

CERTIFICATION OF MINUTES
RELATING TO
GENERAL OBLIGATION TAXABLE OPEB REFUNDING BONDS, SERIES 2016C

ISSUER: INDEPENDENT SCHOOL DISTRICT NO. 831
(FOREST LAKE AREA SCHOOLS)
STATE OF MINNESOTA

BODY: SCHOOL BOARD

KIND, DATE, TIME AND PLACE OF MEETING: A regular meeting held on November 17, 2016, at 8:00 o'clock p.m., in the District Office Boardroom, 6100 N. 210th St., Forest Lake, Minnesota.

MEMBERS PRESENT: _____

MEMBERS ABSENT: _____

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION OF THE SCHOOL BOARD OF INDEPENDENT
SCHOOL DISTRICT NO. 831 (FOREST LAKE AREA SCHOOLS)
STATE OF MINNESOTA (THE "DISTRICT") AWARDED THE
SALE OF THE DISTRICT'S GENERAL OBLIGATION TAXABLE
OPEB REFUNDING BONDS, SERIES 2016C (THE "BONDS") TO
THE PURCHASER THEREOF; DETERMINING THE FORM AND
DETAILS OF SUCH BONDS; AUTHORIZING THE EXECUTION,
DELIVERY AND REGISTRATION OF SUCH BONDS;
PROVIDING FOR THE PAYMENT OF AND THE SECURITY FOR
SUCH BONDS; AND AUTHORIZING AND RATIFYING CERTAIN
OTHER DOCUMENTS AND ACTIONS IN CONNECTION
THEREWITH**

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said obligations; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting duly given as required by law.

EXECUTED AND DATED this 17th day of November, 2016.

School District Clerk

EXTRACT OF MINUTES OF A MEETING
OF THE SCHOOL BOARD
OF INDEPENDENT SCHOOL DISTRICT NO. 831
(FOREST LAKE AREA SCHOOLS)
STATE OF MINNESOTA

HELD: NOVEMBER 17, 2016

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 831 (Forest Lake Area Schools), State of Minnesota (the "District"), was duly held on November 17, 2016, at 8:00 o'clock p.m. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

It was reported that six (6) proposals for the purchase of the District's General Obligation Taxable OPEB Refunding Bonds, Series 2016C (the principal amount being subject to adjustment in accordance with the Terms of Proposal), had been received prior to 10:00 a.m., Central Time, pursuant to the Terms of Proposal contained in the Preliminary Official Statement, dated October 31, 2016; that the proposals had been opened, read and tabulated; and that the best proposal of each proposal maker was determined to be as follows:

SEE ATTACHED



Springsted Incorporated
380 Jackson Street, Suite 300
Saint Paul, MN 55101-2887
Tel: 651-223-3000
Fax: 651-223-3002
Email: advisors@springsted.com
www.springsted.com

\$5,420,000^(a)

**INDEPENDENT SCHOOL DISTRICT NO. 831, FOREST LAKE, MINNESOTA
GENERAL OBLIGATION TAXABLE OPEB REFUNDING BONDS, SERIES 2016C
(MINNESOTA SCHOOL DISTRICT CREDIT ENHANCEMENT PROGRAM)**

(BOOK ENTRY ONLY)

AWARD: PIPER JAFFRAY & CO.

SALE: November 17, 2016

**Moody's MNSDCEP Rating: Aa2
Moody's Underlying Rating: A2
S&P MNSDCEP Rating: AA+**

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
PIPER JAFFRAY & CO.	1.25% 2018	\$5,383,430.75 ^(b)	\$1,293,925.47 ^(b)	2.9620% ^(b)
	1.55% 2019			
	1.80% 2020			
	2.00% 2021			
	2.25% 2022			
	2.45% 2023			
	2.60% 2024			
	2.75% 2025			
	2.85% 2026			
	3.00% 2027			
	3.15% 2028			
	3.25% 2029			
	3.35% 2030			
STIFEL, NICOLAUS & COMPANY, INCORPORATED	3.00% 2018-2027	\$5,458,813.85	\$1,308,977.34	2.9845%
	3.10% 2028			
	3.20% 2029			
	3.30% 2030			

^(a) Subsequent to bid opening, the issue size decreased from \$5,420,000 to \$5,365,000.

^(b) Subsequent to bid opening, the price, net interest cost, and true interest rate have changed to \$5,328,642.93, \$1,297,963.96, and 2.9696%, respectively.

Public Sector Advisors

Bidder	Interest Rates		Price	Net Interest Cost	True Interest Rate
NORTHLAND SECURITIES, INC.	2.00%	2018	\$5,370,331.65	\$1,306,155.25	2.9942%
	1.40%	2019			
	2.00%	2020-2021			
	2.125%	2022			
	2.35%	2023			
	2.50%	2024			
	2.70%	2025			
	3.00%	2026-2027			
	3.125%	2028			
	3.25%	2029			
	3.375%	2030			
ROBERT W. BAIRD & COMPANY, INCORPORATED	3.00%	2018-2027	\$5,463,020.30	\$1,314,374.34	2.9945%
C.L. KING & ASSOCIATES WMBE	3.15%	2028			
CRONIN & COMPANY, INC.	3.25%	2029			
EDWARD D. JONES & COMPANY	3.35%	2030			
FIDELITY CAPITAL MARKETS SERVICES					
ROSS, SINCLAIRE & ASSOCIATES, LLC					
WNJ CAPITAL					
CREWS & ASSOCIATES					
DAVENPORT & COMPANY LLC					
LOOP CAPITAL MARKETS, LLC					
DOUGHERTY & COMPANY LLC					
NORTHLAND SECURITIES, INC.					
OPPENHEIMER & CO. INC.					
R. SEELAUS & COMPANY, INC.					
DUNCAN-WILLIAMS, INC.					
VINING-SPARKS IBG,					
LIMITED PARTNERSHIP					
IFS SECURITIES					
COUNTRY CLUB BANK					
SIERRA PACIFIC SECURITIES					
ALAMO CAPITAL					
ISAAK BOND INVESTMENTS, INC.					
WAYNE HUMMER INVESTMENTS LLC					
SUMRIDGE PARTNERS					
W.H. MELL ASSOCIATES					
FIRST EMPIRE SECURITIES					
RBC CAPITAL MARKETS, LLC					
WEDBUSH SECURITIES INC.					
RAFFERTY CAPITAL MARKETS					
UMB BANK, N.A.					
MIDLAND SECURITIES					
FMS BONDS INC.					

