

The following resolution was offered by Mark Poché and seconded by Minos

Broussard:

RESOLUTION NO. 2007-R-12

A resolution providing for the incurring of debt and issuance, execution, negotiation, sale and delivery of Four Million Dollars (\$4,000,000) of Road Bonds, Series 2007 (the "Bonds"), of the Parish of Vermilion, State of Louisiana; prescribing the form, terms and conditions of the Bonds; designating the date, denomination and place of payment thereof in principal and interest; making application to the Louisiana State Bond Commission; authorizing the agreement with the paying agent; providing for the employment of bond counsel; providing for the acceptance of an offer for the purchase of the Bonds; and providing for other matters in connection therewith.

WHEREAS, the Budget of the Parish of Vermilion, State of Louisiana (the "Issuer"), for the fiscal year ending December 31, 2007, shows an excess of revenues over statutory, necessary and usual charges and all other expenses for such fiscal year [after taking into account funds set aside for the payment of annual debt service on the Outstanding Parity Obligations (hereinafter defined)], sufficient to meet the maximum principal and interest requirements in any future year on the Road Bonds authorized herein (the "Bonds"), and the Issuer will herein obligate itself and its successors in office to budget and set aside annually adequate funds for the payment of the Bonds, in principal and interest in future years; and

WHEREAS, Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority, authorizes the Issuer to make and enter into contracts dedicating the excess of annual revenues of subsequent years, from any source, above statutory, necessary and usual charges to the payment of the cost of public improvements which are to be borne by the Issuer under such contracts; and

WHEREAS, pursuant to and in accordance with the foregoing, the Issuer now desires to incur debt and issue Four Million Dollars (\$4,000,000) of its Road Bonds, Series 2007, in the manner authorized and provided by the aforesaid Section of the Louisiana Revised Statutes of 1950, as hereinafter provided, for the purpose of constructing, improving and resurfacing Parish roads, including incidental drainage, and paying the costs of issuance of the Bonds; and

WHEREAS, the Issuer is not now a party to any contract pledging or dedicating its excess of annual revenues above statutory, necessary and usual charges, except with respect to the Issuer's (I) Refunding Bonds, Series 2002, dated December 1, 2002, issued in the original principal amount of \$2,320,000, pursuant to a resolution adopted on November 4, 2002; of which \$480,000 is currently outstanding; (ii) Certificates of Indebtedness, Series 2004, dated April 1, 2004, issued in the original principal amount of \$1,145,000, pursuant to a resolution adopted on

March 15, 2004, of which \$590,000 is currently outstanding; and (iii); Certificates of Indebtedness, Series 2005, dated April 27, 2005, issued in the original principal amount of \$1,000,000, pursuant to a resolution adopted on March 7, 2005, of which \$815,000 is currently outstanding; and

WHEREAS, it is the desire of the Issuer to fix the details necessary with respect to the issuance of the Bonds and to provide for the authorization and issuance thereof; and

WHEREAS, it is the further desire of the Issuer to provide for the sale of the Bonds to the Purchaser (hereinafter defined) at the price and in the manner hereinafter provided;

NOW, THEREFORE, BE IT RESOLVED by the Police Jury of the Parish of Vermilion, State of Louisiana, acting as the governing authority thereof, that:

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

"**Act**" shall mean Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority.

"**Additional Parity Obligations**" shall mean any *pari passu* additional obligations hereafter issued by the Issuer on a parity with the Bonds and the Outstanding Parity Obligations, with respect to the excess of annual revenues of the Issuer, all as provided herein.

"**Agreement**" shall mean the agreement to be entered into between the Issuer and the Paying Agent pursuant to this Bond Resolution.

"**Bond**" or "**Bonds**" shall mean the Issuer's Road Bonds, Series 2007, authorized by this Bond Resolution, in the total aggregate principal amount of Four Million Dollars (\$4,000,000), whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any Bond previously issued.

"**Bond Counsel**" shall mean an attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivision is nationally recognized.

"**Bond Register**" shall mean the records kept by the Paying Agent, hereinafter defined, at their principal corporate office in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"**Bond Resolution**" shall mean this resolution authorizing the issuance of the Bonds, as it may be supplemented and amended.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Executive Officers" shall mean, collectively, the President and the Secretary-Treasurer of the Governing authority.

