder with respect to the occurrence of any event of default by the School Board under the Series 2002A Leases whether such default consists of failure to pay moneys, breach of covenant or otherwise; provided, however, that nothing contained in this Section 4 shall excuse the Corporation from performance of its obligations under Section 2.04 through 2.08 hereof.

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IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement on the date set forth below their respective signatures and as of the day and year first written above.

[SEAL]

ATTEST:



Ronald Blocker
Secretary

ORANGE COUNTY SCHOOL BOARD
LEASING CORPORATION


Susan Landis Arkin
President

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

[SEAL]


Name: SCOTT A. SCHWARE
Title: VICE PRESIDENT

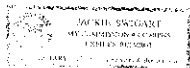
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STATE OF FLORIDA)
SS:)
COUNTY OF ORANGE)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Susan Landis Arkin and Ronald Blocker, personally known to me to be the same persons whose names are, as President and Secretary, respectively, of ORANGE COUNTY SCHOOL BOARD LEASING CORPORATION, a Florida not-for-profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of Aug. 2002.

Jackie Swigart
NOTARY PUBLIC
SEAL OF OFFICE:



NOTARY PUBLIC, STATE OF FLORIDA

Jackie Swigart
(Name of Notary Public, Print, State or Title as Commissioned)

☒ Personally known to me, or
☐ Produced identification:

(Type of Identification Produced)

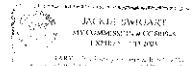
☐ DID take an oath, or
☒ DID NOT take an oath.

STATE OF FLORIDA)
SS:)
COUNTY OF ORANGE)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that _____ personally known to me to be the same person whose name as _____ for U.S. BANK NATIONAL ASSOCIATION, as Trustee, a national banking association organized under the laws of the United States of America, is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that he/she, being thereunto duly authorized, signed on behalf of said association, and delivered the said instrument as the free and voluntary act of said association and as his/her own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of Aug. 2002.

Jackie Swigart
NOTARY PUBLIC
SEAL OF OFFICE:



NOTARY PUBLIC, STATE OF FLORIDA

Jackie Swigart
(Name of Notary Public, Print, State or Title as Commissioned)

☐ Personally known to me, or

☒ Produced identification:

FL DL
(Type of Identification Produced)

☐ DID take an oath, or
☒ DID NOT take an oath.

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APPENDIX D

FORM OF CO-SPECIAL TAX COUNSEL OPINION

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APPENDIX D

PROPOSED FORM OF OPINION OF SPECIAL TAX COUNSEL

On the date of issuance of the Certificates of Participation, Series 2017B, Greenberg Traurig, P.A., and the Law Offices of Debbie Rumph, Esq., Co- Special Tax Counsel, propose to issue an approving opinion in substantially the following form:

_____, 2017

The School Board of Orange County, Florida
445 West Amelia Street
Orlando, Florida 32801

Re: \$71,080,000 Certificates of Participation, Series 2017B Evidencing Undivided Proportionate Interests of the Owners Thereof in Basic Lease Payments to be Made by The School Board of Orange County, Florida, as Lessee, Pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor

Ladies and Gentlemen:

We have acted as co-special tax counsel in connection with the issuance of \$71,080,000 aggregate principal amount of Certificates of Participation, Series 2017B Evidencing Undivided Proportionate Interests of the Owners Thereof in Basic Lease Payments to be Made by The School Board of Orange County, Florida, as Lessee, Pursuant to a Master Lease Purchase Agreement with Orange County School Board Leasing Corporation, as Lessor (the “Series 2017B Certificates”) and in connection with the Master Lease Purchase Agreement described below. In that capacity, we have reviewed (i) the Master Lease Purchase Agreement dated as of May 1, 1997 (the “Master Lease”), between The School Board of Orange County, Florida (the “School Board”) and Orange County School Board Leasing Corporation (the “Corporation”); (ii) Schedule 2002A-1 (“Schedule 2002A-1”) and Schedule 2002A-2 (“Schedule 2002A-2”), each dated as of June 15, 2002, and each as amended and restated as of September 1, 2017, attached to the Master Lease (which Schedules together with the Master Lease are herein collectively referred to, respectively, as the “Series 2002A-1 Lease” and the “Series 2002A-2 Lease”, and, collectively, as “Series 2002A Leases”), as executed by the School Board, the Corporation and the Trustee, as assignee of the Corporation; (iii) the Series 2002A-1 Ground Lease dated as of June 15, 2002, as amended as of November 1, 2002, March 1, 2005, June 1, 2005, July 1, 2007 and July 1, 2009 (as so amended, the “Series 2002A-1 Ground Lease”); (iv) the Master Trust

