

RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$21,708,231 TAXABLE GENERAL OBLIGATION CAPITAL APPRECIATION REFUNDING BONDS, SERIES 2024A; ESTABLISHING THE TERMS AND FORM THEREOF; CREATING A DEBT SERVICE FUND THEREFOR; AND AWARDED THE SALE THEREOF

BE IT RESOLVED, by the School Board (the “Board”) of Independent School District No. 709 (Duluth), St. Louis County, Minnesota (the “District”), as follows:

Section 1. Bond Purpose and Authorization.

1.01 A. The District, pursuant to Minnesota Statutes, Section 465.71 and Section 475.67, has issued and there is outstanding, the District’s (i) \$24,130,000 Refunding Certificates of Participation, Series 2019A, dated May 29, 2019 (the “2019A Certificates”); and (ii) \$5,070,000 Refunding Certificates of Participation, Series 2021B dated March 9, 2021 (the “2021B Certificates”). The 2019A Certificates and the 2021B Certificates were issued pursuant to a Lease Purchase Agreement, as amended, and pursuant to a Declaration of Trust by and between the District and Associated Trust Company, National Association (the “Trustee”).

B. Under and pursuant to Minnesota Statutes, Chapter 475 (the “Act”) and approval by the voters of the District on November 7, 2023 of the following question:

“Shall Independent School District No. 709 (Duluth) be authorized to issue its general obligation bonds in an amount not to exceed \$21,800,000 to provide funds to refinance, for general fund operational savings, the District’s Refunding Certificates of Participation, Series 2019A, dated May 29, 2019, and Refunding Certificates of Participation, Series 2021B, dated March 9, 2021 both of which financed improvements to and equipment for the District’s facilities throughout the District?”

The District has determined that it is necessary in order for the adjustment of maturities in relation to the resources available for the payment and to provide the District general fund operational savings to refinance outstanding 2019A Certificates and 2021B Certificates as hereinafter provided.

C. The Board has determined to issue its Taxable General Obligation Capital Appreciation Refunding Bonds, Series 2024A (the “Bonds”), in the amount of \$21,708,231 pursuant to the Act to pay for the refunding a portion of the 2019 Certificates and a portion of the 2021B Certificates, as hereinafter defined, and to pay costs of issuance of the Bonds, and to pledge the District’s full faith and credit and power to levy direct ad valorem taxes to pay the principal of and interest on the Bonds.

D. The Board hereby determines that the proceeds of the Bonds shall be used for the defeasance, payment, prepayment and redemption of the 2019A Certificates maturing on and after March 1, 2025 (the “2019 Refunded Certificates”) and the 2021B Certificates maturing on and after March 1, 2025 (the “2021 Refunded Certificates”) as set forth in the Escrow Agreement authorized in Section 5 hereof. The 2019 Refunded Certificates maturing on and after March 1, 2028 are called for prepayment and redemption on March 1, 2027 (the “2019 Refunded Certificates Redemption Date”). The 2021B Refunded Certificates maturing on and after March 1, 2029 are called for prepayment and redemption on March 1, 2028 (the “2021 Refunded Certificates Redemption Date”).

1.02 Negotiated Sale. The District elects to apply the exception to the public sale requirement contained in Section 475.60, Subdivision 2(6) of the Act to the sale of the Bonds.

1.03 Parameters Resolution. A resolution adopted by the Board on December 19, 2023, entitled “Resolution Regarding the Issuance of Taxable General Obligation Capital Appreciation Refunding Bonds, Series 2024A” (the “Parameters Resolution”), which authorized any officer of the District and the Superintendent or Executive Director of Business Services to serve as a pricing committee to approve the sale of the Bonds to Robert W. Baird & Co. Incorporated and execute a bond purchase agreement provided that the principal amount does not exceed \$21,800,000.

1.04 Finding. All conditions precedent to the issuance of the Bonds pursuant to the Act have been fulfilled. The School Board hereby determines that it is necessary and desirable to finance such refundings and to issue the Bonds therefor.

