BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF
NUTLEY IN THE COUNTY OF ESSEX, NEW JERSEY AS FOLLOWS:

1. Section The $2,923,000 Bonds of the $2,923,604 bonds of
The Board of Education of the Township of Nutley in the County
of Essex (the "Board of Education") authorized by virtue of the
proposal adopted by the Board of Education on March 27, 2003 and
approved by the affirmative vote of a majority of the legal
voters present and voting at the school district election held
on April 15, 2003 to finance the local share of the School
Facilities Project pursuant to Title 18A, Education, of the New
Jersey Statutes shall be issued as a single issue of School
Bonds (the "Bonds"). The Bonds shall mature in the principal
amounts on August 15 in each of the years as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal Amount</th>
<th>Year</th>
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</tr>
</thead>
<tbody>
<tr>
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<td>$150,000</td>
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</tbody>
</table>

The Bonds shall be subject to redemption prior to maturity in
accordance with the terms of the Notice of Sale authorized
herein. The Bonds shall be nineteen in number, with one
certificate being issued for each year of maturity and shall be

2. Section The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with The Depository Trust Company. The Depository Trust Company will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records recording the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of any multiple of $1,000 (with a minimum purchase of $5,000 required) through
book-entries made on the books and records of The Depository Trust Company and its participants.

The Bonds will bear interest payable semiannually on the fifteenth day of February and August in each year until maturity or earlier redemption, commencing on August 15, 2004, at a rate or rates per annum, expressed in a multiple of 1/8 or 1/20 of 1% and proposed by the successful bidder in accordance with the Notice of Sale authorized herein.

The principal of and the interest on the Bonds will be paid to the Securities Depository by the Board of Education on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of each next preceding February 1 and August 1 (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signature of the President of the Board of Education under the official seal or facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Secretary of the Board of Education. The following matters are hereby determined with respect to the Bonds:
Date of Bonds: August 15, 2003,

Interest Payment Dates: Each February 15 and August 15 until maturity or earlier redemption, commencing on August 15, 2004.

3. Section The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Board of Education to market the Bonds in accordance with the requirements of The Depository Trust Company:
REGISTERED
NUMBER R-____ $______

UNITED STATES OF AMERICA
STATE OF NEW JERSEY

THE BOARD OF EDUCATION OF THE TOWNSHIP OF NUTLEY
IN THE COUNTY OF ESSEX

SCHOOL BOND

<table>
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<tr>
<th>DATED DATE:</th>
<th>MATURITY DATE:</th>
<th>RATE OF INTEREST PER ANNUM:</th>
<th>CUSIP:</th>
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<tbody>
<tr>
<td>08/15/03</td>
<td>08/15/</td>
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THE BOARD OF EDUCATION OF THE TOWNSHIP OF NUTLEY IN THE COUNTY OF ESSEX, New Jersey (the "Board of Education") hereby acknowledges itself indebted and for value received promises to pay to CEDE & CO., as nominee of The Depository Trust Company, which will act as Securities Depository, on the Maturity Date specified above, the principal sum of ___________________ DOLLARS ($_________), and to pay interest on such sum from the Dated Date of this bond at the Rate of Interest Per Annum specified above semiannually on the fifteenth days of February and August in each year until maturity or prior redemption as provided herein, commencing on August 15, 2004. Interest on this bond will be paid to the Securities Depository by the Board of Education and will be credited to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of the February 1 and August 1 next preceding the date of such payments (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Board of Education, will be paid to the Securities Depository by the Board of Education and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest except to an authorized nominee of The Depository Trust Company. The Depository Trust Company shall be responsible for
maintaining the book-entry system for recording the interests of
its participants or the transfers of the interests among its
participants. The participants are responsible for maintaining
records regarding the beneficial ownership interests in the
bonds on behalf of individual purchasers.

The bonds of this issue maturing prior to August 15, 2014
are not subject to redemption prior to their stated maturities.
The bonds of this issue maturing on or after August 15, 2014 are
redeemable at the option of the Board of Education in whole or
in part on any date on or after August 15, 2013 upon notice as
required herein at par plus unpaid accrued interest to the date
fixed for redemption.