Agreement dated as of May 1, 1997, as supplemented by a Series 2017B Supplemental Trust Agreement dated as of September 1, 2017 (collectively, the “Trust Agreement”), between the Corporation and U.S. Bank National Association (successor to SouthTrust Bank of Florida, National Association), as trustee (the “Trustee”); (v) the Series 2002A Assignment Agreement, dated as of June 15, 2002, between the Corporation and the Trustee; (vi) the Escrow Deposit Agreement dated September 6, 2017, between the School Board and the Trustee, as escrow agent; (vii) the form of the Series 2017B Certificates; and various other related documents and certificates. The Series 2017B Certificates are payable from Basic Lease Payments made pursuant to the Series 2002A Leases equally and ratably with the portion of the Certificates of Participation, Series 2016A (the “Series 2016A Certificates”) allocable to the Series 2002A Leases.

The Basic Lease Payments are payable from funds appropriated by the School Board from current and other funds authorized by law and regulations of the Department of Education of the State of Florida. The School Board is not legally required to appropriate money for this purpose. None of the School Board, the School District of Orange County, Florida (the “District”), the State of Florida, or any political subdivision thereof shall be obligated to pay, except from appropriated funds, any sums due under the Series 2002A Leases from any source of taxation, and the full faith and credit of the School Board and the District is not pledged for payment of such sums due thereunder and such sums do not constitute an indebtedness of the School Board or the District within the meaning of any constitutional or statutory provision or limitation.

As to questions of fact material to our opinion, we have relied upon the representations of the School Board contained in the Series 2002A Leases and in the certified proceedings and other certifications of officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that:

1. The Series 2002A Leases have been duly authorized, executed and delivered by the School Board and, assuming due authorization, execution and delivery by the Corporation and the Trustee, constitute valid and legally binding agreements of the School Board enforceable against the School Board in accordance with their respective terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights or by the exercise of judicial discretion in accordance with general principles of equity.

2. The Series 2017B Certificates evidence an undivided proportionate interest of the owners thereof in the Basic Lease Payments to be made by the School Board pursuant to the Series 2002A Leases equally and ratably with the portion of the Series 2016A Certificates allocable to the Series 2002A Leases.

3. Under existing statutes, regulations, rulings and court decisions, subject to the assumptions stated in the following paragraph, the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates is excludable from gross income for federal income tax purposes, and the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, such interest portion of the Basic Lease Payments is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

In rendering the opinion in the preceding paragraph, we have assumed continuing compliance by the School Board with the requirements of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder that must be met after the issuance of the Series 2017B Certificates in order that the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates be and remain excludable from gross income for federal income tax purposes. The School Board's failure to meet such requirements may cause the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates to be includable in gross income for federal income tax purposes retroactively to the date of execution and delivery of the Series 2002A Leases. The School Board has covenanted to comply with such requirements.

We express no opinion regarding other federal tax consequences resulting from the receipt or accrual of the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates, or the ownership or disposition of the Series 2017B Certificates. Furthermore, no opinion is expressed with respect to the federal income tax consequences of any payments received with respect to the Series 2017B Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an Event of Default thereunder.

4. The Series 2017B Certificates and the portion of the Basic Lease Payments designated and paid as interest to the owners of the Series 2017B Certificates are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein; provided, however, that no opinion is expressed with respect to tax consequences under the laws of the State of Florida of any payments received with respect to the Series 2017B Certificates following termination of the Master Lease as a result of non-appropriation of funds or the occurrence of an event of default thereunder.

We express no opinion regarding the accuracy, adequacy or completeness of the Offering Statement relating to the Series 2017B Certificates or regarding the perfection or priority of the lien on the Trust Estate (as defined in the Trust Agreement). Further, we express no opinion regarding tax consequences arising with respect to any payments received with respect to the Series 2017B Certificates other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,
GREENBERG TRAURIG, P.A.
LAW OFFICES OF DEBBIE RUMPH, ESQ.