1.05 Award of Sale.

A. Pursuant to the exception to the public sale requirement described in Section 1.02 hereof and the Parameters Resolution, the District has solicited and received an offer from Robert W. Baird & Co. Incorporated of Milwaukee, Wisconsin (the “Purchaser”), to purchase the Bonds at a cash price of \$21,358,231.00, upon the terms and conditions hereafter specified in this Resolution. The Board, after due consideration, finds that the conditions of the Parameters Resolution have been satisfied and that such offer is reasonable and proper and the offer of the Purchaser is accepted.

B. The actions of the officers of the District, the Superintendent and Executive Director of Business Services taken with respect to the execution on the part of the District of a bond purchase agreement for the sale of the Bonds in accordance with the Purchaser’s proposal and the Parameters Resolution, are ratified and approved.

Section 2. Terms of the Bonds.

2.01 Designation; Denominations; Maturities; Interest Rates.

A. The Bonds to be issued hereunder shall be issued as fully-registered bonds designated the \$21,708,231 Taxable General Obligation Capital Appreciation Refunding Bonds, Series 2024A, dated February 8, 2024, as the date of original issue shall mature in the accreted maturity amounts (as hereinafter defined), of \$5,000 each, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward.

B. The Bonds shall be issued as capital appreciation bonds which shall mature on March 1 in the years and in the accreted amounts at maturity set forth in the following table, which table also sets forth, for each maturity, the total original principal amount, accreted amount at maturity (which accreted amount at maturity is also referred to herein as the “accreted maturity amount”), the aggregate original principal amount and the approximate yield to maturity applicable thereto, as follows:

Maturity Date (March 1)	Total Accreted Amount at Maturity	Total Original Principal	Approximate Yield to Maturity
2025	\$1,845,000.00	\$1,749,650.40	5.05%
2027	\$1,535,000.00	\$1,319,455.30	5.00%
2028	\$1,005,000.00	\$821,265.90	5.03%
2029	\$11,810,000.00	\$9,160,544.60	5.08%
2030	\$11,805,000.00	\$8,657,314.80	5.18%
TOTAL	\$28,000,000.00	\$21,708,231.00	

C. The principal maturities of the Bonds, together with the maturities of all other outstanding general obligation bonds of the District, meet the requirements of Minnesota Statutes, Section 475.54.

2.02 Redemption. The Bonds shall not be subject to optional redemption or prepayment before maturity.

2.03 Compounding Dates. The Bonds shall bear interest from the date of settlement at the annual yield to maturity stated therefor in Section 2.01. The interest on the Bonds of each maturity shall be compounded at the yield to maturity applicable to that maturity, as set out in Section 2.01, commencing on March 1, 2024, and semiannually thereafter on each March 1 and September 1 (each referred to herein as a “Compounding Date”). Interest on the Bonds shall be payable, together with the principal thereof, only at maturity. For purposes of this Resolution and the Bonds, the accreted amount of each Bond 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 is the original 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 2.01 (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 issuance date if the other date precedes the first Compounding Date).

2.04 Preparation and Execution of Bonds.

A. The Bonds shall be prepared for execution in accordance with the approved form and shall be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk. In case any officer whose signature shall appear on the Bonds shall cease to be an officer before delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if he or she had remained in office until delivery.

B. The Clerk is authorized and directed to obtain a copy of the approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, and cause the opinion to be attached to each Bond. If the legal opinion is not manually signed, the certificate as to legal opinion, in substantially the form set forth in Section 3 hereof, shall be executed by the manual signature of the Clerk. The Clerk is authorized and directed to execute the certificate in the name of the District upon receipt of the opinion and to file the opinion in the District offices.

