

Execution Copy

**AMENDMENT TO
INSTALLMENT PURCHASE CONTRACT
BETWEEN
INDEPENDENT SCHOOL DISTRICT NO. 709, ST. LOUIS COUNTY (DULUTH),
MINNESOTA, AS VENDEE
AND
U.S. BANK NATIONAL ASSOCIATION, AS VENDOR
DATED AS OF MAY 1, 2019
RELATING TO
FULL TERM REFUNDING
CERTIFICATES OF PARTICIPATION, SERIES 2019C**

This instrument drafted by:

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302 West Superior Street, Suite 700
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THIS AMENDMENT TO INSTALLMENT PURCHASE CONTRACT, made as of May 1, 2019, between 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”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America (the “Vendor”).

WHEREAS, the District has heretofore entered into an Installment Purchase Contract with the Vendor dated as of June 1, 2008 (the “Original Contract”), pursuant to which the Vendor sold the District certain real and personal properties for use as school and transportation facilities described in the Original Contract (the “Project”) and the District agreed to pay to the Vendor certain Installment Payments (as defined in the Original Contract); and

WHEREAS, pursuant to a Declaration of Trust dated as of June 1, 2008 (the “Original Declaration”), the Vendor executed and delivered \$111,440,000 Full Term Certificates of Participation, Series 2008B, dated June 1, 2008, evidencing an undivided ownership interest in the Installment Payments made under the Original Contract (the “2008 Certificates”); and

WHEREAS, pursuant to Section 2.04 of the Original Contract, the District and the Vendor have agreed to enter into amendments to the Original Contract to add the legal descriptions of the parcels of land to Schedule 1 of Exhibit A of the Original Contract as such land is acquired or any land owned by the District is to be improved under the Original Contract; and

WHEREAS, the District and the Vendor have entered into two Amendments to Installment Purchase Contracts (Real Estate), dated September 22, 2009, and December 16, 2009; and

WHEREAS, pursuant to Section 5.02(b) of the Original Contract, the District may modify or add items to the Project, as described in the Original Contract, provided that no such change in the description of the Project shall increase the aggregate amount of the Project Costs beyond the maximum funds under the Original Contract, as amended, and the District and the Vendor have entered into an amendment to the Original Contract, as amended, to add items to the Project; and

WHEREAS, pursuant to Section 3.08 of the Original Contract, Additional Certificates may be issued under the Original Contract, the Original Declaration and amendments thereto to complete improvements to, or renovation of, the Project, subject to the conditions set forth in Section 3.08 of the Original Contract; 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

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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 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”); and

WHEREAS, the District and the Vendor have entered into an Amendment to Installment Purchase Contract dated June 1, 2012 (the “2012 Amendment”), to add certain land to and to remove certain land from 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, and certain other related amendments as herein 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 Vendee executed and delivered 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 \$21,700,000.00 (the “2012A Certificates”); and

WHEREAS, Section 2.01.2(a)(ii) of the Original Declaration and Section 6.03 of the Original Contract provides that Additional Certificates may be issued to refund any of the Outstanding Certificates issued under the Declaration; 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 Vendee 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, the District has authorized and requested that refunding certificates described as the \$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C, dated May 29, 2019 (the “2019C Certificates”), to be issued under the Original Declaration, as supplemented, including the Supplement to Declaration of Trust dated as of May 1, 2019, for the

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refunding and prepayment of the 2010C Certificates maturing on and after February 1, 2020 (the “Refunded Certificates”);

WHEREAS, Section 6.03 of the Original Contract provides that upon issuance of refunding certificates, the Vendor and the District shall enter into an amendment to the Original Contract to adjust the Installment Payments by an amount sufficient to pay when due the principal and interest on the Outstanding Certificates; and

WHEREAS, the amendments herein made to the Original Contract do not prejudice the interests of the Registered Owners of the 2010C Certificates, the 2012A Certificates or the 2016 Certificates issued pursuant to the Original Declaration, the 2010 Supplement to Declaration, the 2012 Supplement to Declaration and the 2016 Supplement to Declaration.

NOW, THEREFORE, the District and the Vendor hereby agree to amend the Original Contract as follows:

1. The Installment Payment schedule as set forth on Exhibit A to the Original Contract, as amended, is hereby further amended and restated by the Installment Payment schedule on Exhibit A hereto to adjust the Installment Payments by an amount sufficient to pay when due the principal of and interest on the 2016 Certificates, the 2019C Certificates and the accreted amount at maturity of the 2012A Certificates. The Original Contract, as amended, and all conditions, terms and provisions thereof, as such may apply to Installment Payments, shall apply to the Installment Payments for each of the 2012A Certificates, the 2016 Certificates and the 2019C Certificates.