"Fiscal Year" shall mean the one-year accounting period commencing on January 1 of each year, or such other one-year period as may be designated by the Governing Authority as the fiscal year of the Issuer.

"Governing Authority" shall mean the Police Jury of the Parish of Vermilion, State of Louisiana.

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

"Interest Payment Date" shall mean April 1 and October 1 of each year, commencing on October 1, 2007.

"Issuer" shall mean the Parish of Vermilion, State of Louisiana.

"Outstanding" when used with respect to the Bonds shall mean, as of the date of determination, any Bond theretofore issued and delivered under this Bond Resolution, except:

1. Any Bond theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
2. Any Bond for which payment sufficient funds or government securities, or both, have been theretofore deposited in trust for the owners of such Bond with the effect specified in this Bond Resolution or by law;
3. Any Bond in exchange for or in lieu of which another Bond has been registered and delivered pursuant to this Bond Resolution; and
4. Any Bond alleged to have been mutilated, destroyed, lost or stolen which may have been paid as provided in this Bond Resolution or by law.

"Outstanding Parity Obligations" shall mean, collectively, the Issuer's outstanding (i) Refunding Bonds, Series 2002, dated December 1, 2002; (ii) Certificates of Indebtedness, Series 2004, dated April 1, 2004; and (iii) Certificates of Indebtedness, Series 2005, dated April 27, 2005, described in the preambles of this Bond Resolution.

"Owner" or "Owners" when used with respect to any Bond shall mean the Person in whose name such Bond is registered in the Bond Register.

"Parity Bond Resolutions" shall mean the resolutions adopted by the Governing Authority of the Issuer on November 4, 2002, March 15, 2004, and April 27, 2005, respectively, authorizing the issuance of the Outstanding Parity Obligations.

"Paying Agent" shall mean Hancock Bank of Louisiana, of Baton Rouge, Louisiana, until a successor Paying Agent shall have been appointed pursuant to the applicable provisions of this Bond Resolution and thereafter "Paying Agent" shall mean such successor Paying Agent.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Purchaser" shall mean Hancock Bank of Louisiana, of Gulfport, Mississippi.

"Record Date" for the interest payable on any Interest Payment Date shall mean the 15th calendar day of the month next preceding such Interest Payment Date.

SECTION 2. Authorization of the Bonds; Maturities. Subject to the approval of the Louisiana State Bond Commission, and in compliance with the terms and provisions of the Act, and other applicable constitutional and statutory authority, there is hereby authorized the incurring of an indebtedness of Four Million Dollars (\$4,000,000) for, on behalf of, and in the name of the Issuer, for the purpose of constructing, improving and resurfacing Parish roads, including incidental drainage, and paying the costs of issuance of the Bonds, and to represent said indebtedness this Governing Authority does hereby authorize the issuance of its Road Bonds, Series 2007, in the principal amount of Four Million Dollars (\$4,000,000) . The Bonds shall be in fully registered form, shall be dated June 7, 2007, shall be issued in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof within a single maturity and shall be numbered from R-1 upward. The unpaid principal of the Bonds shall bear interest at the rate of four and nine hundredths per centum (4.09%) per annum from the date thereof, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing October 1, 2007, and shall mature serially on October 1 of each year as follows:

<u>Year</u>	<u>Principal Payment</u>	<u>Year</u>	<u>Principal Payment</u>
2008	\$330,000	2013	\$405,000
2009	345,000	2014	420,000
2010	355,000	2015	440,000
2011	375,000	2016	460,000
2012	390,000	2017	480,000

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 shall be payable by check of the Paying Agent mailed by the Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Bond Register (determined as of the close of business on the Record date) at the address shown on the Bond. Each Bond delivered under this Bond Resolution upon transfer of, 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 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 Resolution, 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 Resolution, executed by the Paying Agent by manual signature.

The Bonds are hereby issued on a parity with the Outstanding Parity Obligations, and the Bonds shall rank equally with and enjoy complete parity of lien with the Outstanding Parity Obligations on the excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the Fiscal Years during which the Bonds and the Outstanding Parity Obligations are outstanding. It is certified that the Issuer has complied with or will comply with prior to the issuance of the Bonds, all the terms and conditions for the issuance of Additional Parity Obligations set forth in the Parity Bond Resolutions.