2.05 Appointment and Duties of Bond Registrar; Record Date.

A. The School Board hereby appoints U.S. Bank Trust Company, National Association, of St. Paul, Minnesota, as registrar, authenticating agent, paying agent and transfer agent for the Bonds (such bank or its successor is herein referred to as the “Bond Registrar”). No Bond shall be valid or obligatory for any purpose unless or until either: (i) the Bond Registrar’s authentication certificate on such Bond, substantially set forth in Section 3.01 hereof, shall have been duly executed by an authorized representative of the Bond Registrar or (ii) such Bond has been manually executed by at least one officer of the School Board. Authentication certificates on different Bonds need not be signed by the same representative. The executed Authentication Certificate or the manual signature of at least one officer of the School Board on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

B. The District shall cause to be kept at the principal corporate office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the District shall provide for the registration of the Bonds and the registration of transfers of the Bonds entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Bond Registrar or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Bond Registrar as may be appointed by the School Board.

C. At the option of the registered owners, the Bonds may be exchanged for other Bonds of any authorized denomination, of a like aggregate accreted amount at maturity, maturing upon the same date, upon surrender of the Bonds to be exchanged at the principal corporate office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the District shall execute and the Bond Registrar shall authenticate, if required by law or this Resolution, and deliver the Bonds which the registered owner making the exchange is entitled to receive. Upon surrender for transfer of any Bond at the principal corporate office of the Bond Registrar, the District shall execute and the Bond Registrar shall authenticate, if required by law or this Resolution, and deliver, in the names(s) of the designated transferee(s), one or more new bonds of a like aggregate principal amount, as requested by the transferor. All Bonds surrendered upon the exchange provided for in this Resolution shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the School Board. All Bonds issued in exchange for or upon transfer of the Bonds shall be valid obligations of the District evidencing the same debt and entitled to the same benefits under this Resolution as the Bonds surrendered for such exchange or transfer. Every Bond presented for a transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the District and the Bond Registrar, duly executed by the registered owner thereof or the owner's attorney duly authorized in writing. The District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of the Bonds, other than exchange expressly provided in this Resolution to be made, without expense or without charge to the registered owner.

D. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all of the rights to interest, accrued and unpaid and to accrue, which are carried by such other Bond. Each Bond shall be dated by the Bond Registrar as of the date of its authentication or manual execution, as the case may be. The District and the Bond Registrar shall not be required (i) to make any transfer or exchange during the 15 days next preceding any payment date on the Bonds (the "Payment Date"), (ii) to make any transfer or exchange of any Bonds called for redemption, or (iii) to make any such exchange or transfer of the Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of the Bonds.

2.06 Book-Entry System.

A. In order to make the Bonds eligible for the services provided by DTC, the District has previously agreed to the applicable provisions set forth in the Blanket Issuer Letter of Representations which has been executed by the District and DTC (the "Representation Letter").

B. Notwithstanding any provision herein to the contrary, so long as the Bonds shall be in Book-Entry Form, the provisions of this Section 2.06 shall govern.

C. All of the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of any Bond registered in the name of Cede & Co. shall be made by wire transfer or New York Clearing House or equivalent same day funds by 10:00 a.m. CT or as soon as possible thereafter following the Bond Registrar's receipt of funds from the District on each Payment Date to the account of Cede & Co. on each Payment Date at the address indicated in or pursuant to the Representation Letter.

D. DTC (or its nominees) shall be and remain recorded on the Bond Register as the holder of all Bonds which are in Book-Entry Form. No transfer of any Bond in Book-Entry Form shall be made, except from DTC to another depository (or its nominee) or except to terminate the Book-Entry Form. All Bonds of such stated maturity of any Bonds in Book-Entry Form shall be issued and remain in a single Bond certificate registered in the name of DTC (or its nominee); provided, however, that upon termination of the Book-Entry Form pursuant to the Representation Letter, the District shall, upon delivery of all Bonds of such series from DTC, promptly execute, and the Bond Registrar shall thereupon authenticate and

delivery, Bonds of such series to all persons who were beneficial owners thereof immediately prior to such termination; and the Bond Registrar shall register such beneficial owners as holders of the applicable Bonds.

