

CERTIFICATION OF MINUTES

RELATING TO  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B

ISSUER: INDEPENDENT SCHOOL DISTRICT NO. 548 (PELICAN RAPIDS)  
STATE OF MINNESOTA

BODY: SCHOOL BOARD

KIND, DATE, TIME AND PLACE OF MEETING: A regular meeting held on April 18, 2016, at 6:30 o'clock p.m., in the School District.

MEMBERS PRESENT:

MEMBERS ABSENT:

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION AWARDING THE SALE, DETERMINING THE FORM  
AND DETAILS, AUTHORIZING THE EXECUTION, DELIVERY,  
AND REGISTRATION, AND PROVIDING FOR THE PAYMENT OF  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B**

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said obligations; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS MY HAND officially as such recording officer this 18<sup>th</sup> day of April, 2016.

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School District Clerk

EXTRACT OF MINUTES OF A MEETING  
OF THE SCHOOL BOARD  
OF INDEPENDENT SCHOOL DISTRICT NO. 548  
(PELICAN RAPIDS)  
STATE OF MINNESOTA

HELD: APRIL 18, 2016

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 548, State of Minnesota, was duly held on April 18, 2016, at 6:30 o'clock p.m.

It was reported that four (4) proposals for the purchase of the General Obligation Refunding Bonds, Series 2016B of the District (the principal amount being subject to adjustment in accordance with the Terms of Proposal), had been received prior to 10:30 o'clock a.m., Central Time, pursuant to the Terms of Proposal contained in the Official Statement; that the proposals had been opened, read and tabulated; and that the best proposal of each proposal maker was determined to be as follows:

SEE ATTACHED



Springsted Incorporated  
 380 Jackson Street, Suite 300  
 Saint Paul, MN 55101-2887

Tel: 651-223-3000  
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\$1,695,000<sup>(a)</sup>

**INDEPENDENT SCHOOL DISTRICT NO. 548, PELICAN RAPIDS, MINNESOTA  
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B**

**(MINNESOTA SCHOOL DISTRICT CREDIT ENHANCEMENT PROGRAM)**

**(BOOK ENTRY ONLY)**

**AWARD: NORTHLAND SECURITIES, INC.**

**SALE: April 18, 2016 Standard & Poor's MNSDCEP Rating: AA+  
 Standard & Poor's Underlying Rating: A+**

<b>Bidder</b>	<b>Interest Rates</b>	<b>Price</b>	<b>Net Interest Cost</b>	<b>True Interest Rate</b>
NORTHLAND SECURITIES, INC.	2.00% 2020-2029	\$1,731,393.95 <sup>(b)</sup>	\$247,630.22 <sup>(b)</sup>	1.7211% <sup>(b)</sup>
ROBERT W. BAIRD & COMPANY INCORPORATED	2.00% 2020-2029	\$1,730,144.05	\$248,880.12	1.7306%
C.L. KING & ASSOCIATES WMBE CRONIN & CO., INC. EDWARD JONES SAMCO CAPITAL MARKETS COASTAL SECURITIES, INC. WNJ CAPITAL CREWS & ASSOCIATES, INC. DAVENPORT & CO. L.L.C. DUNCAN-WILLIAMS, INC. ROSS, SINCLAIRE & ASSOCIATES, LLC DOUGHERTY & COMPANY, LLC LOOP CAPITAL MARKETS COUNTRY CLUB BANK OPPENHEIMER & CO. SUMRIDGE PARTNERS R. SEELAUS & COMPANY., INC. SIERRA PACIFIC SECURITIES ISAAK BOND INVESTMENTS, INC ALAMO CAPITAL IFS SECURITIES RAFFERTY CAPITAL MARKETS W.H. MELL ASSOCIATES WAYNE HUMMER & CO.				

<sup>(a)</sup> Subsequent to bid opening, the issue size decreased from \$1,695,000 to \$1,655,000.

<sup>(b)</sup> Subsequent to bid opening, the price, net interest cost, and true interest rate have changed to \$1,690,471.20, \$242,690.74, and 1.7224%, respectively.

<b>Bidder</b>	<b>Interest Rates</b>	<b>Price</b>	<b>Net Interest Cost</b>	<b>True Interest Rate</b>
UMB BANK, N.A.	2.00% 2020 2.25% 2021-2022 2.50% 2023-2025 2.75% 2026-2028 2.85% 2029	\$1,804,327.50	\$261,369.63	1.7665%
STIFEL, NICOLAUS & COMPANY, INCORPORATED	3.00% 2020-2025 2.00% 2026-2029	\$1,777,713.85	\$261,927.26	1.8010%

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REOFFERING SCHEDULE OF THE PURCHASER

<u>Rate</u>	<u>Year</u>	<u>Yield</u>
2.00%	2020	0.95%
2.00%	2021	1.05%
2.00%	2022	1.15%
2.00%	2023	1.25%
2.00%	2024	1.35%
2.00%	2025	1.45%
2.00%	2026	1.60%
2.00%	2027	1.75%
2.00%	2028	1.85%
2.00%	2029	1.95%

BBI: 3.30%  
Average Maturity: 8.378 Years

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION AWARDING THE SALE, DETERMINING THE FORM  
AND DETAILS, AUTHORIZING THE EXECUTION, DELIVERY,  
AND REGISTRATION, AND PROVIDING FOR THE PAYMENT OF  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B**

BE IT RESOLVED by the School Board of Independent School District No. 548,

State of Minnesota, as follows:

**Section 1. Authorization and Sale.**

**1.01 Authorization.** At a meeting held March 21, 2016, this Board determined to sell and issue approximately \$1,695,000 principal amount of general obligation refunding bonds of Independent School District No. 548 (the "Issuer" or the "District"). Said Bonds shall hereinafter be referred to as the "Bonds" or the "Refunding Bonds." In the Terms of Proposal, the District reserved the right, after proposals were opened and prior to award, to increase or decrease the principal amount of the Bonds offered for sale or the amount of any individual maturity, with the increase or decrease to occur in multiples of \$5,000 in any of the maturities. The Refunding Bonds, together with other available funds of the Issuer, shall provide funds to refund in advance of their stated maturities, through a crossover refunding, the Alternative Facilities Portion of the bonds maturing in the years 2020 to 2029, aggregating \$1,600,000 in principal amount, of the Issuer's General Obligation Alternative and Capital Facilities Bonds, Series 2009A, bearing a date of original issue of January 1, 2009 (the "Refunded Bonds"), and shall provide funds to pay the interest when due on the Bonds of this issue to and including February 1, 2019. The Refunded Bonds have not previously been refunded.

The Capital Facilities Portion of the Issuer's General Obligation Alternative and Capital Facilities Bonds, Series 2009A, bearing a date of original issue of January 1, 2009, are not refunded by the Refunding Bonds and are not included in the definition of the Refunded Bonds.

**1.02 Sale.** The Board, having been advised by SPRINGSTED Incorporated, its independent municipal advisor, has determined that this issue shall be privately sold after receipt of written proposals, as authorized pursuant to Minnesota Statutes, Section 475.60, Subdivision 2. The Board has publicly received and considered all proposals presented in conformity with the Terms of Proposal contained in the Official Statement, which are hereby ratified and confirmed in all respects and are incorporated herein by reference as though fully specified in this paragraph. The most favorable of such proposals is ascertained to be that of Northland Securities Inc., Minneapolis, Minnesota (the "Purchaser") to purchase the Bonds at a price of \$1,690,471.20 plus interest accrued to settlement, and upon the further terms and conditions set forth in the Terms of Proposal contained in the Official Statement and this

resolution. Said proposal is hereby accepted and the sale of the Bonds is hereby awarded to said Purchaser.

**1.03 Execution of Documents; Return of Good Faith Deposits.** The Chair or Clerk are authorized and directed to endorse an acceptance on both copies of the most favorable proposal and to send one copy to the Purchaser. The Treasurer is directed to deposit the good faith deposit of the Purchaser pending delivery of the Bonds and payment therefor, and the good faith deposits of other proposal makers shall forthwith be returned to them.