SECTION 3. Redemption Provisions. Those Bonds maturing October 1, 2011, and thereafter, shall be callable for redemption by the Issuer in full, or in part, at any time on or after October 1, 2010 (but if in part, in the inverse order of their maturities, and if less than a full maturity, then by lot within such maturity), at the principal amount thereof and accrued interest to the date fixed for redemption. In the event a Bond to be redeemed is of a denomination larger than Five Thousand Dollars (\$5,000), a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part shall be surrendered at the office of the Paying Agent and there shall be delivered to the Owner of such Bond, a new Bond of the same maturity and of authorized denomination as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered. Official notice of such call of any of the Bonds for redemption shall be given by means of 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 Owner of each Bond to be redeemed at his address as shown on the Bond Register.

SECTION 4. Registration and Transfer. The Issuer shall cause the Bond Register to be kept by 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 Bond 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 Five Thousand Dollars (\$5,000) each, or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register, transfer or exchange any Bond during a period beginning (I) at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date or (ii) with respect to Bonds to be redeemed, 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.

SECTION 5. Form of Bonds. The Bonds and the endorsements to appear thereon shall be in substantially the following forms, respectively, to-wit:

* * * * *

(FORM OF FACE OF BONDS)

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF VERMILION

ROAD BOND, SERIES 2007
PARISH OF VERMILION, STATE OF LOUISIANA

Bond Number	Bond Date	Maturity Date	Interest Rate	Principal Amount
R-__	June 7, 2007	October 1, ____	4.09%	\$_____

The PARISH OF VERMILION, STATE OF LOUISIANA (the "Issuer"), promises to pay, but only from the source and as hereinafter provided, to:

HANCOCK BANK OF LOUISIANA
2510 14th Street
One Hancock Plaza
Gulfport, Mississippi 39501

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 semiannually on April 1 and October 1 of each year, commencing October 1, 2007 (each an "Interest Payment Date"), 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 made or duly provided for. The principal of this Bond, upon maturity or redemption, is payable in lawful money of the United States of America at the principal office of Hancock Bank of Louisiana, 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 close of business on 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.

This Bond is one of an authorized issue aggregating in principal the sum of Four Million Dollars (\$4,000,000) (the "Bonds") all of like tenor and effect except as to number, denomination and maturity, said Bonds having been issued by the Issuer pursuant to a resolution adopted by its governing authority on April 16, 2007 (the "Bond Resolution"), for the purpose of constructing, improving and resurfacing Parish roads, including incidental drainage, and paying the costs of issuance of the Bonds, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority.

Those Bonds maturing on October 1, 2011 and thereafter, are callable for redemption by the Issuer in full, or in part, at any time on or after October 1, 2010, (but if in part, in the inverse order of their maturities, and if less than a full maturity, then by lot within such maturity), at the principal amount thereof and accrued interest to the date fixed for redemption. In the event a Bond to be redeemed is of a denomination larger than Five Thousand Dollars (\$5,000), a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part shall be surrendered at the office of the Paying Agent and there shall be delivered to the owner of such Bond, a new Bond of the same maturity and of authorized denomination as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered. Official notice of such call of any of the Bonds for redemption shall be given by means of 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 Bond Register.

The Issuer shall cause to be kept at the principal office of the Paying Agent a register (the "Bond Register") in which registration of the Bonds and of transfers of the Bonds shall be made as provided in the Bond Resolution. This Bond may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. This Bond may be assigned by the execution of the assignment form hereon or by other instrument 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 this transferred and assigned Bond after receipt of this Bond to be transferred in proper form. Such new Bond or Bonds shall be in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register, transfer or exchange any Bond during a period beginning (I) 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) with respect to Bonds to be redeemed, 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 are issued on a complete parity with the Issuer's outstanding (i) Refunding Bonds, Series 2002, dated December 1, 2002; (ii) Certificates of Indebtedness, Series 2004, dated April 1, 2004; and (iii) Certificates of Indebtedness, Series 2005, dated April 27, 2005 (collectively, the "Outstanding Parity

Obligations”). It is certified that the Issuer, in issuing this Bond, has complied with all the terms and conditions set forth in the resolutions authorizing the issuance of the Outstanding Parity Obligations.

