

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO: 4960

ORDINANCE COUNCIL SERIES NO: _____

COUNCIL SPONSOR: BELLISARIO

PROVIDED BY: BOND COUNSEL

INTRODUCED BY: MR. FALCONER

SECONDED BY: MR. SHARP

ON THE 7 DAY OF FEBRUARY , 2013

SEE ATTACHED FOR COMPLETE DOCUMENT

ORDINANCE AUTHORIZING THE SALE OF NOT EXCEEDING FORTY-FOUR MILLION THREE HUNDRED FIFTY THOUSAND DOLLARS (\$ 44,350,000) OF SALES TAX REFUNDING BONDS, SERIES 2013 OF SALES TAX DISTRICT NO. THREE OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA; PRESCRIBING THE FORM, TERMS AND CONDITIONS OF SUCH BONDS AND PROVIDING FOR THE PAYMENT THEREOF; AUTHORIZING AN AGREEMENT WITH THE PAYING AGENT; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS,

THE PARISH OF ST. TAMMANY HEREBY ORDAINS:

REPEAL: All ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SEVERABILITY: If any provision of this Ordinance shall be held to be invalid, such invalidity shall not affect other provisions herein which can be given effect without the invalid provision and to this end the provisions of this Ordinance are hereby declared to be severable.

EFFECTIVE DATE: This Ordinance shall become effective fifteen (15) days after adoption.

MOVED FOR ADOPTION BY: _____ SECONDED BY: _____

WHEREUPON THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

THIS ORDINANCE WAS DECLARED DULY ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 7 DAY OF MARCH , 2013 ; AND BECOMES ORDINANCE COUNCIL SERIES NO _____.

JERRY BINDER, COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, COUNCIL CLERK

PATRICIA P. BRISTER, PARISH PRESIDENT

Published Introduction: JANUARY 30 , 2013

Published Adoption: _____ , 2013

Delivered to Parish President: _____ , 2013 at _____

Returned to Council Clerk: _____ , 2013 at _____

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO. 4960 ORDINANCE COUNCIL SERIES NO. _____

COUNCIL SPONSOR: Binder/Brister PROVIDED BY: Bond Counsel/ Financial Advisor

INTRODUCED BY: _____ SECONDED BY: _____

ON THE 7TH DAY OF FEBRUARY, 2013

Ordinance authorizing the sale of not exceeding Forty-Four Million Three Hundred Fifty Thousand Dollars (\$44,350,000) of Sales Tax Refunding Bonds, Series 2013 of Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana; prescribing the form, terms and conditions of such bonds and providing for the payment thereof; authorizing an agreement with the paying agent; and providing for other matters in connection therewith.

WHEREAS, Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana (the "Issuer"), is now levying and collecting a special two percent (2%) sales and use tax (the "Tax") pursuant to elections held on November 4, 1986 and July 16, 2005, at which elections the following propositions were approved by a majority of the qualified electors voting at such elections, viz:

**PROPOSITION
(November 4, 1986)**

Shall Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana, comprising all of St. Tammany Parish less and except those portions within the present corporate boundaries of any incorporated municipality (the "District"), under the provisions of Article VI, Section 29 of the Constitution of the State of Louisiana of 1974, and other constitutional and statutory authority, be authorized to levy and collect a tax of two percent (2%) (the "Tax"), upon the sale at retail, the use, the lease or rental, the consumption and the storage for use or consumption, of tangible personal property and on sales of services in the District, all as presently defined in La. R.S. 47:301 through La. R.S. 47:317, for a period of twenty (20) years from the date of the first levy of the Tax, with the net proceeds of the Tax (after paying the reasonable and necessary expenses of collecting and administering the Tax), to be dedicated and used for the following purposes:

1. Constructing, overlaying and improving Priority I and Priority II roads, streets and bridges in the District (as designated by Ordinance Police Jury Series No. 86-693 adopted by the St. Tammany Police Jury on September 4, 1986); and
2. Repairing and maintaining roads, streets and bridges in the District (including the acquisition of all equipment and materials and payment of all salaries directly in connection therewith);

and, further, shall the District be authorized to fund the proceeds of the Tax into bonds to be issued in series from time to time for the purpose of constructing, overlaying and improving Priority I and Priority II roads, streets and bridges in the District, to the extent and in the manner permitted by the laws of Louisiana, including particularly Sub-Part F, Part III, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended?

**PROPOSITION
(July 16, 2005)**

**SALES TAX DISTRICT NO. THREE PROPOSITION
(SALES TAX CONTINUATION & REDEDICATION)**

SUMMARY: 2% SALES TAX CONTINUATION FOR 25 YEARS FOR THE PURPOSE OF CONSTRUCTING, ACQUIRING, EXTENDING, IMPROVING, MAINTAINING AND/OR OPERATING (i) ROADS, STREETS AND BRIDGES AND (ii) DRAINS AND DRAINAGE FACILITIES, INCLUDING ACQUIRING ALL NECESSARY LAND, EQUIPMENT AND FURNISHINGS FOR ANY OF SAID PUBLIC WORKS, IMPROVEMENTS AND FACILITIES, AND FURTHER INCLUDING ALLOCATIONS TO MUNICIPALITIES UNDER INTERGOVERNMENTAL AGREEMENTS RELATING TO ANNEXATIONS, REVENUE SHARING AREAS AND GROWTH MANAGEMENT AREAS.

Shall Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana (the "District"), under the provisions of Article VI, Section 29 of the Louisiana Constitution of 1974, and other constitutional and statutory authority, be authorized to continue to levy and collect the tax of two per cent (2%) (the "Tax"), previously authorized at an election held on November 4, 1986, for an additional period of 25 years commencing December 1, 2006, upon the sale at retail, the use, the lease or rental, the consumption and the storage for use or consumption, of tangible personal property and on sales of services in the District, with the net proceeds of the Tax heretofore or hereafter collected (after paying the reasonable and necessary costs and expenses of collecting and administering the Tax), to be rededicated and used for the purposes of constructing, acquiring, extending, improving, maintaining and/or operating (i) roads, streets and bridges and (ii) drains and drainage facilities, including acquiring all necessary land, equipment and furnishings for any of said public works, improvements and facilities, and further including allocation of funds under intergovernmental agreements with municipalities relating to annexations, revenue sharing areas and growth management areas, to be used by said municipalities for any one or more of the aforesaid purposes that have a benefit to residents of the District, and shall the District be further authorized to fund the proceeds of the Tax into bonds from time to time for any of said capital improvements, to the extent and in the manner permitted by the laws of Louisiana, including Sub-Part F, Part III, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950?

WHEREAS, pursuant to the authority of the aforesaid elections, the Issuer adopted ordinances on November 20, 1986 and September 1, 2005 (collectively, the "Tax Ordinance"), providing for the levy and collection of the aforesaid Tax (the "Tax"); and

WHEREAS, in accordance with the provisions of the Tax Ordinance, the net avails or proceeds of the aforesaid Tax, after the reasonable and necessary costs and expenses of the collection and administration thereof have been paid therefrom (the "Net Revenues of the Tax") shall be available for appropriation and expenditure by the Issuer for the purposes designated in the propositions authorizing the levy of the aforesaid Tax, which includes the payment of bonds authorized to be issued in accordance with Louisiana law; and

WHEREAS, the Issuer has heretofore issued bonds which are currently outstanding and payable from a pledge and dedication of the Net Revenues of the Tax, consisting of \$50,000,000 (original principal amount) of Sales Tax Bonds, Series 2006, maturing serially on June 1 of the years 2013 to 2031, inclusive (the "2006 Bonds"); and

WHEREAS, the Issuer has found and determined that the refunding of certain maturities of the 2006 Bonds (the "Refunded Bonds") would be financially advantageous to the Issuer; and

WHEREAS, pursuant to Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, it is now the desire of this Parish Council to adopt this ordinance to provide for the issuance of not to exceed Forty-Four Million Three Hundred Fifty Thousand Dollars (\$44,350,000) principal amount of its Sales Tax Refunding Bonds, Series 2013 (the "Bonds"), for the purpose of refunding the Refunded Bonds and paying the costs of issuance of the Bonds, to fix the details of the Bonds and to sell the Bonds to the purchaser thereof; and

WHEREAS, after the delivery of the Bonds, the Issuer will have no outstanding bonds or other obligations of any kind or nature payable from or enjoying a lien on the Net Revenues of the Tax herein pledged, EXCEPT the unrefunded 2006 Bonds (the "Outstanding Parity Bonds"); and

WHEREAS, it is the intention of the Issuer that the Bonds authorized herein be secured by, equally with the Outstanding Parity Bonds, and payable from the Net Revenues of the Tax (as defined herein); and

WHEREAS, under the terms and conditions of an ordinance adopted by the Issuer on May 4, 2006, authorizing the issuance of the Outstanding Parity Bonds (the "Outstanding Parity Bond Ordinance"), the Issuer has authority to issue additional bonds under the terms and conditions provided therein; and

WHEREAS, this Parish Council, acting as the governing authority of the Issuer (the "Governing Authority"), now desires to provide for the sale of said bonds provided the sale thereof meets certain requirement herein specified; and

WHEREAS, the issuance of the Bonds is contingent upon the approval of the Louisiana State Bond Commission; and

WHEREAS, the maturities of the hereinafter described Bonds have been arranged so that the total amount of principal and interest falling due in any year on the Bonds will never exceed 75% of the proceeds of the Tax estimated to be received by the Issuer in the year in which the Bonds are to be issued (which is hereby estimated to be at least \$ _____ [JR TO PROVIDE]); and

WHEREAS, in connection with the issuance of the Bonds, it is necessary that provision be made for the payment of the principal, interest and redemption premium of the Refunded Bonds described in the Bond Purchase Agreement (as herein defined), and to provide for the call for redemption of the Refunded Bonds, pursuant to a Notice of Defeasance and Call for Redemption; and

WHEREAS, it is necessary that this Governing Authority prescribe the form and content of a Defeasance and Escrow Deposit Agreement, as set forth in Exhibit A hereto, providing for the payment of the principal, premium and interest of the Refunded Bonds and authorize the execution thereof as hereinafter provided; and

WHEREAS, it is now desired to fix the details necessary with respect to the issuance of the Bonds, and to provide for the authorization and issuance thereof, as hereinafter provided;

NOW, THEREFORE, THE PARISH OF ST. TAMMANY HEREBY ORDAINS THAT:

SECTION 1. Definitions. As used herein, the following terms shall have the following meanings, unless the context otherwise requires:

“2006 Bonds” has the meaning given in the preamble hereto.

“Act” means Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

“Additional Parity Bonds” shall mean any additional *pari passu bonds* which may hereafter be issued pursuant to Section 18 hereof on a parity with the Bonds.

“Agreement” means the agreement to be entered into between the Issuer and the Paying Agent pursuant to this Bond Ordinance.

“Bond” or **“Bonds”** means the Sales Tax Refunding Bonds, Series 2013, of the Issuer issued by this Bond Ordinance in a total aggregate principal amount not to exceed Forty-Four Million Three Hundred Fifty Thousand Dollars (\$44,350,000), and further described in the Bond Purchase Agreement and any bond of said issue, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any previously issued.

“Bond Counsel” means Foley & Judell, L.L.P., or any other attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

“Bond Ordinance” means this ordinance authorizing the issuance of the Bonds.

“Bond Register” means the registration books of the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

“Bond Year” means the one year period beginning on June 1 of each year, the principal payment date for the Bonds.

“Bond Purchase Agreement” means the Bond Purchase Agreement authorized to be executed pursuant to Section 2, in substantially the form attached hereto as Exhibit B.

“Business Day” means a day of the year on which banks located in the cities in which the principal corporate trust offices of the Escrow Agent and the Paying Agent are located are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

“Code” means the Internal Revenue Code of 1986, as amended.

“Costs of Issuance” shall mean all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the preparation and distribution of a preliminary official statement and official statement, if paid by the Issuer, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses of refunding, premiums for the insurance of the payment of the Bonds, if any, and any other cost, charge or fee paid or payable by the Issuer in connection with the original issuance of Bonds.

