

at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any,] on this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

[Bonds of the issue of which this Bond is one shall mature without option of redemption.]

[The Bonds shall be subject to redemption prior to maturity at the option of the County on January 1, 2014 and on any date thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine]

[Subject to the credit hereinafter provided, the County shall redeem Bonds maturing _____ and _____ on the redemption dates set forth below opposite the respective maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. The Bonds to be so redeemed within such maturity shall be selected by lot or in such other random manner as the Registration Agent in its discretion may determine. The dates of redemption and principal amount of the Bonds to be redeemed on said dates are as follows:

<u>Maturity Date</u>	<u>Redemption Date</u>	Principal Amount of Bonds to be Redeemed
_____	_____	\$ _____
	_____*	_____
_____	_____	\$ _____
	_____*	_____

*maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds maturing _____ and _____, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation for any Bonds maturing _____ and _____, which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory redemption provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal

amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory redemption shall be accordingly reduced.]

[Notice of call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent on behalf of the County not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The Registration Agent shall mail said notices as and when directed by the County pursuant to written instructions from an authorized representative of the County (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein.]

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made[, nor during a period following the receipt of instructions from the County to call such Bond for redemption].

This Bond is one of a total authorized issue aggregating \$_____ and issued by the County for the purpose of providing funds (i) to prepay a portion of the County's outstanding debt maturing on June 1, 2014 evidenced by the Series B-5-A Loan Agreement, by and between the County and The Public Building Authority of Blount County, Tennessee, dated as of May 1, 2004; and (ii) to pay costs incident to the issuance and sale of the Bonds of which this Bond is one, under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101, et seq., Tennessee Code Annotated, and pursuant to a resolution duly adopted by the Board of County Commissioners of the County on July 15, 2013 (the "Resolution").

This Bond is payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of, [premium, if any,] and interest on this Bond, the full faith and credit of the County are irrevocably pledged. For a more complete statement of the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to said Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Interest on this Bond will be included in gross income for federal income tax purposes.

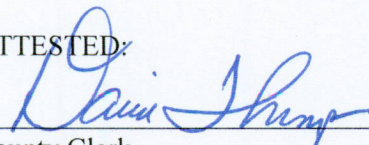
It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the County has caused this Bond to be signed by its County Mayor with his manual [or facsimile] signature and attested by its County Clerk with his manual [or facsimile] signature, all as of the date hereinabove set forth.

GREENE COUNTY, TENNESSEE

By: _____
County Mayor

ATTESTED:



County Clerk

Transferable and payable at the principal corporate trust office of: County Clerk of Greene County, Tennessee
Greeneville, Tennessee

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

COUNTY CLERK OF GREENE COUNTY, TENNESSEE
Registration Agent

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Bond of Greene County, Tennessee, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

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

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

[END OF BOND FORM]

SECTION 7. Levy of Tax. The County, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal of, premium, if any, and interest coming due on the Bonds in said year. Principal, premium, if any, and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any appropriations from other funds, taxes and revenues of the County to the payment of debt service on the Bonds.

SECTION 8. Sale of Bonds.

(a) The Bonds may be sold at informal bid or negotiated sale by the County Mayor, in consultation with the Financial Advisor, at a price of not less than ninety-nine percent (99%) of par, plus accrued interest, as a whole or in part, from time to time, as shall be determined by the County Mayor in consultation with the Financial Advisor. No Bonds shall be sold at an interest rate exceeding the maximum rate permitted by law.