This Bond and the issue of which it forms a part, equally with the Outstanding Parity Obligations, are secured by and payable from a pledge and dedication of the excess of annual revenues of the Issuer, above statutory, necessary and usual charges in each of the fiscal years during which the Bonds are outstanding, and revenues from any source which may be transferred to the General Fund of the Issuer to pay the debt service on the Bonds and the Outstanding Parity Obligations. The Issuer has covenanted and agreed to budget annually a sufficient sum of money to pay the principal of and the interest on this Bond and the issue of which it forms a part, and the Outstanding Parity Obligations, including any principal and/or interest theretofore matured and then unpaid, and to levy and collect in each year taxes and collect other revenues within the limits prescribed by law sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations, as said principal and interest come due, after the payment in such years of all such statutory, necessary and usual charges for the then current year. The Issuer, in the Bond Resolution has also entered into certain other covenants and agreements with the registered owner of this Bond, including a provision for the issuance of *pari passu* obligations on a parity with the Bonds and the Outstanding Parity Obligations, for the terms of which reference is made to the Bond Resolution.

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

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

IN WITNESS WHEREOF, the Police Jury of the Parish of Vermilion, State of Louisiana, acting as the governing authority of the Issuer, has caused this Bond to be executed in the name of the Issuer by the manual signatures of its President and its Secretary-Treasurer, and the corporate seal of the Issuer to be impressed hereon.

**PARISH OF VERMILION,
STATE OF LOUISIANA**

Secretary-Treasurer
Vermilion Parish Police Jury

President
Vermilion Parish Police Jury

(SEAL)

* * * * *

(FORM OF PAYING AGENT'S CERTIFICATE OF REGISTRATION)

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

HANCOCK BANK OF LOUISIANA
Baton Rouge, Louisiana
as Paying Agent

Date of Registration: _____ By: _____

* * * * *

(FORM OF ASSIGNMENT)

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

Please Insert Social Security
or other Identifying Number of Assignee

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 6. Execution of Bonds. The Bonds shall be signed by the Executive Officers for, on behalf of, in the name of and under the corporate seal of the Issuer, which signatures and corporate seal may be either manual or facsimile.

SECTION 7. Pledge and Dedication of Revenues. Pursuant to the provisions of the Act, the Bonds, equally with the Outstanding Parity Obligations, shall be secured by and payable from a pledge and dedication of the excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the Fiscal Years during which the Bonds are outstanding, and revenues from any source which may be transferred to the General Fund of the Issuer to pay the debt service on the Bonds and the Outstanding Parity Obligations. There is hereby irrevocably pledged and dedicated to the payment of the Bonds and the Outstanding Parity Obligations, an amount of such excess of annual revenues sufficient to pay same in principal and interest as they respectively mature. Until the Bonds shall have been paid in full in principal and interest, this Governing Authority does hereby obligate the Issuer, itself and its successors in office, to budget annually a sum of money sufficient to pay the principal of and interest on the Bonds and the Outstanding Parity Obligations, including any principal and/or interest theretofore matured and then unpaid, and to levy and collect in each year taxes and collect other revenues within the limits prescribed by law, sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations as said principal and interest come due, after payment in such years of all the said statutory, necessary and usual charges for the then current year. No further or additional pledges or dedications of the aforesaid excess of annual revenues shall be made which shall have priority over or parity with the pledge and dedication of such revenues herein made, except as provided in Section 9 hereof.

SECTION 8. (a) For the payment of the principal of and the interest on the Bonds and the Outstanding Parity Obligations, the Issuer shall hereby create and hereafter maintain a special fund to be known as the *Excess Revenue Bond Sinking Fund*" (the "Sinking Fund"), said Sinking Fund to be maintained with the regularly designated fiscal agent bank of the Issuer. For the payment of the Bonds and the Outstanding Parity Obligations, the Issuer shall deposit in said Sinking Fund at least three (3) days in advance of the date on which each payment of principal and/or interest on the Bonds and the Outstanding Parity Obligations falls due, funds fully sufficient to promptly pay the maturing principal and/or interest falling due on such date.