“Escrow Agent” shall mean _____, in the City of _____, Louisiana, and its successor or successors, and any other person which may at any time be substituted in its place pursuant to the Bond Ordinance.

“Escrow Agreement” shall mean the Defeasance and Escrow Deposit Agreement between the Issuer and the Escrow Agent, substantially in the form attached hereto as Exhibit A, as the same may be amended from time to time, the terms of which Escrow Agreement are incorporated herein by reference.

“Executive Officers” means collectively the Parish President and Chief Financial Officer and the Clerk of Council of the Parish Council of the Parish of St. Tammany, State of Louisiana.

“Financial Advisor” means Government Consultants, Inc., or any other municipal advisor engaged by the Parish Council to provide advice regarding public finance matters.

“Fiscal Year” means the twelve-month accounting period commencing on the first day of January, or any other twelve-month accounting period determined by the Governing Authority as the fiscal year of the Issuer.

“Governing Authority” means the Parish Council of the Parish of St. Tammany, State of Louisiana, acting in its capacity as the governing authority of the District.

“Government Securities” means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by the United States of America, which are non-callable prior to their maturity and may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

“Insurer” shall have the meaning given such term, if any, in the Bond Purchase Agreement.

“Interest Payment Date” means June 1 and December 1 of each year, commencing on the date set forth in the Bond Purchase Agreement.

“Issuer” or “District” means Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana.

“Net Revenues of the Tax” shall mean the avails or proceeds of the Tax available to the Issuer after provision has been made for the payment therefrom of all reasonable and necessary costs and expenses of collecting and administering the Tax.

“Outstanding” when used with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Bond Ordinance, except:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds for whose payment or redemption sufficient funds have been theretofore deposited with the Paying Agent in trust for the Owners of such Bonds as provided in Section 23 provided that, if such Bonds are to be redeemed, irrevocable notice of such redemption has been duly given or provided for pursuant to this Bond Ordinance, to the satisfaction of the Paying Agent, or waived;
- (c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered pursuant to this Bond Ordinance; and
- (d) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Bond Ordinance.

“Outstanding Parity Bonds” means the Issuer's unrefunded 2006 Bonds, as described in the preamble hereto.

“Outstanding Parity Bond Ordinance” means the ordinance adopted by the Issuer on May 4, 2006, authorizing the issuance of the Outstanding Parity Bonds.

“Owner” or “Owners” when used with respect to any Bond means the Person in whose name such Bond is registered in the Bond Register.

“Parish” means the Parish of St. Tammany, State of Louisiana.

“Paying Agent” means Regions Bank, in the City of Baton Rouge, Louisiana, until a successor Paying Agent shall have become such pursuant to the applicable provisions of this Bond Ordinance, and thereafter Paying Agent shall mean such successor Paying Agent.

“Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

“Qualified Investments” shall mean any investments which are at the time legal for investment of the Issuer's funds pursuant to the laws of the State, the value of which shall be determined as follows:

- (A) For the purpose of determining the amount in any fund, all Qualified Investments credited to such fund shall be valued at fair market value; and
- (B) As to certificates of deposit and bankers' acceptances: the face amount thereof plus accrued interest thereon.

If the Bonds, the Outstanding Parity Bonds or any Additional Parity Bonds carry a rating assigned by any nationally recognized statistical rating organization, any Qualified Investment must be rated at least as high as such bonds by at least one rating agency

“Record Date” for the interest payable on any Interest Payment Date means the 15th calendar day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day.

“Refunded Bonds” means the 2006 Bonds to be defeased and/or redeemed in advance of maturity by the Bonds, as set forth in the Bond Purchase Agreement.

“Reserve Fund Alternative Investment” means a surety bond or insurance policy issued by an insurance company or an irrevocable letter of credit issued by a bank and shall include the Surety Bond (as defined in the Outstanding Parity Bond Ordinance).

“Reserve Fund Requirement” means, as of any date of calculation, a sum equal to the lesser of (i) 10% of the original proceeds of the Bonds, the Outstanding Parity Bonds and the Additional Parity Bonds, calculated in accordance with applicable Internal Revenue Service regulations, (ii) the maximum principal and interest requirements for any succeeding Bond Year (beginning June 1) on the Bonds, the Outstanding Parity Bonds and the Additional Parity Bonds, or (iii) 125% of the average annual principal and interest requirements on the Bonds, the Outstanding Parity Bonds and the Additional Parity Bonds, subject in each case to the payment of the reasonable costs and expenses of collecting and administering the Tax; provided, however, that the Reserve Fund Requirement may be satisfied by cash or Reserve Fund Alternative Investment, or a combination of the foregoing.

“Reserve Insurer” shall mean any provider of a Reserve Fund Alternative Investment and shall include CIFG Assurance North America, Inc., New York, New York, or any successor thereto, the provider of the Reserve Fund Alternative Investment dated June 20, 2006.

“State” shall mean the State of Louisiana.

“Tax” shall mean the two percent (2%) sales and use tax, which was approved at elections held in the District on November 4, 1986 and July 16, 2005 (the “Tax”), being levied and collected by the Issuer pursuant to said elections and the Tax Ordinance and authorized to be levied through November 30, 2031.

“Tax Ordinance” means collectively the ordinances adopted by the Governing Authority of the Issuer on November 20, 1986 and September 1, 2005, providing for the levy and collection of the Tax.

“**Underwriter**” means Crews & Associates, Inc., of Little Rock, Arkansas, the original purchaser of the Bonds.

SECTION 2. Authorization of Bonds. In compliance with and under the authority of the Act, and other constitutional and statutory authority, and having been authorized at elections held within the corporate boundaries of the District on November 4, 1986 and July 16, 2005, there is hereby authorized the incurring of an indebtedness of not exceeding Forty-Four Million Three Hundred Fifty Thousand Dollars (\$44,350,000) for, on behalf of and in the name of the Issuer, for the purpose of refunding the Refunded Bonds and paying the costs of issuance of the Bonds, and the Issuer does hereby authorize the issuance of its Sales Tax Refunding Bonds, Series 2013 in the aggregate principal amount as may be set forth in the Bond Purchase Agreement. The Bonds shall be in fully registered form, shall be in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof within a single maturity, and shall be numbered consecutively from R-1 upward. The Bonds shall further be dated and shall bear interest and be payable on the Interest Payment Dates as set forth in the Bond Purchase Agreement.

The Bonds issued under this Bond Ordinance shall be issued for the purpose of refunding the Refunded Bonds through the escrow of a portion of the proceeds of the Bonds, together with other available moneys of the Issuer, in Government Securities plus an initial cash deposit, in accordance with the terms of the Escrow Agreement, in order to provide for the payment of the principal of, premium and interest on the Refunded Bonds as they mature or upon earlier redemption as provided in Section 35 hereof.

The Bonds are hereby authorized to be sold to Crews & Associates, Inc., (the “Underwriter”), and the Parish President, Council Chair or Chief Financial Officer are hereby authorized to execute a Bond Purchase Agreement with the Underwriter, in substantially the form as attached hereto as Exhibit B, with certain financial data included therein as may be satisfactory to the Financial Advisor to the Issuer and other provisions included therein as may be satisfactory to Bond Counsel to the Issuer, provided the sale of the Bonds produces minimum net present value savings (after payment of all costs) at least equal to the Louisiana State Bond Commission’s guidelines for minimum savings from refundings. The Bond Purchase Agreement may also contain such provisions related to bond insurance, reserve fund requirements, redemption provisions, offering documents and other matters as deemed appropriate by the officer executing the Bond Purchase Agreement.

Provisions having been made for the orderly payment until maturity or earlier redemption of all the Refunded Bonds, in accordance with their terms, it is hereby recognized and acknowledged that as of the date of delivery of the Bonds under this Bond Ordinance, provision will have been made for the performance of all covenants and agreements of the Issuer incidental to the Refunded Bonds, and that accordingly, and in compliance with all that is herein provided, the Issuer is expected to have no future obligation with reference to the Refunded Bonds, except to assure that the Refunded Bonds are paid from the Government Securities and funds so escrowed in accordance with the provisions of the Escrow Agreement.

The Escrow Agreement is hereby approved by the Issuer, and the Executive Officers are hereby authorized and directed to execute and deliver the Escrow Agreement on behalf of the Issuer substantially in the form of Exhibit A hereof, with such changes, additions, deletions or completions deemed appropriate by such Executive Officers, and it is expressly provided and covenanted that all of the provisions for the payment of the principal of and premium and interest on the Refunded Bonds from the special trust fund created under the Escrow Agreement shall be strictly observed and followed in all respects.

The principal of the Bonds, upon maturity or redemption, shall be payable at the principal office of the Paying Agent, upon presentation and surrender thereof, and interest on the Bonds will be payable by check mailed by the Paying Agent to the Owner (determined as of the Record Date) at the address shown on the Bond Register. During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, all payments of principal and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number

must accompany all payments of principal and interest, whether by check or by wire transfer. Each Bond delivered under this Bond Ordinance upon transfer or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest (as herein set forth) so that neither gain nor loss in interest shall result from such transfer, exchange or substitution. No Bond shall be entitled to any right or benefit under this Bond Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of registration, substantially in the form provided in this Bond Ordinance, executed by the Paying Agent by manual signature.

SECTION 3. Redemption of Bonds. The Bonds shall be subject to mandatory and optional redemption as set forth in the Bond Purchase Agreement.

SECTION 4. Obligation of the Issuer in Connection with the Issuance of the Bonds. As a condition of the issuance of the Bonds, the Issuer hereby binds and obligates itself to:

- a) Deposit irrevocably in trust with the Escrow Agent under the terms and conditions of the Escrow Agreement, as hereinafter provided, an amount of the proceeds derived from the issuance and sale of the Bonds (exclusive of accrued interest), together with additional moneys of the Issuer, as will enable the Escrow Agent to purchase Government Obligations described in the Escrow Agreement, which shall mature in principal and interest in such a manner as to provide at least the required cash amount on or before each payment date for the Refunded Bonds (said amounts being necessary on each of the designated dates to pay and retire or redeem the Refunded Bonds, including premiums, if any, payable upon redemption). Prior to or concurrently with the delivery of the Bonds, the Issuer shall obtain an independent mathematical verification that the moneys and obligations required to be irrevocably deposited in trust in the Escrow Fund with the Escrow Agent, together with the earnings to accrue thereon, will always be sufficient for the payment of the principal of, premium and interest on the Refunded Bonds. The moneys so deposited with the Escrow Agent shall constitute a trust fund irrevocably dedicated for the use and benefit of the owners of the Refunded Bonds; and
- b) Deposit in the Expense Fund established with the Escrow Agent such amount of the proceeds of the Bonds as will enable the Escrow Agent to pay the Costs of Issuance and the costs properly attributable to the establishment and administration of the Escrow Fund on behalf of the Issuer.

SECTION 5. Official Statement. The Issuer hereby approves the preparation of a Preliminary Official Statement and Official Statement pertaining to the Bonds, which shall be used by the Underwriter in connection with the sale of the Bonds.

SECTION 6. Registration, Transfer and Exchange of Bonds. The Issuer shall cause the Bond Register to be kept at the principal office of the Paying Agent. The Bonds may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Bonds after receipt of the Bonds to be transferred in proper form. Such new Bond or Bonds shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register the transfer of, or exchange (i) any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date, or (ii) any Bond called for redemption prior to maturity, during a period beginning at the opening of business fifteen (15) days before the date of mailing of a notice of redemption of such Bond and ending on the date of such redemption.

Notwithstanding the foregoing, additional provisions regarding the book entry registration of the bonds is included on Exhibit C hereto and incorporated herein.

SECTION 7. Form of Bonds. The Bonds and the endorsements to appear thereon shall be in substantially the following forms, respectively, to-wit:

* * * * *

NO. R- _____

PRINCIPAL AMOUNT \$ _____

Unless this Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to the Issuer or their agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of CEDE & CO. or in such other name as is requested by an authorized representative of DTC (and any payment is made to CEDE & CO. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, CEDE & CO., has an interest herein.