Bidder	Interest Rates	Price	Net Interest Cost	True Interest Rate
RAYMOND JAMES & ASSOCIATES, INC.	1.15% 2018	\$5,386,245.75	\$1,337,138.60	3.0602%
	1.54% 2019			
	1.69% 2020			
	2.13% 2021			
	2.54% 2022			
	2.64% 2023			
	2.74% 2024			
	2.85% 2025			
	2.95% 2026			
	3.05% 2027			
	3.25% 2028			
	3.35% 2029			
	3.45% 2030			
WELLS FARGO BANK NATIONAL ASSOCIATION	2.00% 2018-2020	\$5,377,305.25	\$1,336,922.74	3.0636%
	2.125% 2021			
	2.25% 2022			
	2.50% 2023			
	2.65% 2024			
	2.75% 2025			
	2.85% 2026			
	3.30% 2027-2029			
	3.35% 2030			

REOFFERING SCHEDULE OF THE PURCHASER

<u>Rate</u>	<u>Year</u>	<u>Yield</u>
1.25%	2018	Par
1.55%	2019	Par
1.80%	2020	Par
2.00%	2021	Par
2.25%	2022	Par
2.45%	2023	Par
2.60%	2024	Par
2.75%	2025	Par
2.85%	2026	Par
3.00%	2027	Par
3.15%	2028	Par
3.25%	2029	3.30%
3.35%	2030	3.40%

BBI: 3.52%
Average Maturity: 8.043 Years

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION OF THE SCHOOL BOARD OF INDEPENDENT SCHOOL DISTRICT NO. 831 (FOREST LAKE AREA SCHOOLS) STATE OF MINNESOTA (THE “DISTRICT”) AWARDING THE SALE OF THE DISTRICT’S GENERAL OBLIGATION TAXABLE OPEB REFUNDING BONDS, SERIES 2016C (THE “BONDS”) TO THE PURCHASER THEREOF; DETERMINING THE FORM AND DETAILS OF SUCH BONDS; AUTHORIZING THE EXECUTION, DELIVERY AND REGISTRATION OF SUCH BONDS; PROVIDING FOR THE PAYMENT OF AND THE SECURITY FOR SUCH BONDS; AND AUTHORIZING AND RATIFYING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH

BE IT RESOLVED by the School Board (the “Board”) of Independent School District No. 831 (Forest Lake Area Schools), State of Minnesota (the “District”), as follows:

**ARTICLE I
AUTHORIZATION AND SALE**

Section 1.01. Authorization and Purpose. The District previously issued its General Obligation Taxable OPEB Bonds, Series 2009A, in the original aggregate principal amount of \$6,450,000 and bearing a date of original issue of March 1, 2009 (the “**Series 2009A Bonds**”). Minnesota Statutes, Section 475.67, authorizes the District to issue refunding bonds for the purpose of achieving debt service savings on its outstanding bonds. This Board, by resolution duly adopted at a meeting held October 13, 2016, determined to sell and issue \$5,420,000 in aggregate principal amount of its General Obligation Taxable OPEB Refunding Bonds, Series 2016C (as more fully described herein, the “**Bonds**” or the “**Refunding Bonds**”) for the purpose of defeasing the outstanding Series 2009A Bonds maturing on February 1 in the years 2019 through and including 2030 (the “**Refunded Bonds**”), providing funds to pay the principal of, the interest on, and/or the redemption price of such bonds through and including February 1, 2019 (the “**Redemption Date**”). In the Terms of Proposal approved by this Board at such meeting (the “**Terms of Proposal**”), the District reserved the right, after proposals were opened and prior to award, to increase or decrease the principal amount of the Bonds offered for sale or the amount of any individual maturity, with the increase or decrease to occur in multiples of \$5,000 in any of the maturities. The Terms of Proposal are hereby ratified and confirmed in all respects and are incorporated herein by reference as though fully specified in this Article.

Section 1.02. Sale. The Board, having been advised by Springsted Incorporated, its independent municipal advisor (the “**Municipal Advisor**”), previously authorized its Municipal Advisor to solicit proposals on behalf of the District for the sale of the Bonds on a competitive basis without requirement of published notice, all in accordance with Minnesota Statutes, Section 475.60, Subdivision 2. The Board has publicly received and considered all proposals presented in conformity with the Terms of Proposal. The most favorable of such proposals is ascertained to be

that of Piper Jaffray & Co. (the “**Purchaser**”) to purchase the Bonds at a price of \$5,328,642.93 plus interest accrued to settlement, and upon the further terms and conditions set forth in the Terms of Proposal and this resolution. The proposal of the Purchaser is hereby accepted and the sale of the Bonds is hereby awarded to the Purchaser.

Section 1.03. Execution of Documents; Good Faith Deposit. The Chair of the Board and the Clerk of the District (including anyone authorized to act on his or her behalf, the “**Authorized Officers**”), or each individually, is authorized and directed to endorse an acceptance on both copies of the most favorable proposal and to send one copy to the Purchaser. The Treasurer of the Board is directed to deposit the good faith deposit of the Purchaser, specified in the Terms of Proposal, pending delivery of the Bonds and payment therefor.

Section 1.04. Debt Service Savings. In accordance with Minnesota Statutes, Section 475.67, the Board hereby finds and determines that the issuance of the Refunding Bonds upon the terms set forth in the proposal of the Purchaser, and in this Resolution and the Escrow Agreement (as defined herein), will result in substantial debt service savings to the District. The present value of the dollar amount of debt service for the Refunding Bonds is lower by at least three percent (3.000%) than the present value of the dollar amount of debt service for the Refunded Bonds, each computed in accordance with Minnesota Statutes, Section 475.67, Subdivisions 12.

Section 1.05. Compliance with Law. All acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed precedent to the issuance of the Bonds having been done, having happened and having been performed in regular and due form, time and manner as required by law, the Board hereby finds and determines that it is necessary for this Board to provide for the issuance, sale and delivery of the Bonds, to establish the form and terms of the Bonds and to provide for the payment and the security thereof.

ARTICLE II

AUTHORIZATION; BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY

Section 2.01. Authorization and Designation. In accordance with the Constitution and laws of the State of Minnesota, as well as the Terms of Proposal, the Board hereby authorizes the issuance of the Bonds in the aggregate principal amount of \$5,365,000 to provide for the refunding and redemption of the Refunded Bonds and to pay costs of issuing the Bonds. Such Bonds, which have been sold on this date to the Purchaser, shall be designated as “General Obligation Taxable OPEB Refunding Bonds, Series 2016C”.

