

CERTIFICATE OF PUBLIC HEARING

The undersigned Secretary of the Industrial Development Authority of Albemarle County, Virginia (the "Authority"), hereby certifies as follows:

1. A regular meeting of the Authority was duly called and held on June 12, 2007, at 4:00 o'clock p.m., at its offices in Room 435 at the County Office Building, 401 McIntire Road, Charlottesville, Virginia 22902. The meeting was open to the public, and persons of differing views were given an opportunity to be heard. At such meeting all of the Directors of the Authority were present or absent throughout as follows:

PRESENT:	Elton J. Oliver	Mitchell Neuman
	Thomas A. McQueeney	John C. Lowry
	Vernon W. Jones	Scott Goodman


ABSENT: Blake Hurt

2. The Chairman announced the commencement of a public hearing on the application of the Jefferson Scholars Foundation and its plan of financing and that a notice of the hearing was published once a week for two consecutive weeks, the first publication being not more than 28 days nor less than 14 days prior to the hearing in The Daily Progress, a newspaper having general circulation in Albemarle County, Virginia (the "Notice"). A copy of the Notice and a Certificate of Publication of such Notice have been filed with the records of the Authority and are attached hereto as Exhibit A.

3. The individuals listed in Exhibit B appeared and addressed the Authority. A reasonably detailed summary of their statements together with the fiscal impact statement required by the Industrial Development and Revenue Bond Act are attached hereto as Exhibits B and C.

4. Attached hereto as Exhibit D is a true, correct and complete copy of a resolution (the "Resolution") adopted at such meeting of the Authority by a majority vote of the members present. The Resolution constitutes all formal action taken by the Authority at such meeting relating to matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

WITNESS my hand and the seal of the Authority this 12TH day of June, 2007.


Secretary, Industrial Development Authority
of Albemarle County, Virginia

(SEAL)

Affidavit of Public Notice

The Daily Progress

P.O. BOX 9030
CHARLOTTESVILLE, VA 22906
TELEPHONE: (434)978-7210

CERTIFICATE OF PUBLICATION

TO: Huntton + Williams

I HEREBY CERTIFY THAT THE ATTACHED NOTICE WAS PUBLISHED IN
THE DAILY PROGRESS, A NEWSPAPER IN CHARLOTTESVILLE, VIRGINIA,
AND APPEARED IN THE ISSUE(S) DATED JUNE 5, 2007.
MAY 29, 2007.

PUBLISHING FEE: \$ 552.04

GIVEN UNDER MY HAND THIS 1ST DAY OF JULY 2007.

Kathleen Hicks
KATHLEEN HICKS, CREDIT MANAGER

**NOTICE OF PUBLIC HEARING ON
PROPOSED REVENUE BOND
FINANCING BY THE INDUSTRIAL
DEVELOPMENT AUTHORITY OF
ALBEMARLE COUNTY, VIRGINIA**
Notice is hereby given that the Industrial Development Authority of Albemarle County, Virginia (the "Authority"), will hold a public hearing on the application of the Jefferson Scholars Foundation (the "Foundation"), a Virginia non-for-profit corporation, whose principal place of business is located at Alumni Hall, 211 Emmet Street South, Charlottesville, Virginia 22903, for the Authority to issue pursuant to the Virginia Industrial Development and Revenue Bond Act (the "Act"), its revenue bonds or notes in an amount estimated at \$10,000,000 to assist the Foundation in financing or refinancing the acquisition, construction and equipping of its corporate office headquarters and Graduate Refresher Center to be located at 108, 112, 114 and 124 Maury Avenue and 110 Clarke Court, Charlottesville, Virginia.

The public hearing, which may be continued or adjourned, will be held at 4:00 o'clock p.m. on June 12, 2007, before the Authority, in Room 435 at the County Office Building, 401 McIntire Road, Charlottesville, Virginia 22902. As required by the Act, the issuance of the bonds as requested by the Foundation will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or Albemarle County, Virginia. Neither the Commonwealth of Virginia nor any political subdivision thereof, including the Authority and the Albemarle County, Virginia, shall be obligated to pay the Bonds, or the interest thereon, or other costs incidental thereto, except from the revenues and monies pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia nor any political subdivision thereof will be pledged to the payment of principal of the Bonds or the interest thereon or other costs incidental thereto. Any person interested in the issuance of the Bonds, the financing of the Bonds or the location or nature of the proposed projects may appear at the hearing and present his or her views or may send written comments before such hearing to the Authority, c/o the Secretary of the Authority, 401 McIntire Road, Charlottesville, Virginia 22902. A copy of the application may be inspected at the offices of the Authority.
**INDUSTRIAL DEVELOPMENT AUTHORITY OF
ALBEMARLE COUNTY, VIRGINIA**
By: Chairman

Summary of Statements

Bryar Nettles from Hunton & Williams, Jimmy Wright and Helen Dwyer from the Jefferson Scholars Foundation (the "Foundation"), and Mike Matthews serving as consultant to the Foundation were present at the public hearing. Ms. Nettles explained that the Foundation was requesting that the Albemarle Authority adopt an inducement resolution agreeing to issue tax-exempt bonds for the benefit of the Foundation to finance the cost of the Foundation's corporate office headquarters and Graduate Fellowship Center to be located in the City of Charlottesville. She explained that the City of Charlottesville had requested that we did not pursue the transaction through their industrial development authority and that the Albemarle Authority had the statutory authority to undertake the financing but that the City Council of the City of Charlottesville would need to grant approval. She noted that she has already scheduled a date to be on the agenda for a City Council meeting. Ms. Nettles then asked Mr. Wright to provide a summary of the Foundation's mission and plans for the project. Mr. Wright described the Foundation's relationship to the University of Virginia. He noted that the Foundation currently leases space from the Alumni Association and that the new building would provide needed space for general activities as well as a Center or Graduate Fellowship. Mr. Wright showed the Authority directors the location of the facility on a map that he brought to the meeting.