As provided in the Bond Ordinance referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Bond Ordinance to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

**UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ST. TAMMANY**

**SALES TAX REFUNDING BONDS, SERIES 2013
OF
SALES TAX DISTRICT NO. THREE OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>
_____, ____	June 1, ____	_____%	_____

Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana (the "Issuer"), promises to pay, but solely from the source and as hereinafter provided, to:

REGISTERED OWNER: CEDE & CO. (Tax Identification #13-2555119)

PRINCIPAL AMOUNT: _____ DOLLARS

or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth above, together with interest thereon from the Bond Date set forth above or the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on _____ 1, _____, and semiannually thereafter on June 1 and December 1 of each year (each an "Interest Payment Date") and calculated on the basis of twelve 30-day months and a 360-day year, at the Interest Rate per annum set forth above until said Principal Amount is paid, unless this Bond shall have been previously called for redemption and payment shall have been duly made or provided for. The principal of this Bond, upon maturity, is payable in lawful money of the United States of America at the principal office of Regions Bank, in the City of Baton Rouge, Louisiana, or successor thereto (the "Paying Agent"), upon presentation and surrender hereof. Interest on this Bond is payable by check mailed by the Paying Agent to the registered owner (determined as of the 15th calendar day of the month next preceding each Interest Payment Date) at the address as shown on the registration books of the Paying Agent.

During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, all payments of principal and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all

payments of principal and interest, whether by check or by wire transfer.

This Bond is one of an authorized issue aggregating in principal the sum of [not exceeding Forty-Four Million Three Hundred Fifty Thousand Dollars (\$44,350,000)] (the "Bonds"), all of like tenor and effect except as to number, interest rate, denomination and maturity, said Bonds having been issued by the Issuer pursuant to an ordinance adopted on _____, 2013 (the "Bond Ordinance"), for the purposes of refunding a portion of the Issuer's outstanding Sales Tax Bonds, Series 2006, and paying costs of issuance of the Bonds, under the authority conferred by Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, pursuant to all requirements therein specified.

[REDEMPTION LANGUAGE TO COME]

[In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Official notice of such call of any of the Bonds for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the Paying Agent.]

The Bonds may be transferred, registered and assigned only on the registration books of the Paying Agent, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds will be delivered by the Paying Agent to the last assignee (the new registered owner) in exchange for such transferred and assigned Bonds after receipt of the Bonds to be transferred in proper form. Such new Bond or Bonds shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register the transfer of, or exchange (i) any Bond during a period beginning at the opening of business on the 15th calendar day of the month next preceding an Interest Payment Date and ending at the close of business on the Interest Payment Date, or (ii) any Bond called for redemption prior to maturity, during a period beginning at the opening of business fifteen (15) days before the date of the mailing of a notice of redemption of such Bonds and ending on the date of such redemption.

This Bond and the issue of which it forms a part is payable solely from and secured, equally with the Outstanding Parity Bonds, by an irrevocable pledge and dedication of the net avails or proceeds (the "Net Revenues of the Tax") of the Issuer's two percent (2%) sales and use tax approved at elections held on November 4, 1986 and July 16, 2005 (the "Tax"), now being levied and collected by the Issuer, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the Tax. This Bond does not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any constitutional or statutory provisions relating to the incurring of indebtedness. The Issuer has covenanted and agreed and does hereby covenant and agree not to discontinue or decrease or permit to be discontinued or decreased the Tax in anticipation of the collection of which this Bond and the issue of which it forms a part have been issued, nor in any way make any change which would diminish the amount of said revenues of the Tax pledged to the payment of the Bonds, until all of the Bonds have been paid in principal and interest. For a complete statement of the revenues from which and conditions under which this Bond is issued, reference is hereby made to the Bond Ordinance.

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

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond and the issue of which it forms a part necessary to constitute the same legal, binding and valid obligations of the Issuer have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the Issuer, including this Bond and the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana, and that said Bonds shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof and shall be incontestable in the hands of bona fide purchasers or owners for value thereof.

IN WITNESS WHEREOF, the Parish Council of the Parish, acting as the governing authority of the Issuer, has caused this Bond to be executed in its name by the facsimile signatures of its Parish President and its Chief Financial Officer, and Clerk of Council of said governing authority, and a facsimile of its corporate seal to be imprinted hereon.

SALES TAX DISTRICT NO. THREE OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA

(facsimile)
Clerk of Council

(facsimile)
Parish President

(facsimile)
Chief Financial Officer

(SEAL)

* * * * *

PAYING AGENT'S CERTIFICATE OF REGISTRATION

This Bond is one of the Bonds referred to in the within mentioned Bond Ordinance.

REGIONS BANK
Baton Rouge, Louisiana
as Paying Agent

Date of
Registration: _____, 2013

By: _____
Authorized Officer

* * * * *

ASSIGNMENT

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

Please Insert Social Security
or other Identifying Number of
Assignee

[Empty rectangular box for Social Security or other identifying number]

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney or agent to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

* * * * *

SECTION 8. Execution of Bonds. The Bonds shall be signed by the Executive Officers for, on behalf of, in the name of the Issuer and under the corporate seal of the Issuer, and the Legal Opinion Certificate shall be signed by the Clerk of the Council of the Governing Authority, which signatures and seal may be either manual or facsimile.

SECTION 9. Recital of Regularity. This Governing Authority having investigated the regularity of the proceedings had in connection with this issue of Bonds and having determined the same to be regular, the Bonds shall contain the following recital, to-wit:

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State.

SECTION 10. Pledge of Net Revenues of the Tax. The Bonds shall be secured by and payable, equally with the Outstanding Parity Bonds, in principal and interest solely from an irrevocable pledge and dedication of the Net Revenues of the Tax. The Net Revenues of the Tax are hereby irrevocably and irrevocably pledged and dedicated in an amount sufficient for the payment of the Bonds and the Outstanding Parity Bonds in principal and interest and redemption premium, if any, as they shall respectively become due and payable, and for the other purposes hereinafter set forth in this Bond Ordinance. In compliance with the Tax Ordinance, all of the Net Revenues of the Tax shall continue to be set aside in a separate fund, as provided in the Outstanding Parity Bond Ordinance and as herein provided and shall be and remain pledged for the security and payment of the Bonds and the Outstanding Parity Bonds in principal and interest and for all other payments provided for in this Bond Ordinance until the Bonds and the Outstanding Parity Bonds shall have been fully paid and discharged.

SECTION 11. Outstanding Parity Bonds. The Issuer recognizes the Owners of the Outstanding Parity Bonds have certain contractual rights with respect to the Net Revenues of the Tax by virtue of the provisions of the Outstanding Parity Bond Ordinance, authorizing the issuance of the Outstanding Parity Bonds. Nothing in this Bond Ordinance shall be construed in such a manner as to impair any rights vested in the Owners of the Outstanding Parity Bonds, and if at any time it shall be established that any of the provisions of this Bond Ordinance are in conflict with the provision of the Outstanding Parity Bond Ordinance authorizing the Outstanding Parity Bonds in such manner as to impair any contractual rights vested in the Owners thereof, the provisions of the Outstanding Parity Bond Ordinance shall be controlling as to such conflicts as long as the Outstanding Parity Bonds are outstanding.

SECTION 12. Flow of Funds. In order that the principal of and the interest on the Bonds and the Outstanding Parity Bonds will be paid in accordance with their terms and for the other objects and purposes hereinafter provided, the Issuer covenants as follows:

All of the avails or proceeds derived from the levy and collection of the Tax shall continue to be deposited daily as the same may be collected in a separate and special bank account maintained with the regularly designated fiscal agent of the Issuer and designated as the "1987 Sales Tax Fund" (the "Sales Tax Fund"). The Sales Tax Fund shall constitute a dedicated fund of the Issuer, from which appropriations and expenditures by the Issuer shall be made solely for the purposes designated in the propositions authorizing the levy of the Tax. Out of the funds on deposit in the Sales Tax Fund, the Issuer shall first pay all reasonable and necessary costs and expenses of collection and administration of the Tax. After payment of such costs and expenses, then the remaining moneys in the Sales Tax Fund shall be administered and used in the following order of priority and for the following express purposes:

(a) The maintenance of the "1987 Sales Tax Bond Sinking Fund" (the "Sinking Fund"), with the regularly designated fiscal agent of the Issuer, sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds, as they severally become due and payable, by transferring from the Sales Tax Fund to the regularly designated fiscal agent of the Issuer, monthly in advance on or before the 20th day of each month of each year, a sum equal to one-sixth (1/6) of the interest falling due on the next Interest Payment Date and one-twelfth (1/12) of the principal falling due on the next principal payment date, together with such additional proportionate sum as may be required to pay said

principal and interest as the same respectively become due. Said fiscal agent shall transfer from the Sinking Fund to the paying agent bank or banks for all bonds payable from the Sinking Fund, at least five (5) days in advance of the date on which payment of principal or interest falls due, immediately available funds fully sufficient to pay promptly the principal and interest so falling due on such date. Each such paying agent, including the Paying Agent, shall receive such funds in a debt service fund in the name of the Issuer hereby established, to be named the "Series _____ Sales Tax Bond Debt Service Fund" (each a "Debt Service Fund"), to be held separate and apart from other funds of said paying agent, for the purpose of paying principal of and interest on the relevant bonds payable from the Sinking Fund until the time of payment. The Paying Agent shall cause the Debt Service Fund to be collateralized in accordance with the laws of the State.

(b)The maintenance of the "1987 Sales Tax Bond Reserve Fund" (the "Reserve Fund"), with the Paying Agent or the regularly designated fiscal agent of the Issuer. On the date of issuance of the Bonds, the Issuer shall deposit into the Reserve Fund cash or a Reserve Fund Alternative Investment in an amount that, when combined with any other cash or Reserve Fund Alternative Investments then in the Reserve Fund will equal the Reserve Fund Requirement. Moneys in the Reserve Fund shall be used solely for transfer to the Sinking Fund in amounts required to prevent any default in the payment of the principal of and interest on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds and, at the option of the Issuer, for payment of the final principal and interest requirements of the Bonds.

Whenever the amount in the Reserve Fund, together with the amount in the Sinking Fund, is sufficient to pay in full all Outstanding Bonds, Outstanding Parity Bonds and any Additional Parity Bonds, in accordance with their terms (including principal or applicable premium and interest thereon), the funds on deposit in the Reserve Fund shall be transferred to the Sinking Fund and shall be available to pay all Outstanding Bonds, Outstanding Parity Bonds and any Additional Parity Bonds in accordance with their terms (including principal or applicable premium and interest thereon). Prior to said transfer, all investments held in the Reserve Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or redemption premium) on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds.

In lieu of the required transfers to the Reserve Fund or to provide for the removal of all or a portion of the amounts on deposit in the Reserve Fund, the Issuer may cause to be deposited into the Reserve Fund a Reserve Fund Alternative Investment in an amount equal to (i) the difference between the Reserve Fund Requirement and the sums then on deposit in the Reserve Fund, if any or (ii) the Reserve Fund Requirement. The Reserve Fund Alternative Investment shall be payable (upon the giving of notice as required thereunder) on any due date on which moneys will be required to be withdrawn from the Reserve Fund and applied to the payment of principal of or interest on any Bonds, Outstanding Parity Bonds or Additional Parity Bonds, when such withdrawal cannot be met by amounts on deposit in the Sinking Fund or the Reserve Fund or provided from any other fund or account under this Bond Ordinance. It is expressly provided that any Reserve Fund Alternative Investment deposited in or credited to the Reserve Fund pursuant to this paragraph shall, at the time of such deposit or credit, carry a rating from at least one (1) rating agency, or if such Reserve Fund Alternative Investment is not itself rated, the Reserve Insurer providing such Reserve Fund Alternative Investment shall be so rated.