(b) The County Mayor, upon consultation with the Financial Advisor, is further authorized respect to the Bonds to:

- (1) to change the dated date of the Bonds;
- (2) to establish a series designation and/or other designation of the Bonds, or any series thereof;

- (3) to change the first interest payment due on the Bonds to a date other than January 1, 2014, but in no event later than 12 months after the issuance of such Bonds and to change the intervals at which interest is paid;
- (4) decrease the total amount authorized to be issued herein in an amount necessary to maximize the objectives of prepaying the Refunded Loan and provide funds sufficient to pay principal and interest on the Refunded Loan and the costs of issuance of the Bonds;
- (5) adjust the principal and interest payment dates and maturity amount of the Bonds, provided that (A) the total principal amount of the Bonds does not exceed the total amount of Bonds authorized herein, as shall be adjusted pursuant to paragraph (4) above, and (B) the final maturity date of each series shall not exceed July 1, 2017;
- (6) to adjust or remove the optional redemption of the Bonds, provided that the premium amount to be paid on the Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof or to remove the County's optional redemption provisions with respect to any series of Bonds;
- (7) to sell the Bonds, or any maturities thereof, as serial Bonds or Term Bonds with mandatory redemption requirements as determined by the County Mayor, as he shall deem most advantageous to the County; and
- (8) to provide for the transferability or restrictions on transferability of the Bonds.

(d) If the Bonds are sold at informal bid, the County Mayor is authorized to award the Bonds to the bidder whose bid results in the lowest true interest cost to the County, provided the rate or rates on the Bonds do not exceed the maximum rate permitted by applicable Tennessee law. The award of the Bonds by the County Mayor to the lowest bidder shall be binding on the County, and no further action of the Governing Body with respect thereto shall be required. If sold at negotiated sale, the County Mayor is authorized to sell the Bonds to the Purchaser and execute such agreements in connection therewith that are consistent with the terms of this Resolution.

(e) The County Mayor and the County Clerk, or either of them, are authorized to cause the Bonds to be authenticated and delivered by the Registration Agent to the original purchaser and to execute, publish, and deliver all certificates and documents, including an award certificate or purchase agreement, and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The form of the Bond set forth in Section 6 hereof shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(f) The County Mayor and the County Clerk, or either of them, are authorized to enter into a contract with the Financial Advisor, for financial advisory services including in connection with the sale of the Bonds in substantially the form attached hereto as Exhibit C and to enter into an engagement with Bass, Berry & Sims PLC to serve as bond counsel in connection with issuance of the Bonds in substantially the form attached hereto as Exhibit D.

SECTION 9. Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be applied by the County as follows:

(a) all accrued interest, if any, shall be deposited to the appropriate fund of the County to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds;

(b) an amount, which together with investment earnings thereon and legally available funds of the County, if any, will be sufficient to prepay the Refunded Loan (subject to adjustments permitted by Section 8 above) shall be deposited with the Trustee under the Indenture to be held and applied as provided therein; and

(c) the remainder of the proceeds of the sale of the Bonds shall be used to pay the costs of issuance of the Bonds.

SECTION 10. Prepayment the Refunded Loan and Redemption of the Outstanding Bonds. (a) The County Mayor and the County Clerk, or either of them, are hereby authorized and directed to take all steps necessary to prepay the Refunded Loan, or any portions thereof, in accordance with the terms thereof, including, but not limited to, the execution and delivery of a prepayment notice for the Refunded Loan in the form attached hereto as Exhibit E.

SECTION 11. Discharge and Satisfaction of Bonds. If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable hereunder by the County with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from

such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the County as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the County, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee Law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

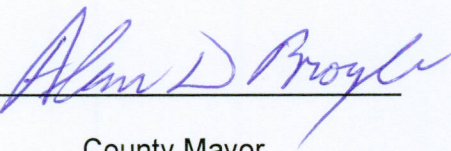
SECTION 12. Resolution a Contract. The provisions of this resolution shall constitute a contract between the County and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

SECTION 13. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

SECTION 14. Repeal of Conflicting Resolutions. All other resolutions and orders, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed.

SECTION 15. Effective Date. That this resolution shall take effect from and after its passage, the general welfare of the County, requiring it.

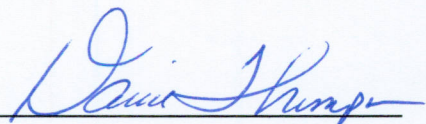
Adopted and approved on this 15th day of July, 2013.