The Bond Registrar shall maintain accurate books and records of the principal balance, if any, of each such outstanding Bond in Book-Entry Form, which shall be conclusive for all purposes whatsoever. Upon the authentication of any new Bond in Book-Entry Form in exchange for a previous Bond, the Bond Registrar shall designate thereon the principal balance remaining on such bond according to the Bond Registrar's books and records.

No beneficial owner (other than DTC) shall be registered as the holder on the Bond Register for any Bond in Book-Entry Form or entitled to receive any bond certificate. The beneficial ownership interest in any Bond in Book-Entry Form shall be recorded, evidenced and transferred solely in accordance with the Book-Entry System.

Except as expressly provided to the contrary herein, the District and the Bond Registrar may treat and deem DTC to be the absolute owner of all Bonds of each series which are in Book-Entry Form (i) for the purpose of payment of the accreted amount on such Bond, (ii) for the purpose of giving notices hereunder, and (iii) for all other purposes whatsoever.

E. The District and the Bond Registrar shall each give notices to DTC of such matters and at such times as are required by the Representation Letter, including the following:

- (i) with respect to notices of redemption, if any; and
- (ii) with respect to any other notice required or permitted under this Bond Resolution to be given to any holder of a Bond.

All notices of any nature required or permitted hereunder to be delivered to a holder of a Bond in Book-Entry Form shall be transmitted to beneficial owners of such Bonds at such times and in such manners as shall be determined by DTC, the participants and indirect participants in accordance with the Book-Entry System and the Representation Letter.

F. All payments of principal, redemption price of and interest on any Bonds in Book-Entry Form shall be paid to DTC (or Cede & Co.) in accordance with the Book-Entry System and the Representation Letter in same day funds by wire transfer.

G. 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.

H. Bonds registered in the name of Cede & Co. may not after their original delivery, be transferred or exchanged except in accordance with the terms and conditions of the Letter of Representations and:

- (i) upon exchange of a Bond after a partial redemption, if provided in Section 2.03 of this Resolution;
- (ii) to any successor of the Depository (or its nominee) or any substitute depository (a "Substitute Depository") designated pursuant to clause (iii) below; 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 District 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 District 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) above; 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 District is unable to locate a Substitute Depository within two months following the resignation or discontinuance or determination of noneligibility, or (b) the District 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 District shall notify the Holders of its determination and of the availability of replacement Bonds to Holders. The District, 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 Section 3 of this Resolution.

I. In the event of the designation of a Substitute Depository as authorized by clause H., the Bond Registrar, upon presentation of a Bond, 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 Letter of Representations shall not apply to the Substitute Depository unless the District and the Substitute Depository so agree, and the execution of a similar agreement is hereby authorized.

2.07 Lost or Damaged Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Bond Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bond Registrar and the District in connection therewith, including the cost of printing new Bonds; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Bond Registrar and the District of evidence satisfactory to them that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bond Registrar and the District of an appropriate bond or indemnity in form, substance and amount satisfactory to them and as provided by law, in which both the District and the Bond Registrar must be named as obligees. Bonds so surrendered to the Bond Registrar will be canceled by the Bond Registrar and evidence of such cancellation must be given to the District. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Bond prior to payment.

2.08 Payment of Bonds.

A. The District 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 the accreted amount on such Bond and for all other purposes whatsoever, whether or not such Bond be overdue, and neither the District nor the Bond Registrar shall be affected by notice to the contrary.

B. The accreted amount on the Bonds shall be payable by the Bond Registrar in such funds as are legal tender for the payment of debts due the United States of America. The District shall pay the reasonable and customary charges of the Bond Registrar for the disbursement of the accreted amount.

2.09 Delivery. Delivery of the Bonds and payment of the purchase price shall be made at a place mutually satisfactory to the District and the Purchaser. Printed or typewritten and executed Bonds shall be furnished by the District without cost to the Purchaser. The Bonds, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the Clerk to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 3. Form of the Bonds.