**1.04 Debt Service Savings.** Minnesota Statutes Section 475.67, authorizes the issuance of refunding bonds for the purpose of saving debt service costs. Minnesota Statutes Section 475.67, Subd. 13, authorizes the issuance of crossover refunding bonds whereby the proceeds of the crossover refunding bonds, less any proceeds applied to the costs of issuance, are deposited in an escrow account appropriated to the payment of debt service on the refunding bonds until applied to the payment of the obligations to be refunded. Section 475.67, Subd. 13 permits the Issuer to pledge to the Bonds any source of payment of the Refunded Bonds. It is hereby found and determined that the issuance of the Refunding Bonds and the crossover refunding of the Refunded Bonds as contemplated by this Resolution and the Escrow Agreement will result in substantial debt service savings to the Issuer. The present value of the dollar amount of debt service for the Refunding Bonds is lower by at least three percent (3%) than the present value of the dollar amount of debt service for the Refunded Bonds, each computed in accordance with Minnesota Statutes, Section 475.67, Subdivisions 12 and 13.

**1.05 Compliance with Law.** All acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed precedent to the issuance of the Bonds having been done, having happened and having been performed in regular and due form, time and manner as required by law, it is necessary for this Board to establish the form and terms of the Bonds, to provide for the security thereof, and to provide for the issuance of the Bonds forthwith.

**1.06 Minnesota School District Credit Enhancement Program.** (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a

result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Management and Budget and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section.

**1.07 Alternative Facilities Bonding and Levy Program.** For the Refunding Bonds, the District hereby covenants and obligates itself to comply with the provisions of Minnesota Statutes, Section 123B.595, and any continuing obligations specified therein, including the requirements relating to annually updating its ten-year plan, submitting its facility maintenance plan to the Commissioner biennially or as otherwise required, and accounting as required thereunder for the Refunding Bonds issued to refund the Alternative Facilities Portion of the District's General Obligation Alternative and Capital Facilities Bonds, Series 2009A, bearing a date of original issue of January 1, 2009.

**Section 2. Bond Terms.**

**2.01 Designation; Registration; Denomination; Maturities.** The \$1,655,000 aggregate principal amount of general obligation bonds sold on this date shall be designated General Obligation Refunding Bonds, Series 2016B, shall be dated May 18, 2016, as the date of original issue, and shall be issued forthwith on or after such date using a global book-entry system. The Bonds shall be issued as fully registered bonds and shall be numbered R-1 upward, in the denomination of \$5,000 each or any integral multiple thereof of a single maturity. The Bonds shall mature on February 1 in the years and amounts set forth below, and shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or provided for, from the date of original issue until paid or duly called for redemption at the rates per annum set forth below opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2020	\$145,000	2.00%
2021	\$155,000	2.00%
2022	\$155,000	2.00%
2023	\$160,000	2.00%
2024	\$165,000	2.00%
2025	\$165,000	2.00%
2026	\$170,000	2.00%
2027	\$175,000	2.00%
2028	\$180,000	2.00%
2029	\$185,000	2.00%

In the Terms of Proposal, the District reserved the right, after proposals were opened and prior to award, to increase or decrease the principal amount of the Bonds offered for sale or the amount of any individual maturity, with the increase or decrease to occur in multiples of \$5,000 in any of the maturities.

These maturities, together with the maturities of all other outstanding general obligation bonds of the Issuer, meet the requirements of Minnesota Statutes, Section 475.54.

**2.02 Interest Payments.** Interest shall be payable semiannually on each February 1 and August 1 to maturity (each an "Interest Payment Date"), commencing February 1, 2017. Interest will be calculated on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the MSRB. Interest will be payable in the manner set forth in the form of Global Certificate or Replacement Bond and Paragraph 4.06 of this resolution.

### **2.03 Use of Global Book-Entry System.**

(a) **Description of System.** In order to issue obligations in "global book-entry form", the obligations are issued in certificated form in large denominations, are registered on the books of the Issuer in the name of a depository or its nominee, and are immobilized and held in safekeeping by the depository. The depository, as part of the computerized National Securities Clearance and Settlement System (the "National System"), registers transfers of ownership interests in the obligations by making computerized book entries on its own books and distributing payments on the obligations to its participants shown on its books as the owners of such interests. These participants, which include financial institutions for whom the depository effects book-entry transfers of securities deposited and immobilized with the depository, and other banks, brokers and dealers participating in the National System will do likewise if not the beneficial owners of the obligations.

(b) **Designation of Depository; Approval of Blanket Issuer Letter of Representations.** The Depository Trust Company ("DTC") of New York, New York, a Securities and Exchange Commission designated depository, a limited purpose New York trust company, a member of the Federal Reserve System, and a "clearing corporation" within the meaning of the New York Uniform Commercial Code, is hereby designated as the depository (the "Depository") with respect to the Bonds issued hereunder in global book-entry form. There has been submitted to this Board a form of letter of representations (the "Blanket Issuer Letter of Representations") between the Issuer and the Depository setting forth various matters relating to the Depository and its role with respect to the Bonds. This Blanket Issuer Letter of Representations is hereby approved. The Chair or the Clerk is hereby authorized and directed to execute the Blanket Issuer Letter of Representations in substantially the form attached hereto as EXHIBIT C, if such a letter of representations has not already been executed, with only such variations therein as may be required to complete the Blanket Issuer Letter of Representations, or which are not, in the opinion of Bond



Counsel, materially adverse to the interests of the Issuer. Execution of the Blanket Issuer Letter of Representations by such official shall be conclusive evidence as to the necessity and propriety of such changes and their approval by Bond Counsel. So long as DTC is the Depository or it or its nominee is the Holder of any Global Certificate, the District shall comply with the provisions of the Blanket Issuer Letter of Representations, as it may be amended or supplemented by the District from time to time with the agreement or consent of DTC.

**(c) Global Certificates.** Upon their original issuance, the Bonds will be issued in the form of a single Global Certificate for each maturity which shall represent the aggregate principal amount of the Bonds due on a particular maturity date (the "Global Certificates"). The Global Certificates will be originally issued and fully registered as to principal and interest in the name of Cede & Co., as nominee of DTC. The Global Certificates will be deposited with the Depository by the Purchaser and will be immobilized as further provided herein. No beneficial owners of interest in the Bonds will receive certificates representing their respective interests in the Bonds except as provided below in clause (e) of this Paragraph 2.03. Except as so provided, during the term of the Bonds, beneficial ownership (and subsequent transfers of beneficial ownership) of interests in the Global Certificates will be reflected by book entries made on the records of the Depository and its participants and other banks, brokers, and dealers participating in the National System. The Depository's book entries of beneficial ownership interest are authorized to be in integral increments of \$5,000, despite the larger authorized denominations of the Global Certificates. Payment of principal of, premium, if any, and interest on the Global Certificates will be made to the Bond Registrar as paying agent, and in turn by the Bond Registrar to the Depository or its nominee as registered owner of the Global Certificates. The Depository, according to the laws and rules governing it, will receive and forward such payments on behalf of the beneficial owners of the Global Certificates.

**(d) Immobilization of Global Certificates by the Depository.** Pursuant to the request of the Purchaser to the Depository, immediately upon the original delivery of the Bonds the Purchaser will deposit the Global Certificates representing all of the Bonds with the Depository. The Global Certificates shall be in typewritten form or otherwise as acceptable to the Depository, shall be registered in the name of the Depository or its nominee and shall be held immobilized from circulation at the offices of the Depository on behalf of the Purchaser and subsequent Bondholders. The Depository or its nominee will be the sole Holder of record of the Global Certificates and no investor or other party purchasing, selling or otherwise transferring ownership of interests in any Bond is to receive, hold or deliver any Global Certificates so long as the Depository holds the Global Certificates immobilized from circulation, except as provided below in clause (e) of this Paragraph 2.03.

**(e) Transfer or Exchange of Global Certificates; Substitute Depository; Replacement Bonds.**

Global Certificates evidencing the Bonds may not, after their original delivery, be transferred or exchanged except:

(i) Upon exchange of a Global Certificate after a partial redemption, if authorized in Paragraph 2.04 of this resolution;

(ii) To any successor of the Depository (or its nominee) or any substitute depository (a "Substitute Depository") designated pursuant to subclause (iii) of this clause (e); provided that any successor of the Depository or any Substitute Depository must be both a "clearing corporation" as defined in the Minnesota Uniform Commercial Code, Minnesota Statutes, Section 336.8-102, and a qualified and registered "clearing agency" as provided in Section 17A of the Securities Exchange Act of 1934, as amended;

(iii) To a Substitute Depository designated by and acceptable to the Issuer upon (a) the determination by the Depository that the Bonds shall no longer be eligible for its depository services or (b) a determination by the Issuer that the Depository is no longer able to carry out its functions; provided that any Substitute Depository must be qualified to act as such, as provided in subclause (ii) of this clause (e); or

(iv) In the event that (a) the Depository shall resign or discontinue its services for the Bonds or be declared no longer able to carry out its functions and the Issuer is unable to locate a Substitute Depository within two (2) months following the resignation or discontinuance or determination of noneligibility, or (b) the Issuer determines in its sole discretion that (1) the continuation of the book-entry system described herein might adversely affect the interests of the beneficial owners of the Bonds, or (2) it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, then the Issuer shall notify the Holders of its determination and of the availability of Replacement Bonds to Holders. The Issuer, the Bond Registrar and the Depository shall cooperate in providing Replacement Bonds to Holders requesting the same and the registration, transfer and exchange of such Bonds shall thereafter be conducted as provided in Paragraph 4.04 of this resolution.

