



**SUPPLEMENT TO
DECLARATION OF TRUST**

BETWEEN

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

AND

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

DATED AS OF DECEMBER 1, 2025

**RELATING TO
FULL TERM CERTIFICATES
OF PARTICIPATION, SERIES 2025B**

THIS SUPPLEMENT TO DECLARATION OF TRUST (the "Supplement to Declaration"), dated as of December 1, 2025, supplementing the Declaration of Trust dated as of June 1, 2008, as supplemented, between U.S. BANK TRUST COMPANY, 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, formerly known as U.S. BANK NATIONAL ASSOCIATION (the "Trustee"), and INDEPENDENT SCHOOL DISTRICT NO. 709, ST. LOUIS COUNTY (DULUTH), MINNESOTA, an independent school district organized under the laws of the State of Minnesota (the "District").

W I T N E S S E T H:

WHEREAS, the District, as vendee, and U.S. Bank National Association, as vendor (acting in its trust capacity) (the "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; and

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 execution and delivery 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; and

WHEREAS, the proceeds of the 2008 Certificates were used to finance a portion of the Costs of the Project; and

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; and

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 Trustee 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"); and

WHEREAS, the District and the Vendor entered into an Amendment to Installment Purchase Contract dated as of June 1, 2012 (the "2012 Amendment"), to add land to Schedule 1 of Exhibit A to the Original Contract, as amended, 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; and

WHEREAS, pursuant to the Original Declaration, as supplemented, and as supplemented by the Supplement to Declaration of Trust dated as of June 1, 2012 (the "2012 Supplement to

Declaration”), the Trustee executed and delivered Full Term Capital Appreciation Certificates of Participation, Series 2012A, dated June 27, 2012 (the “2012A Certificates”), in the original principal amount of \$12,800,424.50 and a total accreted amount of \$21,700,000 to provide additional funds for the Project; and

WHEREAS, pursuant to the Original Declaration, as supplemented, and as supplemented by the Supplement to Declaration of Trust dated as of August 1, 2016 (the “2016 Supplement to Declaration”), the Trustee executed and delivered \$82,605,000 Full Term Refunding Certificates of Participation, Series 2016A, dated August 17, 2016 (the “2016 Certificates”), for the defeasance, refunding and prepayment of the 2008 Certificates; and

WHEREAS, the District and the Vendor have entered into an Amendment to Installment Purchase Contract dated as of August 1, 2016 (the “2016 Amendment”), to adjust the Installment Payments by an amount sufficient to pay when due the principal and interest of the then Outstanding Certificates; and

WHEREAS, pursuant to the Original Declaration, as supplemented, and as supplemented by the Supplement to Declaration of Trust dated as of May 1, 2019 (the “2019C Supplement to Declaration”), the Vendee executed and delivered \$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C, dated May 29, 2019 (the “2019C Certificates”), for the refunding and prepayment of the 2010C Certificates; and

WHEREAS, the District and the Vendor have entered into an Amendment to Installment Purchase Contract dated as of May 1, 2019 (the “2019C Amendment”), to adjust the Installment Payments by an amount sufficient to pay when due the principal and interest of the then Outstanding Certificates; and

WHEREAS, pursuant to the Original Declaration, as supplemented, and as supplemented by the Supplement to Declaration of Trust dated as of March 1, 2021 (the “2021A Supplement to Declaration”), the Vendee executed and delivered \$18,385,000 Taxable Full Term Refunding Certificates of Participation, Series 2021A, dated March 9, 2021 (the “2021A Certificates”), for the refunding and prepayment of the 2012A Certificates; and

WHEREAS, the District and the Vender have entered into an Amendment to Installment Purchase Contract dated March 9, 2021 (the “2021A Amendment”), to adjust the Installment Payments by an amount sufficient to pay when due the principal and interest of the then Outstanding Certificates; and

WHEREAS, the 2021A Certificates were issued as Additional Certificates under the Original Declaration, as amended, and are secured on a parity with the 2016 Certificates and the 2019C Certificates; and