To the extent the Reserve Fund is funded in part with a Reserve Fund Alternative Investment, the Paying Agent must make claims pro rata (in the proportion which the maximum amount available under each such Reserve Fund Alternative Investment bears to the total Reserve Fund Requirement) against all such Reserve Fund Alternative Investment on deposit in the Reserve Fund.

In the event of the refunding of any Bonds, Outstanding Parity Bonds or Additional Parity Bonds, the Issuer may withdraw from the Reserve Fund all, or any portion of, the amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts to be held for the payment of the principal or redemption premium, if applicable and interest on the bonds being

refunded; provided that such withdrawal shall not be made unless (i) immediately thereafter the Bonds being refunded shall be deemed to have been paid pursuant to Section 23 hereof, and (ii) the amount remaining in the Reserve Fund, after giving effect to the issuance of the Refunding Bonds and the disposition of the proceeds thereof, shall not be less than the Reserve Fund Requirement.

In the event that Additional Parity Bonds are issued hereafter in the manner provided by this Bond Ordinance, there shall be immediately transferred from the proceeds of such Additional Parity Bonds and/or from the Sales Tax Fund into the Reserve Fund such amount (as may be designated in the ordinance authorizing the issuance of such Additional Parity Bonds) as will increase the total amount on deposit in the Reserve Fund to a sum equal to the Reserve Fund Requirement for all outstanding bonds payable from the Sinking Fund and any such Additional Parity Bonds; provided, however, that in the event of the issuance of Additional Parity Bonds, the Reserve Fund Requirement may be satisfied by cash or Reserve Fund Alternative Investment, or any combination thereof (provided, however, while the Bonds or the Outstanding Parity Bonds are Outstanding, any such Reserve Fund Alternative Investment shall be subject to the prior written consent of each Reserve Insurer, in any).

(c) All or any part of the moneys in the Sales Tax Fund, the Sinking Fund or the Reserve Fund shall at the written request of the Governing Authority be invested in Qualified Investments maturing in five (5) years or less, in which event all income derived from such investments shall be added to the Sales Tax Fund, with the exception that any interest earnings from invested funds of the Reserve Fund shall be retained therein until an amount equal to the Reserve Fund Requirement is on deposit therein, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purposes for which the Sales Tax Fund has been created.

(d) Any moneys remaining in the Sales Tax Fund on the 20th day of each month in excess of all reasonable and necessary expenses of collection and administration of the Tax and after making the required payments into the Sinking Fund and Reserve Fund for the current month and for prior months during which the required payments may not have been made (including any amounts owed a Reserve Insurer), shall be considered as surplus. Such surplus may be used by the Issuer for any of the purposes for which the Tax is authorized, including any payments pursuant to any Intergovernmental Agreement lawfully entered into by the Issuer and one or more municipalities in St. Tammany Parish, or for the purpose of retiring bonds payable from the Sinking Fund in advance of their maturities, either by purchase (at prices not greater than the then redemption prices of said bonds) or by redemption.

SECTION 13. Withdrawals from Reserve Fund. (a) If at any time it shall be necessary to use moneys in the Reserve Fund or to draw upon any Reserve Fund Alternative Investment for the purpose of paying principal or interest on bonds payable from the Sinking Fund as to which there would otherwise be default, then the moneys so used or drawn upon shall be replaced or reimbursed from the Net Revenues of the Tax first thereafter received, not hereinabove required for payments into the Sinking Fund, it being the intention hereof that there shall as nearly as possible be at all times in the Reserve Fund the Reserve Fund Requirement. The obligation of the Issuer to reimburse any Reserve Insurer shall enjoy the same priority as the obligation to replenish the Reserve Fund cash or investments.

(b) If on the third Business Day prior to any Interest Payment Date the Paying Agent shall not have received moneys sufficient to pay the principal and interest on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds due on such Interest Payment Date, and shall have ascertained that the Issuer will be unable to provide such funds to the Paying Agent, then on or before 1:00 p.m. New York Time on such third Business Day the Paying Agent shall provide notice to each Reserve Insurer, and make a claim for payment on each Reserve Fund Alternative Investment in accordance with the terms of each Reserve Fund Alternative Investment.

(c) If and to the extent that cash has also been deposited in the Reserve Fund, all such cash shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing under any Reserve Fund Alternative Investment.

(d) To the extent that proceeds of a payment under any Reserve Fund Alternative Investment are applied to the payment of principal or interest on the Bonds, the Outstanding Parity Bonds or any Additional Parity Bonds, such Reserve Insurer shall be deemed to be the Owner of such portion of the bonds and the right to receive payment of such principal or interest, and shall be fully subrogated to all of the Owner's rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims for interest, the Paying Agent shall note the relative Reserve Insurer's rights as subrogee on the registration books maintained by the Paying Agent, and (ii) in the case of subrogation as to claims for principal, the Paying Agent shall note the relative Reserve Insurer's rights as subrogee on the registration books maintained by the Paying Agent upon surrender of the certificate representing such principal by the Owner thereof to the Paying Agent.

SECTION 14. Issuer Obligated to Continue to Collect Tax. The Issuer does hereby obligate itself and is bound under the terms and provisions of law to levy, impose, enforce and collect the Tax and to provide for all reasonable and necessary rules, regulations, procedures and penalties in connection therewith, including the proper application of the proceeds of the Tax, until all of the Bonds and the Outstanding Parity Bonds have been retired as to both principal and interest and all obligations to the provider of any Reserve Insurer have been paid. Nothing herein contained shall be construed to prevent the Issuer from altering, amending or repealing from time to time as may be necessary this Bond Ordinance or any subsequent Bond Ordinance providing with respect to the Tax, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the Owners and the provider of each Reserve Insurer with respect to the Net Revenues of the Tax. The Tax Ordinance imposing the Tax and pursuant to which the Tax is being levied, collected and allocated, and the obligations to continue to levy, collect and allocate the Tax and to apply the revenues therefrom in accordance with the provisions of this Bond Ordinance, shall be irrevocable for the full period of its authorization until the Bonds and the Outstanding Parity Bonds have been paid in full as to principal, premium, if any, and interest, and shall not be subject to amendment in any manner which would impair the rights of the Owners from time to time of the Bonds or which would in any way jeopardize the prompt payment of principal thereof and interest thereon. More specifically, neither the Legislature of Louisiana nor the Issuer may discontinue or decrease the Tax or permit to be discontinued or decreased the Tax in anticipation of the collection of which the Bonds have been issued, or in any way make any change which would diminish the amount of the Net Revenues of the Tax pledged to the payment of the Bonds and received by the Issuer, until all of such Bonds and the Outstanding Parity Bonds shall have been retired as to both principal and interest and all amounts payable hereunder have been paid.

The Owners of any of the Bonds may, either at law or in equity, by suit, action, mandamus or other proceeding, enforce and compel performance of all duties required to be performed as a result of issuing the Bonds and may similarly enforce the provisions of any ordinance imposing the Tax and the Bond Ordinance and proceedings authorizing the issuance of the Bonds.

SECTION 15. Covenants of the Issuer. In providing for the issuance of the Bonds, the Issuer does hereby covenant that it has a legal right to levy and collect the Tax, to issue the Bonds and to pledge the Net Revenues of the Tax as herein provided, and that the Bonds will have a lien and privilege on the Net Revenues of the Tax subject only to the prior payment of the reasonable and necessary costs and expenses of administering and collecting the Tax.

The Issuer covenants that, to the extent there are no other available funds held under this Bond Ordinance to pay principal and interest on the Bonds in the event of a payment default, it will apply any remaining surplus Bond proceeds (not otherwise contractually encumbered) to the payment of such defaulted principal and interest.

SECTION 16. Bond Ordinance a Contract. The provisions of this Bond Ordinance shall constitute a contract between the Issuer and the Owner or Owners from time to time of the Bonds, and any Owner of any of the Bonds may either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the Issuer as a result of issuing the Bonds, and may similarly enforce the provisions of the Tax Ordinance imposing the Tax and this Bond Ordinance.

SECTION 17. Records and Accounts Relating to Tax. So long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall maintain and keep proper books of records and accounts separate and apart from all other records and accounts in which shall be made full and correct entries of all transactions relating to the collection and expenditure of the Revenues of the Tax, including specifically but without limitation, all reasonable and necessary costs and expenses of collection.

Not later than six (6) months after the close of each Fiscal Year, or on such later date as may be allowed by the laws, rules or regulations of the State, the Issuer shall cause an audit of such books and accounts to be made by the Legislative Auditor of the State of Louisiana (or his successor) or by a recognized independent firm of certified public accountants showing the receipts of and disbursements made for the account of the Sales Tax Fund. Such audit shall be available for inspection upon request by the Owners of any of the Bonds. The Issuer further agrees that the Paying Agent and the Owners of any of the Bonds shall have at all reasonable times the right to inspect the records, accounts and data of the Issuer relating to the Tax.

SECTION 18. Issuance of Refunding and Additional Parity Bonds. All of the Bonds and the Outstanding Parity Bonds shall enjoy complete parity of lien on the Net Revenues of the Tax despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds. The Issuer, acting through its governing authority, hereby covenants that it will issue no other bonds or obligations having priority over or parity with the Bonds with respect to the Net Revenues of the Tax, except that bonds may hereafter be issued on a parity with the Bonds under the following conditions:

(a) The Bonds and the Outstanding Parity Bonds, or any part thereof, including interest and redemption premiums thereon, may be refunded and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds and the Outstanding Parity Bonds which is not refunded, if there be any; provided, however, that if only a portion of the Bonds Outstanding is so refunded and if the refunding bonds require principal and interest payments during any Bond Year (ending June 1) in excess of the principal and interest which would have been required in such Bond Year to pay the bonds refunded thereby, then such bonds may not be refunded without the consent of the Owners of the unrefunded portion of the Bonds and the Outstanding Parity Bonds (provided such consent shall not be required if such refunding bonds meet the requirements set forth in clause (b) below).

(b) Additional parity bonds may also be issued, and such additional parity bonds shall be on a parity with the Bonds if all of the following conditions are met:

(i) The average annual revenues derived by the Issuer from the Tax when computed for the last two (2) completed calendar years immediately preceding the issuance of the Additional Parity Bonds must have been not less than 1.35 times the highest combined principal and interest requirements for any succeeding calendar year on all Bonds and Outstanding Parity Bonds then outstanding, including any Additional Parity Bonds theretofore issued and then outstanding, and any other bonds or other obligations whatsoever then outstanding which are payable from the Net Revenues of the Tax (but not including bonds which have been refunded or provision otherwise made for their full and complete payment and redemption) and the bonds so proposed to be issued;

(ii) The payments to be made into the various funds provided for in Section 12 hereof must be current;

(iii) The existence of the facts required by paragraphs (a) and (b) above must be confirmed by the Chief Financial Officer of the Parish, or its successor, or by an independent certified public accountant;

(iv) The additional parity bonds must be payable as to principal on June 1st of each year in which principal falls due, beginning not later than three (3) years after the date of such bonds, and payable as to interest on June 1 and December 1 of each year;

(v) No additional parity bonds may be issued should any event of default under the Bond Ordinance have occurred and be continuing; and

(vi) No additional parity bonds may be issued without the Insurer's, if any, prior written consent if any amounts are past due and owing to the Insurer, if any.

SECTION 19. Remedies on Default. If one or more of the following events (in this Bond Ordinance called "Events of Default") shall happen, that is to say,

(i) if default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise (in determining whether a principal payment default has occurred, no effect shall be given to payments made under any municipal bond insurance policy); or

(ii) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable (in determining whether an interest payment default has occurred, no effect shall be given to payments made under any municipal bond insurance policy); or

(iii) if default shall be made by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part in the Bond Ordinance, any supplemental ordinance or in the Bonds, and such default shall continue for a period of forty-five (45) days after written notice thereof to the Issuer by the Insurer, if any, or the Owners of not less than 25% of the Bond Obligation; or

(iv) if the Issuer shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law;

then, upon the happening and continuance of any Event of Default the Insurer, if any, and the Owners of the Bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law; provided, however, that the exercise of remedies at the direction of the Owners is subject to the prior written consent of the Insurer, if any, and the Insurer, if any, acting alone, shall have the exclusive right to direct any action or remedy to be undertaken so long as it is not then in default of its payment obligations under any applicable municipal bond insurance policy. Under no circumstances may the principal or interest of any of the Bonds be accelerated. The Issuer shall notify the Insurer, if any, immediately upon the occurrence of any Event of Default. No Event of Default shall be waived without the consent of the Insurer, if any. All remedies shall be cumulative with respect to the Paying Agent, the Owners and the Insurer, if any; if any remedial action is discontinued or abandoned, the Paying Agent, the Owners and the Insurer, if any, shall be restored to the former positions.