(b) It shall be specifically understood and agreed, however, and this provision shall be a part of this contract, that after the funds have been budgeted out of the revenues of any Fiscal Year sufficient to pay the principal and interest on the Bonds herein authorized and the Outstanding Parity Obligations for that Fiscal Year, then any excess of annual revenues remaining in that Fiscal Year shall be free for expenditure by the Issuer for any other lawful corporate purpose.

(c) All monies deposited with the regularly designated fiscal agent bank or banks of the Issuer or the Paying Agent under the terms of this Resolution shall constitute sacred funds for the benefit of the Owners of the Bonds and the owners of the Outstanding Parity Obligations, and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

(d) All or any part of the monies in the Sinking Fund shall, at the written request of the Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana, in which event all income derived from such investments shall be added to the General Fund of the Issuer.

SECTION 9. Parity Bonds. The Issuer shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the excess of annual revenues of the Issuer above the said statutory, necessary and usual charges, having priority over or parity with the Bonds and the Outstanding Parity Obligations, except that Additional Parity Obligations may hereafter be issued on a parity with the Bonds and the Outstanding Parity Obligations under the following conditions:

The net excess of annual revenues of the Issuer (excess of general revenues over expenditures, which shall include any fund balance carried forward from a prior year, and revenues from any source which may be transferred to the General Fund of the Issuer to pay the debt service on the Bonds and the Outstanding Parity Obligations) for the Fiscal Year immediately preceding the issuance of any Additional Parity Obligations must have been not less than 1.35 times the highest annual debt service requirements in any succeeding Fiscal Year on all debt obligations then outstanding, including any Additional Parity Obligations theretofore issued and then outstanding, and any bonds or other obligations whatsoever then outstanding which are payable from the excess of general revenues of the Issuer (but not including obligations which have been refunded or provisions otherwise made for their full and complete payment and redemption), and the Additional Parity Obligations so proposed to be issued;

(a) The Issuer is in full compliance with all covenants and undertakings in connection with all its excess revenue obligations then outstanding and payable from the excess of general revenues of the Issuer or any part thereof, and there are no delinquencies in payments required to be made to the Sinking Fund established and maintained for the security and payment of the Bonds and the Outstanding Parity Obligations;

(b) The existence of the facts required by the foregoing paragraphs (a) and (b) must be determined and certified by the Secretary-Treasurer of the Governing Authority; and

(c) The Additional Parity Obligations must be payable as to principal on October 1 of each year, commencing not more than two (2) years from the date thereof, and payable as to interest on April 1 and October 1 of each year following the date thereof.

SECTION 10. Budget; Audit. As long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall prepare and adopt a budget prior to the beginning of each Fiscal Year and shall furnish a copy of such budget within thirty (30) days after its adoption to the Paying Agent and the Purchaser; the Issuer shall also furnish a copy of such budget to the Owners of any of the Bonds who request the same. Not later than six (6) months after the close of each Fiscal Year, the Issuer shall cause an audit of its books and accounts to be made by the Legislative Auditor or an independent firm of certified public accountants showing the receipts and disbursements made by the Issuer during the previous Fiscal Year. Such audit shall be available for inspection by the Owner of any of the Bonds, and, upon completion, a copy of such audit shall be furnished to the Purchaser.

SECTION 11. Application of 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 Resolution, to cause the necessary Bonds to be printed, to issue, execute and seal the Bonds, and to effect delivery thereof as hereinafter provided. The proceeds derived from the sale of the Bonds, except accrued interest, shall be deposited by the Issuer with its fiscal agent bank or banks to be used only for the purpose for which the Bonds are issued. Accrued interest, if any, derived from the sale of the Bonds shall be deposited in the Sinking Fund to be applied to the first interest payment.

SECTION 12. Bonds Legal Obligations. The Bonds shall constitute legal, binding and valid obligations of the Issuer, and shall be the only representations of the indebtedness as herein authorized and created.

SECTION 13. Bond Resolution a Contract. The provisions of this Bond Resolution shall constitute a contract between the Issuer, or its successor, and the Owner or Owners from time to time of the Bonds, and any such Owner or Owners may 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 this Governing Authority or the Issuer as a result of issuing the Bonds.

