AGENDA
CHASKA ECONOMIC DEVELOPMENT AUTHROITY
VIRTUAL ON ZOOM
Monday, May 04, 2020
7:00 PM

1. Call to Order

2. Roll Call

3. Adopt Agenda

4. Approve Previous Meeting Minutes

   A. Approve the April 20, 2020 EDA Meeting Minutes

5. Discussion Items

   A. Adopt Resolution EDA 2020-5, Adopt Resolution to Establish Parameters for Sale and Issuance of Bonds (Chaska EDA, Series 2020B)

6. Other Business

7. Adjourn

- MINUTES -
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
APRIL 20, 2020

DRAFT

1. Call to Order
President Windschitl called the meeting to order at 10:05 pm.

2. Roll Call
Roll call was taken. Present: Commissioners Hatfield, Hubbard, Grau, Huang, and President Windschitl. *(Commissioners Hatfield, Hubbard, Huang, and Grau participated remotely per State Statute 13D.021).*
Absent: None.

Also Present: Executive Director Matt Podhradsky, Executive Director. *(Nate Kabat, Assistant Director participated remotely).*

3. Agenda
Motion by Commissioner Hubbard, second by Commissioner Grau to adopt the agenda as presented.
Motion carried.

4. Minutes
Motion by Commissioner Hubbard, second by Commissioner Huang to approve the minutes of the March 16, 2020 EDA meeting.

President Windschitl requested that if an EDA item is discussed at length in the preceding Council Meeting, he would prefer that noted in the EDA minutes.

Motion carried.

5. Adopt Resolution EDA 2020-4, TIF 19 - Chaska Heights Assignment of TIF Note
Assistant Director Kabat presented the item to the Commission.

Commissioner Huang inquired if the taxes from the School District are made at a later date.

Executive Director Podhradsky provided further explanation about why the taxes from the School District are not put off to a later date.

President Windschitl looked to ensure the City is comfortable doing this during the COVID-19 pandemic.

Executive Director Podhradsky stated they are.

Motion by Commissioner Hatfield, second by Commissioner Grau to adopt Resolution No. EDA 2020-4 approving and authorizing the execution of assignment documents.
Motion carried.

6. Other Business
President Windschitl noted that the Norwood Inn has been sold.

DRAFT

Assistant Director Kabat provided more detail regarding the sale and the group who purchased it.

7. Adjourn

Motion by Commissioner Huang, second by Commissioner Hubbard to adjourn the meeting at 10:14 pm.
Motion carried.

REQUEST FOR ACTION
CHASKA CITY COUNCIL
05/04/2020

Subject: **Adopt Resolution to Establish Parameters for Sale and Issuance of Bonds (Chaska EDA, Series 2020B)**

Prepared By: Noel Graczyk, Administrative Services Director
Kelly Grinnell, Finance Manager

Background

The City of Chaska is requesting that the Chaska EDA (EDA) (the Authority) issue bonds to support the City in purchasing a parcel of land in the SW Chaska Area.

On April 14, 2020, the City acquired a parcel of land adjacent to Creek Road for the purpose of future road construction in the SW Chaska Area, realignment of Creek Road, and storm water management. Future special assessments for roadways in the SW Area will be used as a source to fund acquisition of this parcel. Total cost for acquisition of the parcel and estimated costs for issuance of the bonded debt to fund this acquisition are as follows.

Land Parcel (Cottrell)	$1,376,000
Capital Interest	119,905
Cost of Issuance	84,095
Total Par	$1,580,000

Now that the City holds title to this parcel, the City intends to have the EDA issue bonds to reimburse the City for acquisition costs that have been incurred. Authority and structure for issuance of these bonds is consistent with what the EDA issued earlier this year for costs incurred to acquire land for a future park in the SW Area.

In order to issue bonds, the City will need to transfer this parcel to the EDA and then pledge to make annual payments to the EDA to repurchase the parcel over a twenty-year period. The EDA can then issue bonds secured by this pledge made by the City. Note, this pledge by the City is not a General Obligation (GO) pledge of the full faith and taxing authority of the City. Instead, this pledge commits the City to use available City revenues to make annual payments to the EDA.

Baker Tilley, Municipal Advisor (BT) recommends that the City issue these EDA bonds through placement with a City selected underwriter. This will allow the City and the EDA to work in conjunction with the underwriter as part of the structuring process. The City has used this type of underwriter placement in the past previously selecting Robert W. Baird & Company (Baird) as underwriter. Baird has agreed to again work with the City and EDA on issuance of this new series of bonds.

BT also recommends that the City and EDA issue bonds each using a parameters resolution. This resolution will set maximum amounts for True Interest Costs (TIC) and a maximum PAR amount for issuance of the bonds. City staff can then issue and sell bonds to the underwriter when it is in the best interest of the City to be in the market.

The proposed bonds will be issued as taxable bonds. The City intends to sell a portion of the parcel that is not needed by the City to an adjacent developer at some future date. Sale of land for a future private purpose requires issuance of taxable bonds.

Attached is the proposed structure for the Chaska EDA bonds. The estimated PAR amount is $1,580,000 and is structured over a twenty-year term. The first two years included capitalized interest before repayment on the bond begins in 2022. The estimated TIC is 4.1%.

Also attached is a proposed Trust Indenture between the EDA and U.S. Bank as Trustee. This trust will allow for the collection of revenues by the EDA from the City that will then be used by the EDA to pay debt service on bonds.

Enclosed is a draft of the proposed parameter resolution to be adopted by the EDA. This resolution sets a maximum TIC of 4.25% and a maximum PAR amount of $1,700,000. This maximum TIC is 0.25% higher than what was used earlier this year. This additional 25 basis points reflects the fact that taxable rates are now higher and more volatile than prior to March of this year.

It is anticipated that marketing of these bonds for presale start in late May. Final pricing is anticipated to be completed the week of June 8th. After sale and issuance of the bonds is complete, a confirming resolution with final terms from the sale will be presented for adoption by the EDA on June 22nd. This confirming resolution for action by EDA must be approved by the EDA at that time.

Recommendation
Staff recommends adoption of the proposed parameters resolution for issuance and sale of Chaska EDA taxable full-term installment purchase revenue bonds, Series 2020B.

<u>CITY COUNCIL ACTION REQUESTED</u>
Motion to adopt EDA Resolution No. 2020-05 relating to financing the purchase of City land; authorizing an installment purchase agreement for the sale of the land back to the City, and the issuance of the Authority's taxable full-term installment purchase revenue bonds, Series 2020B; and approving and authorizing the execution of documents relating thereto.

$1,580,000

Economic Development Authority of the City of Chaska, Minnesota

Taxable Full-Term Installment Purchase Revenue Bonds
Series 2020B - Cottrell Project

Sources & Uses

Dated 07/08/2020 | Delivered 07/08/2020

Sources Of Funds	
Par Amount of Bonds	$1,580,000.00
Total Sources	**$1,580,000.00**
Uses Of Funds	
Deposit to Project Construction Fund	1,376,000.00
Deposit to Capitalized Interest (CIF) Fund	119,904.44
Costs of Issuance	65,000.00
Total Underwriter's Discount (1.150%)	18,170.00
Rounding Amount	925.56
Total Uses	**$1,580,000.00**

$1,580,000

Economic Development Authority of the City of Chaska, Minnesota

Taxable Full-Term Installment Purchase Revenue Bonds

Series 2020B - Cottrell Project

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/08/2020	-	-	-	-	-
06/01/2021	-	-	56,704.44	56,704.44	-
12/01/2021	-	-	31,600.00	31,600.00	88,304.44
06/01/2022	-	-	31,600.00	31,600.00	-
12/01/2022	55,000.00	4.000%	31,600.00	86,600.00	118,200.00
06/01/2023	-	-	30,500.00	30,500.00	-
12/01/2023	60,000.00	4.000%	30,500.00	90,500.00	121,000.00
06/01/2024	-	-	29,300.00	29,300.00	-
12/01/2024	60,000.00	4.000%	29,300.00	89,300.00	118,600.00
06/01/2025	-	-	28,100.00	28,100.00	-
12/01/2025	65,000.00	4.000%	28,100.00	93,100.00	121,200.00
06/01/2026	-	-	26,800.00	26,800.00	-
12/01/2026	65,000.00	4.000%	26,800.00	91,800.00	118,600.00
06/01/2027	-	-	25,500.00	25,500.00	-
12/01/2027	70,000.00	4.000%	25,500.00	95,500.00	121,000.00
06/01/2028	-	-	24,100.00	24,100.00	-
12/01/2028	75,000.00	4.000%	24,100.00	99,100.00	123,200.00
06/01/2029	-	-	22,600.00	22,600.00	-
12/01/2029	75,000.00	4.000%	22,600.00	97,600.00	120,200.00
06/01/2030	-	-	21,100.00	21,100.00	-
12/01/2030	80,000.00	4.000%	21,100.00	101,100.00	122,200.00
06/01/2031	-	-	19,500.00	19,500.00	-
12/01/2031	80,000.00	4.000%	19,500.00	99,500.00	119,000.00
06/01/2032	-	-	17,900.00	17,900.00	-
12/01/2032	85,000.00	4.000%	17,900.00	102,900.00	120,800.00
06/01/2033	-	-	16,200.00	16,200.00	-
12/01/2033	90,000.00	4.000%	16,200.00	106,200.00	122,400.00
06/01/2034	-	-	14,400.00	14,400.00	-
12/01/2034	90,000.00	4.000%	14,400.00	104,400.00	118,800.00
06/01/2035	-	-	12,600.00	12,600.00	-
12/01/2035	95,000.00	4.000%	12,600.00	107,600.00	120,200.00
06/01/2036	-	-	10,700.00	10,700.00	-
12/01/2036	100,000.00	4.000%	10,700.00	110,700.00	121,400.00
06/01/2037	-	-	8,700.00	8,700.00	-
12/01/2037	105,000.00	4.000%	8,700.00	113,700.00	122,400.00
06/01/2038	-	-	6,600.00	6,600.00	-
12/01/2038	105,000.00	4.000%	6,600.00	111,600.00	118,200.00
06/01/2039	-	-	4,500.00	4,500.00	-
12/01/2039	110,000.00	4.000%	4,500.00	114,500.00	119,000.00
06/01/2040	-	-	2,300.00	2,300.00	-
12/01/2040	115,000.00	4.000%	2,300.00	117,300.00	119,600.00
Total	$1,580,000.00	-	$794,304.44	$2,374,304.44	-

SIGNIFICANT DATES

Dated Date	7/08/2020
Delivery Date	7/08/2020
First Coupon Date	6/01/2021

Yield Statistics

Bond Year Dollars	$19,857.61
Average Life	12.568 Years
Average Coupon	4.0000000%
Net Interest Cost (NIC)	4.0915014%
True Interest Cost (TIC)	4.1196579%
Bond Yield for Arbitrage Purposes	3.9970943%
All Inclusive Cost (AIC)	4.5750005%