The Paying Agent or Issuer shall provide the Insurer, if any, with immediate notice of any payment default, and notice of any other default known to the Paying Agent within thirty (30) days of the Paying Agent's or Issuer's knowledge thereof.

SECTION 20. Fidelity Bonds for Officers and Employees. So long as any of the Bonds are outstanding and unpaid, the Issuer shall require all of its officers and employees who may be in a position of authority or in possession of money derived from the collection of the Tax, to obtain or be covered by a blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the Issuer from loss.

SECTION 21. Amendments to Bond Ordinance; Consent of Insurer, if any. No material modification or amendment of this Bond Ordinance, or of any Bond Ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owners of two-thirds (2/3) of the aggregate principal amount of the Bonds then outstanding; provided, however, that no such modification or amendment shall permit a change in the maturity of the Bonds or the redemption provisions thereof, or a reduction in the rate of interest thereon, or the promise of the Issuer to pay the principal of and the interest on the Bonds as the same shall come due from the Revenues of the Tax, or

reduce the percentage of owners required to consent to any material modification or amendment of this Bond Ordinance, without the consent of all of the Owner or Owners of the Bonds. Any amendment or supplement to the Bond Ordinance shall be subject to the prior written consent of the Insurer, if any. Any rating agency rating the Bonds must receive notice of each amendment and a copy thereof at least 15 days in advance of its execution or adoption. The Insurer, if any, shall be provided with a full transcript of all proceedings relating to the execution of any such amendment or supplement.

SECTION 22. Mutilated, Destroyed, Lost or Stolen Bonds. If (a) any mutilated Bond is surrendered to the Paying Agent, or the Issuer and the Paying Agent receive evidence to their satisfaction of the destruction, loss, or theft of any Bond, and (b) there is delivered to the Issuer and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Issuer or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and upon its request the Paying Agent shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same maturity and of like tenor and principal amount, bearing a number not contemporaneously outstanding. In case any such mutilated, destroyed, lost, or stolen Bond has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new Bond, pay such Bond. Upon the issuance of any new Bond under this Section, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith. Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation of the Issuer, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Bond Ordinance equally and ratably with all other Outstanding Bonds. The procedures set forth in the Agreement authorized in this Bond Ordinance shall also be available with respect to mutilated, destroyed, lost or stolen Bonds. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 23. Defeasance. If the Issuer shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest to become due thereon, at the times and in the manner stipulated therein and in the Bond Ordinance, then the covenants, agreements and other obligations of the Issuer to the Owners shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the Issuer all moneys, securities and funds held by them pursuant to the Bond Ordinance which are not required for the payment of Bonds not theretofore surrendered for such payment.

Bonds or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section. Bonds shall be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above in this Section if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto.

SECTION 24. Successor Paying Agent; Paying Agent Agreement; Notice to Insurer, if any. The Issuer will at all times maintain a Paying Agent meeting the qualifications hereinafter described for the performance of the duties hereunder for the Bonds. The designation of the initial Paying Agent in this Bond Ordinance is hereby confirmed and approved. The Issuer reserves the right to appoint a successor Paying Agent by (a) filing with the Person then performing such function a certified copy of a Bond Ordinance giving notice of the termination of the Agreement and appointing a successor and (b) causing notice to be given to each Owner. Every Paying Agent appointed hereunder shall at all times be a bank or trust company organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority. The Executive Officers are hereby authorized and directed to execute an appropriate Agreement with the Paying Agent for and on behalf of the Issuer in such form as may be satisfactory to said officers, the signatures of said officers on such Agreement to be conclusive evidence

of the due exercise of the authority granted hereunder. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent. The Insurer, if any, shall be furnished with written notice of the resignation or removal of the Paying Agent and the appointment of any successor thereto.

SECTION 25. Escrow Agent; Appointment and Acceptance of Duties. _____, in the City of _____, Louisiana, is hereby appointed Escrow Agent. The Escrow Agent shall signify its acceptance of the duties and obligations imposed upon it by this Bond Ordinance by executing and delivering the Escrow Agreement. The Escrow Agent is authorized to file, on behalf of the Issuer, subscription forms for any Government Securities required by the Escrow Agreement. A successor to the Escrow Agent may be designated in the manner set forth in the Escrow Agreement.

SECTION 26. Effect of Registration. The Issuer, the Paying Agent, and any agent of either of them may treat the Owner in whose name any Bond is registered as the Owner of such Bond for the purpose of receiving payment of the principal (and redemption price) of and interest on such Bond and for all other purposes whatsoever, and to the extent permitted by law, neither the Issuer, the Paying Agent, nor any agent of either of them shall be affected by notice to the contrary.

SECTION 27. Notices to Owners. Wherever this Bond Ordinance provides for notice to Owners of Bonds of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Owner of such Bonds, at the address of such Owner as it appears in the Bond Register. In any case where notice to Owners of Bonds is given by mail, neither the failure to mail such notice to any particular Owner of Bonds, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Bond Ordinance provides for notice in any manner, such notice may be waived in writing by the Owner entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 28. Cancellation of Bonds. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Paying Agent, shall be promptly cancelled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent and, if not already cancelled, shall be promptly cancelled by the Paying Agent. The Issuer may at any time deliver to the Paying Agent for cancellation any Bonds previously registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent. All cancelled Bonds held by the Paying Agent shall be disposed of as directed in writing by the Issuer.

SECTION 29. Preparation of Bonds; Deposit of Bond Proceeds. The Executive Officers are hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of this Bond Ordinance, to cause the necessary Bonds to be printed or lithographed, to issue, execute, seal and deliver the Bonds, to effect the delivery of the Bonds in accordance with the sale thereof, to collect the purchase price therefor, and to deposit the funds derived from the sale of the Bonds (except accrued interest, which shall be deposited in the Sinking Fund and proceeds of the Bonds, if any, to be deposited in the Reserve Fund in accordance with the provisions of Section 12 hereof) in a special account pursuant to the Escrow Agreement. The proceeds derived from the sale of the Bonds shall constitute a trust fund to be used exclusively for the purposes for which the Bonds are herein authorized to be issued, but the Underwriter of the Bonds shall not be obliged to see to the application thereof.

SECTION 30. Arbitrage. The Issuer covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986 and any amendment thereto (the "Code") in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Issuer further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the

Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be “private activity bonds.”

The Executive Officers are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or certificate necessary to effectuate the purposes of this Section.

SECTION 31. Bonds are not “Qualified Tax-Exempt Obligations”. The Bonds are not designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

SECTION 32. Publication. A copy of this Bond Ordinance shall be published immediately after its adoption in one issue of the official journal of the Issuer.

SECTION 33. Disclosure Under SEC Rule 15c2-12. The Executive Officers, or any of them, are hereby empowered and directed to execute an appropriate Continuing Disclosure Certificate as may be approved by Bond Counsel that complies with the requirements of S.E.C. Rule 15c2-12(b)(5).

SECTION 34. Section Headings. The headings of the various sections hereof are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 35. Notice of Defeasance and Call for Redemption. In accordance with the Outstanding Parity Bond Ordinance, a Notice of Defeasance and Call for Redemption, in substantially the form attached hereto as Exhibit D, shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each Bond to be redeemed at his address as shown on the registration books of the Paying Agent.

SECTION 36. Severability. In case any one or more of the provisions of this Bond Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Bond Ordinance or of the Bonds, but this Bond Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this Bond Ordinance which validates or makes legal any provision of this Bond Ordinance and/or the Bonds which would not otherwise be valid or legal, shall be deemed to apply to this Bond Ordinance and to the Bonds.

SECTION 37. Effective Date. This Bond Ordinance shall become effective immediately.

ORDINANCE CALENDAR NUMBER: 4960

ORDINANCE COUNCIL SERIES NO. _____

Page 21 of 27

MOVED FOR ADOPTION BY:

SECONDED BY:

WHEREUPON, THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS:

NAYS:

ABSTAIN:

ABSENT:

THIS ORDINANCE WAS DECLARED ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE ___ DAY OF _____, 2013, AND BECOMES ORDINANCE COUNCIL SERIES NO. _____.

JERRY BINDER, COUNCIL CHAIRMAN

ATTEST:

THERESA FORD, COUNCIL CLERK

HONORABLE PAT BRISTER, PARISH PRESIDENT

Published introduction: January 30, 2013

Published adoption on: _____, 2013

Delivered to Parish President: _____, 2013 at _____

Returned to Council Clerk: _____, 2013 at _____

of a true and correct copy of the Bond Ordinance is hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of said Bond Ordinance shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if fully set forth herein. Capitalized terms used but not defined herein shall have the same meanings as given to them in the Bond Ordinance.

SECTION 2. Deposit to Escrow Fund; Application of Moneys. Concurrently with the issuance and delivery of the Bonds, the Issuer will cause to be deposited with the Escrow Agent the sum of \$ _____ from the proceeds of the Bonds (the "Bond Proceeds") and a transfer of \$ _____ from the existing funds of the Issuer (the "Existing Funds"). Such funds

ORDINANCE CALENDAR NO. 496D

**EXHIBIT A
TO BOND ORDINANCE**

(FORM OF DEFEASANCE AND ESCROW DEPOSIT AGREEMENT)

This DEFEASANCE AND ESCROW DEPOSIT AGREEMENT (this "Agreement"), by and between SALES TAX DISTRICT NO. THREE OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA (the "Issuer"), appearing herein through the hereinafter named officers, and _____, in _____, _____, a Louisiana state banking corporation duly authorized to exercise corporate trust powers, as escrow agent (the "Escrow Agent"), appearing herein through the hereinafter named officers, which shall be dated as of _____, 2013:

WITNESSETH:

WHEREAS, the Issuer has heretofore duly authorized and issued its Sales Tax Bonds, Series 2006, of which \$43,105,000 are outstanding (the "2006 Bonds"); and

WHEREAS, the governing authority of the Issuer has found and determined that the call for redemption of those 2006 Bonds maturing _____, inclusive (the "Refunded Bonds"), would be financially advantageous to the Issuer and would result in debt service savings; and

WHEREAS, the Issuer has authorized the issuance of \$ _____ of its Sales Tax Refunding Bonds, Series 2013 (the "Bonds"), for the purpose of refunding the Refunded Bonds, pursuant to an ordinance adopted by the governing authority of the Issuer on March __, 2013 (the "Bond Ordinance"), the Refunded Bonds to be redeemed being described in the Bond Ordinance; and

WHEREAS, the Bond Ordinance provides that a portion of the proceeds from the sale of the Bonds (exclusive of accrued interest thereon), together with other available funds, shall be placed in escrow with the Escrow Agent and, together with the interest earned from the investment thereof, will be sufficient to pay the principal of, premium and interest on the Refunded Bonds as the same mature and become due or are called for redemption;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and in order to provide for the aforesaid refunding and thereby reduce annual debt service on the Refunded Bonds and lower the effective rate of interest paid with respect to the Issuer's Refunded Bonds, the parties hereto agree as follows:

SECTION 1. Establishment of Escrow Fund. There is hereby created and established with the Escrow Agent a special and irrevocable fund to be known as the "Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana, Sales Tax Refunding Bonds, Series 2013 Escrow Fund" (herein called the "Escrow Fund") to be held in trust by the Escrow Agent separate and apart from other funds of the Issuer and the Escrow Agent. Receipt

Obligations") described in paragraph (c) of this Section, in lieu thereof, and shall hold such Replacement Obligations in the Escrow Fund until the Escrow Obligations described in Schedule A which were not delivered on the date of delivery of the Bonds are available for delivery. The Escrow Agent shall return to the supplier thereof any Replacement Obligations in exchange for and upon receipt of the Escrow Obligations set forth in Schedule A for which such Replacement Obligations described in such paragraph (c) were substituted. The Escrow Agent shall have no power or duty to invest any moneys held in the Escrow Fund or to make substitutions of the Escrow Obligations held in the Escrow Fund or to hereafter sell, transfer or otherwise dispose of such Escrow Obligations, except as otherwise provided in this Agreement.

