
**SUPPLEMENT TO
DECLARATION OF TRUST**

BETWEEN

**U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE**

AND

**INDEPENDENT SCHOOL DISTRICT NO. 709
(DULUTH), MINNESOTA**

DATED AS OF JUNE 1, 2012

**RELATING TO
FULL TERM CAPITAL APPRECIATION
CERTIFICATES OF PARTICIPATION, SERIES 2012A**

SUPPLEMENT TO DECLARATION OF TRUST

THIS SUPPLEMENT TO DECLARATION OF TRUST (the "Supplement to Declaration"), dated as of June 1, 2012, supplementing the Declaration of Trust dated as of June 1, 2008, as supplemented, between U.S. BANK NATIONAL ASSOCIATION, a national banking association, organized under the laws of the United States of America and qualified to conduct business in the State of Minnesota (the "Trustee"), and INDEPENDENT SCHOOL DISTRICT NO. 709 (DULUTH), MINNESOTA, an independent school district organized under the laws of the State of Minnesota (the "District").

WITNESSETH:

WHEREAS, the District, as vendee, and the Trustee, as vendor, entered into that certain Installment Purchase Contract dated as of June 1, 2008 (the "Original Contract"), to provide for the acquisition, construction and equipping of the Project in order to carry out a portion of the District's long-range facilities plan, and its governmental function.

WHEREAS, the District and the Trustee entered into a Declaration of Trust, dated as of June 1, 2008 (the "Original Declaration"), which provided for the issuance of \$111,440,000 Full Term Certificates of Participation, Series 2008B, dated June 1, 2008 (the "2008 Certificates"), evidencing a proportionate interest in the Installment Payments to be made by the District under the Original Contract.

WHEREAS, the proceeds of the 2008 Certificates are being used to finance a portion of the Costs of the Project.

WHEREAS, the District and the Vendor have entered into an Amendment to Installment Purchase Contract dated as of October 1, 2010 (the "2010 Amendment"), to add land to Schedule 1 of Exhibit A to the Original Contract, to modify and add items to the Project, to provide for the issuance of Additional Certificates, including increasing the Installment Payments, and certain other related amendments as therein set forth.

WHEREAS, pursuant to the Original Declaration, as supplemented by the Supplement to Declaration of Trust dated as of October 1, 2010 (the "2010 Supplement to Declaration"), the Vendor executed and delivered \$5,000,000 Full Term Certificates of Participation, Series 2010C, dated October 1, 2010, evidencing an undivided ownership interest in the Installment Payments made under the Original Contract, as amended by the 2010 Amendment (the "2010C Certificates").

WHEREAS, other than the 2008 Certificates and the 2010C Certificates, no other certificates or obligations are payable from Installment Payments under the Original Contract, as amended.

WHEREAS, the District has modified the terms of the Original Contract, as amended, as set forth in an Amendment to Installment Purchase Contract dated June 1, 2012, between the Trustee, as vendor, and the District (the "Amendment to Contract"); such amendment modified the Original Contract, as amended.

WHEREAS, the District has found and determined that, in order to provide additional funds to finance the Project, it is necessary and expedient that the Trustee execute and deliver Full Term Capital Appreciation Certificates of Participation, Series 2012A, dated June __, 2012 (the "2012A Certificates"), in the original principal amount of \$12,801,327 and a total accreted amount at maturity of \$_____ to provide additional funds for the Congdon Elementary and Grant Elementary (now Myers-Wilkins Elementary) portion of the Project.

WHEREAS, the 2012A Certificates are being issued as Additional Certificates under the Original Declaration, as amended, and are secured on a parity with the 2008 Certificates and the 2010C Certificates.

WHEREAS, the District will, pursuant to this Supplement to Declaration, deposit in an account in the Project Fund under the Original Declaration the proceeds of the 2012A Certificates to pay Costs of the Congdon Elementary and Grant Elementary (now Myers-Wilkins Elementary) portion of the Project or Costs of Issuance.