IRS Form 8038

Net Interest Cost	4.0000000%
Weighted Average Maturity	12.568 Years

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$1,580,000

Economic Development Authority of the City of Chaska, Minnesota

Taxable Full-Term Installment Purchase Revenue Bonds

Series 2020B - Cottrell Project

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
07/08/2020	-	-	-	-	-	-	-
06/01/2021	-	-	56,704.44	56,704.44	(56,704.44)	-	-
12/01/2021	-	-	31,600.00	31,600.00	(31,600.00)	-	-
06/01/2022	-	-	31,600.00	31,600.00	(31,600.00)	-	-
12/01/2022	55,000.00	4.000%	31,600.00	86,600.00	-	86,600.00	86,600.00
06/01/2023	-	-	30,500.00	30,500.00	-	30,500.00	-
12/01/2023	60,000.00	4.000%	30,500.00	90,500.00	-	90,500.00	121,000.00
06/01/2024	-	-	29,300.00	29,300.00	-	29,300.00	-
12/01/2024	60,000.00	4.000%	29,300.00	89,300.00	-	89,300.00	118,600.00
06/01/2025	-	-	28,100.00	28,100.00	-	28,100.00	-
12/01/2025	65,000.00	4.000%	28,100.00	93,100.00	-	93,100.00	121,200.00
06/01/2026	-	-	26,800.00	26,800.00	-	26,800.00	-
12/01/2026	65,000.00	4.000%	26,800.00	91,800.00	-	91,800.00	118,600.00
06/01/2027	-	-	25,500.00	25,500.00	-	25,500.00	-
12/01/2027	70,000.00	4.000%	25,500.00	95,500.00	-	95,500.00	121,000.00
06/01/2028	-	-	24,100.00	24,100.00	-	24,100.00	-
12/01/2028	75,000.00	4.000%	24,100.00	99,100.00	-	99,100.00	123,200.00
06/01/2029	-	-	22,600.00	22,600.00	-	22,600.00	-
12/01/2029	75,000.00	4.000%	22,600.00	97,600.00	-	97,600.00	120,200.00
06/01/2030	-	-	21,100.00	21,100.00	-	21,100.00	-
12/01/2030	80,000.00	4.000%	21,100.00	101,100.00	-	101,100.00	122,200.00
06/01/2031	-	-	19,500.00	19,500.00	-	19,500.00	-
12/01/2031	80,000.00	4.000%	19,500.00	99,500.00	-	99,500.00	119,000.00
06/01/2032	-	-	17,900.00	17,900.00	-	17,900.00	-
12/01/2032	85,000.00	4.000%	17,900.00	102,900.00	-	102,900.00	120,800.00
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06/01/2036	-	-	10,700.00	10,700.00	-	10,700.00	-
12/01/2036	100,000.00	4.000%	10,700.00	110,700.00	-	110,700.00	121,400.00
06/01/2037	-	-	8,700.00	8,700.00	-	8,700.00	-
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06/01/2039	-	-	4,500.00	4,500.00	-	4,500.00	-
12/01/2039	110,000.00	4.000%	4,500.00	114,500.00	-	114,500.00	119,000.00
06/01/2040	-	-	2,300.00	2,300.00	-	2,300.00	-
12/01/2040	115,000.00	4.000%	2,300.00	117,300.00	-	117,300.00	119,600.00
Total	$1,580,000.00	-	$794,304.44	$2,374,304.44	(119,904.44)	$2,254,400.00	-

SIGNIFICANT DATES

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Bond Yield for Arbitrage Purposes	3.9970943%
All Inclusive Cost (AIC)	4.5750005%

IRS Form 8038

Net Interest Cost	4.0000000%
Weighted Average Maturity	12.568 Years

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Draft 4/27/2020

TRUST INDENTURE

by and between

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

Dated as of [July 1], 2020

Relating to:

TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020B

This instrument drafted by:

Dorsey & Whitney LLP
Suite 1500
50 South Sixth Street
Minneapolis, Minnesota 55402-1498

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TRUST INDENTURE

This **TRUST INDENTURE** dated as of [July 1], 2020 (the "Indenture") is executed by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA**, a public body corporate and politic of the State of Minnesota, having its principal office and address at One City Hall Plaza, Chaska, Minnesota (the "Authority"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association, having an office in the City of St. Paul, Minnesota (the "Trustee").

RECITALS

WHEREAS, pursuant to Minnesota Statutes, Sections 469.091, Subdivision 1, the Authority has the powers of a housing and redevelopment authority under Minnesota Statutes, Sections 469.001 to 469.047.

WHEREAS, pursuant to Minnesota Statutes, Sections 469.012, Subdivision 1 and 471.64, the Authority has the authority to acquire real property and to finance such acquisition by the by the methods of financing provided for in Minnesota Statutes, Section 469.033.

WHEREAS, as authorized by Minnesota Statutes, Sections 469.033 and 469.034, the Authority has agreed to issue its revenue bonds to finance the acquisition of certain real property (the "Land") from City of Chaska Minnesota (the "City"), and to sell such Land back to the City, pursuant to and in accordance with the Installment Sale Agreement dated [July 1], 2020 between the City and the Authority (the "Installment Sale Agreement").

WHEREAS, the Authority has authorized and deemed it advisable to enter into this Indenture and to issue its Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020B, in the aggregate principal amount of $[PAR] (the "Bonds"), which Bonds shall be fully registered bonds as hereinafter provided.

WHEREAS, the proceeds of the Bonds, together with any other required funds, will be used for the specific authorized purpose of providing funds to finance the acquisition of the Land, and for funding capitalized interest and costs of issuing the Bonds.

WHEREAS, the Installment Sale Agreement requires the City to make installment payments thereunder in amounts and at times sufficient to pay, when due, the principal of, premium, if any, and interest on the Bonds.

WHEREAS, the execution and delivery of this Indenture, the Installment Sale Agreement and the issuance of the Bonds have been in all respects duly and validly authorized by the Board of Commissioners of the Authority pursuant to authorizing resolutions adopted by both the Board of Commissioners of the Authority and the City Council of the City on [May 4, 2020], and ratifying resolutions adopted by both the Board of Commissioners of the Authority and the City Council of the City on [June 15, 2020] (together, the "Bond Resolution").

WHEREAS, all conditions, acts and things necessary and required by the Constitution and laws of the State of Minnesota, or otherwise, to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Indenture, and in the issuance of the Bonds, do exist, have happened or have been performed in regular form, time and manner, and the execution and delivery of this Indenture have been in all respects duly authorized.

WHEREAS, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH as follows:

GRANTING CLAUSES

That the Authority, in order to secure the payment of the principal of, premium (if any) and interest on the Bonds issued under this Indenture according to their tenor and effect and the performance and observance of each and all of the covenants and conditions herein and therein contained, and for and in consideration of the premises and of the purchase and acceptance of the Bonds by the respective purchaser or purchasers and Owners or Holders thereof, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, has executed and delivered this Indenture and has granted, bargained, sold, assigned, transferred, conveyed, warranted, pledged and set over, and by these presents does hereby grant, bargain, sell, assign, transfer, convey, warrant, pledge and set over, absolutely unto the Trustee, and to its successor or successors in the trust hereby created and to its or their assigns forever:

I.

All of the right, title and interest of the Authority in the Installment Sale Agreement (except for the Authority's rights to indemnification and reimbursement of expenses).

II.

A first lien on and pledge of the money and investments in the Bond Fund covenanted to be created and maintained under this Indenture.

TO HAVE AND TO HOLD, all and singular, the said property hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successor or successors in trust and its and their assigns, FOREVER.

IN TRUST NEVERTHELESS, upon the terms and trust herein set forth, for the equal and proportionate benefit, security and protection of all Holders of the Bonds issued or to be issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any of the others;

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay or cause to be paid the principal of the Bonds and the premium, if any, and interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee sums sufficient to pay the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it and shall pay to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof; then upon such final payment this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared that, all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property hereby assigned or pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted and does hereby agree and covenant with the Trustee and with the respective Holders from time to time, of the said Bonds, as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Article I and in the recitals and succeeding Articles of this Indenture shall, for all purposes of this Indenture and of any indenture supplemental hereto, have the meanings herein specified, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined:

Authority Representative means the President or Executive Director of the Authority or any other person authorized to act on behalf of the Authority under or with respect to this Indenture, as evidenced by a certificate conferring such authority executed by the President or Executive Director of the Authority and given to the Trustee and the City.

Bonds means the Authority's $[PAR] Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020B, authorized by this Indenture and the Bond Resolution and described in Section 2.01 of this Indenture.

Bond Fund means the fund so named and created under Section 5.01 of this Indenture.

Bond Resolution means the authorizing resolutions of the Authority adopted by the Board of Commissioners of the Authority and the City Council of the City on [May 4, 2020], and the ratifying resolutions adopted by the Board of Commissioners of the Authority and the City Council of the City on [June 15, 2020], authorizing and ratifying the issuance and sale of the Bonds, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

Business Day means any day other than a Saturday, Sunday, or other day on which commercial banks in the city in which the principal corporate trust office of the Trustee is located are not open for business.

Certificate means a certification in writing required or permitted by the provisions of the Installment Sale Agreement or this Indenture, signed and delivered to the Trustee or other proper person or persons.

City means the City of Chaska, Minnesota, and its permitted successors and assigns under the Installment Sale Agreement.

City Representative means the Mayor or City Administrator, or any person authorized by law to act on behalf of the City under or with respect to the Installment Sale Agreement, as evidenced by a certificate conferring such authority executed by the Mayor or City Administrator and given to the Trustee and the Authority.

Default means default by the Authority in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Indenture, exclusive of any notice or period of grace required to constitute a default an "Event of Default" as described in Section 7.01 hereof.

Event of Default means an Event of Default described in Section 7.01 hereof which has not been cured.

Fiscal Year means the fiscal year of the Authority; initially, the 12-month period commencing on January 1 in each year.

Holder, *Bondholder* or *Owner* means the person or persons in whose name any Bond is registered in the registration books maintained by the Trustee on behalf of the Authority.

Indenture means this Trust Indenture under which the Bonds are authorized to be issued, and any amendments or supplements hereto entered into in accordance with the provisions hereof.

Independent Counsel means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not an officer or full-time employee of the Authority or the City.

Installment Payment means any payment due from the City to the Authority under the Installment Sale Agreement.

Interest Payment Date means the stated maturity of an installment of interest on any of the Bonds.

Land means the real property as described on Exhibit B hereto, which real property is to be acquired by the Authority and then sold by the Authority to City pursuant to the Installment Sale Agreement.

Installment Sale Agreement means the Installment Sale Agreement dated [July 1], 2020 between the City and the Authority.

Opinion of Counsel means a written opinion of counsel (who need not be Independent Counsel unless so specified) appointed by the City or Authority or appointed by the Trustee.

Outstanding means, when used as of any particular time with reference to Bonds (subject to the provisions of Section 9.03 of this Indenture pertaining to Bonds held by the Authority and the City) all Bonds theretofore authenticated and delivered by the Trustee under this Indenture except: (i) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds deemed not outstanding pursuant to the terms of Section 10.02 of this Indenture; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the terms of Section 2.08 hereof pertaining to replacement of Bonds.

Payment Date means the fifth Business Day preceding each Interest Payment Date, which is the date upon which any Installment Payment is due and payable as provided in the Installment Sale Agreement.

Predecessor Bonds means every previous Bond evidencing all or a portion of the same debt as that evidenced by a particular Bond, including Bonds exchanged pursuant to Section 2.05

hereof, and for purposes of this definition, any Bond authenticated and delivered under Section 2.08 hereof in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

Principal Payment Date means the stated maturity of principal of any Bond, or the mandatory sinking fund redemption date of any Bond.