In the event of the designation of a Substitute Depository as authorized by this clause (e), the Bond Registrar, upon presentation of the Global Certificates, shall register their transfer to the Substitute Depository, and the Substitute Depository shall be treated as the Depository for all purposes and functions under this resolution. The Blanket Issuer Letter of Representations shall not apply to the Substitute Depository unless the Issuer and the Substitute Depository so agree, and the execution of a similar agreement is hereby authorized.

**2.04 Redemption. (a) Optional Redemption.** The Issuer may elect on February 1, 2025, and on any date thereafter, to prepay Bonds due on or after February 1, 2026, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the Issuer shall determine the order of redemption of Bonds; and if only part of the Bonds having a common maturity date are called for prepayment, the Global Certificates to be prepaid may be prepaid in \$5,000 increments of principal and, if applicable, the specific Replacement Bonds to be prepaid shall be chosen by lot by the Bond Registrar as provided below. Bonds or portions thereof called for redemption shall be due and payable on the designated redemption date, and interest thereon shall cease to accrue from and after the redemption date.

**(b) Redemption of Global Certificates.** Upon a partial redemption in the aggregate principal amount of a Global Certificate which results in the stated amount thereof being reduced, the Holder may in its discretion make a notation of such redemption on the panel provided on the Global Certificate stating the amount so redeemed, or may return the Global Certificate to the Bond Registrar in exchange for a new Global Certificate authenticated by the Bond Registrar, in proper principal amount. Such notation of redemption, if made by the Holder, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of such Global Certificate outstanding, unless the Bond Registrar has signed the appropriate column of the panel.

**(c) Redemption of Replacement Bonds.** To effect a partial redemption of Replacement Bonds having a common maturity date, the Bond Registrar prior to giving a notice of redemption, shall assign to each Replacement Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Replacement Bond. The Bond Registrar shall then select by lot from the numbers so assigned to such Replacement Bonds, using such method of selection as it shall deem proper in its discretion, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Replacement Bonds to be redeemed. The Replacement Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Replacement Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 of principal amount for each number assigned to it and so selected. If a Replacement Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or the Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and the Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of such Replacement Bond, without service charge, a new Replacement Bond or Bonds of the same series having the same stated maturity and interest rate and of any authorized denomination or denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Replacement Bond so surrendered.

**(d) Notice of Redemption of Global Certificates and Replacement Bonds.** The Bond Registrar shall call Bonds for redemption and payment as herein provided upon receipt by the Bond Registrar of a request of the Issuer. The request shall be in written form. The request shall specify the principal amount of Bonds to be called for redemption, the redemption date and the redemption price.

Published notice of redemption shall in each case be given in accordance with law, and mailed notice of redemption shall be given to the paying agent and to each affected Holder. If and when the Issuer shall call any of the Bonds for redemption and payment prior to the stated maturity thereof, the Bond Registrar shall give written notice in the name of the Issuer of its intention to redeem and pay such Bonds at the office of the Bond Registrar. The Notice of Redemption shall be given by first class mail, postage prepaid, mailed not less than thirty (30) and not more than sixty (60) days prior to the redemption date, to each Holder of Bonds to be redeemed, at the address appearing in the records of the Bond Registrar. For the purpose of giving notice of the redemption of Global Certificates, the Holder of the Global Certificates shall be the Depository or its nominee. In connection with any such notice, the "CUSIP" numbers assigned to the Bonds shall be used. All notices of redemption shall state:

- (i) The redemption date;
- (ii) The redemption price;
- (iii) If less than all outstanding Bonds are to be redeemed, the identification (and, if the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- (iv) That on the redemption date, the redemption price will become due and payable upon each such Bond, and that interest thereon shall cease to accrue from and after said date; and
- (v) The place where such Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Bond Registrar).

### **Section 3. Form of Bonds.**

The Bonds to be issued hereunder shall be in the form of Global Certificates unless and until Replacement Bonds are made available as provided herein.

**3.01 Global Certificates.** The Global Certificates to be issued hereunder, together with the Bond Registrar's Certificate of Authentication, the Register of Partial Payments, the form of Assignment, and the registration information thereon, shall be in substantially the form set forth in EXHIBIT A hereto, which exhibit is incorporated herein by reference as though fully specified in this paragraph, and may be typewritten rather than printed.

**3.02 Replacement Bonds.** If the Issuer has notified Holders that Replacement Bonds have been made available as provided in Paragraph 2.03(e) of this resolution, then for every Bond thereafter transferred or exchanged (including an exchange to reflect the partial prepayment of a Global Certificate not previously exchanged for Replacement Bonds), the Bond Registrar shall deliver a bond in the form of a Replacement Bond rather than a Global Certificate, but the Holder of a Global Certificate shall not otherwise be required to exchange the Global Certificate for one or more Replacement Bonds since the Issuer recognizes that some Holders may prefer the convenience of the Depository's registered ownership of the Bonds even though the entire issue is no longer required to be in global book-entry form. The Replacement Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereto, shall be in substantially the form set forth in EXHIBIT B hereto, which exhibit is incorporated herein by reference as though fully specified in this paragraph.

#### **Section 4. Execution; Delivery; Registration.**

**4.01 Appointment of Registrar.** Wells Fargo Bank, National Association in Minneapolis, Minnesota, is appointed to act as the bond registrar and transfer agent (the "Bond Registrar") and shall do so until a successor Bond Registrar is duly appointed, all pursuant to a contract the Issuer and the Bond Registrar shall execute which is consistent herewith and which the chair and clerk are hereby authorized to execute and deliver. A successor Bond Registrar shall be a bank or trust company eligible for designation as bond registrar pursuant to Minnesota Statutes, Chapter 475. The terms of the appointment of the successor Bond Registrar and its duties shall be specified in a contract between the Issuer and such successor Bond Registrar that is consistent herewith and that the Chair and Clerk are hereby authorized to execute and deliver. The Bond Registrar, which may act through an agent, shall also serve as paying agent until and unless a successor paying agent is duly appointed. The Bond Registrar shall pay principal and interest on the Bonds to the registered Holders (or record Holder) of the Bonds in the manner set forth in the form of Global Certificate or Replacement Bond, as applicable, and Paragraph 4.06 of this resolution. The Issuer agrees to pay the reasonable and customary charges for the services of such Bond Registrar.

**4.02 Execution of Bonds.** The Bonds shall be executed on behalf of the Issuer by the manual signatures of the Chair and Clerk of the School Board; provided, however that both of such signatures may be printed facsimiles, in which event the Bonds shall also be executed manually by the authenticating agent as provided in Minnesota Statutes, Section 475.55. In the event of disability or resignation or other absence of either such officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature or facsimile shall nevertheless be valid and

sufficient for all purposes, the same as if that officer had remained in office until delivery. If the Issuer has adopted a corporate seal, it shall be omitted on the Bonds as permitted by law.

**4.03 Authentication; Date of Registration.** No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless and until a Certificate of Authentication on such Bond, substantially in the form set forth in the form of Global Certificate or Replacement Bond, shall have been duly executed by the manual signature of an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate each Bond by execution of the Certificate of Authentication on the Bond and shall date each Bond in the space provided as of the date on which the Bond is registered. For purposes of delivering the original Bonds (Global Certificates) to the Purchaser, the Bond Registrar shall insert as the date of registration the date of original issue; and the executed Certificate of Authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

**4.04 Transfer or Exchange.** The Issuer will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged as herein provided.