2. The District covenants and agrees, in order to have sufficient funds to pay the Installment Payments when due, to levy taxes on all taxable property in the District, in accordance with Section 3.07 of the Original Contract.

3. As of the date of issuance of the 2019C Certificates, the 2010C Certificates shall no longer be Outstanding under the Declaration. The principal and interest on the Refunded Certificates due on May 29, 2019, the Redemption Date, shall be paid on May 29, 2019, through the application of the Prepayment Fund under the Original Declaration, as amended.

4. Except as herein amended, all terms and provisions of the Original Contract as originally executed and as otherwise amended shall remain in full force and effect.

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EXHIBIT A

INSTALLMENT PAYMENT SCHEDULE

Installment Payments Payment Date	2012A Certificates Accreted Amount at Maturity	2012A Certificates Yield to Maturity	2016 Certificates Principal Portion	2016 Certificates Interest Portion	2016 Certificates Total Installment Purchase Payment	2016 Certificates Interest Rate Per Annum	2019C Certificates Principal Portion	2019C Certificates Interest Portion	2019C Certificates Total Installment Purchase Payment	2019C Certificates Interest Rate Per Annum	Combined Total Installment Purchase Payment
8/1/2019	--		--	\$ 1,483,350	\$ 1,483,350		--	--	--		\$ 1,483,350.00
2/1/2020	--		\$ 5,560,000	1,483,350	7,043,350	3.00%	\$ 295,000	\$ 91,086.11	\$ 386,086.11	5.00%	7,429,436.11
8/1/2020	--		--	1,399,950	1,399,950		--	60,375.00	60,375.00		1,460,325.00
2/1/2021	\$ 735,000	3.70%	5,935,000	1,399,950	7,334,950	3.00%	255,000	60,375.00	315,375.00	5.00%	8,385,325.00
8/1/2021	--		--	1,310,925	1,310,925		--	54,000.00	54,000.00		1,364,925.00
2/1/2022	1,785,000	3.80%	6,330,000	1,310,925	7,640,925	5.00%	265,000	54,000.00	319,000.00	5.00%	9,744,925.00
8/1/2022	--		--	1,152,675	1,152,675		--	47,375.00	47,375.00		1,200,050.00
2/1/2023	2,000,000	3.90%	6,865,000	1,152,675	8,017,675	5.00%	280,000	47,375.00	327,375.00	5.00%	10,345,050.00
8/1/2023	--		--	981,050	981,050		--	40,375.00	40,375.00		1,021,425.00
2/1/2024	2,000,000	4.00%	7,440,000	981,050	8,421,050	5.00%	295,000	40,375.00	335,375.00	5.00%	10,756,425.00
8/1/2024	--		--	795,050	795,050		--	33,000.00	33,000.00		828,050.00
2/1/2025	2,485,000	4.05%	8,065,000	795,050	8,860,050	5.00%	310,000	33,000.00	343,000.00	5.00%	11,688,050.00
8/1/2025	--		--	593,425	593,425		--	25,250.00	25,250.00		618,675.00
2/1/2026	4,020,000	4.10%	8,665,000	593,425	9,258,425	5.00%	320,000	25,250.00	345,250.00	5.00%	13,623,675.00
8/1/2026	--		--	376,800	376,800		--	17,250.00	17,250.00		394,050.00
2/1/2027	4,235,000	4.20%	9,315,000	376,800	9,691,800	4.00%	340,000	17,250.00	357,250.00	5.00%	14,284,050.00
8/1/2027	--		--	190,500	190,500		--	8,750.00	8,750.00		199,250.00
2/1/2028	4,440,000	4.25%	9,900,000*	190,500*	10,090,500*	various	350,000	8,750.00	358,750.00	5.00%	14,889,250.00
	\$21,700,000		\$68,075,000	\$16,567,450	\$84,642,450		\$2,710,000	\$663,836.11	\$3,373,836.11		\$109,716,286.00

* 2016 Certificates maturing on 2/1/2028 consist of two maturities as follows:

- (1) \$8,900,000 of principal, interest due on February 1, 2028, of \$178,000, at the rate of 4.00% per annum; and
- (2) \$1,000,000 of principal, interest due on February 1, 2028, of \$12,500, at the rate of 2.50% per annum.