Qualified Investments means (1) Any investments permitted pursuant to Sections 118A.04 and 118A.05, Minnesota Statutes, for the investment of public funds, and (2) shares in an open-ended registered investment company which exclusively purchases and holds direct, full faith and credit obligations of the United States or obligations of agencies or instrumentalities of the United States, the full and timely payment of which is unconditionally guaranteed by the United States (including repurchase agreements collateralized by such obligations), including funds for which the Trustee or its affiliates provide investment advisory or other management services.

Redeem or *Redemption* includes and means “prepay” or “prepayment,” as the case may be.

Responsible Officer means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

Trust Estate means the interest of the Authority in the Installment Sale Agreement assigned under Granting Clause I of this Indenture; and the funds held hereunder as set forth in Granting Clause II of this Indenture.

Trustee means the trustee at the time serving as such under this Indenture.

<u>Section 1.02 Additional Provisions as to Interpretation</u>. All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof. Any terms defined in the Installment Sale Agreement, but not defined herein, shall have the same meaning herein unless the context hereof clearly requires otherwise. This Indenture is governed by and shall be construed in accordance with the laws of Minnesota.

ARTICLE II
FORM, EXECUTION AND REGISTRATION OF BONDS

<u>Section 2.01 Forms of Bonds</u>. The Bonds to be issued and secured under this Indenture shall each be designated “Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020B.” The Bonds, forms of assignment and certificates of Trustee shall all be substantially in the form of Exhibit A hereto.

Section 2.02 Maturities, Numeration and Interest Payment Dates. The Bonds shall be in the denomination of $5,000 or any integral multiple thereof, initially numbered within each series, R-1 upwards, in order of issuance or in such other manner as the Trustee may determine. The Bonds shall bear a date of original issue as of [July, 8, 2020]. No Bond shall represent principal payable or maturing in different years. The Bonds shall bear interest payable semiannually on [June 1 and December 1] of each year, commencing [December 1, 20__], from their date of original issue or the most recent Interest Payment Date to which interest has been paid or duly provided for. The principal and redemption price of the Bonds shall be payable to the Owner upon presentation and surrender at the principal office of the Trustee in such coin or currency of the United States of America as may be, on the respective dates of payment thereof, legal tender for the payment of public and private debts, and interest on the Bonds shall be paid by check or draft mailed to the Owner at the Owner's registered address; provided that, so long as the Bonds are 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 Trustee shall pay all principal of and interest on the Bonds, and shall give all notices with respect to the Bonds, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or such other securities depository.

The Regular Record Date referred to in Section 2.06 for the payment of interest on the Bonds payable, and punctually paid or duly provided for, on any Interest Payment Date, shall be the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

The Bonds shall be issued in the aggregate principal amount of $[PAR], and shall mature on December 1 in the years and amounts and shall bear interest at the rates per annum, according to years of maturity, as follows:

Year	Amount	Rate	Year	Amount	Rate

[MODIFY FOR ANY TERM BONDS]

Section 2.03 Execution of Bonds. The Bonds shall be signed in the name of the Authority by the manual or facsimile signatures of the President and Executive Director of the Authority and said signatures shall be authenticated by the Trustee, which is hereby designated as authenticating agent. The seal of the Authority, if any, need not be affixed to or imprinted on the Bonds. In the event that any of the officers who shall have signed any of the Bonds shall cease to be officers of the Authority before the Bonds shall have been authenticated or delivered by the Trustee, or issued by the Authority, such Bonds may, nevertheless, be authenticated, delivered, and issued, and upon such authentication, delivery and issue, shall be binding upon the Authority as though those officers who signed the same had continued to be such officers of the Authority; and, also, any Bond may be signed on behalf of the Authority by such person who, at the actual date of execution of such Bond, shall be the proper officer of the Authority, although at the date of such Bond such person shall not have been such an officer of the Authority. Upon the execution and delivery of this Indenture, the Authority shall execute and deliver the Bonds to the Trustee for authentication.

Section 2.04 Authentication of Bonds. No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder or under the Installment Sale Agreement, unless an authorized signatory of the Trustee shall manually endorse and execute on such Bond a certificate of authentication substantially in the form of the Trustee's certificates set forth in Section 2.01 hereof. Such Trustee's certificate upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly issued under this Indenture and that the Holder thereof is entitled to the benefits of this Indenture and the Installment Sale Agreement. No Bonds shall be authenticated by the Trustee except in accordance with this Article. The Trustee shall not be required to authenticate any Bond or Bonds unless provided with the documents referred to in Sections 2.09 and 2.10 hereof, as applicable.

Section 2.05 Registration, Transfer and Exchange. As long as any of the Bonds issued hereunder shall remain outstanding, the Authority shall maintain and keep at the office of the Trustee, as paying agent and registrar, the records for the payment of the principal of and interest on such Bonds, as in this Indenture provided, and for the registration and transfer of such Bonds, and shall also keep at said office of the Trustee books for such registration and transfer (the "Register"). The Authority does hereby appoint the Trustee, and its successors in the trust from time to time, as its agent to maintain said office and agency at the office of the Trustee.

Upon surrender for transfer of any fully registered Bond at the office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Owner or the Owner's duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, the Authority shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, interest rate and maturity.

Except as the right of exchange may be limited as to Bonds of any series, fully registered Bonds, upon surrender thereof at the office of the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of fully registered Bonds of the same series, maturity and interest rate of any authorized denominations.

In all cases in which the privilege of exchanging Bonds or transferring fully registered Bonds is exercised, the Authority shall execute and the Trustee shall deliver Bonds in accordance with the provisions of this Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Authority or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the City pursuant to the Installment Sale Agreement. The Authority and the Trustee shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds. The Authority and Trustee shall not be required to make any transfer or exchange of any Bonds called for redemption. Neither the Trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by DTC.

Section 2.06 Payment of Interest on Bonds; Interest Rights Preserved. Interest on any Bond which is payable, and is punctually paid or duly provided for on any Interest Payment Date shall be paid to the person in whose name that Bond (or one or more Predecessor Bonds) is registered at the close of business on the Regular Record Date for such interest specified in the provisions of this Indenture creating such series.

Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest may be paid by the Authority as provided in Subsection (a) or (b) below:

(a) The Authority may elect to make payment of any Defaulted Interest on the fully registered Bonds of any series to the persons in whose names such Bonds (or their respective Predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Authority shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the Authority shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Subsection provided and not to be deemed part of the Trust Estate. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Authority of such Special Record Date and, in the name of the Authority and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Holder of a fully registered Bond of such series at his address as it appears in the registration books not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names the Bonds of such series (or their respective Predecessor Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the following Subsection (b).

(b) The Authority may make payment of any Defaulted Interest on the Bonds of any series in any other lawful manner, if, after notice given by the Authority to the Trustee of the proposed payment pursuant to this Subsection, such payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 2.07 Ownership of Bonds. The Authority and the Trustee and their respective successors, each in its discretion, may deem and treat the person in whose name any Bond shall, for the time being, be registered, as the absolute owner thereof for all purposes, and neither the Authority nor the Trustee nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the Owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 2.08 Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds. In case any outstanding Bond shall become mutilated or be destroyed, stolen or lost, the Trustee shall authenticate and deliver a new Bond of like tenor, number and amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Authority, the Trustee and the City with indemnity satisfactory to them and complying with such other reasonable regulations as the Trustee may prescribe and paying such reasonable expenses as the Authority, the Trustee and the City may incur in connection therewith. In the event any such Bond shall have matured, instead of issuing a new Bond, the Authority may pay the same without surrender thereof.

Section 2.09 Conditions for Authentication of Bonds. The Trustee shall not authenticate and deliver the Bonds to be issued and delivered pursuant to the Indenture unless theretofore or simultaneously therewith there shall have been delivered to the Trustee the following items:

(i) a certified copy of the Bond Resolution authorizing the issuance of the Bonds and the execution and delivery of the Installment Sale Agreement and this Indenture;

(ii) a certified copy of the resolutions adopted by the City Council of the City approving the issuance of the Bonds and the terms of the Indenture and authorizing the execution and delivery of the Installment Sale Agreement by the City;

(iii) executed counterparts of the Installment Sale Agreement and the Indenture; and

(iv) the manually signed approving opinion of Dorsey & Whitney LLP, Minneapolis, Minnesota, as bond counsel for the Authority, concerning the validity and legality of the Bonds.

Section 2.10 Reserved.

Section 2.11 Book-Entry Only System. For purposes of this Section and Section 2.12, 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.

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

"DTC 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 Authority agrees to comply with DTC's Operational Arrangements.

Upon the initial issuance of the Bonds, DTC will act as securities depository for the Bonds. The Bonds shall be initially issued in the form of a single Bond for each stated maturity, registered in the Register in the name of Cede & Co., as the nominee of DTC.

Until termination of the book-entry only system pursuant to Section 2.12 hereof, the Bonds may only be registered in the name of Cede & Co.

With respect to the Bonds registered in the Register in the name of Cede & Co., as nominee of DTC, neither the Authority nor the Trustee shall have any responsibility or obligation to any DTC Participant or to any Beneficial Owner. Without limiting the immediately preceding sentence, neither the Authority nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant, any Beneficial Owner or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant, any Beneficial Owner or any other person, other than DTC, of any amount of principal of, premium, if any, or interest with respect to the Bonds.

The Authority and the Trustee may treat as and deem DTC to be the absolute owner of each Bond for the purpose of payment of the principal of, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium, if any, and interest with respect to the Bonds only to or upon the order of the Bondholders as shown on the Bond Register, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's and Trustee's obligations with respect to the payment of the principal of, premium, if any, and interest relating to the Bonds to the extent of the sum or sums so paid.

Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions in Section 2.05 hereof, references to "Cede & Co." in this Section shall refer to such new nominee of DTC.

Neither the Trustee nor any of its agents shall have any responsibility or liability for any actions taken or not taken by DTC.

Section 2.12 Substitute Securities Depository; Termination of Book-Entry Only System. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. The Authority may terminate the services of DTC with respect to the Bonds at any time if it determines that DTC is no longer able to carry out its functions as securities depository or that continuation of the system of book-entry transfers through DTC is not in the best interests of the Authority or the Beneficial Owners.

Upon the termination of the services of DTC, a substitute securities depository may be appointed by the Authority. Any substitute securities depository appointed hereunder shall undertake all the obligations and duties of DTC described in this Indenture. In any such case the references herein to DTC shall be deemed to mean such substitute securities depository and any references herein to Cede & Co., as nominee of DTC, shall be deemed to mean the nominee of such substitute securities depository.

Upon the termination of the services of DTC, and if no substitute securities depository willing to undertake the functions of DTC hereunder can be found that, in the opinion of the Authority, is able to undertake such functions upon reasonable and customary terms, or if the Authority determines that it is in the best interests of the Authority or the Beneficial Owners of the Bonds that the Beneficial Owners be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names the Bondholders shall designate at that time, in accordance with this Article. To the extent that the Beneficial Owners are designated as the transferee by DTC, the Bonds will be delivered to the Beneficial Owners.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments of the principal of, premium, if any, and interest relating to such Bond, and all notices with respect to such Bond, shall be made and given to DTC as provided in the Representation Letter.