A Global Certificate shall be registered in the name of the payee on the books of the Bond Registrar by presenting the Global Certificate for registration to the Bond Registrar, whose representative will endorse his or her name and note the date of registration opposite the name of the payee in the certificate of registration on the Global Certificate. Thereafter a Global Certificate may be transferred by delivery with an assignment duly executed by the Holder or the Holder's legal representative, and the Issuer and Bond Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until a Global Certificate is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted thereon by the Bond Registrar, all subject to the terms and conditions provided in this resolution and to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Bond Registrar.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the Issuer shall execute (if necessary), and the Bond Registrar shall authenticate, date (in the space designated Date of Registration) and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any authorized denomination or denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

When any Bond is presented to the Bond Registrar for transfer, the Bond Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Bond Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

At the option of the Holder of a Replacement Bond, Replacement Bonds may be exchanged for Replacement Bonds of any authorized denomination or denominations of a like aggregate principal amount and stated maturity, upon surrender of the Replacement Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Replacement Bonds are so surrendered for exchange, the Issuer shall execute (if necessary), and the Bond Registrar shall authenticate, date (in the space designated Date of Registration) and deliver the Replacement Bonds which the Holder making the exchange is entitled to receive. Global Certificates may not be exchanged for Global Certificates of smaller denominations.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the Issuer.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the Issuer evidencing the same debt, shall be entitled to the same benefits under this resolution as the Bonds surrendered for such exchange or transfer, and shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bonds.

Transfer of a Bond may be made on the Issuer's books by the registered owner in person or by the registered owner's attorney duly authorized in writing. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the registered owner thereof, with signature guaranteed, or by the registered owner's attorney duly authorized in writing, and shall include written instructions as to the details of the transfer of the Bond.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost bonds.

Transfers shall also be subject to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates.

**4.05 Mutilated, Lost, Stolen or Destroyed Bonds.** In case any Bond shall become mutilated or be lost, stolen or destroyed, the Bond Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond lost, stolen or destroyed, upon payment of the reasonable expenses and charges of the Bond Registrar in connection therewith; and, in the case of a Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Bond Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the Issuer and the Bond Registrar shall be named as obligees. All Bonds so surrendered to the Bond Registrar shall be canceled by it and evidence of such cancellation shall be given to the District. If the mutilated, lost, stolen or destroyed Bond has already matured, it shall not be necessary to issue a new Bond prior to payment.

**4.06 Interest Payments; Record Dates.** Interest on any Global Certificate shall be paid as provided in the first paragraph thereof and interest on any Replacement Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the Issuer maintained by the Bond Registrar and in each case at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date fixed for the payment of such defaulted interest (the "Special Record Date"). The Special Record Date shall be fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten (10) days prior thereto. The term "Holder" shall also include those lawfully entitled to take actions on behalf of the beneficial owners of the Bonds for purposes of any consent or approvals given by Holders.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Bond Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

**4.07 Persons Deemed Owners.** The Issuer and the Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in Paragraph 4.06 above), on such Bond and for all other purposes whatsoever,



whether or not such Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

For the purposes of all actions, consents and other matters affecting Holders of Bonds issued under this Resolution as from time to time supplemented, other than payments, redemptions, and purchases, the Issuer may (but shall not be obligated to) treat as the Holder of a Bond the beneficial owner of the Bond instead of the person in whose name the Bond is registered. For that purpose, the Issuer may ascertain the identity of the beneficial owner of the Bond by such means as the Bond Registrar in its sole discretion deems appropriate, including but not limited to a certificate from the Depository or other person in whose name the Bond is registered identifying such beneficial owner.

**4.08 Delivery.** The Bonds when so prepared and executed shall be delivered by the Treasurer of the Issuer to the Purchaser thereof upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

## **Section 5. Creation of Fund and Tax Levies.**

**5.01 Fund.** There is hereby created within the Debt Redemption Fund of the Issuer a special fund to be designated "General Obligation Refunding Bonds, Series 2016B Fund" (the "Fund") to be held and administered by the Treasurer separate and apart from all other funds of the Issuer. The Fund shall be maintained in the manner herein specified until all of the Refunded Bonds and the Bonds herein authorized and the interest thereon have been fully paid. There shall be maintained in the Fund two separate accounts to be designated the "Escrow Account" and the "Debt Service Account," respectively.

**(a) Escrow Account.** The proceeds of the sale of the Bonds herein authorized, less any accrued interest received thereon and any premium or unused discount (unless used to help fund the Escrow Account), plus other available funds of the Issuer (estimated at \$0) as may be required to adequately fund the Escrow Account for the purposes set forth in this subparagraph are hereby pledged and appropriated and shall be credited to the Escrow Account. The Escrow Account shall be maintained as an escrow account with Wells Fargo Bank, National Association in Minneapolis, Minnesota (the "Escrow Agent"), a suitable banking institution within the State, whose deposits are insured by the Federal Deposit Insurance Corporation and whose combined capital and surplus is not less than \$500,000. The Escrow Agent shall pay the issuance expenses on the Refunding Bonds from the proceeds deposited in the Escrow Account. The Escrow Account shall be invested in securities maturing or callable at the option of the Holder on such dates and bearing interest at such rates as shall be required to provide sufficient funds, together with any cash or other funds retained in the Escrow Account, to pay the outstanding principal amount on the Refunded Bonds when called for redemption and prior payment on February 1, 2019 and to pay any premium required for redemption on such date, and to pay when due the interest to accrue on each Refunding Bond to and including February 1, 2019. The moneys in said

Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in said Escrow Account may be remitted to the Issuer, all in accordance with an agreement (the "Escrow Agreement"), between the Issuer and Escrow Agent, a form of which agreement is on file in the office of the Clerk. Any moneys remitted to the Issuer upon termination of the Escrow Agreement shall be deposited in the Debt Service Account.

The firm of Barthe and Wahrman P.A., Bloomington, Minnesota independent public accountants, is hereby authorized and directed to verify that the deposits in the Escrow Account for the Refunding Bonds and the Refunded Bonds will be sufficient to meet the payments of interest on the Refunding Bonds to and including February 1, 2019, and the redemption on February 1, 2019 of the outstanding principal of all Refunded Bonds having stated maturities on or after February 1, 2020, and to make such calculations as may be necessary for the purpose of determining compliance with Section 148 of the Code.

**(b) Debt Service Account.** There is hereby pledged and appropriated and there shall be credited to the Debt Service Account upon issuance of the Refunding Bonds (i) any uncollected taxes heretofore levied and pledged to the Debt Redemption Fund of the Issuer for the payment of the Refunded Bonds; (ii) any other unexpended moneys pledged to the Debt Redemption Fund of the Issuer for payment of the Refunded Bonds pursuant to the Resolution of the School Board adopted December 17, 2008 authorizing the issuance of the Refunded Bonds (unless used to fund the Escrow Account); (iii) all taxes herein levied and extended or confirmed to be levied pursuant to Paragraph 5.04 of this Resolution; (iv) all accrued interest received upon delivery of the Refunding Bonds (unless used to fund the Escrow Account); and (v) any premium or unused discount (unless used to fund the Escrow Account). The Debt Service Account shall be used solely to pay the principal and interest on the Refunded Bonds through and including February 1, 2019 and the principal of and interest on the Refunding Bonds due after February 1, 2019, and the principal and interest on any bonds heretofore or hereafter authorized and made payable from said account as provided by law. If any payment of principal or interest on the Refunded Bonds shall become due on or prior to February 1, 2019 or any payment of principal and interest on the Refunding Bonds shall become due after February 1, 2019 and there is not sufficient money in the Debt Service Account or the Debt Redemption Fund generally to make such payment, the Treasurer shall pay the same from the General Fund of the Issuer and the General Fund shall be reimbursed for such advances out of the proceeds of the taxes levied for the payment of such Bonds.

**5.02 Escrow Agreement.** The School Board has investigated the facts and hereby finds and determines that the Escrow Agent is a suitable bank to act as escrow agent, and is qualified within the meaning of the provisions of Minnesota Statutes, Section 475.67, Subdivision 5. On or prior to the delivery of the Refunding Bonds, the Chair and the Clerk are hereby authorized and directed to execute on behalf of the Issuer an Escrow Agreement in substantially the form presented to this Board. All essential terms and conditions of such

Escrow Agreement are hereby approved and adopted and made a part of this resolution, and the Issuer covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent. The Escrow Agreement is irrevocable and the Issuer hereby covenants to perform the terms and conditions thereof as long as the Refunded Bonds are outstanding. The Issuer agrees to pay the reasonable fees of the Escrow Agent and the other issuance expenses specified in the Escrow Agreement.