Ms. Nettles and Mr. Wright answered questions posed by the Authority directors and the public hearing was closed.

FISCAL IMPACT STATEMENT

June 12, 2007

Date

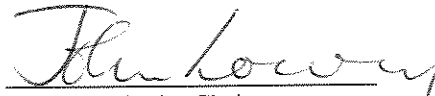
Jefferson Scholars Foundation

Applicant

Corporate Office Headquarters in Charlottesville, Virginia

Facility

1. Maximum amount of financing sought	\$18,000,000.00
2. Estimated taxable value of the facility's real property to be constructed in the municipality	9,000,000.00
3. Estimated real property tax per year using present tax rates	85,000.00
4. Estimated personal property tax per year using present tax rates	3,150.00
5. Estimated merchants' capital tax per year using present tax rates	0.00
6. a. Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality	76,600.00
b. Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality	0.00
c. Estimated dollar value per year of services that will be purchased from Virginia companies within the locality	338,902.00
d. Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality	0.00
7. Estimated number of regular employees on year round basis	15
8. Average annual salary per employee (including benefits)	\$78,582.80



Authority Chairman

Industrial Development Authority of Albemarle County, Virginia

Name of Authority

**RESOLUTION OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY
OF ALBEMARLE COUNTY, VIRGINIA**

WHEREAS, there have been described to the Industrial Development Authority of Albemarle County, Virginia (the "Authority"), the plans of Jefferson Scholars Foundation (the "Foundation"), a not-for-profit Virginia corporation, to finance or refinance the acquisition, construction and equipping of its corporate office headquarters and Graduate Fellowship Center (the "Project") to be located at 108, 112, 114 and 124 Maury Avenue and 110 Clarke Court in the City of Charlottesville, Virginia (the "City");

WHEREAS, the Foundation in its appearance before the Authority and in its application has described the benefits to Albemarle County, Virginia (the "County") and has requested the Authority to issue its revenue bonds or notes under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), in an amount estimated at \$18,000,000 (the "Bonds") to finance the Project; and

WHEREAS, a public hearing was held on June 12, 2007, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 15.2-4906 of the Act;

BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA:

1. It is hereby found and determined that the Authority's undertaking of the financing of the Project for the Foundation will bring additional employment into the County and the Commonwealth of Virginia and will benefit the inhabitants of the County and the Commonwealth of Virginia, increase their commerce and promote their safety, health, welfare, convenience and prosperity.

2. The Authority hereby agrees to assist the Foundation to finance the acquisition, construction and equipping of the Project by undertaking the issuance of its revenue bonds therefor in an amount estimated at \$18,000,000 upon terms and conditions to be mutually agreed upon between the Authority and the Foundation. The proceeds of the Bonds shall be loaned to the Foundation to enable it to acquire, construct and equip the Project and pay capitalized interest on the Bonds during and after acquisition and construction of the Project. The Foundation shall agree to provide payments to the Authority sufficient to pay the principal of, premium, if any, and interest on and purchase price of the Bonds and to pay all other expenses in connection with financing the Project. The Bonds shall be issued in form and pursuant to terms to be approved by the Authority, and the payment of the Bonds shall be secured by an assignment, for the benefit of the holders thereof, of the Authority's rights to payments (other than rights to fees, expenses and indemnification) under the agreement pursuant to which the proceeds of the Bonds are loaned to the Foundation.

3. It having been represented to the Authority that it is necessary to proceed immediately with the acquisition, construction and equipping of the Project, the Authority hereby agrees that the Foundation may proceed with plans for the Project, enter into contracts for acquisition, construction and equipping the Project and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Foundation to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Project. The Authority agrees that the Foundation may be reimbursed from the proceeds of the Bonds for all lawful costs so incurred by it.

4. The Authority hereby agrees to the recommendation of the Foundation that Hunton & Williams LLP, Richmond, Virginia, be appointed as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

5. The Bonds shall be limited obligations of the Authority payable solely from the revenues and monies pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia nor any political subdivision thereof, including the Albemarle County, Virginia, will be pledged to the payment of principal of the Bonds or the interest thereon or other costs incidental thereto.

6. Neither the directors of the Authority nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

7. All lawful costs and expenses in connection with the financing and the acquisition, construction, equipping and developing of the Project, including the Authority's administrative fee due at closing, fees and expenses of bond counsel, counsel for the Authority and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Foundation. If for any reason the Bonds are not issued, or the Bonds are issued but it is determined that a part or all of such costs are not lawfully payable out of bond proceeds, it is understood that all such expenses shall be paid by the Foundation and that the Authority shall have no responsibility therefor.

8. The Authority hereby recommends and requests that the Board of Supervisors of the County (the "Board") and the City Council of the City (the "Council") approve the issuance of the Bonds as required by Section 147(f) of the Code and Section 15.2-4906 of the Act. The Bonds authorized hereunder shall not be issued until such action is taken by the Board and the Council. The Authority hereby directs the Secretary of the Authority to submit to the Board and the Council this resolution, the Foundation's Fiscal Impact Statement, and a summary of the public hearing held by the Authority prior to the adoption of this resolution.

9. In adopting this resolution the Authority intends to declare its "official intent" within the meaning of Treasury Regulations 1.150-2 that the proceeds of the Bonds will be used to reimburse the Foundation for costs incurred with respect to the Project.

10. Any action heretofore or hereafter taken by any officer of the Authority in conformity with the purposes and intent of this resolution and the issuance of the Bonds is hereby ratified, approved and confirmed.