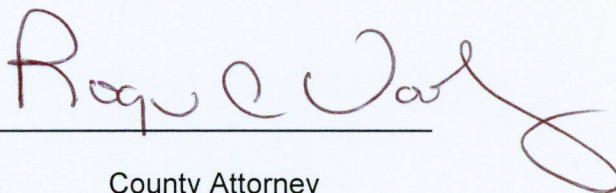
County Mayor

Budget and Finance Committee

Sponsor



County Clerk



County Attorney

STATE OF TENNESSEE)
COUNTY OF GREENE)

I, David Thompson, certify that I am the duly qualified and acting County Clerk of Greene County, Tennessee ("County"), and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of July 15, 2013 of the governing body of the County; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the aggregate principal amount not to exceed \$400,000 General Obligation Refunding Bonds (Federally Taxable) of said County.

WITNESS my official signature and seal of said County this 15 day of July, 2013.

David Thompson
County Clerk

(SEAL)



EXHIBIT A

REPORT OF STATE DIRECTOR ON PLAN OF REFUNDING



RECEIVED JUL 12 2013

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
OFFICE OF STATE AND LOCAL FINANCE
SUITE 1600 JAMES K. POLK STATE OFFICE BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7872
FAX (615) 741-5986

July 9, 2013

Honorable Alan D. Broyles, County Mayor
County Board of Commissioners
Greene County
204 North Cutler Street, Suite 202
Greeneville, TN 37745

Re: Review of the Plan of Refunding for the Proposed \$380,000 General Obligation Refunding Bonds (Taxable), Series 2013

Dear Mayor Broyles and Members of the Board of Commissioners:

This letter acknowledges receipt on June 26, 2013, of a request to review a plan of refunding (the "Plan") for the issuance of an amount not to exceed \$380,000 General Obligation Refunding Bonds (Taxable), Series 2013 (the "Series 2013 Refunding Bonds"), to restructure the non-callable fiscal year 2014 annual debt principal payment for the Series B-5-A Loan Agreement with the Public Building Authority of Blount County, dated May 5, 2004 (the "2004 Loan Agreement"), by negotiated sale. Total refunded principal is \$350,000.

Pursuant to the provisions of Tennessee Code Annotated Title 9 Chapter 21, a plan must be submitted to our Office for review prior to the adoption of a resolution by the governing body of a local government authorizing the issuance of refunding Bonds secured, in whole or in part, by the full faith and credit and unlimited taxing power of the County. The information presented in the Plan includes the assertions of the County and may not reflect either current market conditions or market conditions at the time of sale. An evaluation of the preparation, support, and underlying assumptions of the Plan has not been performed by this Office. This letter and report provide no assurances of the reasonableness of the underlying assumptions. The report must be presented to the governing body prior to the adoption of a refunding bond resolution.

FINANCIAL PROFESSIONALS

The County has reported Raymond James & Associates, Inc. as its municipal advisor. Municipal advisors have a fiduciary responsibility to the County. Underwriters have no fiduciary responsibility to the County. They represent the interests of their firm and are not required to act in the County's best interest without regard to their own or other interests. The Plan was prepared by the County with the assistance of its municipal advisor.

COUNTY'S PROPOSED REFUNDING OBJECTIVE

The County indicated in its Plan that the Series 2013 Refunding Bonds are being issued in conjunction with a refunding of the remaining maturities of the 2004 Loan Agreement in the spring of calendar year 2014 to restructure debt service to provide up to three fiscal years of minor debt service relief to allow the revenue streams associated with Debt Service Fund to return in whole or in part to their historic levels.

COMPLIANCE WITH THE COUNTY'S DEBT MANAGEMENT POLICY

A specific description of how the debt complies with the County's debt policy on the Form CT-0253, Report on Debt Obligation, and its amended Policy should be included with the Report on Debt Obligation submitted within 45 days of issuance of the debt approved in this letter.

MSRB Rule G-17

MSRB Rule G-17 requires underwriters and municipal advisors to deal fairly with the County in the conduct of its municipal securities or municipal advisory activities. MSRB Notice 2012-25 on the duties of underwriters to issuers of municipal securities was approved by the Securities and Exchange Board on May 4, 2012. On August 2, 2012, this interpretive notice to MSRB Rule G-17 on fair dealing became part of federal securities law and underwriters are required to comply with its provisions.