**5.03 Purchase of Securities.** Securities purchased from the moneys in the Escrow Account shall be limited to securities set forth in Minnesota Statutes, Section 475.67, and any amendments or supplements thereto. Securities purchased from the Escrow Account shall be purchased simultaneously with the delivery of the Bonds. The Treasurer or anyone designated by him to act in the Treasurer's behalf, is hereby authorized and directed to purchase the appropriate securities from the proceeds of the Bonds in accordance with the provisions of this resolution and to execute all such documents (including the appropriate subscription form) required to effect the purchase of said securities. As used in paragraphs 5.01 to 5.03 of this resolution and in the escrow agreement, the term "securities" includes securities defined in Minnesota Statutes, Section 475.67, subdivision 8, and investment contracts or similar agreements with a bank or insurance company meeting the requirements of Minnesota Statutes, Section 118A.05, subdivision 5.

#### **5.04 Confirmation and Cancellation of Levies.**

**Confirmation.** The resolution of the School Board adopted December 17, 2008 levied upon all of the taxable property in the District a direct ad valorem tax to be paid into the General Obligation Bond Sinking Fund of the Issuer. The taxes levied in said resolution to pay the Capital Facilities Portion of the 2009 Bonds are hereby confirmed. The taxes levied in said resolution in the years 2008 payable 2009 through 2017 payable 2018 to pay the principal and interest on the Alternative Facilities Portion of the 2009 Bonds are hereby confirmed.

**Cancellation.** The School Board finds, determines and certifies that the proceeds of the sale of the Refunding Bonds, together with other funds available and appropriated to the Escrow Account for said purpose, will be sufficient to pay when called for redemption all of the outstanding principal of and premium, if any, due on the Alternative Facilities Portion of the Refunded Bonds on and after February 1, 2019. Accordingly, upon Bond closing, the County Auditors of each county in which the Issuer is located in whole or in part are hereby authorized and directed, to the extent and in the manner permitted by law, to cancel forthwith or if necessary from year to year the taxes levied in said December 17, 2008 resolution in the years 2018 payable 2019 through 2027 payable 2028 to pay the principal and interest on the Alternative Facilities Portion of the 2009 Bonds.

**5.05 Pledge of Full Faith and Credit; Tax Levies.** For the prompt and full payment of the principal of and interest on the Refunding Bonds as the same respectively become due, the full faith and credit and taxing powers of the Issuer shall be and are hereby irrevocably pledged. In order to provide the moneys for the payment thereof required by Minnesota Statutes, Section 475.61, there is hereby levied upon all of the taxable property in the Issuer a direct annual ad valorem tax which shall be spread upon the tax rolls, as a part of other general taxes of the Issuer, for collection in the years 2018 payable 2019 through 2027 payable 2028 and in the amounts as specified on the levy computation sheet to be attached hereto as EXHIBIT D and incorporated herein by reference as though fully specified in this paragraph.

The tax levies provided in this paragraph and those confirmed in Paragraph 5.04 are such that if collected in full they, together with amounts available under the Escrow Agreement and with estimated collections of other revenues herein pledged for the payment of the Refunding Bonds (other than cash on hand) will produce at least five percent (5%) in excess of the amounts needed to meet when due the principal and interest payments on the Refunding Bonds, except for interest payable hereunder from cash on hand on the date of Bond closing and pledged for such purpose. The tax levy does not include interest on the Refunding Bonds from their date of original issue of May 18, 2016 through February 1, 2019, as that amount will be paid from the Escrow Account.

Said tax levies shall be irrevocable as long as any of said Refunding Bonds are outstanding and unpaid, provided that the Issuer reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61.

**5.06 Investment Restrictions.** No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent (5%) of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Fund (or any other District account which will be used to pay principal or interest to become due on the Bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage restrictions may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in those funds shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

**5.07 Redemption of Refunded Bonds.** The Refunded Bonds which mature in 2020 and thereafter shall be redeemed and prepaid on February 1, 2019, in accordance with the terms and conditions of the Notice of Call For Redemption attached hereto as EXHIBIT E, which terms and conditions are hereby approved and incorporated herein by reference. The Notice of Call for Redemption shall be mailed to the Paying Agent for and the registered owners of the Refunded Bonds not less than thirty (30) days before the redemption date. The form of Notice of Call may contain such additional information or different provisions concerning the redemption as may be requested by the paying agent for the Refunded Bonds or the Escrow Agent.

**5.08 Refunded Bonds; Security.** Until retirement of the Refunded Bonds, all provisions theretofore made for the security thereof shall be observed by the District and all of its officers and agents.

**5.09 Supplemental Resolution.** The resolutions of the School Board authorizing the issuance of the Refunded Bonds are hereby supplemented to the extent necessary to give effect to the provisions of this resolution.

## **Section 6. Rebate to the United States.**

**6.01 Calculation and Payment.** The Issuer acknowledges and confirms that maintenance of the tax exempt status of interest on the Bonds is dependent, among other things, on compliance with the arbitrage requirements set forth in Section 148 of the Code and regulations promulgated thereunder. The Issuer agrees to make such calculations and to make such rebate payments to the United States as and when required by said Section 148 and the regulations promulgated thereunder. In construing this Section 6, all terms used herein shall have the meanings provided in Section 148 of the Code and the regulations promulgated thereunder.

**6.02 Opinion of Counsel.** Notwithstanding any other provision of this Section 6, any requirement imposed hereunder or under Paragraph 5.06 hereof may be deemed inapplicable and of no force or effect if an opinion of Counsel is rendered to the Issuer by nationally recognized Bond Counsel to the effect that the failure to impose such requirement will not adversely affect the tax exempt status of interest on the Bonds.

**6.03 Rebate Obligations; Refunded Bonds.** The District's obligations relating to rebate calculations and payments on the Refunded Bonds shall continue in full force and effect.

## **Section 7. Certifications, Designations, Defeasance, Arbitrage Reporting.**

**7.01 Filing of Resolution; County Auditor Certificate.** The Clerk is hereby authorized and directed to file with the County Auditor of each county in which the Issuer is located in whole or in part a certified copy of this resolution, together with such other information as said County Auditor shall require, and to obtain from said County Auditor a certificate that the tax required by law for the payment of said Bonds has been levied, and that said Bonds have been entered upon the County Auditor's Bond Register.

**7.02 Defeasance.** When all of the Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution shall cease. The Issuer may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The Issuer may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with the Bond Registrar, for the purpose of paying all principal and interest due on such Bonds to maturity, or if prepayable, to an earlier date on which they may be called for redemption, a sum of cash or securities of the types described in Minnesota Statutes, Section 475.67, as amended, in such aggregate amount, bearing interest at such rates and maturing or callable at the Issuer's option on such dates as shall be required to provide funds sufficient for this purpose.

**7.03 Designation as Qualified Tax-Exempt Obligations.** The Board finds that the reasonably anticipated amount of qualified tax-exempt obligations (other than private activity bonds) which will be issued by the Issuer during calendar year 2016 will not exceed \$10,000,000. The Bonds of this issue are hereby designated as "Qualified Tax-Exempt Obligations" for the purposes of Section 265 of the Code relating to the deduction of interest expenses allocable to the Bonds by financial institutions.

**7.04 Authentication of Transcript.** The officers of the Issuer and each said County Auditor are hereby authorized and requested to prepare and furnish to the Purchaser of said Bonds, and to the attorneys approving legality of the issuance thereof, certified copies of all proceedings and records of the Issuer relating to said Bonds and to the financial condition and affairs of the Issuer, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of said Bonds as they appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the Issuer as to the facts recited therein.

**7.05 Covenant to Continue Tax Exemption.** The Issuer covenants and agrees with the Holders from time to time of the Bonds herein authorized, that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause

the interest payable on the Bonds to become subject to taxation under the United States Internal Revenue Code, the regulations promulgated thereunder, or any other applicable federal tax law or regulation; and that it will take, or it will cause its officers, employees or agents to take, all affirmative actions within its powers which may be necessary to ensure that such interest will not become subject to taxation under the Internal Revenue Code. The term "Internal Revenue Code" or "Code" as used herein includes the Internal Revenue Code of 1986, as amended, and all regulations, amended regulations and proposed regulations issued thereunder, as now existing, or as hereafter amended or proposed.

**7.06 Arbitrage Certification.** The Chair and School District Clerk, being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser an arbitrage certification in order to satisfy the provisions of the Code and the regulations promulgated thereunder.