ARTICLE III
REDEMPTION OF BONDS

Section 3.01 Redemption of Bonds. The Bonds maturing in [2029] and later years are subject to redemption at the option of the Authority, in whole or in part in integral multiples of $5,000, and if in part, in such order of maturity dates as the Authority may determine and by lot, on any Business Day on or after December 1, 20[28], at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

Bonds maturing in 20[__] and 20[__] are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date, on December 1 in the following years and amounts:

Bonds Maturing in 20[__]

Year	Amount
*	

*final maturity

Bonds Maturing in 20[__]

Year	Amount
*	

*final maturity

Section 3.02 Notice of Redemption. If the Bonds are to be redeemed pursuant to Section 3.01 hereof, and written notice of an election to exercise an option to redeem Bonds hereunder shall have been given to the Trustee at least 45 days prior by the Authority (other than for the mandatory sinking fund redemption of certain maturities of the Bonds maturing in the years for which no notice of election shall be required), the Trustee shall prepare a notice in the name of the Authority or in its own name describing the Outstanding Bonds to be redeemed, the date of redemption, and the redemption price. Such notice may be conditional. Notice of redemption shall be mailed by the Trustee, not less than thirty (30) days nor more than ninety (90) days before the redemption date, by first-class mail or by electronic means, to the Owners of all Bonds which are to be redeemed, at their last addresses appearing upon the registry books of the Authority and shall be published to the extent required by law.

Section 3.03 Deposit for Redemption. Prior to the designated redemption date, the Authority shall deposit or cause to be deposited with the Trustee funds sufficient to pay the redemption price of the Bonds to be redeemed, and interest thereon to the redemption date, and there shall be deposited, or arrangements shall be made with the Trustee to deposit, with the Trustee a sum sufficient to pay the proper expenses and charges of the Trustee in connection with such redemption. Upon deposit with the Trustee of the aggregate amount of such redemption price and interest pursuant to this Section, such money shall be set aside by the Trustee and held by it for the account of the respective Holders of the Bonds being redeemed.

Section 3.04 Payment of Redeemed Bonds. After notice of redemption shall have been given as provided in Section 3.02, the Bonds specified in such notice shall become due and payable on the redemption date. Payment of the redemption price and interest shall be made to or upon order of the Owner, upon the surrender of the Bonds. Any installment of interest maturing on or prior to the redemption date shall be payable to the Owners of Bonds registered as such on the relevant Record Dates according to the terms of such Bonds and the provisions of Section 2.06 hereof and the notice of redemption herein provided for may so state. If redemption money is available for the payment of all of the Bonds called for redemption on the redemption date, the Bonds so called shall cease to draw interest after the redemption date, and such Bonds shall not be deemed to be outstanding hereunder for any purpose, except that the Holders thereof, on presentation, as herein provided, shall be entitled to receive payment of the redemption price and interest accrued thereon to the redemption date from the money set aside by the Trustee as aforesaid.

Section 3.05 Cancellation of Redeemed Bonds. All Bonds so redeemed, shall forthwith be canceled and held by the Trustee on file until the final maturity of the Bonds; and no further Bonds shall be executed or authenticated or issued hereunder in exchange or substitution therefor.

Section 3.06 Partial Redemption of Bonds. If less than all of the Bonds of a particular maturity at the time outstanding are to be called for prior redemption, the particular Bonds or portions thereof of such maturity to be redeemed shall be selected by lot, except as otherwise provided herein, by the Trustee in such manner as the Trustee, in its discretion, may determine. The Trustee shall call for redemption in accordance with the foregoing provisions as many Bonds or portions thereof as will, as nearly as practicable, exhaust the money available therefor. Particular Bonds or portions thereof shall be redeemed only in integral multiples of principal amount of $5,000.

So long as the Bonds are 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 Bonds or portions thereof to be redeemed shall be selected in accordance with the operational arrangements of The Depository Trust Company or such other securities depository.

ARTICLE IV
BOND PROCEEDS

Section 4.01 Deposit of Bond Proceeds. The Authority shall deposit, or shall direct the purchaser or purchasers of the Bonds to deposit with the Trustee, all of the net proceeds of the sale of the Bonds (including accrued interest thereon from the date from which interest is to be paid thereon to the date of delivery to the purchaser or purchasers thereof), and the Trustee out of such proceeds shall:

(i) Deposit to the credit of the Bond Fund the amount of $[_______], representing capitalized interest in the amount of $[_______] and a rounding amount of $[_______];

(ii) Pay the costs of issuance of the Bonds, as set forth in Exhibit C, in the amount of $[_______]; and

(iii) Deliver to the City the balance of such net proceeds in the amount of $[_______] to acquire the Land from the City pursuant to a Purchase and Sale Agreement dated as of [July 1], 2020, between the City, as seller, and the Authority, as buyer.

ARTICLE V
DISPOSITION OF PLEDGED REVENUES

Section 5.01 Bond Fund. The Authority hereby establishes with the Trustee, and shall maintain, so long as any of the Bonds are outstanding, the Bond Fund. Into such Bond Fund, the Authority and Trustee shall make the following deposits:

(i) The amounts required to be deposited by Section 4.01 hereof.

(ii) The Installment Payments received from the City pursuant to the Installment Sale Agreement;

(iii) All other money received by the Trustee from the City or Authority, including additional payments under Section 3 of the Installment Sale Agreement not used to pay the reasonable fees and expenses of the Trustee for services rendered hereunder or the expenses of the Seller, and proceeds from the sale of Parcel B (as defined in the Installment Sale Agreement) by the City pursuant to Section 4 of the Installment Sale Agreement. If the City or the Authority so directs, such monies shall be credited against Installment Payments due or to become due.

(iv) All other money required to be deposited in the Bond Fund pursuant to any provision of this Indenture or the Installment Sale Agreement, when accompanied by directions of the City or Authority that such money is to be paid into the Bond Fund or used for purposes for which money in the Bond Fund may be used.

The money and investments in the Bond Fund are irrevocably pledged to and shall be used by the Trustee, from time to time, to the extent required, for the payment of principal of, premium (if any) on and interest on the Bonds, as and when such principal, premium and interest shall become due and payable. The Bond Fund shall only be used to pay the foregoing for the Bonds.

Section 5.02 Investment of Funds in Bond Fund. Any moneys held as a part of the Bond Fund shall be invested or reinvested by the Trustee upon the request and direction of a City Representative in any Qualified Investment. Subject to the foregoing, the type, amount and maturity of Qualified Investments shall conform to the instructions, if any, in the written request of the City Representative; provided that investments acquired with moneys held in the Bond Fund shall mature no later than the Interest Payment Date upon which such moneys will be needed to pay principal of, premium, if any, and interest on the Bonds. In the absence of written directions delivered to the Trustee from the City, the Trustee shall invest funds in Qualified Investments as defined in Section 1.01, clause (2) under the definition of "Qualified Investments." Investments permitted under this Section may be purchased from the Trustee or from any of its affiliates. Obligations so purchased shall be deemed at all times to be a part of the Bond Fund, respectively, unless otherwise provided herein, but may from time to time be sold or otherwise converted into cash, whereupon the proceeds derived from such sale or conversion shall be credited to the Bond Fund. Any interest accruing on and any profit realized from such investment shall be credited to the Bond Fund. The Trustee shall redeem or sell, at the best price obtainable, any obligations so purchased, whenever it shall be necessary to do so in order to provide moneys to meet any payment from the Bond Fund. Neither the Trustee nor the Authority shall be liable for any loss resulting from any such investment, nor from failure to preserve rights against endorsers or other prior parties to instruments evidencing any such investment. The Trustee shall be entitled to rely on any written direction of a City Representative as to the suitability and legality of the directed investments. The Trustee shall have no responsibility whatsoever to determine whether any investments made pursuant to this Indenture are or continue to be Qualified Investments.

The Authority and the City acknowledge that regulations of the comptroller of the currency grant the Authority and the City the right to receive brokerage confirmations of security transactions as they occur. The Authority and the City specifically waive such right to notification to the extent permitted by law and acknowledge that they will receive periodic transaction statements that will detail all investment transactions.

ARTICLE VI
PARTICULAR COVENANTS OF THE AUTHORITY

The Authority covenants and agrees, so long as the Bonds shall be outstanding and subject to the limitations on its obligations herein set forth, that:

Section 6.01 Payment of Bonds. It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture and the Bond Resolution and in each and every Bond executed, authenticated and delivered hereunder; will pay or cause to be paid, from the Bond Fund (from Installment Payments by the City and other amounts received in respect of the Installment Sale Agreement or available under this Indenture), the principal of, premium (if any) on and interest on every Bond issued hereunder on the dates, at the places and in the manner prescribed in the Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and will cause such amounts received to be deposited with the Trustee prior to the due date of each installment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such installment; provided, however, that the principal of and interest on any Bond is not and shall not be deemed to represent a debt or pledge the faith or credit of the Authority, the City or the State of Minnesota or grant to the Holder of any Bond any right to have the Authority, the City or the State of Minnesota levy any taxes or appropriate any funds to the payment of principal of or interest on the Bonds, such payment to be made solely and only out of the money received pursuant to the Installment Sale Agreement and the funds and accounts established and maintained with the Trustee pursuant to the requirements of this Indenture and appropriated to the payment of the Bonds by the Indenture.

Section 6.02 Extensions of Payments of Bonds. It shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds, or the time of payment of any claims for interest by the purchase or refunding of such Bonds or claims for interest or by any other arrangement; and in case the maturity of any of the Bonds, or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled in case of any default hereunder to the benefit of the Indenture or to any payment out of any assets of the Authority or the funds (except funds held in the trust by the Trustee for the payment of particular Bonds or claims for interest pursuant to this Indenture) held by the Trustee except subject to the prior payment of the principal of all Bonds issued and outstanding hereunder, the maturity of which Bonds or principal installments has not been extended, and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing in this Section shall, however, be deemed to limit the right of the Authority to fund or refund at one time all of such Bonds and claims for interest.

Section 6.03 Authorization. The Authority is duly authorized under the Constitution and Laws of the State of Minnesota to create and issue the Bonds, to undertake acquisition of the Land, to execute this Indenture and assign and pledge to the Trustee the Trust Estate, including the Installment Payments, and to make the covenants as herein provided. All necessary action and proceedings on its part to be taken for the creation and issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken.

Section 6.04 Concerning the Installment Sale Agreement. It will cause and permit the Trustee to take such action as may be necessary or advisable to enforce the covenants, terms and conditions of the Installment Sale Agreement if such action shall, in the Trustee's discretion, be deemed to be in the best interest of the Bondholders. The Authority shall do or cause to be done all things on its part to be performed under the Installment Sale Agreement so that the obligations of the City thereunder shall not be impaired or excused. The City is authorized under the Installment Sale Agreement to sell Parcel B. For the avoidance of doubt, the Land is not pledged as security for the Bonds.

Section 6.05 To Observe All Covenants and Terms -- Limitations on Authority's Obligations. It will not issue or permit to be issued any Bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and will not suffer or permit any Event of Default to occur under this Indenture, but will faithfully observe and perform all the conditions, covenants and requirements hereof. It is expressly agreed that the Authority has no obligation to make any advance or payment or incur any expense or liability from its general funds in performing, any of the conditions, covenants or requirements of the Bonds or this Indenture or from any funds other than revenues and income received pursuant to the Installment Sale Agreement, the proceeds of its annual tax levy, or money in the funds and accounts provided for herein.

Section 6.06 Installment Payments. It is estimated that the Installment Payments to be made by the City pursuant to the Installment Sale Agreement, together with other amounts on hand in the Bond Fund, will produce the amounts needed to meet when due the principal and interest payments on the Bonds.