These duties fall into three areas:

- statements and representations to issuers;
- disclosures to issuers; and
- financial aspects of underwriting transactions.

To learn more about the obligations of the County's underwriter and municipal advisor have to it based on these duties please read the information posted on the MSRB website: www.msrb.org.

PRIVATE NEGOTIATED SALE APPROVAL

The approval of the Office of State and Local Finance is required when a county desires to sell refunding general obligation bonds through a negotiated sale process. The County has requested approval to sell the Refunding Bonds through negotiated sale.

This letter constitutes approval to negotiate the sale of the Refunding Bonds, conditioned upon the requirement that the bonds are sold with the debt service payment schedule having the same principal repayment schedule as presented in the plan or the principal repayment schedule is accelerated.

REPORT OF THE REVIEW OF A PLAN OF REFUNDING

This letter, report, and the Plan are to be placed on the County's website. The same report is to be provided to each member of the County Commission and reviewed at the Public Meeting at which the proposed refunding bond resolution will be presented as required by TENN. CODE ANN. § 9-21-903.

The enclosed report does not constitute approval or disapproval for the proposed plan or a determination that a refunding is advantageous or necessary nor that any of the outstanding obligations should be called for redemption on the first or any subsequent available redemption date or remain outstanding until their respective dates of maturity. This letter and the enclosed report do not address the compliance with federal tax regulations and are not to be relied upon for that purpose. The County should discuss these issues with a bond counsel.

This report is effective for a period of one hundred and twenty (120) days. If the refunding has not been completed during this time, a supplemental plan of refunding must be submitted to this Office, at that time we will issue a report thereon pursuant to the statutes. In lieu of submitting a supplemental plan, a statement may be submitted to our Office after the 120-day period has elapsed stating that the information contained in the current plan of refunding remains valid. Such statement must be submitted by either the Chief Executive Officer or the Chief Financial Officer of the local government. We will acknowledge receipt of such statement and will issue our letter confirming that this refunding report remains valid for an additional 120-day period. However, with regard to the report currently being

July 9, 2013

Letter to Greene County

Re: Review of the Plan of Refunding for the Proposed \$380,000 General Obligation Refunding Bonds (Taxable), Series 2013

Page | 3

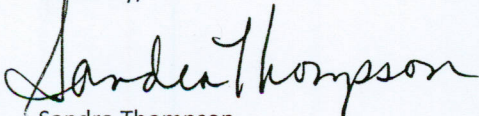
issued by this Office, during the initial 120-day period or any subsequent 120-day period no refunding reports will be issued relating to the debt obligations indicated herein as being refunded unless the Chief Executive Officer or the Chief Financial Officer notifies our Office that the plan of refunding which has been submitted is no longer valid.

We recognize that the information provided in the plan submitted to our Office is based on preliminary analysis and estimates, and that actual results will be determined by market conditions at the time of sale of the debt obligations. However, if it is determined prior to the issuance of these obligations that the actual results will be significantly different from the information provided in the plan which has been submitted, and the local government determines to proceed with the issue, our Office should subsequently be notified by either the Chief Executive Officer or the Chief Financial Officer of the local government regarding these differences, and that the local government was aware of the differences and determined to proceed with the issuance of the debt obligations. Notification to our Office will be necessary only if there is an increase or decrease of greater than fifteen percent (15%) in any of the following: (1) the principal amount of the debt obligations issued; (2) the costs of issuance; (3) the cumulative savings or loss with regard to any refunding proposal. We consider this notification necessary to insure that this Office and officials of the local government are aware of any significant changes that occur with regard to the issuance of the proposed indebtedness.

Report on Debt Obligation

We are enclosing a revised State Form CT-0253, Report on Debt Obligation. Pursuant to TENN. CODE ANN. § 9-21-151, this form is to be completed and filed with the governing body of the County no later than forty-five (45) days after the issuance of this debt, with a copy (including attachments, if any) filed with the Director of the Office of State and Local Finance by mail to the address on this letterhead or by email to stateandlocalfinance.publicdebtform@cot.tn.gov. No public entity may enter into additional debt if it has failed to file the Report on Debt Obligation. A fillable PDF of Form CT-0253 can be found at <http://www.comptroller.tn.gov/sl/pubdebt.asp>.