WHEREAS, the District and the Trustee have agreed that the Trustee will execute and deliver the 2012A Certificates in the form set forth on Attachment A hereto evidencing a proportionate interest in the Installment Payments to be made by the District under the Contract (the Amendment to Contract and the Original Contract, as amended, are collectively referred to herein as the "Contract").

WHEREAS, upon delivery from the District to the Trustee of this executed Supplement to Declaration, a Request and Authorization and the other items required by Section 2.01.2 of the Original Declaration, the Trustee has agreed to execute and to deliver the 2012A Certificates to the Purchaser.

WHEREAS, the Trustee has agreed on behalf of the Owners of the 2008 Certificates, the 2010C Certificates and the 2012A Certificates to receive the Installment Payments due under the Contract and to apply and to disburse them in accordance herewith.

WHEREAS, by this Supplement to Declaration, the District agrees to forward the Installment Payments due under the Contract to the Trustee.

WHEREAS, the execution and delivery of this Supplement to Declaration and the execution and delivery of the 2012A Certificates provided for herein have been in all respects duly and validly authorized by resolution of the District.

WHEREAS, all things necessary to make the 2012A Certificates, when authenticated by the Trustee as in this Supplement to Declaration provided, the valid, binding and legal limited obligations of the District, according to the import thereof have been done and performed.

NOW, THEREFORE, in consideration of the premises, the covenants and the conditions hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. Except as otherwise defined herein, each of the capitalized terms used in this Supplement to Declaration shall have the same meaning as set forth in the Original Declaration, as supplemented by the 2010 Supplement to Declaration, and shall have the same meaning as set forth in the Contract. With respect to any defined term that is given a different meaning under this Supplement to Declaration, it shall have the meaning designated herein. As used in this Supplement to Declaration and recitals hereto, the terms defined in the Original Declaration, as supplemented, shall have the meanings assigned to them therein, except as amended herein. In addition, unless otherwise indicated or the context otherwise requires, the following terms shall have the following respective meanings hereunder:

"Payment Date" shall mean the date on which an Installment Payment is required to be paid on the 2012A Certificates to the Owners thereof, beginning February 1, 2021, and each February 1 thereafter through and including February 1, 2028.

“2008 Certificates” shall mean the \$111,440,000 Full Term Certificates of Participation, Series 2008B dated June 1, 2008, issued under the Original Declaration.

“2010C Certificates” shall mean the \$5,000,000 Full Term Certificates of Participation, Series 2010C, dated October 1, 2010, issued under the 2010 Supplement to Declaration.

“2012A Certificates” shall mean the Full Term Capital Appreciation Certificates of Participation, Series 2012A, dated June __, 2012, in the original principal amount of \$12,801,327 and a total accreted amount at maturity of \$_____, issued under this Supplement to Declaration.

Section 2. Creation of 2012A Certificates for Issuance. There is hereby created for issuance a series of Additional Certificates to be designated:

FULL TERM CAPITAL APPRECIATION CERTIFICATES OF PARTICIPATION, SERIES 2012A
Evidencing the Proportionate Interest of the Registered Owner in Installment
Payments to be made by
INDEPENDENT SCHOOL DISTRICT NO. 709 (DULUTH), MINNESOTA
Pursuant to an Installment Purchase Contract dated June 1, 2008, as amended,
and as further amended on June 1, 2012, with
U.S. Bank National Association

A. Under Section 2.01.2 of the Original Declaration, as supplemented, the 2012A Certificates shall be issued in the aggregate original principal amount of \$12,801,327 and a total accreted amount at maturity of \$_____. The 2012A Certificates shall specify June __, 2012, as their original issue date, shall mature on the Payment Dates and in accreted maturity amounts (hereinafter defined) of \$5,000 each, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward.