3.01 The Bonds shall be printed or typewritten in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ST. LOUIS

R-__ \$_____

INDEPENDENT SCHOOL DISTRICT NO. 709
(DULUTH)

TAXABLE GENERAL OBLIGATION CAPITAL APPRECIATION
REFUNDING BOND
SERIES 2024A

<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
March 1, 20__	February 8, 2024	

REGISTERED OWNER: CEDE & CO.

ACCREDITED AMOUNT
AT MATURITY: _____ DOLLARS

Independent School District No. 709 (Duluth), St. Louis County, Minnesota (the “District”), for value received, promises to pay to the registered owner specified above, or registered assigns, 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 hereof with interest from the date of original issue stated above, accreted and payable with principal on the maturity date specified above, at a yield to maturity which, compounded on each March 1 and September 1, commencing March 1, 2024 (each such date, a “Compounding Date”), results in the accreted amount set forth for such date in the table attached hereto, for the specified amount per \$5,000 accreted amount at maturity.

The “accreted amount” of this Bond, per \$5,000 of accreted amount at maturity (also referred to as “accreted maturity amount”), as of any given March 1 and September 1 is the original principal amount hereof plus interest accrued or compounded to such date, as set forth on the table attached hereto for each applicable March 1 and September 1.

Interest on this Bond will not be paid separately, but will only be paid with principal as accreted amount. The accreted amount of this Bond is payable in lawful money of the United States of America by check or draft at the main office of U.S. Bank Trust Company, National Association in St. Paul, Minnesota, as bond registrar, authenticating agent, paying agent and transfer agent (the “Bond Registrar”), or at the office of such

successor Bond Registrar as may be designated by the School Board. The Bond Registrar shall make all payments with respect to this Bond directly to the registered owner hereof shown on the bond registration records maintained on behalf of the District by the Bond Registrar at the close of business on the 15th day of the month next preceding the maturity date (the "Payment Date") (whether or not a business day) at such owner's address shown on said bond registration records, without, except for payment of principal of the Bond, the presentation or surrender of this Bond, and all such payments shall discharge the obligation of the District to the extent of the payments so made. Payment of the accreted amount at maturity shall be made upon presentation and surrender of this Bond to the Bond Registrar when due. For the prompt and full payment of such principal and interest as they become due, the full faith and credit and taxing power of the District are irrevocably pledged.

This Bond is one of a series issued by the District in the aggregate principal amount of \$21,708,231 and a total accreted amount at maturity of \$28,000,000, all of like date and tenor, except as to number, maturity date, denomination and yield, pursuant to the authority contained in Minnesota Statutes, Chapter 475, and all other laws thereunto enabling, and pursuant to an authorizing Resolution adopted by the governing body of the District on January 23, 2024 (the "Resolution"), for the purpose of providing funds to refinance for general fund operational savings and to adjust maturities of existing obligations in relation to the resources available therefor. The accreted amounts on this Bond are payable from ad valorem taxes levied upon all taxable property in the District as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred.

The Bonds of this series are not subject to optional redemption or prepayment before maturity.

The District has qualified the Bonds for participation in the State of Minnesota program to preclude default of school district debt, pursuant to Minnesota Statutes, Section 126C.55. If the District is unable to make any portion of the principal or interest payment on the Bonds on any Payment Date, the State of Minnesota has agreed to make such payment in the District's place.

The Bonds of this series are issued as fully registered bonds without coupons, in the denomination of \$5,000 or any integral multiple thereof. Subject to the limitations set forth in the Resolution, the District will, at the request of the registered owner, issue one or more new fully registered Bonds in the name of the registered owner in the aggregate accreted maturity amount equal to the unpaid accreted maturity amount of this Bond, and of like tenor except as to number and accreted maturity amount. This Bond is transferable by the registered owner hereof upon surrender of this Bond for transfer at the principal corporate office of the Bond Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Bond Registrar and executed by the registered owner hereof or the owner's attorney duly authorized in writing. Thereupon the District shall execute and the Bond Registrar shall authenticate, if required by law or the Resolution, and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee, of an authorized denomination, in an aggregate accreted maturity amount equal to the accreted maturity amount of this Bond, of the same maturity. No service charge shall be made for any transfer or exchange hereinbefore referred to but the District may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The accreted amounts of the Bonds of this issue, together with the original principal amount thereof, per \$5,000 of accreted amount at maturity, are set forth in the 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 as of the Compounding Date, or (ii) if the date is not a Compounding Date, the accreted amount as of the most recent Compounding Date prior to such date (or is the original principal amount if the date precedes March 1, 2024) plus simple interest at a rate equal to the yield to maturity of the Bond (calculated on the basis of a 360 day year of twelve 30 day months) accrued from and after said Compounding Date (or the issuance date if the other date precedes March 1, 2024) to such other date.