(c) An obligation shall qualify as a Replacement Obligation or other permitted substitution obligation only if such Replacement Obligations:

(i) are in an amount, and/or mature in an amount (including any interest received thereon), which together with any cash or Government Securities substituted for the Escrow Obligations listed in Schedule A hereto is equal to or greater than the amount payable on the maturity date of the Escrow Obligations listed in Schedule A hereto for which the substitution occurred;

(ii) mature on or before the next date on which the Government Securities listed in Schedule A hereto which are substituted for will be required for payment of principal of, premium, if any, or interest on the Refunded Bonds; and

(iii) the Escrow Agent shall have been provided with (A) a mathematical verification of an independent certified public accountant that the Replacement Obligations are sufficient to pay the principal, premium and interest of the Refunded Bonds as shown on Schedule C and (B) an opinion of nationally recognized bond counsel to the effect that the substitution is permitted hereunder and has no adverse effect on the exclusion from gross income for federal income tax purposes of interest on the bonds or the Refunded Bonds.

To the extent that the Escrow Obligations mature before the payment dates referred to in Schedule C, the Escrow Agent shall, at the written direction of the Issuer, invest for the benefit of the Issuer such cash in other Escrow Obligations provided that the investment in such other Escrow Obligations mature on or before dates pursuant to Section 6 in such amounts as equal or exceed the Section 6 requirements and that such investment does not cause the Bonds or the Refunded Bonds to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended.

(d) The Escrow Agent shall collect and receive the interest accruing and payable on the Escrow Obligations and the maturing principal amounts of the Escrow Obligations as the same are paid and credit the same to the Escrow Fund, so that the interest on and the principal of the Escrow Obligations, as such are paid, will be available to make the payments required pursuant to Section 6 hereof.

(e) In the event there is a deficiency in the Escrow Fund, the Escrow Agent shall notify the Issuer of such deficiency, and the Issuer shall immediately remedy such deficiency by paying to the Escrow Agent the amount of such deficiency. The Escrow Agent shall not be liable for any such deficiency, except as may be caused by the Escrow Agent's negligence or willful misconduct.

SECTION 3. Establishment of Expense Fund; Use of Moneys in Expense Fund.

There is also hereby created and established with the Escrow Agent a special trust account to pay the Costs of Issuance of the Bonds (herein called the "Expense Fund"), to be held in the custody of the Escrow Agent separate and apart from any other funds of the Issuer and the Escrow Agent, to which the amount of the proceeds derived from the issuance and sale of the Bonds hereinabove set forth are to be deposited. The amounts on deposit in the Expense Fund shall be used for and applied to the payment of the Costs of Issuance of the Issuer in connection with the issuance, sale and delivery of the Bonds and the establishment of the funds hereunder; and pending such disbursement moneys in the Expense Fund shall be invested by the Escrow Agent in writing as directed by the Issuer. Payment of the aforesaid expenses shall be made by the Escrow Agent from the moneys on deposit in such Expense Fund for the purposes listed in Schedule D hereto upon receipt by the Escrow Agent of either an invoice or statement for the appropriate charges, or a written request of the Issuer signed by an Executive Officer or Finance Director, which request shall state, with respect to each payment to be made, the person, firm or corporation to whom payment is to be made, the amount to be paid and the purpose for which the obligation to be paid was incurred. Each such invoice, statement or written request shall be sufficient evidence to the Escrow Agent that the payment requested to be made from the moneys on deposit in such Expense Fund is a proper payment to the person named therein in the amount and for the purpose stated therein, and upon receipt of such invoice, statement or written request, and the Escrow Agent shall pay the amount set forth therein as directed by the terms thereof. When all expenses contemplated to be paid from such Expense Fund have been paid, such fund shall be closed and any balance remaining therein shall be withdrawn by the Escrow Agent, disbursed to the Issuer and applied by the Issuer to the payment of principal of Bonds next falling due.

SECTION 4. Deposit to Escrow Fund Irrevocable. The deposit of the moneys in the Escrow Fund shall constitute an irrevocable deposit of said moneys in trust exclusively for the benefit of the owners of the Refunded Bonds and such moneys and Escrow Obligations, together with any income or interest earned thereon, shall be held in escrow and shall be applied solely to the payment of the principal of and premium and interest on the Refunded Bonds as the same mature and become due or are redeemed, and any excess funds remaining the Escrow Fund following such maturity and/or redemption shall be disposed of as set forth in this Agreement. Subject to the requirements set forth herein for the use of the Escrow Fund and the moneys and investments therein, the Issuer covenants and agrees that the Escrow Agent shall have full and complete control and authority over and with respect to the Escrow Fund and moneys and investments therein and the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

SECTION 5. Use of Moneys. The Escrow Agent shall apply the moneys deposited in the Escrow Fund and the Expense Fund and the Escrow Obligations, together with any income or interest earned thereon, in accordance with the provisions hereof. The Escrow Agent shall have no power or duty to invest any moneys held hereunder, or to make substitutions of the Escrow Obligations held hereunder or to sell, transfer or otherwise dispose of the Escrow Obligations acquired hereunder, except as provided in 2(b) above. The liability of the Escrow Agent for the payment of the amounts to be paid hereunder shall be limited to the principal of and interest on the Escrow Obligations and cash available for such purposes in the Escrow Fund and the Expense Fund. Any amounts held as cash in the Escrow Fund, or in the Expense Fund shall be held in cash without any investment thereof or liability for interest thereon, not as a time or demand deposit with any bank, savings and loan or other depository.

SECTION 6. Payment of Refunded Bonds. The Escrow Agent shall receive the matured principal of and the interest on the Escrow Obligations as the same are payable. On or before each interest payment date on the Refunded Bonds, the Escrow Agent shall transmit to the Issuer or the paying agent for the Refunded Bonds in immediately available funds, sufficient amounts for the payment of the interest on the Refunded Bonds due on said date and any principal of and redemption premiums on the Refunded Bonds due on said date by reason of the redemption of Refunded Bonds, in accordance with Schedule C attached hereto.

SECTION 7. Notice of Defeasance and Call for Redemption. The Issuer shall cause a Notice of Defeasance and Call for Redemption of the Refunded Bonds to be sent by the paying agent for the Refunded Bonds, by first class mail, postage prepaid, not less than thirty (30) days prior to the date of redemption of the Refunded Bonds to the registered owners as the same appear on the registration books maintained by the paying agent. The Issuer will reimburse the Escrow Agent for any expenses incurred in connection with this Section from moneys other than those in the Escrow Fund.

SECTION 8. Remaining Moneys in Escrow Fund. Upon the retirement of the Refunded Bonds, any amounts remaining in the Escrow Fund shall be paid to the Issuer as its property free and clear of the trust created by the Bond Ordinance and this Agreement and shall be transferred to the Issuer.

SECTION 9. Rights of Owners of Refunded Bonds. The escrow trust fund created hereby shall be irrevocable and the owners of the Refunded Bonds shall have a beneficial interest and a first, prior and paramount claim on all moneys and Escrow Obligations in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

SECTION 10. Fees of Escrow Agent. In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer has paid to the Escrow Agent its reasonable fees and expenses, and the Escrow Agent hereby acknowledges (i) receipt of such payment and (ii) that it shall have no lien whatsoever upon any moneys in the Escrow Fund. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section 10.

The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys and securities deposited therein, the purchase of those Escrow Obligations listed in Schedule A, the retention of the Escrow Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any act, omission or error of the Escrow Agent made in good faith and without negligence in the conduct of its duties.

Notwithstanding anything in this Agreement to the contrary, if the Escrow Agent is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related hereto (other than due to Escrow Agent's negligence or willful misconduct), the Escrow Agent shall notify the Issuer of the same in writing and the Issuer shall promptly pay the Escrow Agents for such extraordinary fees, costs and expenses reasonably and necessarily incurred in connection therewith.

SECTION 11. Enforcement. The Issuer, the paying agent for the Refunded Bonds and the owners of the Refunded Bonds shall have the right to take all actions available under law or equity to enforce this Agreement or the terms hereof.

SECTION 12. Records and Reports. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrow Obligations deposited to the Escrow Fund and all proceeds thereof. With respect to each investment of the proceeds of Escrow Obligations, the Escrow Agent shall record, to the extent applicable, the purchase price of such investment, its fair market value, its coupon rate, its yield to maturity, the frequency of its interest payment, its disposition price, the accrued interest due on its disposition date and its disposition date. Such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Bonds and the Refunded Bonds.

SECTION 13. Successor Escrow Agents. If at any time the Escrow Agent or its legal successor or successors should be removed by the Issuer, or become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of escrow agent hereunder. In such event the Issuer, by appropriate order, and with the prior written consent of the Issuer, shall promptly, and not later than 60 days after such event, appoint an escrow agent to fill such vacancy.

Any successor escrow agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor escrow agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor escrow agent, the Issuer shall execute any

and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. The Escrow Agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

The Escrow Agent may be removed at any time by an instrument or concurrent instrument in writing delivered to the Escrow Agent by the Issuer.

SECTION 14. Amendments. This Agreement may be amended with the consent of the Issuer and the Escrow Agent (i) to correct ambiguities, (ii) to strengthen any provision hereof which is for the benefit of the owners of the Refunded Bonds or the Bonds or (iii) to sever any provision hereof which is deemed to be illegal or unenforceable; and provided further that this Agreement shall not be amended unless the Issuer shall deliver an opinion of nationally recognized bond counsel, that such amendments will not cause the Refunded Bonds to be "arbitrage bonds". A copy of any amendment shall be provided to the Insurer and any rating agencies which have rated the Bonds.

SECTION 15. Successors Bound. All covenants, promises and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns of the Issuer, the Escrow Agent and the owners of the Refunded Bonds, whether so expressed or not.

SECTION 16. Louisiana Law Governing. This Agreement shall be governed by the applicable laws of the State of Louisiana.

SECTION 17. Termination. This Agreement shall terminate when all of the Refunded Bonds have been paid as aforesaid and any remaining moneys have been paid to the Issuer.

SECTION 18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 19. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Deposit Agreement as of the day and year first written.

SALES TAX DISTRICT NO. THREE OF THE
PARISH OF ST. TAMMANY, STATE OF
LOUISIANA

By: _____
Council Chairman

ATTEST:

By: _____ (SEAL)
Council Clerk

By: _____
Title: _____

(SEAL)

SCHEDULE A
To Escrow Deposit Agreement

SCHEDULE OF SECURITIES
PURCHASED WITH BOND PROCEEDS

SCHEDULE B
To Escrow Agreement

ESCROW CASH FLOW AND PROOF OF SUFFICIENCY

SCHEDULE C
To Escrow Deposit Agreement

DEBT SERVICE ON REFUNDED BONDS

SCHEDULE D
To Escrow Deposit Agreement

COSTS OF ISSUANCE

State Bond Commission Fees	_____
Bond Counsel Fees	_____
Bond Counsel Expenses	_____
Financial Advisor Fees	_____
Financial Advisor Expenses	_____
Underwriter Fees	_____
Underwriter Expenses	_____
Official Statement Preparation	_____
Official Statement Expenses	_____
CPA Verification of Escrow Fund	_____
Paying Agent Fee (Regions Bank)	_____
Escrow Agent Fee (_____ Bank)	_____
Rating Agency Fees	_____
Publications	_____
I-Deal Posting	_____
Miscellaneous	_____
TOTAL	\$ _____

ORDINANCE CALENDAR NO. 4900

BOND PURCHASE AGREEMENT

§ _____
**SALES TAX DISTRICT NO. THREE OF
THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA
SALES TAX REFUNDING BONDS, SERIES 2013**

_____, 2013

Parish of St. Tammany, State of Louisiana

Ladies and Gentlemen:

On the basis of the representations contained in this Bond Purchase Agreement and upon the terms and conditions herein contained, Crews & Associates, Inc. (the "Underwriter") hereby offers to enter into the following agreement with Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana (the "Issuer").