B. In accordance with the restated schedule for Installment Payments under the Amendment to Contract, the 2012A Certificates shall be due and payable on the Payment Dates and as provided for below. The 2012A Certificates shall be issued as capital appreciation obligations which shall mature on February 1 in the years and in the total accreted amounts at maturity set forth in the following table, which table also sets forth, for each maturity, the total original Principal Portion of the Installment Payments thereof, the total accreted amount at maturity (which accreted amount at maturity is also referred to herein as “accreted maturity amount”), and the approximate yield to maturity applicable to each accreted maturity amount, as follows:

Payment Date (February 1)	Total Accreted Amount at Maturity	Total Original Principal Portion	Approximate Yield to Maturity
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
TOTAL			

C. For purposes of complying with Minnesota Statutes, Section 475.54, Subd. 1, the maturity schedule for the 2012A Certificates shall be combined with the other full term certificates of participation of the District issued and outstanding.

D. Pursuant to Section 3.02(a) of the Original Declaration, the following optional prepayment provision is added for the 2012A Certificates:

“The 2012A Certificates maturing on and after February 1, 2023 shall be subject to prepayment, at the option of the District, in whole and in part, at the applicable Prepayment Price on February 1, 2022, and on any date thereafter, if the District elects to prepay all or a portion of the Principal Portion and accreted amount calculated in accordance with the 2012A Certificates to be prepaid.”

The applicable Prepayment Price for prepayment and redemption of the 2012A Certificates shall equal the accreted amount thereof as of the most recent Compounding Date (hereinafter defined) occurring prior to the redemption date plus accrued interest from such Compounding Date to the date of redemption.

E. Pursuant to Section 3.03 of the Original Declaration, if less than all of the 2012A Certificates are called for prepayment, the District shall select the order of maturity of the 2012A Certificates, or any given portion thereof, to be prepaid from the Outstanding 2012A Certificates and selection of 2012A Certificates within a maturity shall be random, in integral multiples of \$5,000 for the accreted maturity amount. To effect a partial redemption of the 2012A Certificates having a common maturity date, the Trustee, prior to giving notice of redemption, shall assign to each 2012A Certificate having a common maturity date a distinctive number for each \$5,000 of the accreted maturity amount of such 2012A Certificate. The Trustee shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such 2012A Certificates, as many numbers as, at \$5,000 for each number, shall equal the sum of said accreted amount of such 2012A Certificates to be redeemed. The 2012A Certificates to be redeemed shall be the 2012A Certificates to which were assigned numbers so selected. So long as the 2012A Certificates are registered in the name of Cede & Co. as nominee of DTC, selection of the 2012A Certificates for redemption shall be subject to the requirements of the Representation Letter. The Trustee shall promptly notify the District in writing of the numbers of the 2012A Certificates or portions thereof so selected for prepayment. Upon surrender of any 2012A Certificate prepaid in part only, the Trustee shall execute and shall deliver to the Owner thereof at the expense of the District a new Certificate or Certificates of Authorized Denominations and of the same maturity, and yield, equal in aggregate accreted maturity amount to the unprepaid portion of the 2012A Certificate surrendered.

F. The Calamity Prepayment under Section 3.02(b) of the Original Declaration shall apply to the 2012A Certificates.

G. The 2012A Certificates shall bear interest from the date of original issue at the yield to maturity stated therefore in Section 2.B. above. The Interest Portion of the Installment Payment on the 2012A Certificates of each maturity shall be compounded at the yield to maturity applicable to that maturity, as set out in Section 2.B. above, on each February 1 and August 1 (each referred to herein as a “Compounding Date”), commencing on August 1, 2012. The Interest Portion of the Installment Payment on the 2012A Certificates shall be payable, together with the Principal Portion, only at maturity, upon optional redemption thereof, or on a Calamity Prepayment. For purposes of this Supplement to Declaration and the 2012A Certificates, the accreted amount of each 2012A Certificate as of a Compounding Date shall be the original principal amount thereof plus interest compounded in accordance with the foregoing provisions and accrued to said Compounding Date. As of any other date, it shall be

the accreted amount as of the most recent Compounding Date prior to said date (or the principal amount if such date precedes the first Compounding Date), plus simple interest thereon at a rate equal to the yield to maturity set forth in Section 2.B. (calculated upon the basis of a 360-day year of twelve 30-day months and rounded pursuant to the rules of the Municipal Securities Rulemaking Board) accrued from and after said Compounding Date (or the date of original issue if such date precedes the first Compounding Date) to the redemption date.