IT IS CERTIFIED AND RECITED that all acts and conditions required by laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Bond, in order to make it a valid and binding general obligation of the District in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the corporate limits of the District is subject to the levy of ad valorem taxes to the extent needed to pay the accreted amount at maturity hereon when due, without limitation as to rate or amount; and that the issuance of this Bond does not cause the indebtedness of the District to exceed any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Bond Registrar's Authentication Certificate hereon shall have been executed by the Bond Registrar by one of its authorized representatives or this Bond has been manually executed by at least one officer of the District.

IN WITNESS WHEREOF, Independent School District No. 709, St. Louis County, Minnesota, by its governing body, has caused this Bond to be executed in its name by the facsimile signature of the Chair and attested by the facsimile signature of the Clerk.

ATTEST:

(form – no signature required)
Clerk

(form – no signature required)
Chair

Date of Authentication: _____

BOND REGISTRAR'S AUTHENTICATION CERTIFICATE

The Bond Registrar confirms that the books reflect the ownership of the Bond registered in the name of the owner named above in the principal amount and maturity date stated above and this Bond is one of the Bonds of the series issued pursuant to the Resolution hereinabove described.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
St. Paul, Minnesota
Bond Registrar

By _____
Authorized Representative

REGISTRATION CERTIFICATE

This Bond must be registered as to both principal and interest in the name of the owner on the books to be kept by U.S. Bank Trust Company, National Association of St. Paul, Minnesota, as Bond Registrar. No transfer of this Bond shall be valid unless made on said books by the registered owner or the owner’s attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on said books in the name of the registered owner last noted below.

<u>Date</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
02/08/2024	Cede & Co. c/o The Depository Trust Company 570 Washington Boulevard Jersey City, NJ 07310 Federal Taxpayer I.D. No.: 13-2555119	_____

TABLE OF ACCRETED AMOUNTS

Date	Bond Component 3/1/2025 5.05%	Bond Component 3/1/2027 5.00%	Bond Component 3/1/2028 5.03%	Bond Component 3/1/2029 5.08%	Bond Component 3/1/2030 5.18%
02/08/2024	\$4,741.60	\$4,297.90	\$4,085.90	\$3,878.30	\$3,666.80
03/01/2024	\$4,756.75	\$4,311.45	\$4,098.90	\$3,890.75	\$3,678.80
09/01/2024	\$4,876.85	\$4,419.25	\$4,202.00	\$3,989.60	\$3,774.10
03/01/2025	\$5,000.00	\$4,529.75	\$4,307.70	\$4,090.90	\$3,871.85
09/01/2025	--	\$4,642.95	\$4,416.00	\$4,194.85	\$3,972.10
03/01/2026	--	\$4,759.05	\$4,527.10	\$4,301.40	\$4,075.00
09/01/2026	--	\$4,878.00	\$4,640.95	\$4,410.65	\$4,180.55
03/01/2027	--	\$5,000.00	\$4,757.65	\$4,522.65	\$4,288.80
09/01/2027	--	--	\$4,877.30	\$4,637.55	\$4,399.90
03/01/2028	--	--	\$5,000.00	\$4,755.35	\$4,513.85
09/01/2028	--	--	--	\$4,876.10	\$4,630.75
03/01/2029	--	--	--	\$5,000.00	\$4,750.00
09/01/2029	--	--	--	--	\$4,873.75
03/01/2030	--	--	--	--	\$5,000.00

ASSIGNMENT

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

(Name and Address of Assignee)

Social Security or Other
Identifying Number of Assignee

the within Bond and all rights thereunder and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

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

Signature Guaranteed:

(Bank, Trust Company, member of
National Securities Exchange)

Unless this Bond 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 bond 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.