This offer is made subject to the written acceptance of this Bond Purchase Agreement by the Issuer on or before 7:00 p.m. prevailing Central Time on the date hereof, as authorized by the Issuer by the ordinance adopted by the Issuer on _____, 2013 (the "Bond Ordinance"), and if not so accepted and approved, will be subject to withdrawal by the Underwriter upon notice delivered to the Issuer by the Underwriter at any time prior to the acceptance of this Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined herein shall have the same meanings ascribed to such terms in the Bond Ordinance, unless the context shall clearly indicate otherwise.

**SECTION 1
PURCHASE OF THE REFUNDING BONDS**

(a) Upon the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell to Underwriter \$ _____ aggregate principal amount of the Issuer's Sales Tax Refunding Bonds, Series 2013 (the "Refunding Bonds").

(b) The Refunding Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable as provided in the Bond Ordinance and shall mature in the amounts and on the dates and will bear interest at the rates per annum shown in **Exhibit A** hereto. The Refunding Bonds maturing on ___ 1, 20__ and thereafter, are callable for redemption at the option of the Issuer in full or in part at any time on or after ___ 1, 20__ and if less than a full maturity then by lot

within such maturity at the principal amount of the Refunding Bonds so redeemed, plus accrued interest from the most recent Interest Payment Date to which interest has been duly provided for. [Certain maturities are also subject to mandatory sinking fund redemption, at a redemption price equal to 100% of the principal amount thereof, in the years and in the principal amounts set forth therein.]

(c) The purchase price of the Refunding Bonds shall be \$ _____, representing the par amount of \$ _____, less a net original issue discount [plus a net original issue premium] of \$ _____, less an Underwriter's Discount of \$ _____.

(d) Subject to the terms hereof, the Closing shall take place at 10:00 a.m., prevailing Central time, on _____, 2013 (or such other time or business day as may be mutually agreed upon by the Issuer and the Underwriter in writing), at the offices of Foley & Judell, L.L.P., 365 Canal Street, Suite 2600, New Orleans, Louisiana. Payment for the Refunding Bonds shall be made by the Underwriter in lawful money of the United States of America in immediately available funds and shall be delivered to the Paying Agent for the account of the Issuer at the Closing, or such other date and time as shall be mutually agreed upon by the Issuer and the Underwriter. The date of such delivery and payment is herein called the "Closing Date" and the hour and date of such delivery and payment is herein called the "Closing Time".

(e) The Refunding Bonds are to be issued by the Issuer, pursuant to and in accordance with the provisions of (i) Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended and other constitutional and statutory authority supplemental thereto (the "Refunding Act"); and (ii) the Bond Ordinance.

(f) The proceeds of the Refunding Bonds shall be deposited with _____, in the City of _____, Louisiana, acting as Escrow Agent pursuant to the Bond Ordinance, for the purpose of defeasing and redeeming, in advance of maturity, those 2006 Bonds described on **Exhibit B** hereto and paying the Costs of Issuance.

(g) The Issuer shall deliver to the Underwriter (within the time limitations set forth in the following paragraph) at least (1) copy of the final Official Statement dated the date hereof relating to the Refunding Bonds (the "Official Statement"), executed on behalf of the Issuer by one of the duly authorized officers of the Governing Authority. The Issuer agrees to amend or supplement the Official Statement on or prior to the Closing whenever requested by the Underwriter when, in the reasonable judgment of the Underwriter and/or Bond Counsel to the Issuer, such amendment or supplementation is required.

(h) The Issuer hereby ratifies and approves the lawful use of the Preliminary Official Statement, dated _____, 2013, relating to the Refunding Bonds (the "Preliminary Official Statement") by the Underwriter prior to the date hereof, and authorizes and approves the Preliminary Official Statement and other pertinent documents to be lawfully used in connection with the offering and sale of the Refunding Bonds. As of its date, the Preliminary Official Statement has been deemed final by the

Issuer for purposes of SEC Rule 15c2-12(b)(1). The Issuer agrees to provide to the Underwriter within seven (7) business days of the date hereof sufficient copies of the Official Statement to enable the Underwriter to comply with, as applicable, the requirements of Rule 15c2-12(b)(4) under the Securities Exchange Act of 1934, as amended.

(i) The Issuer shall execute a continuing disclosure certificate in substantially the form attached to the Preliminary Official Statement.

(j) The Issuer acknowledges and agrees that (i) the transaction contemplated by this Bond Purchase Agreement is an arm's-length, commercial transaction between the Issuer and the Underwriter in which the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, and (ii) the Issuer has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Refunding Bonds.

(k) The Underwriter intends to make an initial bona fide public offering of all of the Refunding Bonds at prices not in excess of the public offering prices set forth on **Exhibit A** attached hereto; however, the Underwriter may subsequently change such offering price without any requirement of prior notice. The Underwriter may offer and sell Refunding Bonds to certain dealers (including dealers depositing bonds into investment trusts) and others at prices lower than such public offering prices. Not less than ten (10) business days prior to the Closing, the Underwriter agrees to furnish to Foley & Judell, L.L.P., Bond Counsel, a certificate acceptable to Bond Counsel (i) specifying the reoffering prices at which a substantial amount of the Refunding Bonds was sold to the public (excluding bond houses, brokers and other intermediaries) and (ii) certifying the accuracy of such reoffering prices (if lower than those set out in **Exhibit A**). The Underwriter acknowledges that Bond Counsel will rely on such representations in making its determination that the Refunding Bonds are not "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended.

(l) The Underwriter agrees to (a) provide the Issuer with final pricing information on the Refunding Bonds on a timely basis, and (b) promptly file a copy of the final Official Statement, including any supplements prepared by the Issuer, with the Municipal Securities Rulemaking Board (the "MSRB") through the operation of the Electronic Municipal Market Access System within one (1) business day after receipt from the Issuer, but by no later than the Closing Date, in such manner and accompanied by such forms as are required by MSRB, in accordance with the applicable MSRB Rules, and shall maintain such books and records as required by MSRB Rules with respect to filing of the Official Statement. Pursuant to Rule G-36 of the MSRB, the Issuer hereby requests the Underwriter to file the Escrow Deposit Agreement with the MSRB within five (5) business days after receipt from the Issuer.

SECTION 2
REPRESENTATIONS AND AGREEMENTS OF THE ISSUER

The Issuer hereby represents and agrees with the Underwriter that:

(a) The Issuer is a political subdivision of the State of Louisiana (the "State"). The Issuer is not in violation in any respect material to the transactions contemplated by this Bond Purchase Agreement, the Bond Ordinance, the Tax Compliance Certificate and other documents executed or to be executed by the Issuer in connection with the issuance and sale of the Refunding Bonds (collectively, the "Issuer's Documents"), and has not received notice of any claimed violation material to said transactions or any laws, ordinances, governmental rules or regulations or court or other governmental orders or the terms of any agreement or other instruments to which it is a party or by which it, its properties or operations are bound;

(b) The Issuer is authorized by the provisions of the Refunding Act and has complied with all provisions of the Constitution of the State and the laws of the State pertaining to the issuance of the Refunding Bonds and has full power and authority to authorize and thereafter consummate all transactions contemplated by the Issuer's Documents;

(c) The Issuer has duly adopted the Bond Ordinance and has authorized the execution and delivery of the Issuer's Documents and each be valid and binding obligations of the Issuer in accordance with their respective terms;

(d) Neither the execution and delivery of the Refunding Bonds nor the fulfillment of or compliance with the terms and conditions of the Issuer's Documents will conflict with or result in a breach of any of the material terms, conditions or provisions of, or will result in the creation or imposition of any material lien, charge or encumbrance upon any property or assets of the Issuer pursuant to, any indenture, ordinance, loan agreement or other agreement or instrument (other than liens, charges and encumbrances created by the Bond Ordinance) or corporate restriction to which the Issuer is a party or by which the Issuer, or its properties or operations, may be bound, and such action will not: (i) result in any material violation of the provisions of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Issuer or its properties or operations are subject or conflict with or (ii) constitute a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, loan, rule or regulation or other instrument to which the Issuer is subject or by which the Issuer is or may be bound;

(e) Any certificate signed by any of the Issuer's authorized officers and delivered to the Underwriter shall be deemed a representation by the Issuer to the Underwriter as to the statements made therein;

(f) The Refunding Bonds shall be secured by and payable in principal and interest solely by a pledge of Net Revenues of the Tax (as defined in the Bond

Ordinance), on a parity with any unrefunded 2006 Bonds. The Net Revenues of the Tax are irrevocably and irrevocably pledged in an amount sufficient for the payment of the Refunding Bonds in principal and interest as they shall respectively become due and payable, and for the other purposes hereinafter set forth in the Bond Ordinance;

(g) No consent, approval or authorization of, or filing, registration or qualification with, any governmental issuer (other than those, if any, already obtained and other than any required under "Blue Sky" laws) is required on the part of the Issuer as a condition to the execution and delivery of the Issuer's Documents, or the performance of the Issuer's obligations under any such documents;

(h) Other than as may be set forth in the Preliminary Official Statement, there is no litigation or governmental action, proceeding, inquiry or investigation pending or threatened by governmental authorities or others or to which the Issuer is a party or of which any property of the Issuer is subject or, to the knowledge of the Issuer, any basis for any such action, proceeding, inquiry or investigation, which, if determined adversely to the Issuer, would individually or in the aggregate (a) materially and adversely affect the validity or the enforceability of the Refunding Bonds, the Issuer's Documents or any related document; or (b) otherwise materially adversely affect the ability of the Issuer to comply with its obligations under the Refunding Bonds, the Issuer's Documents or any related document. No litigation, proceedings or investigations are pending or, to the knowledge of the Issuer, threatened against the Issuer, except for litigation, proceedings or investigations which the Issuer believes is non-meritorious or that insurance coverage provided by applicable insurance policies is adequate to offset any significant liabilities that may result from such action and which has a material impact of the Issuer's ability to pay debt service on the Refunding Bonds; and

(i) The representations of the Issuer set forth in the Issuer's Documents will be true and correct in all material respects on the date thereof.

SECTION 4 CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS

The Underwriter's obligations hereunder shall be subject to the accuracy of and compliance with the representations and agreements of the Issuer contained herein, as of the date hereof and as of the Closing Date, and are also subject to the following conditions:

(a) Concurrently with its acceptance hereof, the Issuer shall deliver to the Underwriter an executed copy of this Bond Purchase Agreement.

(b) At or before the Closing Time, the Underwriter shall have received the following documents, all in the form submitted to the Underwriter on or prior to the date hereof with only such changes therein as shall be agreed upon by the Underwriter:

(i) The opinion and supplemental opinion of Foley & Judell, L.L.P., Bond Counsel;

- (ii) The Official Statement executed on behalf of the Issuer by the duly authorized officers thereof;
- (iii) Evidence satisfactory to the Underwriter that the Refunding Bonds have received an underlying rating of “__” and an insured rating of “__” by Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business, and that such rating is in effect at the Closing Time;
- (iv) [The executed copy of the Bond Insurance Policy and the Reserve Fund Policy issued by the Bond Insurer and such opinions and certificates as may be required by the Bond Insurer’s Commitment dated _____, 2013];
- (v) [An opinion of general counsel to the Bond Insurer and a certificate of an officer of the Bond Insurer dated the Closing Date and addressed to the Underwriter, concerning the Bond Insurer, the Bond Insurance Policy and the Reserve Fund Policy and the information relating to the Bond Insurer, the Bond Insurance Policy and the Reserve Fund Policy contained in the Official Statement, in form and substance satisfactory to the Underwriter and its counsel];
- (vi) A copy of the Issuer’s Blanket Letter of Representations to The Depository Trust Company;
- (vii) Certified copies of the minutes of the Louisiana State Bond Commission reflecting approval of the issuance of the Refunding Bonds by the Commission;
- (viii) Specimen form of the Refunding Bonds;
- (ix) Certified copy of the Bond Ordinance;
- (x) Fully executed copy of the Tax Compliance Certificate; and
- (xi) Such additional certificates, opinions and other documents as the Underwriter may reasonably request to evidence performance of or compliance with the provisions of this Bond Purchase Agreement and the transactions contemplated hereby.