Section 2.02. Maturities, Interest Rates and Denominations. The Bonds shall be originally dated their date of original issue and delivery (December 15, 2016), shall be issued and sold in denominations of \$5,000 or any integral multiple thereof within a single maturity, shall mature on February 1 in the years and amounts set forth below and shall bear interest at the rates per annum set forth below opposite such years and amounts from their date of original issue or

from the most recent Interest Payment Date to which interest has been paid or duly provided for until paid or duly called for redemption (if any), as follows:

Maturity Date (February 1)	Principal Amount	Interest Rate
2018	\$ 90,000	1.250%
2019	190,000	1.550
2020	395,000	1.800
2021	405,000	2.000
2022	405,000	2.250
2023	435,000	2.450
2024	440,000	2.600
2025	450,000	2.750
2026	465,000	2.850
2027	485,000	3.000
2028	510,000	3.150
2029	535,000	3.250
2030	560,000	3.350

The Bonds shall be issuable only in fully registered form and shall be numbered R-1 upward. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest thereon and, upon surrender of each Bond, the principal amount thereof, shall be paid by check or draft issued by the Registrar described herein; provided, however, that so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.08 hereof, the principal of and the interest on the Bonds shall be paid in accordance with the operational arrangements of the securities depository.

The maturities set forth above, together with the maturities of all other outstanding general obligation bonds of the District, meet the requirements of Minnesota Statutes, Section 475.54.

Section 2.03. Dates and Interest Payments. Upon initial delivery of the Bonds pursuant to Section 2.07 hereof and upon any subsequent transfer or exchange pursuant to Section 2.06 hereof, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. The interest on the Bonds shall be payable on February 1 and August 1 (each, an “**Interest Payment Date**”), commencing August 1, 2017, to the owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day the (“**Record Date**”).

If any payments of interest due on the Bonds on an Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such Interest Payment Date and shall be payable to the registered owners of the Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Registrar whenever monies for the purpose of paying such defaulted interest becomes available.

If the date for payment of the principal of or the interest on the Bonds shall be a Saturday, Sunday, legal holiday or day on which banking institutions in the city in which the principal corporate trust office of the Registrar is located are authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal payment date.

Section 2.04. Redemption.

(a) **Optional Redemption.** The District may elect to prepay on February 1, 2026, and on any day thereafter, Bonds due on or after February 1, 2027. Redemption may be in whole or in part and if in part in such principal amounts, from such maturity or maturities and in such manner as the District shall determine. All Bonds shall be redeemed at a price of par plus accrued interest to the date of redemption. Bonds subject to redemption shall be redeemed in whole multiples of \$5,000. If any Bond is in a denomination in excess of \$5,000, portions of the principal amount thereof in installments of \$5,000 or any whole multiple thereof may be redeemed, and if less than all of the principal amount thereof is to be redeemed, in such case upon the surrender of such Bonds there shall be issued to the registered owner thereof without charge therefor, for the then unredeemed balance of the principal amount thereof, Bonds of like series, maturity and interest rates in any of the authorized denominations provided by this Resolution. If less than all Bonds of any maturity are to be called for redemption pursuant to this Resolution, the Registrar shall select the particular Bonds of such maturity to be redeemed by lot.

(b) **Notice of Redemption.** Notice of redemption of Bonds stating their designation, date, maturity, principal amounts and the redemption date shall be given by the Registrar by mailing such notice by first class mail, postage prepaid, not less than 30 days prior to the date fixed for redemption (or such shorter period as may be acceptable to the then registered owner of the Bonds) to the registered owners at their most recent addresses appearing upon the books of the Registrar. Failure to give notice to any particular registered owner or any defect in the notice given to such owner shall not affect the validity of the proceedings calling the Bonds or the redemption of any Bonds for which proper notice has been given. Notice of redemption need not be given to the holder of any Bonds, whether registered or not, who has waived notice of redemption. Notice of redemption having been given as provided above or notice of redemption having been waived by the owners of Bonds called for redemption to whom such notice has not been given as provided above, the Bonds so called for redemption shall become due and payable on the designated redemption date. The District shall give written notice to the Registrar of its election to redeem Bonds at least 45 days prior to the said redemption date, or such shorter period as shall be acceptable to the Registrar. If on or before the said redemption date funds sufficient to pay the Bonds so called for redemption at the applicable redemption price and accrued interest to said date have been deposited or caused to have been deposited by the District with the Registrar for the purposes of such payment and notice of redemption thereof has been given or waived as hereinbefore provided, then from and after the date fixed for redemption interest on such Bonds so called shall cease to accrue and become payable. If such funds shall not have been so deposited with the Registrar as aforesaid no later than the date fixed for redemption, such call for redemption shall be revoked and the Bonds so called for redemption shall continue to be outstanding the same

as though they had not been so called; such Bonds shall continue to bear interest until paid at such rate as they would have borne had they not been called for redemption and shall continue to be protected by this Bond Resolution and entitled to the benefits and security hereof.

Section 2.05. Appointment of Initial Registrar. The District hereby appoints Associated Trust Company, National Association in Green Bay, Wisconsin, as the initial bond registrar, transfer agent and paying agent (the “**Registrar**”). The Authorized Officers, or each individually, is authorized to execute and deliver, on behalf of the District, a contract with the Registrar (the “**Registrar Agreement**”). The Registrar shall have only such duties and obligations as are expressly specified by this Resolution and the Registrar Agreement, and no other duties or obligations shall be implied to the Registrar, except as may be set forth in a written agreement between the District and a successor Registrar.

The District agrees to pay the reasonable and customary charges of the Registrar for the services performed. The Registrar shall notify the District in writing of any changes in its principal corporate trust office as set forth in this Section.

Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar.

The District reserves the right to remove the Registrar upon thirty (30) days’ notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar. Any Authorized Officer may remove the Registrar as provided herein if such officer determines that removal is in the best interest of the District. Upon such removal, such Authorized Officer is authorized to appoint a successor Registrar and to execute a Registrar Agreement with such successor Registrar in a form substantially similar to that approved by the Board pursuant to this Resolution, but with such changes as such officer deems appropriate or necessary.

Section 2.06. Registration. The effect of registration and the rights and duties of the District and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The

Registrar may, however, close the books for registration of any transfer after any Record Date and until the immediately succeeding Interest Payment Date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the District.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The District and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the District and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall 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 shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the District, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

Section 2.07. Execution; Authentication and Delivery. The Bonds shall be prepared under the direction of the Clerk of the District and shall be executed on behalf of the District by the manual or facsimile signatures of each of the Authorized Officers, provided that all signatures may be printed, engraved, or lithographed facsimiles of the originals. In case any officer whose signature, or a facsimile of whose signature, shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so executed and authenticated, they shall be delivered by the Clerk of the District to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed.

Section 2.08. Securities Depository.

(a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the District agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the District shall be affected by any notice to the contrary. Neither the Registrar nor the District shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the District to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) If the District determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the District may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by any Authorized Officer, if not previously filed with DTC, is hereby authorized and directed.

(e) If any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Resolution. If Bonds in the form of certificates are issued

to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

ARTICLE III FORM OF BONDS

The Bonds shall be issued in substantially the form of bond attached as Exhibit A hereto.