APPENDIX E

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

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DISCLOSURE DISSEMINATION AGENT AGREEMENT
THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
\$71,080,000
Certificates of Participation, Series 2017B

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated September 6, 2017, is executed and delivered by The School Board of Orange County, Florida (the “School Board”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”), for the benefit of the Holders (hereinafter defined) of the captioned certificates designated as Series 2017B (the “Certificates”) and in order to provide certain continuing disclosure with respect to the Certificates (hereinafter defined) in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set forth in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB (as hereinafter defined).

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the School Board for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Certificates” means the certificates as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the School Board and include the full name of the Certificates and the 9-digit CUSIP numbers for all Certificates to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the School Board pursuant to Section 9 hereof.

“Disclosure Representative” means the School Board’s Chief Financial Officer or his or her designee, or such other person as the School Board shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“District” means the School District of Orange County, Florida.

“Failure to File Event” means the School Board’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries) or (b) treated as the owner of any Certificates for federal income tax purposes.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule.

“Obligated Person” means any person, including the School Board, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Certificates (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that certain Offering Statement prepared by the School Board in connection with the Certificates, as listed on Exhibit A.

“Trustee” means the institution identified as such in the document under which the Certificates were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports. (a) The School Board shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than 195 days after the end of each fiscal year of the School Board, commencing with the fiscal year ending June 30, 2017. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the School Board of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the School Board will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern Time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then on the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the School Board irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the School Board are prepared but not available prior to the Annual Filing Date, the School Board shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the School Board pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:
 - 1. “Principal and interest payment delinquencies;”
 - 2. “Non-Payment related defaults, if material;”
 - 3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
 - 4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
 - 5. “Substitution of credit or liquidity providers, or their failure to perform;”
 - 6. “Adverse tax opinions, IRS notices or events affecting the tax status of the security;”
 - 7. “Modifications to rights of securities holders, if material;”

8. "Certificate calls, if material;"
 9. "Defeasances;"
 10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
 11. "Rating changes;"
 12. "Tender Offers;"
 13. "Bankruptcy, insolvency or receivership or similar event of the Obligated Person;"
 14. "Merger, consolidation or acquisition of the Obligated Person, if material;" and
 15. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the School Board pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. "amendment to continuing disclosure undertaking;"
 2. "change in obligated person;"
 3. "notice to investors pursuant to bond documents;"
 4. "certain communications from the Internal Revenue Service;"
 5. "secondary market purchases;"
 6. "bid for auction rate or other securities;"
 7. "capital or other financing plan;"
 8. "litigation/enforcement action;"
 9. "change of tender agent, remarketing agent, or other on-going party;"

10. “derivative or other similar transaction;” and
 11. “other event-based disclosures;”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the School Board pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:
1. “quarterly/monthly financial information;”
 2. “change in fiscal year/timing of annual disclosure;”
 3. “change in accounting standard;”
 4. “interim/additional financial information/operating data;”
 5. “budget;”
 6. “investment/debt/financial policy;”
 7. “information provided to rating agency, credit/liquidity provider or other third party;”
 8. “consultant reports;” and
 9. “other financial/operating data.”
- (viii) provide the School Board evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The School Board may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the School Board, including, to the extent not set forth in the CAFR (as hereinafter defined):

1. Updates of information in the Offering Statement relating to:
 - a. Revenue sources as described under the heading “REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT,” including the subheadings entitled “Operating Revenues of the District,” “District Revenues for Capital Projects” (including the tables entitled “School Impact Fees Revenues” and “Anticipated Local Option Millage Capital Outlay Levy Required to Cover Certificate Payments”), “Financial Results” and “General Fund Revenue Sources” (including the table entitled “General Fund Results of Operations for Fiscal Years Ending June 30”);
 - b. The tables entitled “Tax Data,” “Historical Operating and Capital Millages” and “Principal Taxpayers” under the heading “AD VALOREM TAX PROCEDURES;”
 - c. The tables entitled “Direct and Overlapping Long-Term Debt Statement” and “Comparative Ratios of Bonded Debt to Taxable Assessed Valuation and Per Capita Indebtedness” under the heading “REVENUE, FINANCIAL RESULTS AND LIABILITIES OF THE DISTRICT – Liabilities;” and
 - d. The table entitled “General Statistical and Demographic Data” under the heading “THE DISTRICT – Certain Statistical Information.”
2. Description of any material litigation which would have been disclosed in the Offering Statement if such litigation were pending at the time the Offering Statement was prepared.
3. Any other financial information or operating data of the type included in the Offering Statement which would be material to a holder or prospective holder of the Certificates.