Section 4. Covenants, Accounts and Representations.

4.01 Debt Service Fund.

A. A separate debt service fund is hereby created and is designated as the “Taxable General Obligation Capital Appreciation Refunding Bonds, Series 2024A Debt Service Fund” (the “Debt Service Fund”).

B. There is hereby pledged and appropriated and there shall be credited to the Debt Service Fund: (i) the accrued interest in the amount of \$0.00; (ii) the rounding in the amount of \$1,429.28; (iii) the ad valorem taxes hereinafter levied; and (iv) investment earnings on the monies identified in the foregoing clauses (i) through (iii). The proceeds of the Bonds described in clauses (i) and (ii) of the preceding sentence shall be used for payment of interest on the Bonds.

C. The money in the Debt Service Fund shall be used for no purpose other than the payment of principal and interest on the Bonds; provided, however, that if any payment of principal or interest shall become due when there is not sufficient money in the Debt Service Fund, the Executive Director of Business Services shall pay the same from any other funds of the District and said funds shall be reimbursed for such advance out of the proceeds of the taxes hereinafter levied.

4.02 Tax Levy.

A. For the prompt and full payment of the principal and interest on the Bonds when due, the full faith and credit and taxing power of the District are hereby irrevocably pledged. There is hereby levied a direct, annual, ad valorem tax upon all taxable property within the District which shall be extended upon the tax rolls and collected with and as part of the other general property taxes in the District for the years and in the amounts set forth on *Exhibit A* hereto and incorporated herein by reference as though fully specified in this Section.

B. Said levies are such that if collected in full they will produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds.

C. Such tax levies shall be irrevocable as long as any of the Bonds issued hereunder are outstanding and unpaid; provided, however, that on November 30 of each year, while any Bonds issued hereunder remain outstanding, the District may reduce or cancel the above levies to the extent of the amount which has been appropriated to and is on deposit in the Debt Service Fund to pay the principal of and interest on the Bonds, and may direct the County Auditor to reduce the levy for such year by that amount.

4.03 Investments. Monies on deposit in the Debt Service Fund may, at the discretion of the Executive Director of Business Services, be invested in securities permitted by Minnesota Statutes, Chapter 118A, that any such investments shall mature at such times and in such amounts as will permit for payment of the principal and interest on the Bonds when due.

4.04 Minnesota School District Credit Enhancement Program.

A. The Board hereby covenants and obligates itself to be bound by the provisions of Minnesota Statutes, Section 126C.55. The Board covenants and obligates itself to deposit with the Bond Registrar, as paying agent, three business days prior to any payment date an amount sufficient to make the payment of accreted maturity amount due or to notify the State of Minnesota Commissioner of Education not less than 15 working days prior to such payment date that it is unable to make all or a portion of the payment due on such payment date. 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 Bond Registrar is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of the accreted maturity amount on the Bonds or if, on the day two 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.

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

Section 5. Refunding.

A. The form of the Escrow Agreement proposed to be made and entered into between the District and Associated Trust Company, National Association (the "Escrow Agent"), which provides for (i) the payment of the principal and interest due on the 2019 Refunded Certificates from September 1, 2024 through March 1, 2027 and the prepayment and redemption of the 2019 Refunded Certificates maturing on and after March 1, 2028 on the 2019 Refunded Certificates Redemption Date; and (ii) the payment of the principal and interest due on the 2021 Refunded Certificates from September 1, 2024 through March 1,

2028 and the prepayment and redemption of the 2021 Refunded Certificates maturing on and after March 1, 2029 on the 2021 Refunded Certificates Redemption Date. The Chair and the Clerk are hereby authorized and directed to execute and deliver the Escrow Agreement substantially in the form now on file with the Clerk.