Notice of redemption shall be given by mailing by first
class mail in a sealed envelope with postage prepaid to the
registered owners of the bonds not less than thirty (30) days,
nor more than sixty (60) days prior to the date fixed for
redemption. Such mailing shall be to the owners of such bonds
at their respective addresses as they last appear on the
registration books kept for that purpose by the Board of
Education or a duly appointed Bond Registrar. Any failure of
the Securities Depository to advise any of its participants or
any failure of any participant to notify any beneficial owner of
any notice of redemption shall not affect the validity of the
redemption proceedings. If the Board of Education determines to
redeem a portion of the bonds prior to maturity, the bonds to be
redeemed shall be selected by the Board of Education. The bonds
to be redeemed having the same maturity shall be selected by the
Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein,
the bonds or the portion thereof called for redemption shall be
due and payable on the date fixed for redemption at the
redemption price, together with unpaid accrued interest to the
date fixed for redemption. Interest shall cease to accrue on
the bonds after the date fixed for redemption. Payment shall be
made upon surrender of the bonds redeemed.

This bond is one of an authorized issue of bonds and is
issued pursuant to Title 18A, Education, of the New Jersey
Statutes and a proposal adopted by the Board of Education on
March 27, 2003 and approved by the affirmative vote of a
majority of the legal voters present and voting at the school
district election held on April 15, 2003. Payment of this
obligation is secured under the provisions of the New Jersey
School Bond Reserve Act, N.J.S.A. 18A:56-17 et seq., (P.L. 1980, c. 72, approved July 16, 1980, as amended by P.L. 2003, c. 118, approved July 1, 2003), in accordance with which an amount equal to 1% of the aggregate outstanding bonded indebtedness (but not to exceed the moneys available in the fund) of New Jersey counties, municipalities and school districts for school purposes as of September 15 of each year, is held within the State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payments of principal and interest due on such bonds in the event of the inability of the issuer to make payment.

The full faith and credit of the Board of Education are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Board of Education, is within every debt and other limit prescribed by such constitution or statutes.

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE TOWNSHIP OF NUTLEY IN THE COUNTY OF ESSEX, New Jersey has caused this bond to be executed in its name by the manual or facsimile signature of its President, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual signature of its Secretary, and this bond to be dated the Dated Date as specified above.

By: (Facsimile) President

By: Secretary
4. Section The Bonds shall be sold upon sealed proposals on August 14, 2003 at 11:00 a.m. at the Administrative Offices of the Board of Education, 375 Bloomfield Avenue, Nutley, New Jersey, in accordance with the Notice of Sale authorized herein. The Secretary is hereby directed to arrange for the publication of the Notice of Sale and the Summary Notice of Sale in the forms provided herein, such publications to be not less than seven days prior to the date of sale. The Notice of Sale shall be published in the Nutley Sun and the Summary Notice of Sale shall be published in the Bond Buyer, a financial newspaper published and circulating in the City of New York, New York. The Board of Education hereby designates the Business Administrator/Board Secretary as the officer to sell and to award the Bonds in accordance with the Notice of Sale authorized herein, and the Business Administrator/Board Secretary shall report in writing the results of the sale to this Board of Education as required by law.

5. Section The Notice of Sale and the Summary Notice of Sale shall be substantially in the following forms:
THE BOARD OF EDUCATION OF THE
TOWNSHIP OF NUTLEY IN THE
COUNTY OF ESSEX,
NEW JERSEY

NOTICE OF $2,923,000 SCHOOL BOND SALE

(Book-Entry-Only)
(Bank Qualified)
(Callable)

SEALED PROPOSALS will be received by the Business Administrator/Board Secretary of The Board of Education of the Township of Nutley in the County of Essex, New Jersey (the "Board of Education") at the Administrative Offices of the Board of Education, 375 Bloomfield Avenue, Nutley, New Jersey 07110 on August 14, 2003 until 11:00 a.m., at which time they will be publicly opened and announced for the purchase of the following Bonds of the Board of Education due (subject to prior redemption) on August 15 as follows:

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</tbody>
</table>

All bidders for the Bonds must be participants of The Depository Trust Company, New York, New York or affiliated with its participants. The Bonds will be issued in the form of one certificate for the aggregate principal amount of the Bonds maturing in each year and will be payable as to both principal and interest in lawful money of the United States of America. Each certificate will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities

The Bonds will be dated August 15, 2003 and will bear interest at the rate or rates per annum specified by the successful bidder therefor in accordance herewith, payable semiannually on the fifteenth day of February and August in each year until maturity or prior redemption, commencing on August 15, 2004, by payment of money to The Depository Trust Company or its authorized nominee. Interest shall be calculated on a 30 day month/360 day year basis. The Depository Trust Company will credit payments of principal of and interest on the Bonds to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of each next preceding February 1 and August 1, respectively (the "Record Dates").