No material modification or amendment of this Bond Resolution, or of any resolution 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 modification or amendment shall permit a change in the maturity or redemption provisions of the Bonds, or a reduction in the rate of interest thereon, or in the amount of the principal obligation thereof, or affecting the obligation of the Issuer to pay the principal of and the interest on the Bonds as the same shall come due from the revenues appropriated, pledged and dedicated to the payment thereof by this Bond Resolution, or reduce the percentage of the Owners required to consent to any material modification or amendment of this Bond Resolution, without the consent of the Owners of the Bonds.

SECTION 14. Severability; Application of Subsequently Enacted Laws. In case any one or more of the provisions of this Bond Resolution or of the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Bond Resolution or of the Bonds, but this Bond Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provisions enacted after the date of this Bond Resolution which validate or make legal any provision of this Bond Resolution and/or the Bonds which would not otherwise be valid or legal, shall be deemed to apply to this Bond Resolution and to the Bonds.

SECTION 15. Recital of Regularity. This Governing Authority having investigated the regularity of the proceedings had in connection with the 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 the State of Louisiana."

SECTION 16. 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 17. Notices to Owners. Wherever this Bond Resolution 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 Resolution provides for notice in any manner, such notice may be waived in writing by the Owner or Owners 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 18. Cancellation of Bonds. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Paying Agent, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent and, if not already canceled, shall be promptly canceled 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 canceled by the Paying Agent. All canceled Bonds held by the Paying Agent shall be disposed of as directed in writing by the Issuer.

SECTION 19. Mutilated, Destroyed, Lost or Stolen Bonds. If (1) 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 (2) 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, interest rate 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 Resolution equally and ratably with all other Outstanding Bonds. Any additional procedures set forth in the Agreement, authorized in this Bond Resolution, 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 20. Discharge of Bond Resolution; Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Owners, the principal (and redemption price) of and interest on the Bonds, at the times and in the manner stipulated in this Bond Resolution, then the pledge of the money, securities, and funds pledged under this Bond Resolution and all covenants, agreements, and other obligations of the Issuer to the Owners of the Bonds shall thereupon cease, terminate, and become void and be discharged and satisfied, and the Paying Agent shall pay over or deliver all money held by it under this Bond Resolution to the Issuer.

Bonds or interest installments for the payment or redemption 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 redemption or otherwise) at the maturity or redemption 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 there shall have been deposited in trust either money in an amount which shall be sufficient, or Government Securities the principal of and the interest on which when due will provide money which, together with the money, if any, deposited in trust at the same time, shall be sufficient to pay when due the principal of, premium, if any, and interest to become due on such Bonds on and prior to the stated maturity or (if notice of the call for redemption has been duly given or waived or if irrevocable arrangements therefor have been made) redemption date thereof. Neither Government Securities nor money deposited in trust pursuant to this Section, nor principal or interest payments on any such Government Securities, shall be withdrawn or used for any such purpose other than, and shall be held in trust for, the payment of the principal (and redemption price) of and interest on such Bonds. Any cash received from such principal of and interest on such investment securities deposited in trust, if not needed for such purpose, shall, to the extent practicable, be reinvested in Government Securities (which may be non-interest bearing) maturing at times and in amounts sufficient to pay when due the principal, premium, if any, and interest on such Bonds on and prior to the maturity thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the depository, free and clear of any trust, lien, or pledge. Any payment for Government Securities purchased for the purpose of reinvestment as aforesaid shall be made only against delivery of such Government Securities.

SECTION 21. Successor Paying Agent; Paying Agent Agreement. 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 Resolution 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 resolution 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.

SECTION 22. Tax Covenants. 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 Bonds are designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code. In making this designation, the Issuer finds and determines that:

- (a) the Bonds are not "private activity bonds" within the meaning of the Code; and
- (b) the reasonably anticipated amount of qualified tax-exempt obligations which will be issued by the Issuer and all subordinate entities in calendar year 2007 does not exceed \$10,000,000.

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.

1. SECTION 23. Disclosure Under SEC Rule 15c2-12. The Issuer will not be

required to comply with the continuing disclosure requirements described in the Rule 15c-2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)], because:the Bonds are not being p thirty-five persons), which (I) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment in the Bonds and (ii) is not purchasing the Bonds for more than one account or with a view to distributing the Bonds.