ARTICLE IV REDEMPTION OF REFUNDED BONDS; USE OF PROCEEDS

(a) Redemption of Refunded Bonds

(i) The Board hereby authorizes (A) the defeasance of the Refunded Bonds, (B) the payment of the interest on the Refunded Bonds due on each interest payment date prior to the Redemption Date, (C) the payment on the Redemption Date of the principal amount of the Refunded Bonds due on such date, together with all accrued interest on such principal to such date, and (D) the payment on the Redemption Date of the outstanding principal amount of the Refunded Bonds, together with all accrued interest on such principal to such date, all in accordance with redemption provisions set forth in the resolution which authorized the issuance of the Series 2009A Bonds (the “**Series 2009A Bond Resolution**”) and the terms and conditions of Notice of Defeasance and the Notice of Redemption attached as Exhibit B hereto, after which date interest on such Refunded Bonds shall cease. The form of Notice of Defeasance or Notice of Redemption may contain such additional information or different provisions concerning the redemption as may be requested by the paying agent for the Refunded Bonds or the Escrow Agent.

(ii) Immediately upon adoption of this Resolution, the Clerk of the District is hereby directed to file a copy of this Resolution with U.S. Bank National Association, as registrar and paying agent with respect to the Refunded Bonds (the “**Refunded Bonds Registrar**”). Upon receipt of this Resolution, the Refunded Bonds Registrar is hereby instructed to (A) file notice of the defeasance of the Refunded Bonds with the Municipal Securities Rule Making Board (the “**MSRB**”) through its EMMA portal, (B) mail Notice of Redemption of the Refunded Bonds to each registered owner thereof not less than thirty (30) days prior to the Redemption Date (or such shorter period as may be acceptable to the then registered owner of the Refunded Bonds), all in accordance with the Series 2009A Bond Resolution and (C) file such notice of redemption with the MSRB through its EMMA portal.

(iii) The Board covenants and agrees to take all steps necessary and appropriate to provide for the calling and redemption of the Refunded Bonds on the Redemption Date. In addition, the District shall cause notice of redemption to be given no later than thirty

(30) days after the issuance of the Bonds in compliance with Minnesota Statutes, Section 475.67, Subdivision 7 and shall cause the Escrow Agent to give notice as required by Minnesota Statutes, Section 475.67, Subdivision 10.

(b) Use of Proceeds.

(i) Upon payment for the Bonds by the Purchaser, proceeds of the Bonds, together with funds of the District held for the payment of the Refunded Bonds, if any, and other District moneys, if necessary, shall be transferred to the Escrow Account to be held by the Escrow Agent, as further described in Article VI.

(ii) Proceeds of the Bonds may be disbursed by the District to pay the costs of issuing the Bonds. The District may also pay such costs from other legally available moneys.

**ARTICLE V
CREATION OF FUNDS; ESTABLISHMENT AND PLEDGE OF TAX LEVIES;
INVESTMENTS**

Section 5.01. General Obligation Taxable OPEB Refunding Bonds, Series 2016C Debt Service Fund. There is hereby established on the official books and records of the District a General Obligation Taxable OPEB Refunding Bonds, Series 2016C Debt Service Fund (the “**Debt Service Fund**”) which shall be created and maintained on the books of the District as a separate debt payment fund until the Bonds, and all interest thereon, are fully paid. All ad valorem taxes levied and collected as hereinafter specified shall be credited to the Debt Service Fund, as well as any other funds appropriated by the Board for the payment of the Bonds and any moneys received pursuant to the Credit Enhancement Act (as defined in Article X herein). If any payment of principal of or interest on the Bonds shall become due when there is not sufficient money in the Debt Service Fund to make such payment, the Clerk of the District shall pay the same from any other available fund of the District, and such other fund shall be reimbursed for such advances out of the proceeds of the taxes levied for the payment of the Bonds when available. If the District does not have other moneys available to pay scheduled debt service on the Bonds, the District shall take all necessary actions pursuant to Article X hereof.

Section 5.02. General Obligations; Establishment and Pledge of Tax Levies. The Bonds shall be direct, general obligations of the District, and the District irrevocably pledges the full faith and credit and the tax power of the District to the prompt payment of the principal of, premium, if any, and the interest on the Bonds as the same become due. As required by Minnesota Statutes, Section 475.61, Subdivision 1, the Board hereby represents, warrants and covenants that it shall cause to be levied and collected annually on all taxable property in the District a direct, annual ad valorem tax which shall be spread upon the tax rolls for collection in the years and amounts as follows, as a part of other general taxes of the District, as follows:

Levy Years

Collection Years

Amount

(See Exhibit C hereto for levy computation)

Such tax shall be in excess of and in addition to all other taxes now or hereafter authorized to be levied by the District. The special tax described herein and all receipts therefrom are pledged to the payment of debt service on the Bonds. Such tax shall be irrevocable as long as any of the Bonds are outstanding and unpaid; provided that the District reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61. It is estimated that the ad valorem taxes will be collected in amounts not less than five percent (5%) in excess of the annual principal and interest requirements of the Bonds. If, as of the date tax levies are certified in any year, the sum of the balance in the Debt Service Fund plus any ad valorem taxes theretofore levied for the payment of Bonds payable therefrom and collectible through the end of the following calendar year is not sufficient to pay when due all principal and interest to become due on all Bonds payable therefrom in said following calendar year, or the Debt Service Fund has incurred a deficiency in the manner provided in Section 5.02 hereof or amounts are owing to the State in the manner provided in Article X hereof, an additional direct, irrevocable, ad valorem tax shall be levied on all taxable property within the corporate limits of the District for the purpose of restoring such accumulated or anticipated deficiency in accordance with the provisions of this Resolution.

Section 5.03. Investments. Moneys in each of the funds and accounts created and established by this Resolution shall be deposited, invested and secured in accordance with State law. Moneys held in such funds and accounts may be invested by the District or at its direction in such amounts and maturing at such times as shall reasonably provide for moneys to be available when required in the accounts or funds; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund or account was created. All interest on any authorized investment held in any fund or account shall accrue to and become a part of such fund or account. All money held in the funds created by this Resolution shall be kept separate and apart from all other funds of the District so that there shall be no commingling of such funds with any other funds of the District

ARTICLE VI ESCROW AGREEMENT; ESCROW ACCOUNT

Section 6.01. Escrow Account. Certain proceeds from the sale of the Bonds, less any accrued interest received thereon and any premium or unused discount (unless used to help fund the Escrow Account), and less such Bond proceeds (if any) as may be used to pay cost of issuance of the Bonds, plus other available funds of the District as may be required to adequately fund the Escrow Account, shall be credited to the Escrow Account (the “**Escrow Account**”). The Escrow Account shall be maintained by Associated Trust Company, Green Bay, Wisconsin (the “**Escrow Agent**”). The amounts on deposit with the Escrow Agent will be invested in accordance with the Escrow Agreement (as defined below), which shall mature in such amounts and at such times as to be available to pay: (i) on each interest payment date prior to the Redemption Date the interest

on the Refunded Bonds due on each of such dates, (ii) on the Redemption Date the principal amount of the Refunded Bonds due on such date, together with all accrued interest on such principal amount to such date, and (iii) on the Redemption Date the principal amount of the Refunded Bonds then outstanding, together with all accrued interest on such outstanding maturities to such date. The monies in said Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in said Escrow Account may be remitted to the District, all in accordance with the Escrow Agreement between the District and the Escrow Agent (the “**Escrow Agreement**”), a form of which agreement is on file in the office of the Clerk. Any monies remitted to the District upon termination of the Escrow Agreement shall be deposited in the Debt Service Fund.