The Bonds of this issue maturing prior to August 15, 2014 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after August 15, 2014 are redeemable at the option of the Board of Education in whole or in part on any date on or after August 15, 2013 upon notice as required herein at par plus unpaid accrued interest to the date fixed for redemption.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Board of Education or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Board of Education determines to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Board of Education. The Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.
If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the principal amount of Bonds the bidder will accept, which shall be all of the Bonds or any lesser amount that is a multiple of $1,000, with the Bonds accepted being the first to mature, and the purchase price specified in the proposal must be not less than $2,923,000 nor more than $2,924,000. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Board of Education under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.

The right is reserved to reject all bids, and any bid not complying with the terms of this notice will be rejected.

Each bidder is required to deposit a certified, treasurer's or cashier's check payable to the order of THE BOARD OF EDUCATION OF THE TOWNSHIP OF NUTLEY IN THE COUNTY OF ESSEX for $58,460 drawn upon a bank or trust company, and such check must be enclosed with the proposal. When the successful bidder has been ascertained, all such deposits will be promptly returned to the persons making them, except the check of the successful bidder, which will be applied in part payment for the Bonds or
to secure the Board of Education from any loss resulting from the failure of the bidder to comply with the terms of its bid. Award of the Bonds to the successful bidder or rejection of all bids is expected to be made within two hours after opening of the bids, but such successful bidder may not withdraw its proposal until after 3:00 p.m. of the day of such bid opening and then only if such award has not been made prior to the withdrawal.

The Bonds will be delivered on or about September 4, 2003 at the offices of the Board of Education's bond counsel, McManimon & Scotland, L.L.C., Newark, New Jersey or at such other place as may be agreed upon with the successful bidder. PAYMENT FOR THE BONDS AT THE TIME OF ORIGINAL ISSUANCE AND DELIVERY SHALL BE IN IMMEDIATELY AVAILABLE FUNDS.

Each proposal must be enclosed in a sealed envelope and should be marked on the outside "Proposal for Bonds." If mailed, proposals should be addressed to or in care of the undersigned at The Board of Education of the Township of Nutley in the County of Essex, New Jersey, 375 Bloomfield Avenue, Nutley, NJ 07110.

The successful bidder may at its option refuse to accept the Bonds if prior to their delivery any change in the Internal Revenue Code of 1986, as amended ("Code"), shall provide that the interest thereon is taxable or shall be taxable at a future date for federal income tax purposes. In such case the deposit made by the successful bidder shall be returned and it will be relieved of its contractual obligations arising from the acceptance of its proposal.

If the Bonds qualify for issuance of any policy of municipal bond insurance, the purchaser of the Bonds may, at its sole option and expense, purchase such insurance. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the purchaser of its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds.

It is anticipated that CUSIP identification numbers will be printed on the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the purchaser.
The obligation hereunder to deliver and to accept the Bonds shall be conditioned on the availability and the delivery at the time of delivery of the Bonds of the approving opinion of the law firm of McManimon & Scotland, L.L.C., Newark, New Jersey, which will be furnished without cost to the successful bidder, such opinion to be substantially in the form set forth in the Official Statement distributed in preliminary form in connection with the sale of the Bonds and certificates in form satisfactory to that law firm evidencing the proper execution and delivery of the Bonds, the receipt of payment therefor and the compliance with the requirements of the Code necessary to preserve tax exemption and the absence of litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Bonds. A copy of the approving opinion will appear on the Bonds.

The successful bidder will be required to certify the initial offering price to the public at which a substantial amount of the Bonds of each maturity were sold.

The Board of Education has authorized the distribution of a preliminary official statement deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission. Final official statements will be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for the Bonds.

The Bonds will be designated as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3)(B)(ii) of the Code.

James Mallen, Business Administrator/Board Secretary
SUMMARY NOTICE OF SALE

THE BOARD OF EDUCATION OF THE
TOWNSHIP OF NUTLEY IN THE
COUNTY OF ESSEX, NEW JERSEY

$2,923,000 SCHOOL BONDS
(BOOK-ENTRY-ONLY)
(BANK QUALIFIED)
(CALLABLE)

SEALED PROPOSALS will be received by the Business Administrator/Board Secretary of the Board of Education at the Administrative Offices of the Board of Education, 375 Bloomfield Avenue, Nutley, N.J. on August 14, 2003 until 11:00 a.m. for the purchase of the above Bonds of the Board of Education dated August 15, 2003 and due (subject to prior redemption) on August 15 as follows:

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The Bonds will be issued in book-entry-only form, in the form of one certificate for the aggregate principal amount of the Bonds maturing in each year. The Bonds are redeemable at the option of the Board of Education in accordance with the terms set forth in the full Notice of Sale. The Board of Education will furnish the Bonds and the approving legal opinion of McManimon & Scotland, L.L.C., Newark, N.J.