B. The District shall pay the March 1, 2024 principal and interest due on the 2019A Certificates and the 2021B Certificates from its funds outside the Escrow Agreement.

C. The officers and other agents or employees of the District are hereby authorized to do all acts and things required by or in connection with this Resolution, the refunding of the 2019 Refunded Certificates, the 2021 Refunded Certificates, the Escrow Agreement and the Bonds.

Section 6. Certificates of Proceedings; Miscellaneous.

6.01 Filing of Resolution; County Auditor Certificate. The Clerk is directed to file in the office of the County Auditor of St. Louis County a certified copy of this Resolution and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the Bonds herein authorized have been duly entered on the Auditor's register and that the tax required by law for the payment of said Bonds has been levied.

6.02 Authentication of Transcript. The officers of the District are authorized and directed to prepare and furnish to the Purchaser and to Bond Counsel certified copies of all proceedings and records of the District relating to the authorization and issuance of the Bonds and to the financial condition and affairs of the District and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Bonds as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the District as to the correctness of facts recited therein and the actions stated therein to have been taken.

6.03 Offering Materials. 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. The Chair and Clerk are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

6.04 Absent or Disabled Officers. In the event of the absence or disability of the Chair, Clerk or Executive Director of Business Services, such officers or members of the Board as in the opinion of the District's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Bonds, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

6.05 Defeasance. When all of the Bonds have been discharged as provided in this Section, all pledges, covenants and other rights granted by this Resolution shall cease. The District 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 District 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, a sum of cash or securities of the types described in Section 475.67 of the Act, as

amended, in such aggregate amount, bearing interest at such rates and maturing or callable at the District's option on such dates as shall be required to provide funds sufficient for this purpose.

Section 7. Continuing Disclosure. The Board of the District acknowledges that the Bonds are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule"). The Rule governs the obligations of certain underwriters to require that issuers of municipal bonds enter into agreements for the benefit of the Holders to provide continuing disclosure with respect to the Bonds. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit underwriters of the Bonds to comply with the Rule, which will enhance the marketability of the Bonds, the Chair and the Clerk are hereby authorized and directed to execute a Continuing Disclosure Certificate substantially in the form of the Certificate currently on file in the office of the District.

Section 8. Post-Issuance Compliance Policy and Procedures. The School Board has previously approved a Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures which applies to qualifying obligations to provide for compliance with all applicable federal regulations for tax-exempt obligations or tax-advantaged obligations (collectively, the "Policy and Procedures"). The School Board hereby approves the Policy and Procedures for the Bonds. The Executive Director of Business Services continues to be designated to be responsible for post-issuance compliance in accordance with the Policy and Procedures.

Adopted this 23rd day of January, 2024.

Motion made by Member _____, seconded by Member _____, to approve Resolution # _____, as presented. Upon a vote taken, the same was approved as follows:

Yeah:

Nay:

Clerk

Chair

EXHIBIT A

TAX LEVY SCHEDULE

Levy Year	Collection Year	Tax Levy
2023	2024	\$1,937,250.00
2024	2025	\$0.00
2025	2026	\$1,611,750.00
2026	2027	\$1,055,250.00
2027	2028	\$12,400,500.00
2028	2029	\$12,395,250.00

STATE OF MINNESOTA)
) ss.
COUNTY OF ST. LOUIS)

I, the undersigned, the duly elected, qualified and acting Clerk of the Independent School District No. 709 (Duluth), St. Louis County, Minnesota (the "District"), do hereby certify that I am the official custodian of the records of the District, and that I have compared the attached copy with the original records of the District, and that it is a true and correct transcript taken from the records of a meeting of the School Board, held at the City of Duluth in said State, on January 23, 2024.

IN WITNESS WHEREOF, I have hereunto set my hand as Clerk of the District, on January 23, 2024.

Clerk