H. The form of the 2012A Certificates is set forth as Attachment A hereto and shall constitute a “Certificate” or “Certificates” under the Original Declaration, as supplemented, except where the context refers to the 2008 Certificates, the 2010C Certificates, or the 2012A Certificates or as otherwise provided for in this Supplement to Declaration.

Section 3. Delivery of 2012A Certificates. Upon the execution and delivery of this Supplement to Declaration by the District and the Trustee, the Trustee shall issue, execute and deliver the 2012A Certificates to the Purchaser (or to The Depository Trust Company, New York, New York (“DTC”) as may be directed by the District).

Prior to the delivery of the 2012A Certificates by the Trustee there shall be filed with the Trustee:

(a) A certified copy of the resolution or resolutions of the District authorizing the issuance of the 2012A Certificates and the execution and delivery of this Supplement to Declaration, the Amendment to Contract and the Continuing Disclosure Certificate;

(b) An Opinion of Special Counsel to the effect that the 2012A Certificates have been duly and validly authorized and issued and regarding the tax-exempt nature of the Interest Portion of the Installment Payments on the Contract represented by the 2012A Certificates;

(c) An original executed counterpart of an Amendment to Contract;

(d) An original executed counterpart of this Supplement to Declaration;

(e) A Request and Authorization to the Trustee, executed on behalf of the District by its Chair or Clerk of the District, to deliver the 2012A Certificates to the Purchaser therein identified, in the form and amount requested upon payment to the Trustee, for the account of the District, of a specified sum plus accrued interest on the 2012A Certificates to the date of delivery thereof;

(f) A certificate of an Authorized Representative of the District as required by Section 3.08 of the Original Contract and to the effect that no Event of Default or event which, with the passage of time or giving of notice or both, would become an Event of Default exists or would be created by the issuance of the 2012A Certificates and the execution and delivery of the related documents;

(g) An Amended Project Budget;

(h) Approval of an additional levy from the Commissioner at least equal to the total amount of the Installment Payments for the 2012A Certificates;

(i) A Certificate of Participation issued by the Commissioner pursuant to Minnesota Statutes Section 126C.55; and

(j) Such other customary closing papers as the Trustee or Special Counsel may reasonably require.

Section 4. Creation of Account. There is hereby created, within the Project Fund, an account designated the "2012A Certificates Account."

Section 5. Application of Proceeds of 2012A Certificates. The Trustee shall deposit the 2012A Certificates proceeds received by it for the account of the District from the original sale of the 2012A Certificates into the following funds and account:

(a) to the 2012A Certificates Account in the Project Fund \$_____; and

(b) to the Contract Revenue Fund (the accrued interest in the amount of \$_____ and the unused discount and rounding amount of \$_____) \$_____.

The proceeds of the 2012A Certificates credited to such account in the Project Fund shall be applied to payment of the Costs of the Congdon Elementary and Grant Elementary (now Myers-Wilkins Elementary) portion of the Project and Costs of Issuance of the 2012A Certificates to the persons and in the amounts set forth in certificates of an Authorized Representative of the District, as provided for under Section 4.04 of the Original Declaration.

IN WITNESS WHEREOF, each of the parties hereto have caused this Supplement to Declaration of Trust to be executed by their proper corporate officers, all as of June 1, 2012.

INDEPENDENT SCHOOL DISTRICT NO. 709

By_____

Chair

By_____

Clerk

U.S. BANK NATIONAL ASSOCIATION

By _____
Its _____

SIGNATURE PAGE TO SUPPLEMENT TO DECLARATION OF TRUST DATED AS OF JUNE 1, 2012, BY AND BETWEEN U.S. BANK NATIONAL ASSOCIATION AND INDEPENDENT SCHOOL DISTRICT NO. 709 (DULUTH), MINNESOTA.

