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May 4, 2021

Dan Frazier, Superintendent
Belmond-Klemme Community School District
411 – 10th Avenue, N.E.
Belmond, IA 50421

Re: Belmond-Klemme Community School District
\$1,830,000 School Infrastructure Sales, Services And Use Tax Revenue Bonds,
Series 2021

Dear Dan:

Please read this letter thoroughly, as it will assist you in completing your issuance proceedings. If you have any questions while working on your documents, do not hesitate to contact me or my legal assistant, Julie Peterson.

The following proceedings and documents are to be completed by the Board. There are two copies of each document enclosed. ***Please complete each document and return them all to our office no later than May 12, 2021.*** We will prepare a complete transcript for each party involved following closing.

- A set of Proceedings in which the following resolutions are adopted:
 - Resolution Appointing Paying Agent, Bond Registrar, and Transfer Agent, Approving the Paying Agent, Bond Registrar and Transfer Agent Agreement and Authorizing the Execution of Same.
 - Approval of form of Tax Exemption Certificate.
 - Resolution for the Issuance and Providing for and Securing the Payment of the Bonds.
- Paying Agent, Bond Registrar and Transfer Agent Agreement.
- Tax Exemption Certificate.
- Delivery Certificate.
- Authentication Order.

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- District Certificate regarding organization, officers and board members and boundaries.
- Bond Purchase Agreement.
- IRS Form 8038-G (1 Copy).

Please follow these instructions for each set of the enclosed documents:

Proceedings

DISTRICT--Please include the Agenda Item in the agenda you prepare in accordance with District rules and in compliance with Iowa Code Chapter 21.

President and Secretary need to sign and date pages 4 and 27.

Fill in the blanks for attendance and voting on pages 1-3. Also, please complete the Certificate which is the last page of this document.

Paying Agent, Registrar, and Transfer Agent Agreement

DISTRICT--President and Secretary sign at the end of the document. We will forward to the Registrar for signature.

Tax Exemption Certificate

DISTRICT--The Treasurer must sign on each signature page.

The Tax Exemption Certificate is an important document. The completed version will contain important information concerning the calculated yield on the Bonds and will contain a number of covenants and obligations on the part of the District. Your copy of this Certificate should be retained as a part of your permanent records.

Tax exemption is based in part upon the fact that the use of the facilities financed with the Bond proceeds will be for the benefit of the public and will not be used in the private trade or business of any business or non-tax- exempt entity. The properties acquired with the proceeds must not be sold or diverted to any private or nonpublic use unless that action is reviewed by Bond Counsel.

In addition, you have certified that the school district reasonably expects to issue not more than \$15,000,000 of tax exempt bonds or obligations during calendar year 2021, and it will issue not more than \$5,000,000 of bonds or obligations for non-construction public purposes during calendar year 2021. The Tax Exemption Certificate sets forth the timely expenditure of the proceeds as you reasonably expect them to occur. If for any reason you find you will be prevented from expending the bond proceeds or if the District issues more than \$15,000,000 tax exempt obligations this calendar year, or

more than \$5,000,000 tax exempt obligations during the calendar year for non-construction public purposes as specified in the Tax Exemption Certificate, you should contact us immediately.

These Bonds are designated as qualified tax-exempt obligations, making them desirable for certain banks as investments and making possible a more favorable interest rate. For this designation to be proper, it is necessary that you reasonably expect to issue less than \$10,000,000 of bonds or obligations in the course of this calendar year. If that amount should be exceeded, it would be necessary to review the situation immediately.

We call your attention to Article IV of the Tax Exemption Certificate and the investment restrictions and requirements for investing bond proceeds and sinking fund deposits. There are a number of other general promises and commitments by the District to take or refrain from action, which are necessary to maintain the tax exemption of these Bonds. You should recognize that these promises and commitments are required of the District on an ongoing basis, and that the possibility of some additional future action does exist.

Delivery Certificate

DISTRICT--President and Secretary need to sign on page 2. Please confirm the financial data on page 2.

Please also verify the date of the last boundary change for the District.

Authentication Order

DISTRICT-- Secretary must sign.

Piper Sandler & Co. will send a letter which we will include as Exhibit A.

District Certificate regarding organization, officers, and board members and boundaries.

DISTRICT--President and Secretary sign on page 2.

Please have a Notary notarize the signatures on page 2. The Secretary should sign and date immediately below the Notary's signature.

Bond Purchase Agreements

Please have the President and Secretary sign on page 4 of each agreement. We have also sent these Agreements to First State Bank and Green Belt Bank & Trust for signature.

IRS Form 8038-G (1 Copy)

DISTRICT--Treasurer should sign on the line to the left of her name at the bottom of the page.

Please confirm the District's Tax Identification Number.

We will sign, date and file the 8038-G for this issue. Confirmation of receipt by the IRS will be included in your transcript.

We have also included these directions on each document for your convenience.

The Bonds have been prepared using the signatures that you previously provided us, and will be forwarded to UMB Bank, N.A.

You will need to execute all of the documents, and return ALL documents to our office. After closing, we will send you a complete transcript for your records.

If you have any questions, please do not hesitate to contact us.

Sincerely,

AHLERS & COONEY, P.C.

By *Jim Wainwright*

James R. Wainwright

JRW:jp

Enclosures

cc: Theresa Greenfield
Matt Gillaspie