**7.07 Official Statement.** The Official Statement relating to the Bonds, on file with the Clerk and presented to this meeting, is hereby approved and deemed final, and the furnishing thereof to prospective purchasers of the Bonds is hereby ratified and confirmed, insofar as the same relates to the Bonds and the sale thereof.

**7.08 Information Reporting.** For purposes of compliance with the provisions of Section 149(e) of the Code, the Issuer shall submit to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, a statement concerning the Bond issue which meets the requirements of Section 149(e) (2).

**7.09 Payment of Issuance Expenses.** The Issuer authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to the Escrow Agent on the closing date for further distribution as directed by the financial advisor.

**7.10 Continuing Disclosure.** The Chair and the School District Clerk are authorized and directed to execute and deliver a Continuing Disclosure Certificate to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5) for full disclosure (The "Rule"). The Continuing Disclosure Certificate shall be entered into for the benefit of the Holders of the Bonds and shall constitute the written undertaking required by the Rule to provide or cause to be provided to the MSRB, in an electronic format through the use of the Electronic Municipal Market Access system ("EMMA"), the annual financial information specified therein and to give notice of the occurrence of the Listed Events specified therein, each in the manner specified therein, as required by the Rule. The provisions of the Continuing Disclosure Certificate are incorporated herein as though fully specified in this paragraph.

The motion for the adoption of the foregoing resolution was duly seconded by  
Member \_\_\_\_\_, and upon vote being taken

thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.



**EXHIBIT A**

**(FORM OF GLOBAL CERTIFICATE)**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
OTTER TAIL, BECKER AND CLAY COUNTIES  
INDEPENDENT SCHOOL DISTRICT NO. 548  
(PELICAN RAPIDS)

R- \$ \_\_\_\_\_

GENERAL OBLIGATION REFUNDING BOND, SERIES 2016B

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
		MAY 18, 2016	

REGISTERED OWNER: CEDE & CO., AS NOMINEE OF THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

**KNOW ALL PERSONS BY THESE PRESENTS** that Independent School District No. 548, State of Minnesota, a duly organized and existing independent school district, whose administrative offices are located in Pelican Rapids, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above or on the Certificate of Registration attached hereto, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above or, if this Bond is redeemable as stated below, on a date prior thereto on which it shall have been duly called for redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date") commencing February 1, 2017, at the rate per annum specified above, calculated on the basis of a 360-day year of twelve 30-day months, until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or provided for, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable by wire transfer (or other agreed means of payment) on each payment date no later than 12:00 noon (New York, New York time) upon presentation and surrender hereof at the principal office of Wells Fargo Bank, National Association, Minneapolis, Minnesota (the "Bond

Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer; provided, however, that upon a partial redemption of this Bond which results in the stated amount hereof being reduced, the Holder may in its discretion be paid without presentation of this Bond, and may make a notation on the panel provided herein of such redemption, stating the amount so redeemed, or may return the Bond to the Bond Registrar in exchange for a new Bond in the proper principal amount. Such notation of redemption, if made by the Holder, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of this Bond outstanding, unless the Bond Registrar has signed the appropriate column of the panel. Interest on this Bond will be paid on each Interest Payment Date (by 12:00 noon, New York, New York time) by wire transfer (or other agreed means of payment) to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid or duly provided for shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date fixed for the payment of such defaulted interest (the "Special Record Date"). The Special Record Date shall be fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten (10) days prior thereto. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

**Date of Payment Not Business Day.** If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Bond Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

**Optional Redemption.** The Issuer may elect on February 1, 2025, and on any date thereafter, to prepay Bonds due on or after February 1, 2026, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the Issuer shall determine the order of redemption of Bonds; and if only part of the Bonds having a common maturity date are called for prepayment, Bonds shall be prepaid in \$5,000 increments of principal. Bonds or portions thereof called for redemption shall be due and payable on the designated redemption date, and interest thereon shall cease to accrue from and after the redemption date.

**Notice of Redemption.** Published notice of redemption shall in each case be given in accordance with law, and mailed notice of redemption shall be given to the paying agent and to each affected Holder of the Bonds. For this purpose, the Depository shall be the "Holder" as to Bonds registered in the name of the Depository or its nominee. In the event any of the Bonds are called for redemption, written notice thereof will be given by first class mail, postage prepaid, mailed not less than thirty (30) and not more than sixty (60) days prior to the redemption date to each Holder of Bonds to be redeemed, at the address appearing in the records of the Bond Registrar. In connection with any such notice, the "CUSIP" numbers assigned to the Bonds shall be used.

**Replacement or Notation of Bonds after Partial Redemption.** Upon a partial redemption of this Bond which results in the stated amount hereof being reduced, the Holder may in its discretion make a notation on the panel provided herein of such redemption, stating the amount so redeemed. Such notation of redemption, if made by the Holder, shall be for reference only, and may not be relied upon by any other person as being in any way determinative of the principal amount of this Bond outstanding, unless the Bond Registrar has signed the appropriate column of the panel. Otherwise, the Holder may surrender this Bond to the Bond Registrar (with, if the Issuer or the Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and the Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of this Bond, without service charge, a new Bond of the same issue having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

**Issuance; Purpose.** This Bond is one of an issue in the total aggregate principal amount of \$1,655,000. The Bonds are all of like date of original issue and tenor, except as to number, denomination, maturity, redemption privilege and interest rate. All are issued to provide funds to refund in advance of their stated maturities, through a crossover refunding, the Alternative Facilities Portion of the Bonds maturing in the years 2020 to 2029, aggregating \$1,600,000 in principal amount, of the Issuer's General Obligation Alternative and Capital Facilities Bonds, Series 2009A, bearing a date of original issue of January 1, 2009, and to provide funds to pay interest when due on the Bonds of this issue to and including February 1, 2019. All are issued pursuant to resolutions duly adopted by the School Board and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling.

To and including February 1, 2019, interest on the Bonds of this issue is payable primarily from certain amounts on deposit in an irrevocable escrow account held by Wells Fargo Bank, National Association, Minneapolis, Minnesota (the "Escrow Agent"), pursuant to an Escrow Agreement between the Issuer and the Escrow Agent dated the date of delivery thereof (the "Escrow Agreement"). The principal of Bonds of this issue and interest thereon subsequent to February 1, 2019 are payable from ad valorem taxes which have been levied upon all taxable property in the Issuer.

**General Obligation.** This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of the principal and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

**Minnesota School District Credit Enhancement Program.** The Issuer has covenanted and obligated itself to be bound by the provisions of Minnesota Statutes, Section 126C.55 and to use the provisions of that statute to guarantee the payment of the principal and interest on the Bonds when due.

**Denominations; Exchange; Resolution.** The Bonds are issuable originally only as Global Certificates in the denomination of the entire principal amount of the issue maturing on a single date. Global Certificates are not exchangeable for fully registered Bonds of smaller denominations except in the event of a partial redemption as above provided or in exchange for Replacement Bonds if then available. Replacement Bonds, if made available as provided below, are issuable solely as fully registered Bonds in the denomination of \$5,000 and integral multiples thereof of a single maturity and are exchangeable for fully registered Bonds of other denominations in equal aggregate principal amounts and in authorized denominations at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

**Replacement Bonds.** Replacement Bonds may be issued by the Issuer in the event that (a) The Depository Trust Company ("DTC") of New York, New York (the "Depository") shall resign or discontinue its services for the Bonds or be declared no longer able to carry out its functions and the Issuer is unable to locate a Substitute Depository within two (2) months following the resignation or discontinuance or determination of noneligibility, or (b) the Issuer determines in its sole discretion that (1) the continuation of the book-entry system described in the Resolution might adversely affect the interests of the beneficial owners of the Bonds, or (2) it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds. The Issuer shall notify the Holders of its determination and of the availability of Replacement Bonds to Holders.

**Transfer.** This Bond shall be registered in the name of the payee on the books of the Issuer by presenting this Bond for registration to the Bond Registrar, whose representative will endorse his or her name and note the date of registration opposite the name of the payee in the certificate of registration attached hereto. Thereafter this Bond may be transferred by delivery with an assignment duly executed by the Holder or the Holder's legal representative, and the Issuer and Bond Registrar may treat the Holder as the person exclusively entitled to exercise all the rights and powers of an owner until this Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the Bond Registrar, all subject to the terms and conditions

provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with, or notice to, the Bond Registrar.