Sincerely,



Sandra Thompson
Director of the Office of State & Local Finance

Cc: Mr. Jim Arnette, Director of Local Government Audit, COT
Mr. Mike Nichols, Greene County Finance Director
Mr. Rick Dulaney, Raymond James & Associates, Inc.
Ms. Karen Neal, Bass, Berry & Sims PLC

Enclosures (2): Report of the Director of the Office of State & Local Finance
State Form CT-0253, Report on Debt Obligation

**REPORT OF THE DIRECTOR OF THE OFFICE OF STATE AND LOCAL FINANCE
CONCERNING THE PROPOSED ISSUANCE OF
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 [TAXABLE]
GREENE COUNTY, TENNESSEE**

Greene County (the "County") submitted a plan of refunding (the "Plan"), as required by Tennessee Code Annotated Section 9-21-903 regarding the issuance of an amount not to exceed \$380,000 General Obligation Refunding Bonds (Taxable), Series 2013 (the "Series 2013 Refunding Bonds"), to restructure the non-callable fiscal year 2014 annual debt principal payment for the Series B-5-A Loan Agreement with the Public Building Authority of Blount County, dated May 5, 2004 (the "2004 Loan Agreement"), by negotiated sale. Total refunded principal is \$350,000.

The Plan was prepared with the assistance of the County's Financial Advisor, Raymond James & Associates, Inc. The County provided a copy of its debt management policy. An evaluation of the preparation, support, and underlying assumptions of the Plan has not been performed by this Office. This letter and report provide no assurances of the reasonableness of the underlying assumptions. This report must be presented to the governing body prior to the adoption of a refunding bond resolution.

COUNTY'S PROPOSED REFUNDING OBJECTIVE

The County indicated in its Plan that the Series 2013 Refunding Bonds are being issued in conjunction with a refunding of the remaining maturities of the 2004 Loan Agreement in the spring of calendar year 2014 to restructure debt service to provide up to three fiscal years of minor debt service relief to allow the revenue streams associated with Debt Service Fund to return in whole or in part to their historic levels.

REFUNDING ANALYSIS

- The results for the refunding are based on the assumption that an estimated \$380,000 Series 2013 Refunding Bonds will be sold by negotiation, priced at a par as taxable bonds.
- The Series 2013 Refunding Bonds will be marketed to local commercial banks and others by the municipal advisor for the best execution for the County.
- The Series 2013 Bonds will be sold at taxable interest rates because the proceeds are being used to make the 2004 Loan Agreement's fiscal year 2014 debt service payment.
- This type of refunding is referred to as a "scoop and toss." It is a financing method used to defer current year debt service to a future date at the cost of paying additional interest.
- The Series 2013 Refunding Bonds extends the maturity of the fiscal year 2014 debt service payment to June 30, 2017, with the County paying total interest of \$28,360.
- The estimated net present value loss for the refunding (excluding any contingencies) is \$20,562 or 5.30% of the refunded principal of \$350,000.
- The underlying revenue problem in the debt service fund is only postponed—not cured—by deferring debt service payments to a later date.
- Estimated cost of issuance of the Series 2013 Refunding Bonds is \$10,500 or \$27.64 per \$1,000 of par amount. See Table 1 for individual costs of issuance.

Table 1

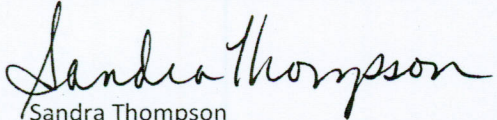
Costs of Issuance

Cost	Amount	Per \$1,000 Par Value of Bonds
Financial Advisor Fee	5,000.00	13.16
Bond Counsel Fee	5,000.00	13.16
Escrow Agent	500.00	1.32
	\$10,500.00	\$27.64

The County has identified Raymond James & Associates, Inc. as its municipal advisor. Municipal advisors have a fiduciary responsibility to you, the issuer. Underwriters have no fiduciary responsibility to you. They represent the interests of their firm.