ARTICLE VII
EVENTS OF DEFAULT; REMEDIES

Section 7.01 Events of Default. Each of the following events is hereby defined as, and is declared to be and to constitute, an "Event of Default":

(i) If payment of the principal of, or premium, if any, on any of the Bonds, when the same shall become due and payable, whether at maturity or by proceedings for redemption (by redemption, declaration or otherwise), shall not be made; or

(ii) If payment of any interest on the Bonds when the same shall become due and payable (in which case interest shall be payable to the extent permitted by law on any overdue installments of interest, in each case at the interest rate borne by the Bonds in respect of which such interest is overdue) shall not be made; or

(iii) If an Event of Default shall occur and be subsisting under paragraph 8 of the Installment Sale Agreement; or

(iv) If default shall be made in the performance or observance of any other of the covenants, agreements or conditions on the part of the Authority in this Indenture, or in the Bonds contained, and such default shall have continued for a period of thirty days after written notice thereof given to the Authority by the Trustee.

Section 7.02 Enforcement of Covenants and Conditions. Upon the occurrence of an Event of Default with respect to the Installment Sale Agreement, the Trustee may, anything herein to the contrary notwithstanding and without any request from any Bondholder of the Bonds relating thereto (subject, however, to the provisions of Section 8.06 hereof), take such action or actions for the enforcement of its rights and the rights of such Bondholders and the rights of the Authority under the Installment Sale Agreement as due diligence, prudence and care would require and to pursue the same with like diligence, prudence and care.

Upon the occurrence of an Event of Default with respect to the Installment Sale Agreement, the Trustee may, and shall upon the written request of the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of Outstanding Bonds relating thereto, by written notice to the Authority, declare the principal of the respective Bonds to be immediately due and payable, whereupon that portion of the principal of such Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Indenture or in such Bonds to the contrary notwithstanding.

Upon the happening and continuance of an Event of Default, the Trustee may, and shall upon the written request of the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of the outstanding Bonds relating thereto, proceed forthwith by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of such Bonds, to enforce application to such payment of the funds, revenues and income appropriated thereto by this Indenture and by such Bonds, to enforce rights of the Authority under the Installment Sale Agreement, and to enforce any such other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Bondholders with respect thereto. Notwithstanding the foregoing, the Trustee need not proceed upon any such written request of such Bondholders, as aforesaid, unless such Bondholders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby.

Section 7.03 Application of Money. All money received by the Trustee pursuant to any right given or action taken under the provisions of this Indenture or the Installment Sale Agreement, shall, after payment of the cost and expenses of the proceedings resulting in the collection of such money and of the fees, expenses, charges, liabilities and advances, including legal costs and expenses, incurred or made by the Trustee and its agents, be deposited in the Bond Fund and all money in the Bond Fund maintained with the Trustee shall be applied as follows:

(i) Unless the principal of all the Bonds shall have become due and payable, all such money shall be applied:

First: To the payment to the Bondholders entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Bondholders entitled thereto, without any discrimination or privilege; and

Second: To the payment to the Bondholders entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which money is held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, then to the payment ratably, according to the amount of principal due on such date, to the Bondholders entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due, all such money shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Bondholders entitled thereto without any discrimination or privilege.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such money and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all Bonds of a series and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Trustee and the Authority have been paid, any balance remaining shall be paid to the persons entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the City.

Section 7.04 Right of Trustee to Act Without Possession of Bonds. All rights of action (including the right to file proof of claim) under this Indenture, the Installment Sale Agreement or under any of the Bonds, may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Holders of the Bonds hereby secured, and any recovery of judgment shall be for the equal benefit of the Holders of the Outstanding Bonds, subject to the provisions of Section 6.02 hereof with respect to extended Bonds and claims for interest.

Section 7.05 Power of Majority of Bondholders. Anything in this Indenture to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of Bonds Outstanding hereunder with respect to the Installment Sale Agreement shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken under this Indenture and the Installment Sale Agreement; provided, that such direction shall not be otherwise than in accordance with the provisions of law and that the Trustee shall be indemnified as provided in Section 8.06.

Section 7.06 Limitation on Suits by Bondholders. No Holder of any Bond with respect to the Installment Sale Agreement shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for any other remedy hereunder, unless an Event of Default with respect to the Installment Sale Agreement has occurred of which the Trustee has been notified or of which it is deemed to have notice; nor unless the Holders of twenty-five per centum (25%) in aggregate principal amount of Bonds with respect to the Installment Sale Agreement Outstanding hereunder shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; nor unless also they shall have offered to the Trustee indemnity as provided hereinafter; and such notification, request and offer of indemnity are hereby declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for enforcement or for any other remedy hereunder; and the Trustee for 60 days after receipt of such written request and offer of indemnity has failed to institute such suit, action or proceeding; and no direction inconsistent with such written request has been given to the Trustee by the Holders of 25% in aggregate principal amount of the Bonds with respect to the Installment Sale Agreement during such 60 day period it being understood and intended that no one or more Holders of such Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Holders of such Bonds Outstanding hereunder. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder, which is absolute and unconditional, to enforce and bring suit for the payment of the principal of and interest on any Bond at and after the maturity thereof to pay the principal of and interest on each of the Bonds relating to the Installment Sale Agreement issued hereunder to the respective Holders thereof at the time and place in such Bonds expressed, in accordance with the terms of such Bonds.

Section 7.07 Waiver by Bondholders. The Trustee, upon the written request of the Holders of not less than a majority in principal amount of the Bonds relating to the Installment Sale Agreement at the time Outstanding hereunder, shall waive any Event of Default hereunder and its consequences, except an Event of Default in the payment of the principal of such Bonds at the date of maturity specified therein; provided, however, that an Event of Default in the payment of interest on such Bonds shall not be waived unless, prior to such waiver, all arrears of interest and all expenses of the Trustee shall have been paid or shall have been provided for by deposit with the Trustee of a sum sufficient to pay the same. In case of any such waiver, the Authority, the Trustee and the Holders of such Bonds shall be restored to their former positions and rights hereunder respectively. No such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Section 7.08 Remedies Cumulative, Delay Not To Constitute Waiver. No remedy by the terms of this Indenture or the Installment Sale Agreement, conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.09 Restoration of Rights Upon Discontinuance of Proceedings. In case the Trustee or Bondholders shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or the Bondholders, then and in every such case the Authority, the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee and the Bondholders shall continue as if no such proceedings had been taken.

ARTICLE VIII
CONCERNING THE TRUSTEE

Section 8.01 Acceptance of Trust and Prudent Performance Thereof. The Trustee, prior to the occurrence of an Event of Default and after the curing of all such Events of Default as may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any such Event of Default which has not been cured, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

The Trustee shall not be required to take notice or be deemed to have notice of any Default hereunder, except Default in the deposits or payments specified in Section 7.01(i) or (ii), unless the Responsible Officer shall be specifically notified in writing of such Default by the City, by the Authority or by the Holders of at least twenty-five per centum (25%) in aggregate principal amount of Bonds outstanding hereunder, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume that there is no Default, except as aforesaid.

Delivery of reports, information and documents to the Trustee under the Agreement is for informational purposes only and the Trustee's receipt of the foregoing shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the City's compliance with any of their covenants hereunder (as to which the Trustee is entitled to rely conclusively on Officers' Certificates).

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that

(i) prior to such an Event of Default hereunder, and after the curing of all such Events of Default which may have occurred:

(A) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, and

(B) In the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and to the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee conforming to the requirements of this Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not it conforms in form to the requirements of this Indenture; and

(ii) at all times, regardless of whether or not any such Event of Default shall exist:

(A) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts, and

(B) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of all the Bonds at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 8.02 Trustee May Rely Upon Certain Documents and Opinions. Except as otherwise provided in Section 8.01,

(i) the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(ii) any request, direction, election, order, certification or demand of the Authority or the City shall be sufficiently evidenced by an instrument signed by an Authority Representative or a City Representative, as the case may be (unless otherwise in this Indenture specifically prescribed), and any resolution of the Authority may be evidenced to the Trustee by a copy certified by the Executive Director;

(iii) the Trustee may consult with counsel (who may be counsel for the Authority or the City) and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel; and

(iv) whenever, in the administration of the trusts of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the Authority or Certificate of the City and any such Certificate shall, in the absence of negligence or bad faith on the part of the Trustee, be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof.

Section 8.03 Trustee Not Responsible for Indenture Statements, Validity. The Trustee shall not be responsible for any recital or statement herein, or in the Bonds (except in respect of the certificate of the Trustee endorsed on such Bonds), or for the validity of the execution by the Authority of this Indenture or the validity or execution of the Installment Sale Agreement or the Bond Resolution, or of any supplemental instrument, or for the sufficiency of the security of the Bonds issued hereunder or intended to be secured hereby, or for the value or title of any of the

Trust Estate, or otherwise as to the maintenance of the security hereof; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenant, condition or agreement on the part of the Authority or the City, except as herein set forth, but the Trustee may require of the Authority and the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and of the condition of the physical property included in the Trust Estate. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder.

Section 8.04 Limits on Duties and Liabilities of Trustee. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty of the Trustee and the Trustee shall be answerable only for its own gross negligence or willful default. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

Section 8.05 Money Held in Trust. Money held by the Trustee hereunder is held in trust but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Authority or the City.

Section 8.06 Obligation of Trustee. The Trustee shall be under no obligation to institute any suit, or to take any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall have reasonable grounds for believing that repayment of all costs and expenses, outlays and counsel fees and other reasonable disbursements in connection therewith and adequate indemnity against all risk and liability is reasonably assured to it; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without assurance of reimbursement or indemnity, and in such case the Trustee shall be reimbursed for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the City shall fail to make such reimbursement, the Trustee may reimburse itself from any money in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any of the Bonds or claims for interest outstanding hereunder.

Section 8.07 Notice to Bondholders. The Trustee shall give to the Holders of the Bonds relating to the Installment Sale Agreement whose names and addresses are known to it, written notice of all Events of Default relating to the Installment Sale Agreement known to the Trustee by virtue of actual knowledge of a Responsible Officer, within sixty (60) days after the occurrence of an Event of Default unless such Event of Default shall have been cured before the giving of such notice; provided that, except in the case of an Event of Default in the payment of principal and interest on any of such Bonds, the Trustee shall be protected in withholding such notice if and so long as its Board of Directors, an executive committee or trust default committee or chief executive officer of the Trustee in good faith determines that the withholding of such notice is in the interest of the Bondholders relating thereto.

Section 8.08 Intervention in Judicial Proceedings. In any judicial proceeding to which the Authority or the City is a party and which in the opinion of the Trustee has a substantial bearing on the interest of owners of Bonds issued hereunder, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the owners of at least twenty-five percent (25%) in the aggregate principal amount of Bonds Outstanding hereunder with respect to the Installment Sale Agreement subject to such proceeding. The rights and obligations of the Trustee under this Section are subject to the approval of the court having jurisdiction in the premises.

Section 8.09 Further Investigation by Trustee. The resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be in full warrant, protection and authority to the Trustee for its actions hereunder; but the Trustee may, in its unrestricted discretion, and shall, if requested in writing so to do by the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of Bonds Outstanding hereunder with respect to the Installment Sale Agreement, cause to be made such independent investigation with respect to the Installment Sale Agreement as it may see fit, and in that event may decline to release any property, or pay over cash, or take other action relating thereto unless satisfied by such investigation of the truth and accuracy of the matters so investigated.

Section 8.10 Trustee to Retain Records. The Trustee shall retain reports furnished by the Authority or the City in accordance with this Indenture or the Installment Sale Agreement so long as any of the Bonds shall be Outstanding. The Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed in any manner.