The firm Barthe & Wahrman, PA, independent public accountants, is hereby authorized and directed to verify that the deposits in the Escrow Agreement will be sufficient to meet the payments set forth in this Section 6.01.

Section 6.02. Escrow Agreement. The Board hereby finds and determines that the Escrow Agent is a suitable institution to act as escrow agent, and is qualified within the meaning of the provisions of Minnesota Statutes, Section 475.67, Subdivision 5. On or prior to the delivery of the Bonds, the Authorized Officers, or each individually, is hereby authorized and directed to execute on behalf of the District the Escrow Agreement in substantially the form presented to the Board. All essential terms and conditions of such Escrow Agreement are hereby approved and adopted and made a part of this resolution, and the Issuer covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent. The Escrow Agreement is irrevocable and the District hereby covenants to perform the terms and conditions thereof. The District agrees to pay the reasonable fees of the Escrow Agent and the other issuance expenses specified in the Escrow Agreement, if any.

Section 6.03. Purchase of Securities. Securities purchased from the monies in the Escrow Account shall be limited to securities set forth in Minnesota Statutes, Section 475.67, and any amendments or supplements thereto. Securities purchased from the Escrow Account shall be purchased simultaneously with the delivery of the Bonds.

Section 6.04. Cancellation of Levies. The Board finds, determines and certifies that the proceeds from the sale of the Bonds, together with other funds available and appropriated to the Escrow Account for said purpose, if any, will be sufficient to pay the payments set forth in Section 6.01 hereof. Accordingly, upon the issuance of the Bonds, the County Auditors of each county in which the District is located in whole or in part are hereby authorized and directed, to the extent and in the manner permitted by law, to cancel forthwith or if necessary from year to year the taxes levied in said Series 2009A Bond Resolution as they relate to payment of principal and interest on the Refunded Bonds.

ARTICLE VII DEFEASANCE

The District may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar 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 its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The District may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date. If any deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the District shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or earlier designated redemption date. When all of the Bonds have been discharged as provided in this Article, all pledges, covenants and other rights granted by this Resolution to the registered owners of the Bonds shall cease.

ARTICLE VIII CERTIFICATION OF PROCEEDINGS

Section 8.01. Filing with County Auditors. The Clerk of the District is hereby authorized and directed to file with the County Auditors of Washington, Anoka and Chisago Counties, a certified copy of this Resolution together with such other information as the County Auditors shall require and to obtain from the County Auditors a certificate that the Bonds have been entered upon the bond registers and that the tax for the payment of the Bonds has been levied as required by law.

Section 8.02. Certification of Proceedings. The officers of the District and the County Auditors are hereby authorized and directed to prepare and furnish to the Purchaser and to Kutak Rock LLP, Bond Counsel, certified copies of all proceedings and records of the District relating to the Bonds and to the financial condition and affairs of the District, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as they appear from the books and records under the officer's custody and control or as otherwise known to the them. All such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the District to the correctness of all statements contained herein.

Section 8.03. Official Statement. The Preliminary Official Statement relating to the Bonds and the District's General Obligation School Building Bonds, Series 2016, as of its date October 31, 2016, prepared and distributed by the Municipal Advisor, including any amendments or supplements thereto, is hereby ratified, approved and deemed "final" for purposes of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended ("**Rule 15c2-12**"). The Municipal Advisor is hereby authorized on behalf of the District to prepare and distribute to the Purchaser within seven business days from the date hereof, a final Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12. The use and public distribution of the final Official Statement by the Purchaser in connection with the offering and sale of the Bonds is hereby authorized. The officers of the District are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

ARTICLE IX CONTINUING DISCLOSURE

Section 9.01. Continuing Disclosure Undertaking. The Board (a) authorizes and directs any District officer to execute and deliver, on the date of the issuance of the Bonds, a continuing disclosure undertaking (the "**Undertaking**") in such form that satisfies the requirements of Rule 15c2-12 and is acceptable to the Purchaser and bond counsel and (b) covenants that it will comply with and carry out all of the provisions of the Undertaking. A description of this undertaking is set forth in the Official Statement. The Authorized Officers, or each individually, may appoint a dissemination agent to assist the District with such Undertaking if such officer finds that such appointment is in the best interest of the District. Notwithstanding any other provisions of this Resolution or the Undertaking, failure of the District to comply with the Undertaking will not be considered a default under this Resolution or the Bonds; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this subparagraph and the Undertaking. For purposes of this subparagraph, "**Beneficial Owner**" means any person who (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of any Bonds for federal income tax purposes.

Section 9.02. Post-Issuance Compliance Procedures. The Board has previously adopted the Post-Issuance Compliance Procedures attached to this Resolution as Exhibit D to ensure that the District satisfies and meets all applicable post-issuance requirements of Rule 15c2-12 and the Undertaking. The District reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as it may determine. The District also reserves the right to change these policies and procedures from time to time, without notice.

ARTICLE X CREDIT ENHANCEMENT ACT

The Board hereby covenants and obligates the District to be bound by and to use the provisions of Minnesota Statutes, Section 126C.55 (the “**Credit Enhancement Act**”) to guarantee payment of the principal of, the premium, if any, and the interest on the Bonds when due. The District shall comply with all procedures now or hereafter established by the Minnesota Department of Management and Budget and the Minnesota Department of Education pursuant to subdivision 2(c) of the Credit Enhancement Act and to take such actions as necessary to comply with the Credit Enhancement Act. The Chair of the Board, the Clerk of the District, and the superintendent and the business manager of the District are each authorized to execute any applicable forms of the Minnesota Department of Management and Budget or the Minnesota Department of Education. The Board understands and acknowledges that the provisions of the Credit Enhancement Act shall be binding on the District as long as any Bonds are outstanding.

The Board further covenants to deposit with the Registrar, at least three (3) business days prior to the date on which any payment of principal of, premium, if any, or interest on the Bonds is due, an amount sufficient to pay such payment. If the District believes it may be unable to pay the principal of, the premium, if any or the interest on the Bonds on the date any such payment is due, the District shall notify the Commissioner of the Department of Education as soon as possible, but not less than 15 business days before the date such payment is due. The District shall authorize and direct the Registrar to notify the Commissioner of the Department of Education if (i) the Registrar becomes aware of a potential payment default with respect to the Bonds or (ii) two (2) business days prior to the date a payment is due on the Bonds the Registrar does not have sufficient funds to make the payment due on such date.