**Fees Upon Transfer or Loss.** The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

**Treatment of Registered Owner.** The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes whatsoever, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar by the manual signature of one of its authorized representatives.

**Qualified Tax-Exempt Obligations.** The Bonds of this issue have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the deduction of interest expenses allocable to the Bonds by financial institutions.

**IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED** that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer enforceable in accordance with its terms, have been done, have happened and have been performed in regular and due form, time and manner as so required; that the Issuer has appropriated the proceeds of the Bonds of this issue, other than the portion thereof appropriated for issuance expenses, together with such other legally available funds of the Issuer as may be required, and has held such proceeds as cash or invested such money in securities authorized for such investment pursuant to Minnesota Statutes, Section 475.67, in such amounts, maturing on such dates, and bearing interest at such rates as are required to provide funds sufficient to pay all interest due on the Bonds of this issue on or prior to February 1, 2019 and to pay all outstanding principal due on the Refunded Bonds when called for redemption and prior payment on February 1, 2019, and has irrevocably placed such funds and securities in escrow in a qualified bank for this purpose; that prior to the issuance hereof, a direct, annual irrevocable ad valorem tax has been duly levied upon all taxable property in the Issuer in the years and amounts required by law; that, if necessary for payment of principal of and interest on the Bonds of this issue, additional ad valorem taxes may be levied upon all taxable property in the Issuer without limitation as to rate or amount; and that the issuance of this Bond on the date of original issue hereof and the date of its actual original issuance and delivery, does not exceed any constitutional or statutory limitation of indebtedness.

**IN WITNESS WHEREOF**, Independent School District No. 548 (Pelican Rapids), State of Minnesota, by its School Board, has caused this Bond to be executed in its behalf by the facsimile signatures of the Chair and Clerk, the Issuer having no seal or said seal having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by:

May 18, 2016

BOND REGISTRAR'S  
CERTIFICATE OF  
AUTHENTICATION

Payable at:

This Bond is one of  
the Bonds described  
in the within mentioned  
Resolution.

INDEPENDENT SCHOOL DISTRICT NO. 548  
(PELICAN RAPIDS)  
PELICAN RAPIDS, MINNESOTA

\_\_\_\_\_  
Bond Registrar

/s/ (Facsimile)  
Chair

By \_\_\_\_\_  
Authorized Signature

/s/ (Facsimile)  
Clerk

**CERTIFICATE OF REGISTRATION**

The transfer of ownership of the principal amount of the attached Bond may be made only by the registered owner or the registered owner's legal representative last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
<u>May 18, 2016</u>	Cede & Co. P. O. Box 222 Bowling Green Station <u>New York, NY 10274</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

## REGISTER OF PARTIAL PAYMENTS

The principal amount of the attached Bond has been redeemed and prepaid on the dates and in the amounts noted below:

<u>Date</u>	<u>Amount</u>	<u>Signature of Bondholder</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

If a notation is made on this register, such notation has the effect stated in the attached Bond. Partial payments do not require the presentation of the attached Bond to the Bond Registrar, and a Holder could fail to note the partial payment here.



## ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

---

TEN COM	-	as tenants in common
TEN ENT	-	as tenants by the entireties
JT TEN	-	as joint tenants with right of survivorship and not as tenants in common
UTMA	-	_____ CUSTODIAN _____ (Cust) (Minor)

Under Uniform Transfers to Minors Act

---

(State)

Additional abbreviations may also be used though not in the above list.

**ASSIGNMENT**

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

\_\_\_\_\_ the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated \_\_\_\_\_

\_\_\_\_\_

NOTICE: The assignor's 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 any change whatever.

Signature Guaranteed:

\_\_\_\_\_

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Include information for all joint owners if the Bond is held by joint account.)

Please insert Social Security or other Tax Identification Number of Transferee.

[Empty rectangular box for Social Security or Tax Identification Number]

**EXHIBIT B**

**(FORM OF REPLACEMENT BOND)**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
OTTER TAIL, BECKER AND CLAY COUNTIES  
INDEPENDENT SCHOOL DISTRICT NO. 548  
(PELICAN RAPIDS)

R- \$ \_\_\_\_\_

GENERAL OBLIGATION REFUNDING BOND, SERIES 2016B

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
		MAY 18, 2016	

REGISTERED OWNER: \_\_\_\_\_

PRINCIPAL AMOUNT:  
DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that Independent School District No. 548, State of Minnesota, a duly organized and existing independent school district, whose administrative offices are located in Pelican Rapids, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above or, if this Bond is redeemable as stated below, on a date prior thereto on which it shall have been duly called for redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date") commencing February 1, 2017, at the rate per annum specified above, calculated on the basis of a 360-day year of twelve 30-day months, until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or provided for, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Wells Fargo Bank, National Association, Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar

month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid or duly provided for shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date fixed for the payment of such defaulted interest (the "Special Record Date"). The Special Record Date shall be fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten (10) days prior thereto. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

**REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF, WHICH PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HERE.**

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security until the Certificate of Authentication hereon shall have been executed by the Bond Registrar by the manual signature of one of its authorized representatives.

**IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED** that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer enforceable in accordance with its terms, have been done, have happened and have been performed in regular and due form, time and manner as so required; that the Issuer has appropriated the proceeds of the Bonds of this issue, other than the portion thereof appropriated for issuance expenses, together with such other legally available funds of the Issuer as may be required, and has held such proceeds as cash or invested such money in securities authorized for such investment pursuant to Minnesota Statutes, Section 475.67, in such amounts, maturing on such dates, and bearing interest at such rates as are required to provide funds sufficient to pay all interest due on the Bonds of this issue on or prior to February 1, 2019 and to pay all outstanding principal due on the Refunded Bonds when called for redemption and prior payment on February 1, 2019, and has irrevocably placed such funds and securities in escrow in a qualified bank for this purpose; that prior to the issuance hereof, a direct, annual irrevocable ad valorem tax has been duly levied upon all taxable property in the Issuer in the years and amounts required by law; that, if necessary for payment of principal of and interest on the Bonds of this issue, additional ad valorem taxes may be levied upon all taxable property in the Issuer without limitation as to rate or amount; and that the issuance of this Bond on the date of original issue hereof and the date of its actual original issuance and delivery, does not exceed any constitutional or statutory limitation of indebtedness.

**IN WITNESS WHEREOF**, Independent School District No. 548 (Pelican Rapids), State of Minnesota, by its School Board, has caused this Bond to be executed in its behalf by the facsimile signatures of the Chair and the Clerk, the Issuer having no seal or said seal having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by:

\_\_\_\_\_

BOND REGISTRAR'S  
CERTIFICATE OF  
AUTHENTICATION

Payable at:

This Bond is one of  
the Bonds described  
in the within mentioned  
Resolution.

INDEPENDENT SCHOOL DISTRICT NO. 548  
(PELICAN RAPIDS)  
PELICAN RAPIDS, MINNESOTA

\_\_\_\_\_  
Bond Registrar

/s/ (Facsimile)

\_\_\_\_\_  
Chair

By \_\_\_\_\_  
Authorized Signature

/s/ (Facsimile)

\_\_\_\_\_  
Clerk

## ON REVERSE OF BOND

**Date of Payment Not Business Day.** If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York, New York, or the city where the principal office of the Bond Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

**Optional Redemption.** The Issuer may elect on February 1, 2025, and on any date thereafter, to prepay Bonds due on or after February 1, 2026, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the Issuer shall determine the order of redemption of Bonds; and if only part of the Bonds having a common maturity date are called for prepayment, Bonds shall be prepaid in \$5,000 increments of principal. Bonds or portions thereof called for redemption shall be due and payable on the designated redemption date, and interest thereon shall cease to accrue from and after the redemption date. Published notice of redemption shall in each case be given in accordance with law, and mailed notice of redemption shall be given to the paying agent and to each Registered Holder of the Bonds.

To effect a partial redemption of the Bonds having a common maturity date, the Bond Registrar prior to giving a notice of redemption, shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot from the numbers so assigned to such Bonds, using such method of selection as it shall deem proper in its discretion, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed.