(b) If available at the time of such filing, the Audited Financial Statements of the School Board for the prior fiscal year, prepared in accordance with generally accepted auditing standards, and Government Auditing Principles issued by the Comptroller General of the United States. If the School Board’s Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain unaudited financial statements with information of the nature contained in the final Offering Statement, and the Audited Financial Statements shall be filed in the same manner as the Annual Report when they become available. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

(c) The School Board's Comprehensive Annual Financial Report ("CAFR") for the immediately preceding Fiscal Year. If the School Board's CAFR is not available by the time the Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain the Superintendent's Annual Financial Report (Unaudited) for the immediately prior Fiscal Year and the CAFR shall be filed in the same manner as the Annual Report when it becomes available. The CAFR will be provided in the same manner as the Audited Financial Statements pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the School Board is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final offering statement, it must be available from the MSRB. The School Board will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Certificates constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Certificates reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the interest portion of Basic Lease Payments represented by the Certificates, or other material events affecting the tax-exempt status of the interest portion of Basic Lease Payments represented by the Certificates;
7. Modifications to rights of Certificate holders, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes on the Certificates; and
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The School Board shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the School Board or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two (2) business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the School

Board determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which should be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information, (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the School Board as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, in accordance with Section 2(e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the School Board shall indicate the full name of the Certificates and the 9-digit CUSIP numbers for the Certificates as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The School Board acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the School Board, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The School Board acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The School Board may instruct the Disclosure Dissemination Agent to file Voluntary Event Disclosure with the MSRB, from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the School Board as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The School Board may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the School Board as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(c) The parties hereto acknowledge that the School Board is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(c) Nothing in this Disclosure Agreement shall be deemed to prevent the School Board from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the School Board chooses to include any information in any Annual Report, Annual Financial Statement, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that which is specifically required by this Disclosure Agreement, the School Board shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the School Board and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Certificates upon the legal defeasance, prior redemption or payment in full of all of the Certificates, when the School Board is no longer an obligated person with respect to the Certificates, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized special tax counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The School Board has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The School Board may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the School Board or DAC, the School Board agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Certificates. Notwithstanding any replacement or appointment of a successor, the School Board shall remain liable until payment in full for any and all sums owed and payable to the Disclosure

Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the School Board.

SECTION 10. Remedies in Event of Default. In the event of a failure of the School Board or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Certificates or under any other document relating to the Certificates, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the School Board has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the School Board and shall not be deemed to be acting in any fiduciary capacity for the School Board, the Holders of the Certificates or any other party. The Disclosure Dissemination Agent shall have no responsibility for the School Board's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the School Board has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the School Board at all times.

The obligations of the School Board under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Certificates.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. If the School Board has given its consent to the use of external counsel, the reasonable fees and expenses of such external counsel shall be payable by the School Board.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the School Board and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if

such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the School Board and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Certificates and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the School Board or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the School Board. No such amendment shall become effective if the School Board shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the School Board, the Trustee of the Certificates, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Certificates, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank]

The Disclosure Dissemination Agent and the School Board have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

**DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Disclosure Dissemination Agent**

By: _____
Diana O'Brien
Vice President

**THE SCHOOL BOARD OF ORANGE COUNTY,
FLORIDA**

By: _____
William Sublette
Chairman

EXHIBIT A

NAME AND CUSIP NUMBERS OF CERTIFICATES

Name of Issuer: THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
Obligated Persons: The School Board of Orange County, Florida

Name of Certificate Issue: \$71,080,000 Certificates of Participation, Series 2017B

Date of Issuance: September 6, 2017

Date of Offering Statement: August 2, 2017

Initial CUSIP Numbers*: See below

SERIES 2017B CERTIFICATES:

CUSIP No. ⁽¹⁾

684517SA4

684517SB2

684517SC0

684517SD8

* CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP data herein is provided for convenience of reference only. The School Board takes no responsibility for the accuracy of such data.