WHEREAS, other than the 2016 Certificates, the 2019C Certificates, and the 2021A Certificates, no other certificates or obligations are payable from Installment Payments under the Original Contract, as amended; and

WHEREAS, the District has found and determined that, in order to provide additional funds to finance an additional project, it is necessary and expedient that the Trustee execute and

deliver Full Term Certificates of Participation, Series 2025B, dated December 4, 2025 (the "2025B Certificates") in the original principal amount of \$9,080,000 to provide additional funds for the school building located at 424 West First Street, Duluth, Minnesota (the "2025B Project"); and

WHEREAS, the 2025B Certificates are being issued as Additional Certificates under the Original Declaration, as amended, and are secured on a parity with the 2016 Certificates, the 2019C Certificates, and the 2021A Certificates; and

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 2025B Certificates to pay costs of the 2025B Project and Costs of Issuance of the 2025B Certificates; and

WHEREAS, the District and the Trustee have agreed that the Trustee will execute and deliver the 2025B 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"); and

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 2025B Certificates to the Purchaser; and

WHEREAS, the Trustee has agreed on behalf of the Owners of the 2016 Certificates, the 2019C Certificates, the 2021A Certificates and the 2025B Certificates to receive the Installment Payments due under the Contract and to apply and to disburse them in accordance herewith; and

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

WHEREAS, the execution and delivery of this Supplement to Declaration and the execution and delivery of the 2025B Certificates provided for herein have been in all respects duly and validly authorized by resolution of the District; and

WHEREAS, all things necessary to make the 2025B Certificates, when authenticated by the Trustee as in this Supplement to Declaration provided, the valid, binding and legal limited obligation of the District, according to the import thereof have been done and performed; and

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, by the 2012 Supplement to Declaration, by the 2016 Supplement to Declaration, by the 2019C Supplement to

Declaration and by the 2021A 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:

“Principal Payment Date” shall mean the date on which an Installment Payment is required to be paid on the 2025B Certificates to the Owners thereof, beginning February 1, 2027, and each February 1 thereafter through and including February 1, 2038.

“2008 Certificates” shall mean the \$111,440,000 Full Term Certificates of Participation, Series 2008B dated June 1, 2008, issued under the Original Declaration; such 2008 Certificates are no longer Outstanding.

“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, such 2010C Certificates are no longer Outstanding.

“2012A Certificates” shall mean the Full Term Capital Appreciation Certificates of Participation, Series 2012A, dated June 27, 2012, in the original principal amount of \$12,800,424.50 and a total accreted amount at maturity of \$21,700,000, issued under the 2012 Supplement to Declaration, such 2012A Certificates are no longer Outstanding.

“2016 Certificates” shall mean the \$82,605,000 Full Term Refunding Certificates of Participation, Series 2016A, dated August 17, 2016, issued under the 2016 Supplement to Declaration.

“2019C Certificates” shall mean the \$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C, dated May 29, 2019, issued under a Supplement to Declaration.

“2021A Certificates” shall mean the \$18,385,000 Taxable Full Term Refunding Certificates of Participation, Series 2021A, dated March 9, 2021, issued under a Supplement to Declaration.

“2025B Certificates” shall mean the \$9,795,000 Full Term Certificates of Participation, Series 2025B, dated December 4, 2025 issued under this Supplement to Declaration.

“2025B Project” shall mean the improvements and betterments to the school building located at 425 West First Street in Duluth, Minnesota.

Section 2. Creation of 2025B Certificates for Issuance. There is hereby created for issuance a series of Additional Certificates to be designated:

FULL TERM CERTIFICATES OF PARTICIPATION,
SERIES 2025B
Evidencing the Proportionate Interest of the Registered Owner in Installment

Payments to be made by
INDEPENDENT SCHOOL DISTRICT NO. 709, ST. LOUIS COUNTY (DULUTH),
MINNESOTA

Pursuant to an Installment Purchase Contract dated June 1, 2008, as amended,
and as further amended as of December 1, 2025, with
U.S. Bank Trust Company, National Association

A. Under Section 2.01.2 of the Original Declaration, as supplemented, the 2025B Certificates shall be issued in the aggregate original principal amount of \$9,795,000. The 2025B Certificates shall specify December 4, 2025, as their original issue date.