Section 8.11 Compensation of Trustee. All advances, counsel fees and other expenses reasonably made or incurred by the Trustee in and about the execution of the trust hereby created and reasonable compensation to the Trustee for its services in the premises shall be paid by the City. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of trustees of an express trust. If not paid by the City, the Trustee shall have a first lien, with right of payment prior to payment on account of interest or principal of any Bond issued hereunder, for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and exercise and performance of the powers and duties of the Trustee hereunder and the cost and expense incurred in defending against any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the gross negligence or willful default of the Trustee).

Section 8.12 Trustee May Hold Bonds. The Trustee and its officers and directors may acquire and hold, or become the pledgee of, Bonds and otherwise deal with the Authority or the City in the same manner and to the same extent and with like effect as though it were not Trustee hereunder.

Section 8.13 Appointment of Trustee. There shall at all times be a trustee hereunder which shall be a trust company or bank in good standing organized and doing business under the laws of the United States or any State thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least Ten Million Dollars ($10,000,000), and subject to supervision or examination by Federal or State authority. If such association or corporation publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such association or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, and another association or corporation is eligible, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.16 hereof.

Section 8.14 Merger of Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association, resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.15 Resignation or Removal of Trustee. The Trustee may resign and be discharged from the trusts created by this Indenture by giving to the Authority and the Bondholders thirty (30) days' notice in writing of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect on the day specified in such notice, if a successor Trustee has been appointed, or upon such later date as a successor is appointed.

Any Trustee hereunder may be removed at any time upon 30 days' notice by an instrument or instruments in writing, appointing a successor to the Trustee so removed, filed with the Trustee and executed by either (i) the Authority or (ii) the Holders of a majority in principal amount of the Bonds hereby secured and then Outstanding.

Section 8.16 Appointment of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Trustee or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Trustee hereunder, and a successor may be appointed by either (i) the Authority or (ii) the Holders of a majority in principal amount of the Bonds hereby secured and then Outstanding, by an instrument or instruments in writing filed with the Trustee and executed by such Bondholders, notification thereof being given to the Authority, but in the event the Trustee has been removed by action of the Bondholders, until a new Trustee shall be appointed by the Bondholders as herein authorized, the Authority may, subject to the provisions hereof, appoint a Trustee to fill such vacancy. After any appointment by the Authority, in the event the Trustee has been removed by action of the Bondholders, the Trustee so appointed shall cause notice of its appointment to be mailed within 30 days of such appointment to the registered Holders of the Bonds, but any new Trustee so appointed by the Authority shall immediately and without further act be superseded by a Trustee appointed in the manner above provided by the Holders of a majority in principal amount of said Bonds whenever such appointment by said Bondholders shall be made.

If, in a proper case, no timely appointment of a successor Trustee shall be made pursuant to the foregoing provisions the Holder of any Bond hereby secured or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee.

Section 8.17 Transfer of Rights and Property to Successor Trustee. Every successor trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Authority or of its successor execute and deliver an instrument transferring to such successor all the estate, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor trustee shall deliver all securities and money held by it as Trustee hereunder to its successor. Should any assignment, conveyance or instrument in writing from the Authority be required by any successor trustee for more fully and certainly vesting in such successor trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor trustee, any and all such assignments, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all assignments, conveyances and other instruments provided for in this Article shall, at the expense of the City, be forthwith filed and/or recorded by the successor trustee in each recording office where the Indenture shall have been filed and/or recorded.

Section 8.18 Agents. The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder and may in all cases pay reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trust hereof.

Section 8.19 Limitation on Damages. In no event shall the Trustee be liable for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to lost profits), even if the Trustee has been advised of the likelihood of such damages or penalty and regardless of the form of action.

Section 8.20 Appointment of Successor or Alternate Paying Agents. In the event the initial Trustee shall also have been appointed paying agent for the Bonds, a successor Trustee shall become successor paying agent with respect to such Bonds unless otherwise provided in the instrument appointing such successor Trustee. If any paying agent other than the initial Trustee shall resign or become incapable of acting, or shall be removed under a supplemental indenture entered into pursuant to the terms hereof, the Trustee may appoint a successor paying agent which is a bank or trust company qualified to act as paying agent under the laws of the State of Minnesota and which is willing to accept the office on reasonable and customary terms approved by an Authority Representative. The Trustee may appoint successor paying agents. “Paying agent” as used in this Section refers to the bank or trust company named in the form of Bond provided for the Bonds in the recitals hereof where principal of and interest on Bonds may be paid.

Section 8.21 Indemnification. To the extent authorized by law, Issuer shall indemnify and hold harmless the Trustee against any and all loss, damage, claims, expense and liability arising out of or in connection with the acceptance of administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim (whether asserted by the issuer, the borrower any bondholder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder except to the extent that such loss, damage, claim, expense or liability is determined by a court of competent jurisdiction to have been caused solely by Trustee’s gross negligence or willful misconduct.

ARTICLE IX
CONCERNING THE BONDHOLDERS

Section 9.01 Execution of Instruments by Bondholders. Any request, direction, consent or other instrument in writing required by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent duly appointed by an instrument in writing. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(i) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments of deeds to be recorded within such jurisdiction, to the effect that the person signing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution.

(ii) The ownership of Bonds shall be proved by the registration books kept under the provisions of this Indenture.

Nothing contained in this Article shall be construed as limiting the Trustee to the proof above specified, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient.

Section 9.02 Waiver of Notice. Any notice or other communication required by this Indenture to be given by delivery, publication or otherwise to the Bondholders or any one or more thereof may be waived, at any time before such notice or communication is so required to be given, by a writing mailed or delivered to the Trustee by the Holder or Holders of all of the Bonds entitled to such notice or communication.

Section 9.03 Determination of Bondholder Concurrence. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the Authority or the City shall be disregarded and deemed not to be Outstanding for the purpose of any such determination; provided, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under common control with the Authority or the City. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Section 9.04 Bondholders' Meeting. A meeting of the Bondholders with respect to the Installment Sale Agreement may be called at any time and from time to time for any of the following purposes:

(A) to give any notice to the Authority or to the Trustee, or to give any direction to the Trustee, or to make any request of the Trustee, or to consent to the waiving of any Event of Default hereunder and its consequences, or to take any other action authorized to be taken by Bondholders pursuant to any of the provisions of Article VII hereof;

(B) to remove the Trustee or appoint a successor Trustee pursuant to the provisions of Article VIII hereof;

(C) subject to Article XI hereof, to consent to the execution of an indenture or indentures supplemental hereto;

(D) subject to Article XII hereof, to consent to any amendment of the Installment Sale Agreement or to any instrument supplemental to the Installment Sale Agreement; or

(E) to take any other action authorized to be taken by or on behalf of the Holders of any percentage of the Outstanding Bonds under any other provisions of this Indenture or under applicable law.

Any Bondholders' meeting may be called and held as follows:

(i) A meeting of Bondholders may be held at such place within the City where the Trustee has its principal office as the Trustee or, in case of its failure to act, the Authority or Bondholders calling the meeting shall prescribe.

(ii) Notice of every meeting of Bondholders, setting forth the time and place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed, postage prepaid, not less than 20 nor more than 180 days prior to the date fixed for the meeting, to each owner of Bonds. Any failure of the Trustee to mail such notice, or any defect therein shall not, however, in any way impair or affect the validity of any such meeting.

(iii) In case at any time the Authority, pursuant to a resolution, or the Holders of at least ten percent (10%) in aggregate principal amount of the Bonds then Outstanding with respect to the Installment Sale Agreement, shall have requested the Trustee to call a meeting of the Bondholders relating to the Installment Sale Agreement, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have given the notice of such meeting within 20 days after receipt of such request, then the Authority or the Holders of such Bonds in the amount above specified may call such meeting to take any action authorized in this Section by giving notice thereof as provided in paragraph (b) of this Section.

(iv) Only a Holder of one or more Bonds or a person appointed as proxy by an instrument in writing of such Holder shall be entitled to vote at or to participate with their counsel and the representatives of the Trustee and the Authority in such meeting. Each Holder shall be entitled to one vote for each $5,000 in principal amount of Outstanding Bonds held.

(v) The Trustee or, in case of its failure to act, the Authority or Bondholders calling or requesting the meeting, may make such reasonable regulations as it may deem advisable for any meeting of Bondholders in regard to proof of the holding of Bonds and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate.

(vi) At any meeting of Bondholders, the presence of persons owning Bonds in an aggregate principal amount sufficient under the appropriate provision of this Indenture to take action upon the business for the transaction of which such meeting was called shall constitute a quorum. Any meeting of Bondholders duly called pursuant to this Section may be adjourned from time to time by vote of the

Holders (or proxies for the Holders) of a majority of the Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present; and the meeting may be held as so adjourned without further notice.

(vii) The vote upon any resolution submitted to any meeting of Bondholders shall be by written ballots on which shall be subscribed the signatures of the Holders of Bonds or of their representatives by proxy and the serial number or numbers of the Bonds held or represented by them. The President of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record, at least in duplicate, of the proceedings of each meeting of Bondholders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in paragraph (ii) hereof. Each copy shall be signed and verified by the affidavits of the President and secretary of the meeting and one such copy shall be delivered to the Authority and one copy to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 9.05 Revocation by Bondholders. At any time prior to (but not after) the evidencing to the Trustee of the taking of any action by the Holders of the percentage in aggregate principal amount of the Bonds specified in this Indenture in connection with such action, any Holder of a Bond may, by filing written notice with the Trustee at its principal office, revoke any consent given by such Holder or the predecessor Holder of such Bond. Except as aforesaid, any such consent given by the Holder of any Bond shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Bond and of any Bond issued in exchange therefor or in lieu thereof, irrespective of whether or not any notation in regard thereto is made upon such Bond. Any action taken by the Holders of the percentage in aggregate principal amount of the Bonds specified in this Indenture in connection with such action shall be conclusively binding upon the Authority, the Trustee and the Holders of all the Bonds.

ARTICLE X
PAYMENT, DEFEASANCE AND RELEASE

Section 10.01 Payment and Discharge of Indenture. If the Authority, its successors or assigns, shall

(i) pay or cause to be paid the principal of and premium, if any, and interest on the Bonds, as the case may be, at the time and in the manner stipulated therein and herein, or

(ii) provide for the payment of principal and premium, if any, of such Bonds and interest thereon by depositing with the Trustee at or at any time before maturity amounts sufficient either in cash or in government securities of the type permitted by Minnesota Statutes, Section 475.67, subd. 8, the principal and interest on which when due and payable and without consideration of any reinvestment thereof shall be sufficient to pay the entire amount due or to become due thereon for principal and premium, if any, and interest to maturity of all said Bonds Outstanding, or

(iii) deliver to the Trustee (1) proof satisfactory to the Trustee that notice of redemption of all of such Outstanding callable Bonds not surrendered or to be surrendered to it for cancellation has been given or waived as provided in Article III hereof, or that arrangements satisfactory to the Trustee have been made insuring that such notice will be given or waived, or (2) a written instrument executed by the Authority and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the Authority, or (3) file with the Trustee a waiver of such notice of redemption signed by the Holders of all of such Outstanding Bonds, and in any such case, deposit with the Trustee before the date on which such Bonds are to be redeemed, as provided in said Article III, the entire amount of the redemption price, including accrued interest, and premium, if any, either in cash or in government securities of the type permitted by Minnesota Statutes, Section 475.67, subd. 8, in such aggregate face amount, bearing interest at such rates and maturing at such dates as shall be sufficient to provide for the payment of such redemption price on the date such Bonds are to be redeemed, and on such prior dates when principal of and interest on the Outstanding Bonds is due and payable, or

(iv) surrender to the Trustee for cancellation all such Bonds for which payment is not so provided, and shall also pay all other sums due and payable hereunder by the Authority,

then and in that case, all the portion of the Trust Estate relating to such Bonds shall revert to the Authority and the City as their interests may appear, and the entire estate, right, title and interest of the Trustee and of the owners of such Bonds shall thereupon cease, determine and become void; and the Trustee in such case, upon the cancellation of all Bonds for the payment of which cash or securities shall not have been deposited in accordance with the provisions of this Indenture, shall, upon receipt of a written request of the Authority, and at its cost and expense, execute to the Authority, or its order, proper instruments acknowledging satisfaction of this Indenture and surrender to the Authority and the City, as their interests appear, all cash and deposited securities, if any (other than cash or securities for the payment of such Bonds and interest thereon), which shall then be held hereunder as a part of the Trust Estate.