SECTION 5
THE UNDERWRITER'S RIGHT TO CANCEL

The Underwriter shall have the right to cancel its obligations hereunder by the Underwriter's notification to the Issuer in writing of its election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Time:

(a) Legislation shall be introduced or enacted by the Congress of the United States or adopted by either House thereof or introduced in or enacted by the legislature of the State, or a decision by a federal court (including the Tax Court or Claims Court of the United States) or a State court shall be rendered, or a ruling, regulation (proposed, temporary or final) or statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other federal or State agency shall be made, with respect to the revenues and other property pledged to the payment of the Refunding Bonds or with respect to interest received which is of the general character of interest paid on the Refunding Bonds, or which would have the effect of changing directly or indirectly the federal or State income tax consequences of interest on bonds of the general character of the Refunding Bonds in the hands of the holders thereof, which legislation, ruling, regulation or official statement would, in the Underwriter's reasonable judgment, materially adversely affect the market price of the Refunding Bonds;

(b) Any legislation, ordinance, rule, regulation or policy statement shall be introduced in or be enacted by any governmental body, department or agency in the State or the federal government, or a decision by any court of competent jurisdiction within the State or the federal government shall be rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Refunding Bonds;

(c) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of the obligations of the general character of the Refunding Bonds, or the issuance, offering or sale of the Refunding Bonds, including all underlying obligations, as contemplated hereby is in violation or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and then in effect, or the registration provisions of the Securities Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(d) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Refunding Bonds are not exempt from registration under the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Bond Ordinance as an indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended and as then in effect;

(e) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental Issuer or by any national securities exchange;

(f) A general banking moratorium shall have been established by federal, New York or State authorities;

(g) Any proceeding shall be pending or threatened by the Securities Exchange Commission against the Issuer;

(h) A war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have escalated, or any other national emergency (including without limitation, acts of terrorism) relating to the effective operation of government or the financial community shall have occurred, the effect of which on the financial markets of the United States of America is such as to make it, in the Underwriter's reasonable opinion, impractical for the Underwriter to market the Refunding Bonds and which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Refunding Bonds;

(i) The President of the United States of America, the Office of Management and Budget, the Department of the Treasury, the Internal Revenue Service, or any other governmental body, department or agency of the United States of America shall take or propose to take any action or implement or propose regulations or rulings which, in the Underwriter's reasonable opinion, materially adversely affect the market price of the Refunding Bonds, impacts adversely in a material manner upon the Issuer's ability to apply the proceeds of the Refunding Bonds for the purposes for which the Refunding Bonds were authorized to be issued;

(j) Any event shall have occurred, or information become known, which, in the Underwriter's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement as originally circulated, or has the effect that the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading;

(k) There shall have occurred any outbreak or escalation of hostilities or any national or international calamity or crisis, including financial crises, or a financial crisis or a default with respect to the debt obligations of, or the institution of proceedings under the federal or the state bankruptcy laws by or against the Issuer or any agency or instrumentality of the Issuer, the effect of which on the financial markets of the United States being such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market the Refunding Bonds or to enforce contracts for the sale of the Refunding Bonds; or

(l) Failure by the Issuer to execute the Continuing Disclosure Certificate.

SECTION 6
CONDITIONS TO THE ISSUER'S OBLIGATIONS

The Issuer's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder. If the Underwriter defaults on its obligation to arrange for the purchase of the Refunding Bonds hereunder, this Bond Purchase Agreement shall terminate and the Issuer shall have all rights and remedies as may be allowed by law to enforce the action or inaction of the Underwriter hereunder. In the event of any such termination, the Issuer shall not be under any obligation to the Underwriter.

SECTION 7
REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY

All of the Issuer's representations and agreements shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter on their own behalf, and shall survive delivery of the Refunding Bonds.

SECTION 8
PAYMENT OF EXPENSES

Whether or not the Refunding Bonds are sold by the Issuer to the Underwriter, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Issuer's obligations hereunder nor shall the Issuer be under any obligation for any fees or expenses of the Underwriter should the Refunding Bonds not be delivered, and then only to the extent set forth herein. All expenses and costs of the Issuer incident to issuing the Refunding Bonds including, without limitations, the fees and expenses of Bond Counsel, counsel to the Underwriter, Financial Advisor, Verification Agent, Escrow Agent, the initial fee of the Paying Agent and its counsel and the expenses and costs for the preparation, printing, photocopying, executing and delivery of the Bond Ordinance, the Official Statement, this Bond Purchase Agreement and all other agreements and documents contemplated hereby, Rating Agency and Bond Insurer fees, the State Bond Commission fees, and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Refunding Bonds shall be paid by the Issuer.

SECTION 9
NOTICES

Any notice or other communication to be given under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to:

If to the Issuer: Sales Tax District No. 3 of the
Parish of St. Tammany, State of Louisiana
21490 Koop Drive
Mandeville, LA 70471
Attn: Council Chairman

Copy to: Parish of St. Tammany, State of Louisiana
21490 Koop Drive
Mandeville, LA 70471
Attn: Parish President

If to the Underwriter: Crews & Associates, Inc.
521 President Clinton Avenue, Suite 800
Little Rock, AR 72201
Attn: Capital Markets

**SECTION 10
APPLICABLE LAW; NON-ASSIGNABILITY**

The Bond Purchase Agreement shall be governed by the laws of the State of Louisiana. This Bond Purchase Agreement shall not be assigned by any party.

**SECTION 11
NO LIABILITY**

No individual member, officer, agent or employee of any of the parties hereto will be charged personally with any liability, or held liable under any term or provision of this Bond Purchase Agreement because of his or her execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

**SECTION 12
EXECUTION OF COUNTERPARTS**

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[Remainder of this page intentionally left blank]

[Bond Purchase Agreement Signature Page]

Sincerely,

CREWS & ASSOCIATES, INC.,
as Underwriter

By: _____
Michael Lambert, Authorized Representative

ACCEPTED THIS __ DAY OF _____, 2013:

**SALES TAX DISTRICT NO. THREE OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

By: _____
St. Tammany Parish Council

EXHIBIT A

MATURITY SCHEDULE

<u>Due</u> <u>()</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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EXHIBIT B
SCHEDULE OF 2006 BONDS REFUNDED

ButlerSnow 15116902v2

Exhibit C**Additional Provisions Regarding Registration**

The Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as registered owner of the Bonds, and held in the custody of DTC. The Clerk of Council of the Governing Authority or any other officer of the Issuer is authorized to execute and deliver a Letter of Representation to DTC on behalf of the Issuer with respect to the issuance of the Bonds in "book-entry only" format. The Paying Agent is hereby directed to execute said Letter of Representation. The terms and provisions of said Letter of Representation shall govern in the event of any inconsistency between the provisions of this Bond Ordinance and said Letter of Representation. Initially, a single certificate will be issued and delivered to DTC for each maturity of the Bonds. The Beneficial Owners will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

Notwithstanding anything to the contrary herein, while the Bonds are issued in book-entry-only form, the payment of principal of, premium, if any, and interest on the Bonds may be payable by the Paying Agent by wire transfer to DTC in accordance with the Letter of Representation.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

- (a) DTC determines to discontinue providing its service with respect to the Bonds. Such a determination may be made at any time by giving 30 days' notice to the Issuer and the Paying Agent and discharging its responsibilities with respect thereto under applicable law; or
- (b) The Issuer determines that continuation of the system of book-entry transfer through DTC (or a successor securities depository) is not in the best interests of the Issuer and/or the Beneficial Owner.

The Issuer and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer, the Paying Agent or the Underwriter are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy *in lieu* of consent.

Whenever during the term of the Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Bond Ordinance of holding, delivering or transferring the Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time DTC ceases to hold the Bonds, all references herein to DTC shall be of no further force or effect.

**EXHIBIT D
TO BOND ORDINANCE**

NOTICE OF DEFEASANCE AND CALL FOR REDEMPTION

**SALES TAX BONDS, SERIES 2006
(MATURING JUNE 1, 20__ TO 20__, INCLUSIVE)
OF
SALES TAX DISTRICT NO. 3 OF THE PARISH OF ST. TAMMANY,
STATE OF LOUISIANA**

NOTICE IS HEREBY GIVEN, pursuant to an ordinance adopted on March __, 2013, by the Parish Council of the Parish of St. Tammany, State of Louisiana, acting as the governing authority of Sales Tax District No. 3 of the Parish of St. Tammany, State of Louisiana (the "Issuer"), that there has been deposited with _____, in the City of _____, _____ (the "Escrow Agent"), as Escrow Agent under a Defeasance and Escrow Deposit Agreement dated as of _____, 2013 (the "Escrow Deposit Agreement"), between the Escrow Agent and the Issuer, moneys which have been invested in direct, non-callable obligations of the United States of America, in an amount sufficient to assure the availability of sufficient moneys to pay the principal of, interest and redemption premium on \$_____ of the Issuer's outstanding Sales Tax Bonds, Series 2006, consisting of all of the bonds of said issue which mature June 1, 20__ to June 1, 20__, inclusive (the "Refunded Bonds"), as hereinafter further described.

In accordance with the provisions of Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, the Refunded Bonds are defeased and deemed to be paid, and will no longer be secured by or entitled to the benefits of the resolution of the Issuer providing for their issuance.

NOTICE IS HEREBY FURTHER GIVEN that the Refunded Bonds are called for redemption on _____, 20__, at the principal amount thereof and accrued interest to the call date, plus a premium of __% of the principal amount to be redeemed, upon presentation and surrender of said bonds at the principal corporate trust office of Argent Trust, A Division of National Independent Trust Company, the Paying Agent therefor. The Refunded Bonds to be redeemed on _____, 20__ are listed below, and include all of the bonds of the maturities listed:

<u>DATE</u> <u>(June 1)</u>	<u>PRINCIPAL</u> <u>PAYMENT</u>	<u>INTEREST</u> <u>RATE</u>	<u>CUSIP</u> <u>NUMBERS</u>
--------------------------------	------------------------------------	--------------------------------	--------------------------------

No further interest will accrue and be payable on said bonds from and after _____, 20__. The Refunded Bonds should not be surrendered for payment until _____, 20__, and at that time should be surrendered at Argent Trust, as follows:

By Hand, Express Mail
or Courier Service

By Mail

Argent Trust, a Division of National
Independent Trust Company
Attn: Lana Patton
500 E. Reynolds Drive

Argent Trust, a Division of National
Independent Trust Company
Attn: Lana Patton
500 E. Reynolds Drive

Ruston, Louisiana 71270

Ruston, Louisiana 71270

The CUSIP NUMBERS listed above are provided for the convenience of the bondowners. The Issuer does not certify as to their correctness.

Holders of said Refunded Bonds are reminded that the Federal Interest and Dividend Tax Compliance Act of 1983 requires that the Paying Agent, as payor, withhold 30% of the principal amount if a Taxpayer Identification Number has not been provided by the Holder as payee. If the Tax Identification Number has not previously been provided to the Paying Agent, then Bondholders are requested to provide this information to the Paying Agent with a Form W-9 in order to avoid the aforesaid withholding.

SALES TAX DISTRICT NO. THREE OF
THE PARISH OF ST. TAMMANY, STATE
OF LOUISIANA

By: _____
Council Clerk

Date: _____, 2013