The Bonds will bear interest at the rate or rates per annum in multiples of 1/8 or 1/20 of 1% (ascending rates and only one rate per maturity) specified by the successful bidder payable semiannually on February 15 and August 15 in each year until
maturity or earlier redemption, commencing on August 15, 2004. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost in accordance with the terms set forth in the full Notice of Sale.

The full Notice of Sale, the Official Statement and bid forms are available by contacting James Mallen, the Business Administrator/Board Secretary, at Nutley Board of Education, 375 Bloomfield Avenue, Nutley, N.J. 07110, (973) 661-8797.
6. Section The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by the law firm of McManimon & Scotland, L.L.C. ("Bond Counsel"), complete except for omission of its date.

7. Section Bond Counsel is authorized to arrange for the printing of the Bonds and the printing of the Official Statement to be prepared by the Board of Education's auditors (the "Auditors") and to arrange for the distribution of the preliminary Official Statements on behalf of the Board of Education to those financial institutions that customarily submit bids for such Bonds. The Auditors are authorized to prepare the Official Statement necessary in connection with the issuance of the Bonds, and the President of the Board of Education is authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Board of Education by the Business Administrator/Board Secretary or by the President of the Board of Education. Final Official Statements shall be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for
the Bonds. Bond Counsel and the Auditors are further authorized to arrange on behalf of the Board of Education for a rating for the Bonds from Moody's Investors Service.

8. Section The Board of Education hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended, in order to preserve the exemption from taxation of interest on the Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds.

9. Section The Business Administrator/Board Secretary is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The Depository Trust Company, New York, New York, as may be necessary in order to provide that the Bonds will be eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection therewith.

10. Section In the event that The Depository Trust Company may determine to discontinue providing its service with respect to the Bonds or is removed by the Board of Education and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry form shall be converted to registered bonds (the "Registered Bonds") in denominations of $5,000, or any integral multiple thereof, except that an amount
maturing in any one year in excess of the largest principal amount thereof equaling a multiple of $5,000 will be in denominations of $1,000, or any integral multiple thereof. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The Board of Education shall be obligated to provide for the execution and delivery of the Registered Bonds in certificate form.

11. Section Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Board of Education shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

   (a) On or prior to February 1 of each year, beginning February 1, 2004, to each nationally recognized municipal securities information repository ("National Repository") and to the appropriate State information depository ("State Repository"), if any, annual financial information with respect to the Board of Education consisting of the audited financial
statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Board of Education and certain financial information and operating data consisting of (1) Board of Education and overlapping indebtedness including a schedule of outstanding debt issued by the Board of Education; (2) the Board of Education's most current adopted budget; (3) property valuation information for property located within the school district; and (4) tax rate, levy and collection data. The audited financial statements will be prepared in accordance with generally accepted accounting principles as modified by governmental accounting standards and mandated State statutory principles as in effect from time to time for school districts;

(b) in a timely manner to each National Repository or to the Municipal Securities Rulemaking Board, and to the State Repository, if any, notice of the following events with respect to the Bonds, if material (herein "Material Events"): 

(1) Principal and interest payment delinquencies on the Bonds;
(2) Non-payment related defaults;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties;
(4) Unscheduled draws on credit enhancements reflecting financial difficulties;
(5) Substitution of credit or liquidity providers, or their failure to perform;
(6) Adverse tax opinions or events affecting the tax-exempt status of the security;
(7) Modifications to rights of security holders;
(8) Bond calls;
(9) Defeasances;
(10) Release, substitution, or sale of property securing repayment of the securities; and
(11) Rating changes;

(c) in a timely manner to each National Repository or to the Municipal Securities Rulemaking Board, and to the State Repository if any, notice of failure of the Board of Education to provide required annual financial information on or before the date specified in this resolution.

12. Section If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this resolution, insofar as the provisions of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

13. Section The Business Administrator/Board Secretary shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Board of Education prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such
amendment is, in the opinion of nationally recognized bond
counsel, in compliance with the Rule.

14. Section In the event that the Board of Education fails to
comply with the Rule requirements or the written contracts or
undertakings specified in this resolution, the Board of
Education shall not be liable for monetary damages, remedy being
hereby specifically limited to specific performance of the Rule
requirements or the written contracts or undertakings therefor.

Section 15. The Business Administrator/Board Secretary is
authorized to invest the proceeds of the Bonds in investment
obligations or deposits as permitted in accordance with New
Jersey law.

Section 16. The Business Administrator/Board Secretary
and other appropriate representatives of the Board of Education
are authorized to take all other actions on behalf of the Board
of Education necessary for the sale and delivery of the Bonds in
accordance with this resolution.

Section 17. This resolution shall take effect
immediately.