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APPENDIX A

FORM OF CERTIFICATE OF PARTICIPATION

No. ____

\$ _____

FULL TERM CAPITAL APPRECIATION CERTIFICATE OF PARTICIPATION, SERIES 2012A

Evidencing the Proportionate Interest of the Registered Owner Hereof in

Installment Payments to be Made by

INDEPENDENT SCHOOL DISTRICT

NO. 709 (DULUTH), MINNESOTA

due under its Installment Purchase Contract dated June 1, 2008, as amended, and

as further amended on June 1, 2012 with U.S. Bank National Association

REGISTERED OWNER: CEDE & CO.

ACCREDITED AMOUNT

AT MATURITY _____ DOLLARS

Maturity Date

Date of Original Issue

CUSIP

February 1, ____

June __, 2012

The registered owner (the "Owner") of this Full Term Capital Appreciation Certificate of Participation (the "Certificate") specified above is entitled to receive, unless called for earlier redemption, in the manner hereinafter set forth, the accreted amount at maturity specified above. The accreted amount at maturity set forth above is the original principal amount of \$_____ with interest from the date of original issue stated above, accreted and payable with the original principal amount on the maturity date specified above, at a yield to maturity which, compounded on each February 1 and August 1, commencing on August 1, 2012 (each such date, a "Compounding Date"), results in the accreted amount set forth in the table attached hereto for the specified amount per \$5,000 accreted amount at maturity, subject to the provisions for prepayment and redemption of this Certificate before maturity referred to below. The "accreted amount" of this Certificate, per \$5,000 of accreted amount at maturity (also referred to as "accreted maturity amount"), as of any given February 1 and August 1 is the original principal amount hereof plus interest accrued or compounded on such date, as set forth on the table attached hereto for each applicable February 1 and August 1.

This Certificate evidences an interest in the "Installment Payments" under that certain Installment Purchase Contract dated as of June 1, 2008, as amended, and as further amended by Amendment to Installment Purchase Contract dated as of June 1, 2012 (collectively, the "Contract"), by and between U.S. Bank National Association (the "Vendor") and Independent School District No. 709 (Duluth), Minnesota (the "District"). The Certificates are being issued pursuant to that certain Supplement to Declaration of Trust, dated as of June 1, 2012, supplementing the Declaration of Trust dated as of June 1, 2008, as supplemented (collectively, the "Declaration of Trust"), between the District and U.S. Bank National Association (the "Trustee"). The principal corporate trust office of the Trustee is located at St. Paul, Minnesota (such principal office herein being referred to as the "Principal Office").

The aforesaid original principal amount is payable subject to the terms of the Contract and represents an interest of the Owner hereof in portions of the Installment Payments designated as principal coming due under the Contract. The Owner is also entitled to receive, subject to the terms of the Contract, the Owner's share of the Installment Payments designated as interest coming due under the

Contract. Interest on this Certificate will not be paid separately, but will only be paid with principal as an accreted amount. The accreted amount payable hereunder is payable in lawful money of the United States of America that at the time of payment shall be legal tender for the payment of public and private debts. The accreted amount is payable upon presentation of the Certificate at the Principal Office of the Trustee on the maturity date or the date called for prepayment (the "Certificate Payment Date"). The accreted amount on this Certificate will be paid to the Registered Owner in whose name this Certificate is registered on the registration books maintained by the Trustee and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding the Certificate Payment Date.

So long as this Certificate is registered in the name of DTC or its Nominee as provided in the Declaration of Trust, and as those terms are defined therein, payment of the accreted amount on this Certificate and notice with respect thereto shall be made as provided in the Representation Letter, as defined in the Declaration of Trust, and surrender of this Certificate shall not be required for payment of the redemption price upon a partial redemption of this Certificate. Until termination of the book-entry only system pursuant to the Declaration of Trust, the Certificates may only be registered in the name of DTC or its Nominee.

All capitalized terms not defined herein shall have the meaning set forth in the Declaration of Trust.