This report of the Office of State and Local Finance does not constitute approval or disapproval by the Office for the Plan or a determination that a refunding is advantageous or necessary nor that any of the refunded obligations should be called for redemption on the first or any subsequent available redemption date or remain outstanding until their respective dates of maturity. This report is based on information as presented in the Plan by the County. The assumptions included in the County's Plan may not reflect either current market conditions or market conditions at the time of sale.

This report does not provide broad approval to refund the Refunded Bonds in a bond issue other than the proposed 2013 Refunding Bonds. If all of the 2004 Loan Agreement is not refunded as a part of the 2013 Refunding Bonds, then a new plan must be submitted to this Office for review.

A handwritten signature in cursive script that reads "Sandra Thompson".

Sandra Thompson

Director of the Office of State and Local Finance

Date: July 9, 2013

REPORT ON DEBT OBLIGATION
(Pursuant to Tennessee Code Annotated Section 9-21-151)

1. Public Entity:
 Name _____
 Address _____

2. Debt Obligation:

<input type="checkbox"/>	a. Bond
<input type="checkbox"/>	b. CON
<input type="checkbox"/>	c. BAN
<input type="checkbox"/>	d. GAN
<input type="checkbox"/>	e. TRAN
<input type="checkbox"/>	f. CRAN
<input type="checkbox"/>	g. Capital Lease
<input type="checkbox"/>	h. Loan Agreement

Note: Enclose a copy of the executed NOTE FORM if applicable.

5. Face Amount of Debt Obligation: _____
Premium/Discount: _____

6. Type of Sale:

<input type="checkbox"/>	a. Competitive Public Sale
<input type="checkbox"/>	b. Informal Bid
<input type="checkbox"/>	c. Negotiated Sale
<input type="checkbox"/>	d. Loan Program

3. Security For Debt Obligation:

<input type="checkbox"/>	a. General Obligation
<input type="checkbox"/>	b. General Obligation+Revenue+Tax
<input type="checkbox"/>	c. Revenue
<input type="checkbox"/>	d. TIF
<input type="checkbox"/>	e. Annual Appropriations

7. Tax Status:

<input type="checkbox"/>	a. Tax Exempt
<input type="checkbox"/>	b. Tax Exempt - Bank Qualified
<input type="checkbox"/>	c. Taxable

8. Dated Date: _____

4. Purpose of Issue:

<input type="checkbox"/>	a. General Government	_____ %
<input type="checkbox"/>	b. Education	_____ %
<input type="checkbox"/>	c. Highways and Streets	_____ %
<input type="checkbox"/>	d. Public Safety	_____ %
<input type="checkbox"/>	e. Solid Waste Disposal	_____ %
<input type="checkbox"/>	f. Industrial Park	_____ %
<input type="checkbox"/>	g. Manufacturing Facilities	_____ %
<input type="checkbox"/>	h. Health Facilities	_____ %
<input type="checkbox"/>	i. Airports	_____ %
<input type="checkbox"/>	j. Utilities	_____ %
<input type="checkbox"/>	i. Water	_____ %
<input type="checkbox"/>	ii. Sewer	_____ %
<input type="checkbox"/>	iii. Electric	_____ %
<input type="checkbox"/>	iv. Gas	_____ %
<input type="checkbox"/>	k. Refunding or Renewal	_____ %
<input type="checkbox"/>	l. Other _____	_____ %

specify

9. Issue Date (Closing Date): _____

10. Ratings:

a. Moody's	_____
b. Standard & Poor's	_____
c. Fitch	_____
d. Unrated	_____

11. Interest Cost:

_____ %

<input type="checkbox"/>	a. TIC
<input type="checkbox"/>	b. NIC
<input type="checkbox"/>	c. Variable: Index _____ plus _____ bps
<input type="checkbox"/>	d. Other _____

12. Recurring Costs:

a. Remarketing Agent (bps)	_____
b. Liquidity (bps)	_____
c. Credit Enhancements (bps)	_____