B. In accordance with the restated schedule for Installment Payments under the 2025B Amendment to Contract, the 2025B Certificates shall be due and payable on the dates and in the respective amounts, and shall bear interest at the respective rates per annum, set forth in the table below:

C. complying Statutes, Subd. 1, the schedule for Certificates combined with term participation issued and	Maturity Date (February 1)	Principal Amount of 2025B Certificates	Interest Rate	For purposes of with Minnesota Section 475.54, maturity the 2025B shall be the other full certificates of of the District outstanding.
D. Section Original following	2027	\$540,000	5.00%	Pursuant to 3.02(a) of the Declaration, the optional
	2028	\$640,000	5.00%	
	2029	\$675,000	5.00%	
	2030	\$705,000	5.00%	
	2031	\$740,000	5.00%	
	2032	\$780,000	5.00%	
	2033	\$820,000	5.00%	
	2034	\$860,000	5.00%	
	2035	\$900,000	5.00%	
	2036	\$945,000	5.00%	
	2037	\$995,000	5.00%	
	2038	\$480,000	5.00%	
	TOTAL	\$9,080,000		

prepayment provision is added for the 2025B Certificates:

“The 2025B Certificates maturing on and after February 1, 2034 shall be subject to redemption and prepayment, at the option of the District, in whole or in part, at the applicable Prepayment Price on February 1, 2033, and on any date thereafter, if the District elects to prepay all or a portion of the Principal Portion and Accrued Interest Portion thereon of the Installment Payments.”

E. Pursuant to Section 3.02(b) of the Original Declaration, the 2025B Certificates are subject to redemption and prepayment as provided for in such Section 3.02(b) of the Original Declaration due to damages or destruction of all or a portion of the Project to the extent described in Sections 6.01(b) and 9.03(b)(ii) of the Original Contract.

F. The form of the 2025B 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, the 2012A Certificates, the 2016 Certificates, the 2019C Certificates, the 2021A Certificates, or the 2025B Certificates or as otherwise provided for in this Supplement to Declaration.

Section 3. Delivery of 2025B Certificates. Upon the execution and delivery of this Supplement to Declaration by the District and the Trustee, the Trustee shall execute and deliver the 2025B 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 2025B 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 2025B Certificates and the execution and delivery of this Supplement to Declaration, the 2025B Amendment to Contract and the Continuing Disclosure Certificate;
- (b) an Opinion of Special Counsel to the effect that the 2025B Certificates have been duly and validly authorized and issued;
- (c) an original executed counterpart of the 2025B 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 2025B 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, if any, on the 2025B Certificates to the date of delivery thereof;
- (f) a certificate of an Authorized Representative of the District 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 2025B Certificates and the execution and delivery of the related documents;
- (g) a Certificate of Participation issued by the Commissioner pursuant to Minnesota Statutes Section 126C.55; and
- (h) such other customary closing papers as the Trustee or Special Counsel may reasonably require.

Section 4. Application of Proceeds of 2025B Certificates. The Trustee shall deposit the 2025B Certificates proceeds received by it for the account of the District from the original sale of the 2025B Certificates and the cash from the Contract Revenue Fund for the 2025B Certificates into the following funds and account:

- (a) Creation of Account. There is hereby created, within the Project Fund, an account designated the “2025B Certificates Account.”
- (b) Application of Proceeds of 2025B Certificates. The Trustee shall deposit the 2025B Certificates proceeds received by it for the account of the District from the original sale of the 2025B Certificates into the following funds and account:
 - (i) to the 2025B Certificates Account in the Project Fund \$9,845,487.60 with \$9,797,388.00 for Project Costs and \$48,099.60 for Costs of Issuance; and
 - (ii) to the Contract Revenue Fund (the accrued interest in the amount of \$0.00 and the unused discount and rounding amount of \$4,978.85) \$4,978.85.