The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or the Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and the Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute and the Bond Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same series having the same stated maturity and interest rate and of any authorized denomination or denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

**Issuance; Purpose.** This Bond is one of an issue in the total aggregate principal amount of \$1,655,000. The Bonds are all of like date of original issue and tenor, except as to number, denomination, maturity, redemption privilege and interest rate. All are issued to provide funds to refund in advance of their stated maturities, through a crossover refunding, the Alternative Facilities Portion of the Bonds maturing in the years 2020 to 2029, aggregating \$1,600,000 in principal amount, of the Issuer's General Obligation Alternative and Capital Facilities Bonds, Series 2009A, bearing a date of original issue of January 1, 2009, and to provide funds to pay interest when due on the Bonds of this issue to and including February 1, 2019. All are issued pursuant to resolutions duly adopted by the School Board and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling.

To and including February 1, 2019, interest on the Bonds of this issue is payable primarily from certain amounts on deposit in an irrevocable escrow account held by Wells Fargo Bank, National Association, Minneapolis, Minnesota (the "Escrow Agent"), pursuant to an Escrow Agreement between the Issuer and the Escrow Agent dated the date of delivery thereof (the "Escrow Agreement"). The principal of Bonds of this issue and interest thereon subsequent to February 1, 2019 are payable from ad valorem taxes which have been levied upon all taxable property in the Issuer.

**General Obligation.** This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of the principal and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

**Minnesota School District Credit Enhancement Program.** The Issuer has covenanted and obligated itself to be bound by the provisions of Minnesota Statutes, Section 126C.55 and to use the provisions of that statute to guarantee the payment of the principal and interest on the Bonds when due.

**Denominations; Exchange; Resolution.** The Bonds are issuable solely as fully registered Bonds in the denomination of \$5,000 and integral multiples thereof of a single maturity and are exchangeable for fully registered bonds of other denominations in equal aggregate principal amounts and in authorized denominations at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

**Transfer.** This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more

new fully registered bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an authorized denomination, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity, and bearing interest at the same rate.

**Fees Upon Transfer or Loss.** The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

**Treatment of Registered Owner.** The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes whatsoever, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

**Qualified Tax-Exempt Obligations.** The Bonds of this issue have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the deduction of interest expenses allocable to the Bonds by financial institutions.



## ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

---

TEN COM	-	as tenants in common
TEN ENT	-	as tenants by the entireties
JT TEN	-	as joint tenants with right of survivorship and not as tenants in common
UTMA	-	_____ CUSTODIAN _____ (Cust) (Minor)

Under Uniform Transfers to Minors Act

---

(State)

Additional abbreviations may also be used though not in the above list.

**ASSIGNMENT**

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

\_\_\_\_\_ the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated \_\_\_\_\_

\_\_\_\_\_

NOTICE: The assignor's 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 any change whatever.

Signature Guaranteed:

\_\_\_\_\_

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Include information for all joint owners if the Bond is held by joint account.)

Please insert Social Security or other Tax Identification Number of Transferee.

EXHIBIT C

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

(Name of Issuer and Co-Issuer(s), if applicable)

(Date)

The Depository Trust Company
570 Washington Blvd, 4th FL
Jersey City, NJ 07310
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: (Note: Issuer shall represent one and cross out the other.)

[incorporated in] [formed under the laws of]

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Very truly yours,

Note:
Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

(Issuer)

By: (Authorized Officer's Signature)

(Print Name)

(Street Address)

(City) (State) (Country) (Zip Code)

(Phone Number)

(E-mail Address)



## EXHIBIT D

### LEVY COMPUTATION SHEET

Final

**\$1,655,000**

Independent School District No. 548, Pelican Rapids, Minnesota  
 General Obligation Refunding Bonds, Series 2016B  
 Crossover Refunding of Series 2009A (Alternative Facilities)

#### Post-Sale Tax Levies

Payment Date	Principal	Coupon	Interest	Total P+I	Escrow Payments	105% Overlevy	Levy Amount	Levy/Collect Year
02/01/2017	-	-	23,261.94	23,261.94	(23,261.94)	-	-	2015/2016*
02/01/2018	-	-	33,100.00	33,100.00	(33,100.00)	-	-	2016/2017*
02/01/2019	-	-	33,100.00	33,100.00	(33,100.00)	-	-	2017/2018*
02/01/2020	145,000.00	2.000%	33,100.00	178,100.00	-	187,005.00	187,005.00	2018/2019
02/01/2021	155,000.00	2.000%	30,200.00	185,200.00	-	194,460.00	194,460.00	2019/2020
02/01/2022	155,000.00	2.000%	27,100.00	182,100.00	-	191,205.00	191,205.00	2020/2021
02/01/2023	160,000.00	2.000%	24,000.00	184,000.00	-	193,200.00	193,200.00	2021/2022
02/01/2024	165,000.00	2.000%	20,800.00	185,800.00	-	195,090.00	195,090.00	2022/2023
02/01/2025	165,000.00	2.000%	17,500.00	182,500.00	-	191,625.00	191,625.00	2023/2024
02/01/2026	170,000.00	2.000%	14,200.00	184,200.00	-	193,410.00	193,410.00	2024/2025
02/01/2027	175,000.00	2.000%	10,800.00	185,800.00	-	195,090.00	195,090.00	2025/2026
02/01/2028	180,000.00	2.000%	7,300.00	187,300.00	-	196,665.00	196,665.00	2026/2027
02/01/2029	185,000.00	2.000%	3,700.00	188,700.00	-	198,135.00	198,135.00	2027/2028
Total	\$1,655,000.00	-	\$278,161.94	\$1,933,161.94	(89,461.94)	\$1,935,885.00	\$1,935,885.00	-

\* The escrow account established with the proceeds of the Bonds will make the interest payments due through February 1, 2019.

## EXHIBIT E

NOTICE OF CALL FOR REDEMPTION  
\$1,600,000  
GENERAL OBLIGATION ALTERNATIVE AND  
CAPITAL FACILITIES BONDS, SERIES 2009A  
DATED: JANUARY 1, 2009

INDEPENDENT SCHOOL DISTRICT NO. 548  
(PELICAN RAPIDS)  
OTTER TAIL, BECKER AND CLAY COUNTIES, MINNESOTA

NOTICE IS HEREBY GIVEN that, by order of the School Board of Independent School District No. 548 (Pelican Rapids), Otter Tail, Becker and Clay Counties, Minnesota, there have been called for redemption and prepayment on February 1, 2019 the Alternative Facilities Portion of those outstanding bonds of the School District designated as General Obligation Alternative and Capital Facilities Bonds, Series 2009A, dated January 1, 2009 as the date of original issue, totaling \$1,600,000 in principal amount, and having the following stated maturity dates and CUSIP numbers:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>CUSIP Number</u>
February 1, 2020	\$125,000*	705863 DX3
February 1, 2021	\$135,000	705863 DY1
February 1, 2022	\$140,000	705863 DZ8
February 1, 2023	\$145,000	705863 EA2
February 1, 2024	\$155,000	705863 EB0
February 1, 2025	\$160,000	705863 EC8
February 1, 2026	\$170,000	705863 ED6
February 1, 2027	\$180,000	705863 EE4
February 1, 2028	\$190,000	705863 EF1
February 1, 2029	\$200,000	705863 EG9

\* *Partial Call.*

Holders of the bonds hereby called for redemption are requested to present their bonds for payment to Wells Fargo Bank, National Association, on or before February 1, 2019 by submitting said bonds along with a completed W-9 form to the following addresses:

By Registered or Certified Mail:

Wells Fargo Bank, NA  
Corporate Trust Operations  
MAC N9303-121  
P. O. Box 1517  
Minneapolis, MN 55480

If by Hand or Overnight Mail:

Wells Fargo Bank, NA  
Corporate Trust Operations  
MAC N9303-121  
6<sup>th</sup> & Marquette Avenue  
Minneapolis, MN 55479

In Person:

Northstar East Building  
Corporate Trust Services, 12<sup>th</sup> Floor  
608 2<sup>nd</sup> Avenue South  
Minneapolis, MN

If the Holder requests payment of principal and/or interest via wire transfer, please be advised there is a wire transfer fee which will be deducted from the payment.

Dated: April 18, 2016

BY ORDER OF THE SCHOOL BOARD

/s/ Dena Johnson

School District Clerk  
Independent School District No. 876  
(Pelican Rapids)

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time of the payment by the redeeming institutions if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

\*The paying agent shall not be responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as indicated in the Notice of Call for Redemption. It is included solely for the convenience of the holders.

Additional information may be obtained from: SPRINGSTED Incorporated, 380 Jackson Street, Suite 300, St. Paul, MN 55101-2887, (651) 223-3000.