In case of any discharge of the lien of the Indenture with respect to the Bonds, pursuant to paragraphs (ii) or (iii) above, there shall be submitted to the Trustee a report, of an independent accountant designated by the Authority to the effect that the payment when due of the principal of and the interest on the government securities of the type permitted by Minnesota Statutes, Section 475.67, subd. 8, deposited with the Trustee will provide, together with any other money which shall have been deposited with the Trustee for such purpose, sufficient money to pay all principal and interest on such Outstanding Bonds when due; and there shall also be delivered to the Trustee an Opinion of Counsel (such counsel to be designated by the Authority), to the effect that all requirements of the Installment Sale Agreement and Indenture for the defeasance of such Bonds have been complied with.

Nothing contained in this Section 10.01 shall be construed to prohibit the defeasance of one or more, but not all, series of Bonds by any of the methods set forth in clauses (i), (ii), (iii) or (iv) above, as the same would apply to the particular series of Bonds being discharged.

Section 10.02 Bonds Deemed Not Outstanding After Deposits. When there shall have been deposited at any time with the Trustee in trust for the purpose, cash or government securities of the type permitted by Minnesota Statutes, Section 475.67, subd. 8, the principal and interest on which shall be sufficient to pay the principal of any Bonds when the same become due, either at maturity or otherwise, or at the date fixed for the redemption thereof and to pay all interest with respect thereto at the due dates for such interest or to the date fixed for redemption, for the use and benefit of the Holders thereof, then upon such deposit all such Bonds shall cease to be entitled to any lien, benefit or security of this Indenture except the right to receive the funds so deposited, and such Bonds shall be deemed not to be Outstanding hereunder; and it shall be the duty of the Trustee to hold the cash and securities so deposited for the benefit of the Holders of such Bonds, and from and after such date, redemption date or maturity, interest on such Bonds thereof called for redemption shall cease to accrue.

Section 10.03 Unclaimed Money to be Returned. Any money deposited with the Trustee pursuant to the terms of this Indenture, for the payment or redemption of Bonds, and the payment of interest and redemption premium with respect thereto, and remaining unclaimed by the Holders of the Bonds for a period of two years and eleven months after the due date or the date fixed for redemption of the same, as the case may be, shall, upon the written request of the Authority, and if the Authority or any successor to the obligations of the Authority under this Indenture and the Bonds shall not at the time, to the knowledge of the Trustee, be in default with respect to any of the terms and conditions contained in the Indenture or in the Bonds, be paid to the Authority, and such Holders of the Bonds shall thereafter look only to the Authority, for payment and then only to the extent of the amounts so received without interest thereon.

ARTICLE XI
SUPPLEMENTAL INDENTURES

Section 11.01 Purposes for Which Supplemental Indentures May be Executed. The Authority, upon resolution, and the Trustee from time to time and at any time, subject to the conditions and restrictions in this Indenture contained, may enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable without the consent of any Bondholder for any one or more of the following purposes:

> (i) To correct the description of any property hereby pledged or intended so to be, or to assign, convey, pledge or transfer and set over unto the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the Authority or the City for the equal and proportional benefit and security of the Holders and owners

of all Bonds at any time issued and Outstanding under this Indenture, subject, however, to the provisions hereinabove set forth with respect to extended Bonds;

(ii) To add to the covenants and agreements of the Authority in this Indenture contained other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Authority or to or upon any successor;

(iii) To evidence the succession or successive successions of any other department, agency, body or corporation to the Authority and the assumption by such successor of the covenants, agreements and obligations of the Authority in the Bonds hereby secured and in this Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee or paying agent hereunder;

(iv) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indentures which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture or any supplemental indenture as the Authority may deem necessary or desirable and which shall not be inconsistent with the provisions of this Indenture or any supplemental indenture and which shall not impair the security of the same;

(v) To modify, eliminate and/or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar Federal statute hereafter enacted, and to add to this Indenture such other provisions as may be expressly permitted by said Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939; and

Section 11.02 Execution of Supplemental Indenture. The Trustee is authorized to join with the Authority in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and accept the conveyance, transfer and assignment of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental indenture which affects its rights, duties or immunities under this Indenture.

Section 11.03 Discretion of Trustee. In each and every case provided for in this Article (other than a supplemental indenture approved by the Holders of not less than a majority in aggregate principal amount of the Bonds pursuant to Section 11.04 hereof), the Trustee shall be entitled to exercise its unrestricted discretion in determining whether or not any proposed supplemental indenture or any term or provisions therein contained is necessary or desirable, having in view the needs of the Authority and the respective rights and interests of the Holders of Bonds theretofore issued hereunder; and the Trustee shall be under no responsibility or liability to the Authority or to the City or to any Holder of any Bond, or to anyone whatever, for any act or thing which it may do or decline to do in good faith subject to the provisions of this Article, in the exercise of such discretion.

Section 11.04 Modification of Indenture with Consent of Bondholders. Subject to the terms and provisions contained in this Section, the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding with respect to the Installment Sale Agreement shall have the right, from time to time, to consent to and approve the execution by the Authority and the Trustee of such indenture or indentures supplemental hereto relating to the Installment Sale Agreement as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture relating to the Installment Sale Agreement; provided, however, that, notwithstanding any other provision of this Indenture, nothing herein contained shall permit or be construed as permitting, without the consent of the Holders of all Outstanding Bonds affected thereby, (a) an extension of the maturity of any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of revenues ranking prior to or on a parity with the lien or pledge created by this Indenture, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required to consent to supplemental indentures or amendments to the Installment Sale Agreement, or (f) a reduction in the aggregate principal amount of the Bonds required to waive an Event of Default.

Whenever the Authority shall deliver to the Trustee a resolution of Bondholders of Bonds relating to the Installment Sale Agreement adopted at a Bondholders' meeting approved by, or an instrument or instruments purporting to be executed by, the Holders of not less than a majority in aggregate principal amount of such Bonds then Outstanding, which resolution or instrument or instruments shall refer to the proposed supplemental indenture and shall specifically consent to and approve the execution thereof, thereupon, the Authority and the Trustee may execute such supplemental indenture without liability or responsibility to any Holder of any Bond relating to the Installment Sale Agreement, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding relating to the Installment Sale Agreement at the time of the execution of such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond relating to the Installment Sale Agreement shall have any right to object to the execution of such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

Section 11.05 Supplemental Indentures to be Part of Indenture. Any supplemental indenture executed in accordance with any of the provisions of this Article shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provisions authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments. If deemed necessary or desirable by the Trustee, reference to any such supplemental indenture or any of such terms or conditions thereof may be set forth in reasonable and customary manner in the text of the Bonds or in a legend stamped on the Bonds.

Section 11.06 Rights of City Unaffected. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article XI which adversely affects the rights of the City under the Installment Sale Agreement, so long as the Installment Sale Agreement is in effect, shall not become effective unless and until the City consents to the execution and delivery of such supplemental indenture. The Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture to the execution and delivery of which the City has not already consented, together with a copy of the proposed supplemental indenture, to be mailed to the City at least 30 days prior to the proposed date of execution and delivery of any such supplemental indenture.

Section 11.07 Rights of Authority. The Authority has no duty or obligation to consent to any supplemental indenture or other instrument amending the terms hereof and may, at the expense of the City, request and receive an opinion of such counsel as the Authority may select in connection with any matter relating to a proposed amendment to this Indenture.

Section 11.08 Opinion of Counsel. The Trustee shall receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it who may be counsel for the Authority, as conclusive evidence that any such proposed supplemental indenture complies with the provisions of this Indenture, and that it is proper for the Trustee, under the provisions of this Article, to join in the execution of such supplemental indenture.

Section 11.09 Notice to Rating Agencies. The Authority will send by certified mail, or overnight delivery service, to any rating agency then maintaining a rating on the Bonds, a copy of any proposed supplemental indenture not less than 20 Business Days prior to its proposed execution or adoption.

ARTICLE XII
AMENDMENTS TO THE INSTALLMENT SALE AGREEMENT

Section 12.01 Amendments to the Installment Sale Agreement Not Requiring Consent of Bondholders. The Authority, the City and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Installment Sale Agreement as may be required (i) by the provisions of the Installment Sale Agreement and this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission, or (iii) in connection with any other change therein which is not to the prejudice of the Trustee or the Holders of the Bonds.

Section 12.02 Amendments to Installment Sale Agreement Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided in Section 12.01 hereof, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of the Installment Sale Agreement without the written approval or consent of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating thereto given and procured as in this Section provided; provided, however, that no such amendment, change or modification shall ever affect the obligation of the City to make Installment Payments as they become due and payable. If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding hereunder with respect to the Installment Sale Agreement at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Holder of any such Bond shall have any right to object to any of the terms and provisions contained therein, or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Authority or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 12.03 Rights of Authority. The Authority has no duty or obligation to consent to any proposed amendment to the Installment Sale Agreement and may, at the expense of the City, request and receive an opinion of such counsel as the Authority may select in connection with any matter relating to a proposed amendment to the Installment Sale Agreement.

Section 12.04 Notice to Rating Agencies. The Authority will send by certified mail, or overnight delivery service, to any rating agency then maintaining a rating on the Bonds, a copy of any proposed amendment to the Installment Sale Agreement not less than 20 Business Days prior to its proposed execution or adoption.

ARTICLE XIII
MISCELLANEOUS

Section 13.01 Rights in Authority are Held Solely for Benefit of Bondholders. All rights, title and interest created in the Authority pursuant to the Installment Sale Agreement are held by the Authority solely for the benefit of the Owners of the Bonds issued pursuant to this Indenture, and no rights, title or interest is created in the Authority in its individual capacity or for its own account or benefit for any reason whatsoever. All such rights, title and interest have been irrevocably and absolutely assigned and conveyed in their entirety to the Trustee for the benefit of the Owners of the Bonds issued pursuant to this Indenture.

Section 13.02 Covenants of Authority Bind Successors and Assigns. All the covenants, stipulations, promises and agreements in this Indenture contained, by or in behalf of the Authority, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 13.03 Immunity of Officers. No recourse for the payment of any part of the principal of or interest on any Bond or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds shall be had against any officer, member or agent of the Board of Commissioners of the Authority, the Authority, the City or the State of Minnesota, as such, all such liability being hereby expressly released and waived as a condition of and as a part of the consideration for the execution of this Indenture and the issuance of the Bonds.