The proceeds of the 2025B Certificates credited to such account in the Project Fund shall be applied to payment of the costs of the 2025B Project and Costs of Issuance of the 2025B 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 has caused this Supplement to Declaration of Trust to be executed by their proper corporate officers, all as of December 1, 2025.

INDEPENDENT SCHOOL DISTRICT NO. 709

By K. Eder
Chair

By Sarah Lipscomb
Clerk

Security Advice Waiver:

The District acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the District the right to receive brokerage confirmations of the security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District with periodic cash transaction statements that include the detail for all investment transactions made by the Trustee for all current and future accounts.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other or other relevant documentation.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION

By _____
Its Vice President

ATTACHMENT A

FORM OF CERTIFICATE OF PARTICIPATION

\$ _____

FULL TERM CERTIFICATE OF PARTICIPATION, SERIES 2025B
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 on December 1, 2025 with U.S. Bank Trust Company, National Association

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

<u>Maturity Date</u>	<u>Interest Rate Per</u> <u>Annum</u>	<u>Date of Original</u> <u>Issue</u>	<u>CUSIP</u>
February 1, 20__	5.00%	December 4, 2025	_____

The registered owner (the "Owner") of this Full Term Certificate of Participation (the "Certificate") specified above is entitled to receive on the earlier of the Maturity Date shown above or on the prepayment date, if any (in either case, the "Certificate Payment Date"), the Principal Amount specified above, and on each February 1 and August 1 (the "Interest Payment Date") commencing August 1, 2026 (or the next day if the first is not a Business Day) until such Certificate Payment Date, an amount equal to interest on such principal amount computed at the Interest Rate Per Annum set forth above on the basis of a 360-day year consisting of twelve 30-day months, all subject to the provisions set forth herein. This Certificate evidences an interest in the "Installment Payments" under that certain Installment Purchase Contract dated as of June 1, 2008, as amended by Amendment to Installment Purchase Contract dated as of December 1, 2025 (collectively, the "Contract"), by and between U.S. Bank Trust Company, 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 December 1, 2025 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 Trust Company, 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 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. All amounts payable hereunder are 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 amounts representing principal are payable upon presentation of the Certificate at the Principal Office of the Trustee on the Interest Payment Date and the amounts representing interest are payable by check or draft of the Trustee mailed on each Interest Payment Date to the Owner of record as set forth herein. Interest 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 (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Registered Owner hereof as of the Regular Record Date, and shall be payable to the person who is the Registered Owner hereof at the close of business on a date (the "Special Record Date") fixed by the Trustee whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to the Registered Owners not less than ten days prior to the Special Record 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 principal of, premium, if any, and interest 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 principal amount 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 Interest Payment Date.

The Certificates are issued originally only as global book-entry certificates in the denomination of the entire principal amount of the issue maturing on a single date, or, if a portion of said principal is prepaid, said principal amount less the payment, in the form of fully registered Certificates in Authorized Denominations 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 principal amount of Certificates of other Authorized Denominations of the same maturity, interest rate 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 principal amount of \$9,080,000 under the Declaration of Trust and are secured on a parity with (i) the Full Term Refunding Certificates of Participation, Series 2016A, dated August 1, 2016, in the aggregate principal amount of \$82,605,000; (ii) the Full Term Refunding Certificates of Participation, Series 2019B, dated May 29, 2019 in the aggregate principal amount of \$41,715,000 (the "2019B Certificates"); and (iii) the Taxable Full Term Refunding Certificates of Participation, Series 2021A, dated March 9, 2021 (the "2021A Certificates") in the aggregate principal amount of \$18,385,000.

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 their principal amount and accrued interest to the date of redemption if the Project, or a part thereof, is 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 2034 and thereafter are subject to optional redemption in whole or in part on February 1, 2033, and on any date thereafter at a price of the principal amount thereof, plus accrued interest.

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 and the Trustee shall select the Certificates or any given portion thereof to be prepaid from the Outstanding Certificates by lot within any maturity. 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 interest rate, equal in aggregate principal 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 Interest Portion of 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 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 TRUST COMPANY,
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.