This Certificate has been executed by the Trustee pursuant to the terms of the Declaration of Trust. Copies of the Contract and the Declaration of Trust are on file at the office of the District and at the Principal Office of the Trustee, and reference to the Contract and the Declaration of Trust and any and all amendments to such agreements is made for a description of the pledges and the covenants of the District securing the payment of Installment Payments, the nature, the extent and the manner of enforcement of such pledges and covenants and the rights and the terms and the conditions upon which the Certificates are delivered thereunder. To the extent and in the manner permitted by the terms thereof, the provisions of the Contract and the Declaration of Trust may be amended with respect to the Certificates by the parties thereto and, with respect to the Declaration of Trust with the written consent of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, as more fully set forth in the Declaration of Trust or without such consent for the purpose of curing any ambiguity, correcting defects or in regard to questions arising under the Declaration of Trust, provided such amendment does not adversely affect the interest of the Owners of the Certificates.

The registration of this Certificate shall be transferable upon the Certificate register, which shall be kept for that purpose at the Principal Office of the Trustee, upon surrender hereof together with a written instrument of transfer approved by the Trustee duly executed by the Owner of this Certificate or his duly authorized attorney. Upon the registration of the transfer and the surrender of this Certificate, the Trustee shall provide in the name of the transferee a new fully registered Certificate or Certificates of the same aggregate accreted amount at maturity and Certificate Payment Date as the surrendered Certificate. The Trustee also shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. The Trustee may charge a transfer fee for such transfer. No exchange of any Certificates shall be required of the Trustee after such Certificate has been called for prepayment and no transfer of any Certificate shall be required between the Record Date and the relevant Certificate Payment Date.

The Certificates are issued originally only as global book-entry certificates in the denomination of the entire accreted amount at maturity of the issue maturing on a single date or, if a portion of the Certificates are prepaid, the unredeemed portion of the aggregate accreted amount at maturity, in the form of fully registered Certificates in Authorized Denominations of accreted maturity amount of \$5,000 each or any integral multiple thereof. Upon surrender thereof at the Principal Office of the Trustee with a

written request of exchange satisfactory to the Trustee duly executed by the Owner or by his attorney duly authorized in writing, at the option of the Owner thereof, the Certificate may be exchanged for an equal aggregate accreted amount at maturity of Certificates of other Authorized Denominations of accreted maturity amount of the same maturity, yield and tenor.

This Certificate is one of the Certificates issued pursuant to the Declaration of Trust and for the purposes of providing funds to finance a portion of the costs of the Project described in the Contract (the "Project"), and paying certain expenses related to the issuance of the Certificates. This Certificate and the rights of the Owner hereof are in all respects subject to and governed by the Declaration of Trust.

The Certificates are being issued as Additional Certificates in the aggregate accreted amount at maturity of \$_____ under the Declaration of Trust and are secured on a parity with the Full Term Certificates of Participation, Series 2008B, dated June 1, 2008, in the aggregate principal amount of \$111,440,000 and with the Full Term Certificates of Participation, Series 2010C, dated October 1, 2010, in the aggregate principal amount of \$5,000,000.

All or a part of the Outstanding Certificates, as provided for in the Contract, are subject to redemption and prepayment at any time, at the option of the District, at the Prepayment Price set out in the next paragraph if the Project, or a part thereof, are damaged or destroyed to the extent described in Section 6.01(b) and 9.03(b)(ii) of the Contract.

All Certificates maturing in the years 2023 and thereafter are subject to optional redemption in whole or in part on February 1, 2022, and on any date thereafter at a Prepayment Price equal to the accreted amount thereof as of the most recent Compounding Date occurring prior to the Prepayment Date plus simple interest on the Certificates to be redeemed accrued from the most recent Compounding Date to the Prepayment Date at the yield applicable to this Certificate on the accreted values table attached hereto. Redemption of the Certificate may be in whole or in part. If redemption is in part, the maturities and accreted amounts (in increments of \$5,000 of accreted maturity amount) within each maturity to be redeemed shall be determined by the District.