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: THE SCHOOL BOARD OF ORANGE COUNTY, FLORIDA
Obligated Persons: The School Board of Orange County, Florida

Name of Certificate Issue: \$71,080,000 Certificates of Participation, Series 2017B

Date of Issuance: September 6, 2017

Date of Offering Statement: August 2, 2017

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Certificates as required by the Disclosure Agreement, dated September 6, 2017, between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of the
Issuer

cc: The School Board of Orange County, Florida
Obligated Person

EXHIBIT C-1

EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the Municipal Securities Rulemaking Board pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

School Board's and/or Other Obligated Person's Name:

The School Board of Orange County, Florida

Name of Certificate Issue: \$71,080,000 Certificates of Participation, Series 2017B

School Board's Six-Digit CUSIP Number*: **684517**

Nine-Digit CUSIP Number(s)* of the Certificates to which this event notice relates:

Number of pages of attached material event notice: _____

Description of Notice Event (Check One):

1. ☐ Principal and interest payment delinquencies
2. ☐ Non-Payment related defaults, if material
3. ☐ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ☐ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ☐ Substitution of credit or liquidity providers, or their failure to perform
6. ☐ Adverse tax opinions, IRS notices or events affecting the tax status of the Certificates
7. ☐ Modifications to rights of Certificate holders, if material
8. ☐ Certificate calls, if material
9. ☐ Defeasances
10. ☐ Release, substitution, or sale of property securing repayment of the Certificates, if material
11. ☐ Rating changes
12. ☐ Tender offers
13. ☐ Bankruptcy, insolvency or receivership or similar event of the Obligated Person
14. ☐ Merger, consolidation or acquisition of the Obligated Person, if material
15. ☐ Appointment of a successor or additional trustee, or the change of name of a trustee, if material

☐ Failure to provide annual financial information as required

I hereby represent that I am authorized by the School Board or its agent to distribute this information publicly:

Signature: _____

Name: [C6] _____ Title: [C7] _____

Employer: Digital Assurance Certification, L.L.C. Address: [C8] _____

City, State, Zip Code: _____

Voice Telephone Number: [C9] _____

Date: _____

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EXHIBIT C-2

VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the Municipal Securities Rulemaking Board, pursuant to the Disclosure Dissemination Agent Agreement dated as of September 6, 2017, between the School Board and DAC.

School Board's and/or Other Obligated Person's Name:

The School Board of Orange County, Florida

Name of Certificate Issue: \$71,080,000 Certificates of Participation, Series 2017B

School Board's Six-Digit CUSIP Number* : **684517**

Nine-Digit CUSIP Number(s)* of the certificates to which this event notice relates:

Number of pages of attached material event notice:

____ Description of Voluntary Event Disclosure (Check One):

1. ____ "amendment to continuing disclosure undertaking;"
2. ____ "change in obligated person;"
3. ____ "notice to investors pursuant to bond documents;"
4. ____ "certain communications from the Internal Revenue Service;"
5. ____ "secondary market purchases;"
6. ____ "bid for auction rate or other securities;"
7. ____ "capital or other financing plan;"
8. ____ "litigation/enforcement action;"
9. ____ "change of tender agent, remarketing agent, or other on-going party;"
10. ____ "derivative or other similar transaction;" and
11. ____ "other event-based disclosures."

I hereby represent that I am authorized by the School Board or its agent to distribute this information publicly: Signature:

Name: [C6] _____ Title: [C7] _____

Employer: Digital Assurance Certification, L.L.C. Address: [C8] _____

City, State, Zip Code: _____

Voice Telephone Number: [C9] _____

Date: _____

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EXHIBIT C-3

VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the Municipal Securities Rulemaking Board, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the School Board and DAC.

School Board's and/or Other Obligated Person's Name:

The School Board of Orange County, Florida

Name of Certificate Issue: \$71,080,000 Certificates of Participation, Series 2017B

School Board's Six-Digit CUSIP Number* : **684517**

Nine-Digit CUSIP Number(s)* of the certificates to which this event notice relates:

Number of pages of attached material event notice: _____

____ Description of Voluntary Financial Disclosure (Check One):

1. _____ "quarterly/monthly financial information;"
2. _____ "change in fiscal year/timing of annual disclosure;"
3. _____ "change in accounting standard;"
4. _____ "interim/additional financial information/operating data;"
5. _____ "budget;"
6. _____ "investment/debt/financial policy;"
7. _____ "information provided to rating agency, credit/liquidity provider or other third party;"
8. _____ "consultant reports;" and
9. _____ "other financial/operating data."

I hereby represent that I am authorized by the School Board or its agent to distribute this information publicly:

Signature:

Name: [C6] _____ Title: [C7] _____

Employer: Digital Assurance Certification, L.L.C. Address: [C8] _____

City, State, Zip Code: _____

Voice Telephone Number: [C9] _____

Date: _____

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