SECTION 24. Award of Bonds. The President and/or Secretary-Treasurer of the Issuer are hereby authorized on behalf of the Issuer to accept the offer submitted by the Purchaser, attached hereto as Exhibit "A" hereto. The Bonds shall be delivered to said Purchaser upon the payment of the principal amount thereof plus accrued interest from the date of the Bonds to the date of delivery thereof.

SECTION 25. Declaration of Official Intent Under Reg. 1.150-2. Prior to the delivery of the Bonds (hereinabove approved in an amount not to exceed \$4,000,000) the Issuer anticipates that it may pay a portion of the costs of the project not to exceed \$4,000,000 from other available funds in the general fund or other funds of the Issuer. The project includes, specifically, constructing, improving and resurfacing Parish roads, including incidental drainage, and paying the costs of issuance of the Bonds. Upon the issuance of the Bonds, the Issuer reasonably expects to reimburse any such expenditures of other available funds from a portion of the proceeds of the Bonds. This Section is intended to be a declaration of official intent within the meaning of Reg. 1.150-2.

SECTION 26. Publication. A copy of this Bond Resolution shall be published immediately after its adoption in one (1) issue of the official journal of the Issuer. If the validity of the issuance of the Bonds is not raised within thirty (30) days from the date of such publication, the Bonds shall be incontestable in the hands of bona fide purchasers thereof for value and no court shall have authority to inquire into the legality thereof.

SECTION 27. Employment of Bond Counsel. The law firm of Foley & Judell, L. L. P., Bond Counsel is hereby employed as Bond Counsel to the Issuer to handle all matters of a legal nature in connection with the negotiation, sale, issuance and delivery of the Bonds. The fee of Foley & Judell, L. L. P., in connection with said program of finance is hereby established and fixed at a rate not to exceed the rate for comprehensive legal and coordinate professional work for revenue bonds set by the Attorney General's Fee Schedule which is in effect at the time of the delivery of the Bonds, plus "out-of-pocket" expenses, including any and all expenses and costs in preparing an Official Statement for the Bonds, if necessary, said fee to be contingent upon the delivery and payment for the Bonds herein authorized. A certified copy of this Bond Resolution shall be forwarded to the Attorney General of the State of Louisiana for his approval of the employment herein provided for.

SECTION 28. Application to Louisiana State Bond Commission. Application is hereby formally made to the Louisiana State Bond Commission, Baton Rouge, Louisiana, for consent and authority to issue, sell and deliver the Bonds.

By virtue of the Issuer’s application for acceptance and utilization of the benefits of the Louisiana State Bond Commission’s approval resolved and set forth herein, it resolves that it understands and agrees that such approval is expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 29. 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 30. Effective Date. This Bond Resolution shall become effective immediately.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

<u>Police Jurors</u>	<u>Yeas</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstaining</u>
Mark Poché	<u>X</u>	_____	_____	_____
Hubert Faulk	<u>X</u>	_____	_____	_____
Minos Broussard	<u>X</u>	_____	_____	_____
Ronald Darby	_____	_____	<u>X</u>	_____
Wayne Touchet	<u>X</u>	_____	_____	_____
David C. Maynard	<u>X</u>	_____	_____	_____
Carroll Duhon	<u>X</u>	_____	_____	_____
Edval Simon, Jr	<u>X</u>	_____	_____	_____
Maxwell Chreene	<u>X</u>	_____	_____	_____
Gaulman Gaspard	<u>X</u>	_____	_____	_____
Ravis Menard	<u>X</u>	_____	_____	_____
Purvis Abshire	<u>X</u>	_____	_____	_____
Luther Hardee	<u>X</u>	_____	_____	_____
T J. Prejean, Jr.	<u>X</u>	_____	_____	_____

And the resolution was declared adopted on this, the 16th day of April, 2007.

/s/ Chris Theriot

/s/ Luther Hardee

Secretary-Treasurer

President

The Exhibit to the Bond Resolution has not been published. Said Exhibit is on file with the minutes of the Police Jury of the Parish of Vermilion, State of Louisiana, 100 N. State Street, Suite 200, Abbeville, Louisiana 70510, and are available for inspection during regular business hours weekdays, Monday through Friday.