ARTICLE XI AUTHORIZATION OF OFFICERS

Without in any way limiting the power, authority, or discretion elsewhere herein granted or delegated, the Board hereby (a) authorizes and directs each officer, employee and agent of the District to carry out, or cause to be carried out, and to perform such obligations of the District and such other actions as they, or any one of them shall consider necessary, advisable, desirable, or appropriate in connection with this Resolution and the issuance, sale, and delivery of the Bonds, including, without limitation and whenever applicable, the execution and delivery thereof and of all other related documents, instruments, certificates, and opinions; and (b) delegates to each such officer, employee and agent the right, power, and authority to exercise her or his own independent judgment and absolute discretion in determining and finalizing the terms, provisions, form and contents of each of the foregoing. The execution and delivery by any such officer, employee or agent of the District of any such documents, instruments, certifications, and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the District’s and their approval of all changes, modifications, amendments, revisions, and alterations made therein, and shall conclusively establish their absolute, unconditional, and irrevocable authority with respect thereto from the

District and the authorization, approval, and ratification by the District of the documents, instruments, certifications, and opinions so executed and the action so taken.

* * * * *

Upon vote taken on the foregoing resolution, the following voted in favor thereof:

_____;

the following voted against the same: _____;

and the following were absent or did not vote: _____.

Said Resolution having been voted upon favorably by a majority of the members of the Board, the same was by the President declared passed and adopted.

EXHIBIT A

(FORM OF BOND)

**UNITED STATES OF AMERICA
STATE OF MINNESOTA**

**INDEPENDENT SCHOOL DISTRICT NO. 831
(FOREST LAKE AREA SCHOOLS)**

GENERAL OBLIGATION TAXABLE OPEB REFUNDING BOND, SERIES 2016C

R-_____ \$_____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
_____%	February 1, 20__	December ___, 2016	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____DOLLARS

INDEPENDENT SCHOOL DISTRICT NO. 831 (FOREST LAKE AREA SCHOOLS), STATE OF MINNESOTA, a duly organized and existing independent school district, whose administrative offices are located in Forest Lake, Minnesota (the "District"), promises to pay to the registered owner specified above, or registered assigns, the principal sum specified above on the maturity date specified above, and to pay interest thereon from the date of original issue specified above, or from the most recent interest payment date to which interest has been paid or duly provided for, at the annual rate specified above, payable on February 1 and August 1 in each year, commencing August 1, 2017, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof at the principal office of the Registrar described below, the principal hereof, are payable in lawful money of the United States of America by check or draft drawn on Associated Trust Company, National Association, Green Bay, Wisconsin, as bond registrar, transfer agent and paying agent, or its successor designated under the resolution described herein (the "Registrar").

This Bond is one of an issue in the aggregate principal amount of \$5,365,000 (the "Bonds"), issued by the District to provide funds to refund certain outstanding general obligation bonds of the District, and is issued pursuant to and in full conformity with resolutions adopted by the School Board on October 13, 2016 and November 17, 2016 (collectively, the "Resolution"), and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapter 475. The Bonds are issuable

only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

The Bonds are direct, general obligations of the District, to which the full faith, credit and resources and the taxing power of the District are irrevocably pledged. Pursuant to the Resolution, the District has covenanted to cause to be made annually a special levy of taxes on all the taxable property in the District, in addition to all other taxes, sufficient in rate and amount to produce sums not less than five percent in excess of the principal of and interest on the Bonds when due. The District has pledged such tax levy and all receipts therefrom to all payments due on the Bonds. The District has further covenanted to be bound by and to use the provisions of Minnesota Statutes, Section 126C.55 (the "Credit Enhancement Act") to guarantee payment of the principal of and the interest on the Bonds when due.

The District may elect to prepay on February 1, 2026, and on any day thereafter, Bonds due on or after February 1, 2027. Redemption may be in whole or in part and if in part at the option of the District and in such manner as the District shall determine. If less than all Bonds of a maturity are called for redemption, the Registrar will select by lot the beneficial ownership interests in such maturity to be redeemed. All bonds shall be redeemed at a price of par plus accrued interest to the date selected for redemption.

Notice of redemption of this Bond shall be given to the Registered Owner hereof by first class mail, postage prepaid, not less than thirty (30) days prior to the date fixed for redemption (or such shorter period as may be acceptable to the then registered owner of the Bonds), all as more particularly set forth in the Bond Resolution; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. Notice of redemption having been given as provided in the Bond Resolution, or notice of redemption having been waived, and funds for the payment thereof having been deposited with the Registrar, this Bond shall cease to bear interest from and after the date fixed for redemption.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the District at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the District will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The District and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the District nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the District.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary 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, do exist, have happened and have been performed as so required, and that the issuance of this Bond, together with all other indebtedness of the District outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the District to exceed any constitutional or statutory limitation of indebtedness.

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 Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, Independent School District No. 831 (Forest Lake Area Schools), State of Minnesota, by its School Board, has caused this Bond to be executed in its behalf by the facsimile signatures of the Chair of the Board and Clerk of the District, the District having no seal or said seal having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by:

December ____, 2016

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

Payable at:

This Bond is one of
the Bonds described
in the within mentioned
Resolution.

INDEPENDENT SCHOOL DISTRICT NO. 831
(FOREST LAKE AREA SCHOOLS)
FOREST LAKE, MINNESOTA

Bond Registrar

/s/ (Facsimile)
Chair of the Board

By _____
Authorized Signature

/s/ (Facsimile)
School District Clerk

CERTIFICATE OF REGISTRATION

The transfer of ownership of the principal amount of the attached Bond may be made only by the registered owner or the registered owner's legal representative last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
<u>December , 2016</u>	Cede & Co. P. O. Box 222 Bowling Green Station <u>New York, NY 10274</u>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

REGISTER OF PARTIAL PAYMENTS

The principal amount of the attached Bond has been redeemed and prepaid on the dates and in the amounts noted below:

<u>Date</u>	<u>Amount</u>	<u>Signature of Bondholder</u>	<u>Signature of Bond Registrar</u>

If a notation is made on this register, such notation has the effect stated in the attached Bond. Partial payments do not require the presentation of the attached Bond to the Bond Registrar, and a Holder could fail to note the partial payment here.

ASSIGNMENT

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

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

Dated _____

NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address:

(Include information for all joint owners if the Bond is held by joint account.)

Please insert Social Security or other Tax Identification Number of Transferee.