If less than all of the Certificates are called for prepayment, the District shall determine the maturity year and amount within each maturity year to be prepaid. To effect a partial redemption of the Certificates having a common maturity date, the Trustee, prior to giving notice of redemption, shall assign to each Certificate having a common maturity date a distinctive number for each \$5,000 of the accreted maturity amount of such Certificate. The Trustee shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Certificates, as many numbers as, at \$5,000 for each number, shall equal the sum of said accreted amount of such Certificates to be redeemed. The Certificates to be redeemed shall be the Certificates to which were assigned numbers so selected. So long as the Certificates are registered in the name of Cede & Co. as nominee of DTC, selection of Certificates for redemption shall be subject to the requirements of the Representation Letter hereinafter defined. The Trustee shall promptly notify the District in writing of the numbers of the Certificates or portions thereof so selected for prepayment. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and shall deliver to the Owner thereof at the expense of the District a new Certificate or Certificates of Authorized Denominations and of the same maturity, and yield, equal in aggregate accreted maturity amount to the unprepaid portion of the Certificate surrendered.

As more fully described in the Declaration of Trust, notice of prepayment shall be given by the Trustee by mailing a copy of the notice of prepayment not less than thirty (30) days nor more than sixty (60) days prior to the Prepayment Date to the District and the Owner of each Certificate affected at the address shown on the Certificate register maintained by the Trustee on the date such notice is mailed. Each notice of prepayment shall be dated and shall state the Prepayment Date, the place of prepayment,

the CUSIP numbers to the extent applicable, the Prepayment Price and, if less than all the Certificates are to be prepaid, the distinctive numbers of the Certificates to be prepaid, and shall also state that the interest portion of the Installment Payments represented by the Certificates designated for prepayment shall cease to accrue from and after such Prepayment Date and that on such date there will become due and payable on each of such Certificates the Prepayment Price.

Notice of prepayment having been duly given as aforesaid and moneys for payment of the Prepayment Price of such Certificates (or portions thereof) being held by the Trustee on the Prepayment Date designated in such notice, the Certificates or the portions thereof so called for prepayment shall become due and payable at the Prepayment Price specified in such notice and the Installment Payments represented by the Certificates so called for prepayment shall cease to accrue, Certificates or portions thereof shall cease to be entitled to any benefit or security under the Declaration of Trust and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of such Prepayment Price.

The accreted amounts of the Certificates of this issue per \$5,000 of accreted amount at maturity, together with the original principal amount thereof, are set forth in the accreted value table attached hereto. The accreted amount on any date other than the maturity date set forth on the table attached hereto is (i) if the date is a Compounding Date, the accreted amount is as of the Compounding Date, or (ii) if the date is not a Compounding Date, the accreted amount is as of the most recent Compounding Date prior to such date (or is the original principal amount if the date precedes August 1, 2012) plus accrued interest at a rate equal to the yield to maturity of the Certificate (calculated on the bases of a 360 day year of twelve 30 day months and rounded pursuant to the rules of the Municipal Securities Rulemaking Board) accrued from and after said Compounding Date (or the issuance date if the other date precedes August 1, 2012) to such other date.

The District has certified, recited and declared that all acts, conditions and things required by the Constitution and the statutes of the State of Minnesota and the Contract to exist, to have happened and to have been performed precedent to the delivery of the Contract exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be executed by signature of an authorized officer as of the Date of Original Issue set forth above.

U.S. BANK NATIONAL ASSOCIATION

By _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____, the within-mentioned Certificate and does hereby irrevocably constitute and appoint _____ to transfer such Certificate on the Certificate register with full power of substitution in the premises.

Dated:

Signature(s):

Signature(s):

NOTICES: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank, trust company, national bank association or other banking institution incorporated under the laws of the United States or a state of the United States.

NOTICE: The signatures of this Assignment must correspond with the name that appears upon the face of the within Certificate in particular, without alteration, enlargement or any change whatever.

The Trustee will be required to register a Certificate in the name of a transferee only if provided with the information requested below. The transferee (or his designated representative) should provide as much of the information requested below as is applicable to him prior to submitting this Certificate for transfer.

Name: _____

Address: _____

Social Security or Employer Identification Number: _____

If a Trust, Name and Address of Trustee: _____

Unless this Certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the District or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.