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EXHIBIT B-1

NOTICE OF DEFEASANCE

\$6,450,000 General Obligation Taxable OPEB Bonds, Series 2009A

Dated March 1, 2009

Independent School District No. 831 (Forest Lake Area Schools), State of Minnesota

NOTICE IS HEREBY GIVEN that, by order of the School Board of Independent School District No. 831 (Forest Lake Area Schools), Minnesota (the "District") that provision has been made for the payment, discharge and defeasance of the following bonds of the above-described issue:

<u>Maturity</u>	<u>Amount</u>	<u>CUSIP #</u>	<u>Rate</u>
2019	\$280,000	345874 PS4	5.000%
2020	295,000	345874 PT2	5.000%
2021	315,000	345874 PU9	5.100%
2022	320,000	345874 PV7	5.200%
2023	360,000	345874 PW5	5.300%
2024	370,000	345874 PX3	5.400%
2025	390,000	345874 PY1	5.500%
2026	415,000	345874 PZ8	5.600%
2027	445,000	345874 QA2	5.700%
2028	480,000	345874 QB0	5.800%
2029	515,000	345874 QC8	5.875%
2030	555,000	345874 QD6	5.900%

all in accordance with the requirements of the resolution of the District that authorized the issuance of said bonds, by depositing sufficient moneys and investments which, together with the interest to be earned on such obligations, will be sufficient for the payment of the principal of said bonds and interest thereon to the date of maturity or redemption, in an irrevocable escrow fund for such bonds pursuant to an Escrow Agreement, dated December 15, 2016, between the District and Associated Trust Company, Green Bay, Wisconsin, as escrow agent. Consequently, all of such bonds are deemed to be paid and discharged within the meaning of said resolution and all other rights granted thereby have ceased and terminated.

Dated: _____, 2016.

BY ORDER OF THE BOARD OF
INDEPENDENT SCHOOL DISTRICT NO.
831 (FOREST LAKE AREA SCHOOLS),
MINNESOTA

/s/ _____
School District Clerk

EXHIBIT B-2

NOTICE OF REDEMPTION

\$6,450,000 General Obligation Taxable OPEB Bonds, Series 2009A

Dated March 1, 2009

Independent School District No. 831 (Forest Lake Area Schools), State of Minnesota

NOTICE IS HEREBY GIVEN THAT Independent School District No. 831 (Forest Lake Area Schools) State of Minnesota (the "District") has called for redemption and prepayment on February 1, 2019 (the "Redemption Date"), the outstanding maturities of the above-referenced bonds (the "Bonds") maturing on February 1 in the following years and having the respective interest rates and CUSIP numbers listed below:

<u>Maturity</u>	<u>Amount</u>	<u>CUSIP #</u>	<u>Rate</u>
2019	\$280,000	345874 PS4	5.000%
2020	295,000	345874 PT2	5.000%
2021	315,000	345874 PU9	5.100%
2022	320,000	345874 PV7	5.200%
2023	360,000	345874 PW5	5.300%
2024	370,000	345874 PX3	5.400%
2025	390,000	345874 PY1	5.500%
2026	415,000	345874 PZ8	5.600%
2027	445,000	345874 QA2	5.700%
2028	480,000	345874 QB0	5.800%
2029	515,000	345874 QC8	5.875%
2030	555,000	345874 QD6	5.900%

The Bonds will be redeemed at a price of 100% of their principal amount plus accrued interest to the Redemption Date. Holders of the Bonds should present them for payment to U.S. Bank National Association, in St. Paul, Minnesota, as registrar and paying agent (the "Paying Agent") with respect to the Bonds, on or before said date, when they will cease to bear interest, in the following manner:

By Mail, Overnight Mail, or Courier Service:

U.S Bank National Association
West Side Flats - Operations Center
EP-MN-WS3C
60 Livingston Avenue
St. Paul, MN 55107 651.495-3920

In Person, By Hand:

U.S Bank National Association
Bond Drop Window, First Floor
60 Livingston Avenue
St. Paul, MN 55107

Important Notice to Bondholders: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment by the redeeming institutions if they are

not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

The Paying Agent shall not be responsible for the selection of or use of the CUSIP number, nor is any representation made as to its correctness indicated in this Notice of Redemption. It is included solely for the convenience of the Holders.

Additional information may be obtained from the undersigned or from Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota (651-223-3000), financial advisor to the District.

Dated: _____.

BY ORDER OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO.
831 (FOREST LAKE AREA SCHOOLS),
STATE OF MINNESOTA

/s/ _____
School District Clerk

EXHIBIT C

LEVY COMPUTAION SHEET

Post-Sale

\$5,365,000

Independent School District No. 831, Forest Lake, Minnesota
General Obligation Taxable OPEB Refunding Bonds, Series 2016C
Partial Refunding 2009A Taxable OPEB

Post-Sale Tax Levies

Payment Date	Principal	Coupon	Interest	Total P+I	105% Overlevy	Levy Amount	Levy/Collect Year
02/01/2018	90,000.00	1.250%	161,136.89	251,136.89	263,693.73	263,693.73	2016/2017
02/01/2019	190,000.00	1.550%	141,755.00	331,755.00	348,342.75	348,342.75	2017/2018
02/01/2020	395,000.00	1.800%	138,810.00	533,810.00	560,500.50	560,500.50	2018/2019
02/01/2021	405,000.00	2.000%	131,700.00	536,700.00	563,535.00	563,535.00	2019/2020
02/01/2022	405,000.00	2.250%	123,600.00	528,600.00	555,030.00	555,030.00	2020/2021
02/01/2023	435,000.00	2.450%	114,487.50	549,487.50	576,961.88	576,961.88	2021/2022
02/01/2024	440,000.00	2.600%	103,830.00	543,830.00	571,021.50	571,021.50	2022/2023
02/01/2025	450,000.00	2.750%	92,390.00	542,390.00	569,509.50	569,509.50	2023/2024
02/01/2026	465,000.00	2.850%	80,015.00	545,015.00	572,265.75	572,265.75	2024/2025
02/01/2027	485,000.00	3.000%	66,762.50	551,762.50	579,350.63	579,350.63	2025/2026
02/01/2028	510,000.00	3.150%	52,212.50	562,212.50	590,323.13	590,323.13	2026/2027
02/01/2029	535,000.00	3.250%	36,147.50	571,147.50	599,704.88	599,704.88	2027/2028
02/01/2030	560,000.00	3.350%	18,760.00	578,760.00	607,698.00	607,698.00	2028/2029
Total	\$5,365,000.00	-	\$1,261,606.89	\$6,626,606.89	\$6,957,937.23	\$6,957,937.23	-

2016C GO TAX Ref 09A OPEB / SINGLE PURPOSE / 11/17/2016 / 11:28 AM


 Springsted

EXHIBIT D

POST-ISSUANCE CONTINUING DISCLOSURE COMPLIANCE PROCEDURES

Purpose of Disclosure Policies and Procedures

The issuance and sale of certain municipal bonds, notes, certificates of participation or other obligations (collectively, “**Obligations**”) are subject to certain federal and state securities laws, including Rule 15c2-12 (the “**Rule**”) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The Rule requires that an underwriter, prior to purchasing or selling an issue of Obligations in a principal amount over \$1,000,000, obtain a written agreement from the issuer of such Obligations to provide certain financial information or operating data on an annual basis and notices of the occurrence of certain enumerated events with the Municipal Securities Rulemaking Board (“**MSRB**”) using the MSRB’s Electronic Municipal Market Access system (“**EMMA**”).

The School Board of Independent School District No. 831 (Forest Lake Area Schools), State of Minnesota (the “**District**”) has previously issued or may in the future issue Obligations subject to the Rule, and in connection with such issuances the District has entered and/or will enter into one or more Continuing Disclosure Certificates or Continuing Disclosure Undertakings (collectively, the “**Undertakings**”) in accordance with the Rule. Pursuant to such Undertakings, the District has covenanted or will covenant to comply with the Rule by timely making the required filings. These Policies and Procedures are intended to assure that all filings required under the Rule are made timely and completely and meet all requirements of the Rule.

Designation of District Representative; Maintenance of List and Files

The “**District Representative**” for the District shall be the Clerk of the District and any alternate or assistant as the Clerk of the District shall appoint. The District Representative is directed to employ the policies and procedures described herein. The District Representative shall be knowledgeable and familiar with the provisions of each Undertaking as to the type, format and content of the financial information or operating data to be included in each Annual Report required to be made thereunder, the instances in which notice of the occurrence of certain events must be given, and the timing requirements for the filing thereof. The District and the District Representative recognize and acknowledge that the terms, requirements and filing deadlines may vary by Undertaking.

The District Representative shall maintain a current list for each fiscal year identifying each issue of Obligations of the District outstanding during such fiscal year setting forth the name, original principal amount, date of issuance and CUSIP numbers for each such issue and the dates by which the Annual Reports are required to be submitted to the MSRB using EMMA, such list to be accompanied by copies of the related Undertakings.

Dissemination Agents

The District and the District Representative may utilize the services of a financial institution or other provider to act as dissemination agent (each, a “**Dissemination Agent**”) in filing the disclosures and notices described herein and performing the duties of the Dissemination Agent in accordance with the terms of the applicable Undertaking. The Dissemination Agent shall review and be familiar with the contents and filing requirements of the particular Undertaking and with the procedures for making the filings required under such Undertaking with the MSRB using the EMMA system. The District Representative shall coordinate the preparation and submission of the required information with such Dissemination Agent to ensure full compliance with the requirements of the Rule and the applicable Undertakings.

Annual Financial Filings

The District Representative will review the Undertaking related to each outstanding issue of Obligations to determine the financial information required to be included in the Annual Report (i.e., the District’s audited financial statements and certain other financial information or operating data with respect to the District, if applicable (the “**Annual Report**”)) required to be filed annually with the MSRB using the EMMA system, and the deadline by which such information must be filed. Unless required otherwise by an Undertaking and as permitted by EMMA filing procedures, the District Representative may file identical Annual Reports with respect to each issue of the District’s Obligations. The District Representative shall be knowledgeable and familiar with the specific requirements for the filing of a Notice of Failure to File the Annual Report by the date(s) required under the terms of each Undertaking, if applicable.

The District Representative shall timely initiate the process of preparing the financial information or operating data required to be submitted under each Undertaking as part of the Annual Report. The District Representative shall assemble the information as soon as it becomes available and determine the scope of additional information to be required and also contact the auditors to establish a schedule for completion and submission for the Audited Financial Statements.

The District Representative will timely file the Annual Report, or will cause the Dissemination Agent to file the Annual Report, with the MSRB using the EMMA system. If the Audited Financial Statements are not then available, unaudited financial information may be filed with the MSRB using EMMA and the Audited Financial Statements shall be filed within 10 business days of their receipt and acceptance.

Listed Event Filings

The District Representative will review the Undertaking related to each outstanding issue of Obligations for the listed events which, upon the occurrence thereof, require prompt notices to be filed with the MSRB using the EMMA system. The District Representative will monitor the Obligations and the District’s operations for occurrences of any such events and will actively evaluate whether an event may be a listed event as set forth in the District’s outstanding Undertakings. After obtaining actual knowledge of such an event, the District Representative will promptly contact the District’s bond counsel and the Dissemination

Agent, if any, to determine whether the District must file notice of the event with the MSRB under one or more of its Undertakings. Upon a determination that the District must file such notice, the District Representative will file the appropriate notice, or will cause the Dissemination Agent to file such notice, with the MSRB using the EMMA system within ten (10) business days after the occurrence of the listed event or as the District's bond counsel may otherwise direct.

Reports of District Representative; Record Retention

The District Representative shall provide to the School Board of the District, any Dissemination Agent and the underwriter of each issue of Obligations confirmation from EMMA received upon the filing of each Annual Report and any other filings made with the MSRB using the EMMA system promptly upon receipt of each such confirmation.

The District Representative shall maintain records with respect to the filings with the MSRB using EMMA, including, but not limited to, EMMA posting receipts showing the dates and nature or contents of all filings for each issue of Obligations outstanding during each fiscal year. Such records shall be kept for at least 5 years after the respective issue of Obligations is no longer outstanding.

Familiarity with EMMA Submission Process

The District Representative shall register with EMMA and review the on-line process of filing with EMMA located at www.emma.msrb.org in order to submit the required information. The MSRB market Information Department can also be contacted at 703.797.6668. A tutorial is available at the website and a practice submission is available as well. The District Representative also shall enroll the District in EMMA's reminder system to ensure timely performance of its responsibilities and obligations.

Notwithstanding the foregoing, if the District has retained a Dissemination Agent to assist with making the filings required by the District's Undertakings and to remind the District of its filing deadlines, the District Representative need not register with EMMA or enroll in EMMA's reminder system.

Training

To ensure adequate resources to comply with the Rule, the District Representative shall develop a training process aimed at providing additional assistance in preparing required information. The training process shall be conducted at least annually and shall encompass a review of the EMMA submission process and an understanding of the timing requirements necessary for full compliance. The retention by the District of a Dissemination Agent to assist it with compliance under its Undertakings and the Rule may be deemed part of such training process.

Review of Offering Document in Connection with Primary Offerings

In connection with a new issue of Obligations, the District Representative, together with such District officials as the District Representative deems appropriate, shall promptly review upon receipt the offering document by which such Obligations shall be offered and sold. For any issue of Obligations subject to the Rule, prior to the distribution of the related offering document the District shall deem the information concerning the District in such offering document as accurate and complete in all material respects (except for such information as permitted to be omitted by the Rule) as of the date of such offering document. The District shall confirm prior to the final pricing of the Obligations that the information concerning the District in the offering document does not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.