Section 13.04 No Benefits to Outside Parties. Nothing in this Indenture, express or implied, is intended or shall be construed to confer upon or to give to any person or corporation, other than the City, the parties hereto and the Holders of the Bonds issued hereunder, any right, remedy or claim under or by reason of this Indenture or covenant, condition or stipulation thereof; and the covenants, stipulations and agreements in this Indenture contained are and shall be for sole and exclusive benefit of the City, the parties hereto, their successors, and the Holders of the Bonds.

Section 13.05 Separability of Indenture Provisions. In case any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture, but this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 13.06 Execution of Indenture in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Section 13.07 Headings Not Controlling. The headings of the several Articles and Sections hereof are inserted for the convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 13.08 Notices etc., to Trustee, Authority and City. Any request, demand, authorization, direction, notice, consent of Bondholders or other document provided or permitted by this Indenture shall be sufficient for any purpose under this Indenture or the Installment Sale Agreement, when mailed certified mail, return receipt requested, postage prepaid (except as otherwise provided in this Indenture) (with a copy to the other parties) at the following addresses (or such other address as may be provided by any party by notice) and shall be deemed to be effective upon receipt:

To the Trustee:	U.S. Bank National Association 60 Livingston Avenue St. Paul, Minnesota 55107 Attn: Corporate Trust Services
To the Authority:	Economic Development Authority of the City of Chaska, Minnesota One City Hall Plaza Chaska, Minnesota 55318 Attn: Executive Director
To the City:	City of Chaska One City Hall Plaza Chaska, Minnesota 55318 Attn: City Administrator

IN WITNESS WHEREOF, the Economic Development Authority of the City of Chaska, Minnesota, by its Board of Commissioners, has caused this Indenture to be signed in its name by its President and Executive Director, and U.S. Bank National Association, as Trustee, to evidence its acceptance of the trust hereby created, has caused this Indenture to be signed in its name by an authorized officer of the Trustee, all as of the day and year first above written.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

By ____
Its President

Attest

By ________________________________
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

This instrument was acknowledged before me on _________________, 2020, by Mark Windschitl and Matt Podhradsky, the President and Executive Director, respectively, of the Economic Development Authority of the City of Chaska, Minnesota, a Minnesota political subdivision, on behalf of the political subdivision.

____
Notary Public

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By ____

Its____

STATE OF MINNESOTA)
) ss.
COUNTY OF ___________)

This instrument was acknowledged before me on _____________________, 2020, by _____________________________, the ______________________ of U.S. Bank National Association, a national banking association, on behalf of such association.

____
Notary Public

EXHIBIT A

FORM OF SERIES 2020B BOND

No. R-___ $___________

UNITED STATES OF AMERICA
STATE OF MINNESOTA
CARVER COUNTY

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020B

Rate	Maturity	Date of Original Issue	CUSIP
%	December 1, 20__	[July, 8, 2020]	_____ _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

The ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA, a public body corporate and politic of the State of Minnesota (the "Authority"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, solely from the sources hereinafter identified, the principal amount set forth above on the maturity date specified above, and to pay to the registered owner hereof, interest on such principal amount, from such sources, at the interest rate specified above, 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, as specified below, on [June 1 and December 1] of each year, commencing [December 1, 20__], until said principal amount is paid. Interest shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12), thirty (30) day months and shall be payable 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 month preceding such Interest Payment Date at such person's address set forth on the registration books maintained by the Trustee hereinafter designated. The interest hereon, and upon presentation and surrender at the principal office of the agent of the Trustee described below, the principal hereof, is payable in lawful money of the United States of America by check or draft drawn on U.S. Bank National Association, as trustee designated under the Trust Indenture referred to below (the "Trustee"). Any such interest not punctually paid or provided for will cease to be payable to the registered owner as of a regular record date and such defaulted interest may be paid to the person in whose name this Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest established by the Trustee pursuant to the Indenture.

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 Trustee 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 Authority.

This Bond is issued under Minnesota Statutes, Chapter 475 and Sections 469.033, 469.034, 469.012, subdivision 1(h), and 471.64, as amended, and in conformity with the provisions, restrictions and limitations thereof. This Bond and interest hereon are special limited obligations of the Authority payable solely from the moneys received under the Installment Sale Agreement (as hereinafter defined), and amounts held by the Trustee in the Bond Fund established pursuant to the Indenture (as hereinafter defined) (the "Bond Fund") appropriated to the payment of the Bonds of this series under the Indenture (as hereinafter defined), including Installment Payments to be made by the City of Chaska, Minnesota (the "City"), under the Installment Sale Agreement and the proceeds of any sale of the property. This Bond does not constitute an indebtedness of the Authority, the City, the State of Minnesota (the "State") or any other political subdivision within the meaning of any state constitutional provision or statutory limitation, nor does this Bond give rise to a charge against the general credit or properties or taxing powers of the Authority, the City, the State or other political subdivision and does not grant to the registered owner of this Bond any right to have the Authority, the City, the State or other political subdivision levy any taxes or appropriate any funds for the payment of the principal hereof or interest hereon, nor is this Bond a general obligation of the Authority, the City, the State or other political subdivision or the individual officers or agents thereof.

This Bond is one of a duly authorized series of revenue bonds in an aggregate principal amount of $[PAR] (the "Bonds"), all of which have been authorized by law to be issued and have been issued or are to be issued for the purpose of financing the acquisition of certain real property from the City, which property is to be sold back to the City by the Authority pursuant to an Installment Sale Agreement, dated as of [July 1], 2020, between the Authority and the City, relating to the Bonds (the "Installment Sale Agreement"). The City is authorized under the Installment Sale Agreement to dispose of certain property after it acquires the property pursuant to the Installment Sale Agreement, provided the proceeds of such sale are deposited in the Bond Fund and applied to payment of the Bonds. The Bonds are not secured by any real property. The Bonds of this series are issued pursuant to authorizing resolutions of the Authority and the City duly adopted [May 4, 2020], and ratifying resolutions of the City and Authority adopted [June 15, 2020] (together, the "Bond Resolution"), and a Trust Indenture, dated as of [July 1], 2020 (the "Indenture"), duly executed and delivered by the Authority to the Trustee, as trustee. The Bonds of this series are equally and ratably secured by the Installment Sale Agreement, the Indenture and the Bond Resolution, to which Installment Purchase Agreement, Indenture and Bond Resolution and amendments thereof reference is hereby made for a description and limitation of the revenues pledged to secure the payment of the Bonds, the nature and extent of the security thereby created, the rights of the registered owners of the Bonds, the rights, duties and immunities of the Trustee, and the rights, immunities and obligations of the Authority thereunder. Certified copies of the Bond Resolution and executed counterparts of the Indenture and Installment Sale Agreement are on file at the principal corporate trust office of the Trustee.

The Bonds maturing in [2029] and later years are subject to redemption at the option of the Authority, on December 1, 20[28] and on any Business Day thereafter, in whole or in part in integral multiples of $5,000, and if in part in such order of maturity dates as the Authority may determine and by lot or other manner deemed fair as to Bonds maturing on the same date, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date.

The Bonds maturing in the years 20[__] and 20[__] are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date, on December 1 in the years and amounts set forth in the Indenture.

All prepayments shall be at a price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date. Notice of any redemption shall be published if, and to the extent then required by law, and shall also be given to the registered owner of each Bond to be redeemed by first-class mail, addressed to such owner at the owner's registered address, not earlier than ninety (90) days nor later than thirty (30) days prior to the date fixed for redemption. On or prior to the date fixed for redemption, funds are required to be deposited with the Trustee sufficient to pay the Bonds called and accrued interest thereon. Upon the happening of the above conditions, Bonds thus called shall not bear interest after the redemption date and, except for the purpose of payment from the funds so deposited, shall no longer be protected by the Indenture.

This Bond is transferable, as provided in the Indenture, only upon books of the Authority kept at the principal office of the agent of the Trustee by the registered owner hereof in person or by the owner's duly authorized attorney, upon surrender of this Bond for transfer at the principal corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the registered owner hereof or the owner's duly authorized attorney, and, upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, one or more fully registered Bonds of this series of the same principal amount and interest rate will be issued to the designated transferee or transferees.

The Bonds are issuable only as fully registered bonds without coupons in denominations of $5,000 or any integral multiple thereof of single maturities. As provided in the Indenture and subject to certain limitations therein set forth, the Bonds are exchangeable for a like aggregate principal amount of Bonds of a different authorized denomination, as requested by the registered owner or the owner's duly authorized attorney upon surrender thereof to the Trustee at its principal corporate trust office.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the series of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by law.

This Bond shall not be valid nor become obligatory for any purpose under the Indenture until it shall have been authenticated by the execution of the certificate hereon endorsed by the manual signature of an authorized representative of the Trustee.

IN WITNESS WHEREOF, the Economic Development Authority of the City of Chaska, Minnesota, by its Board of Commissioners, has caused this Bond to be executed in its name by the facsimile signatures of its President and Executive Director.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

____
President

____
Executive Director

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned Indenture.

Date: _______________

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By ______________________________
Authorized Representative

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to the applicable laws or regulations:

TEN COM --	as tenants in common	UTMA ________ as Custodian for_________ (Cust) (Minor)
TEN ENT --	as tenants by the entireties	Under Uniform Transfers to Minors Act
		____________________________ (State)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	

Other abbreviations may also be used.

____

ASSIGNMENT

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

____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_________________

____

Please Insert Social Security Number
or Other Identifying Number of Assignee:

____

Notice: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration, enlargement or and change whatever.

____

SIGNATURE GUARANTEED:

____

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Trustee, which requirements include membership or Participation in STAMP or such other "signature guaranty program" as may be determined by the Trustee in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT B

DESCRIPTION OF LAND

The Cottrell Parcel

[__________]

EXHIBIT C

COSTS OF ISSUANCE EXPENSES

Series 2020B

Financial Advisor	
Bond Counsel	
Trustee	
Rating Agency (Standard & Poor's)	
POS/Official Statement	
Miscellaneous	
Total Issuance Expenses	

CERTIFICATION OF MINUTES RELATING TO
CITY OF CHASKA ECONOMIC DEVELOPMENT AUTHORITY
TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020B

Municipality: Economic Development Authority of the City of Chaska, Minnesota

Governing Body: Board of Commissioners

Kind, date, time and place of meeting: A regular meeting held on May 4, 2020, at 7:00 p.m., by virtual means (Zoom platform), as permitted by law. In accordance with the requirements of Minn. Stat. Section 13D.021, Mayor Mark Windschitl has determined that in-person meetings are not practical or prudent because of a health pandemic or an emergency declared under Chapter 12 of the Minnesota Statutes.

Commissioners Present:

Commissioners Absent:

Documents Attached:

Minutes of said meeting (including):

EDA RESOLUTION NO. 2020-05

RESOLUTION RELATING TO FINANCING THE PURCHASE OF CITY LAND; AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT FOR THE SALE OF THE LAND BACK TO THE CITY, AND THE ISSUANCE OF AUTHORITY'S TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020B; AND APPROVING AND AUTHORIZING THE EXECUTION OF DOCUMENTATION RELATING THERETO

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the Bonds 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 Bonds; 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 given as required by law.

WITNESS my hand officially as such recording officer on _____________, 2020.

____
Secretary

Commissioner ________introduced the following resolution and moved its adoption, which motion was seconded by Commissioner ______:

EDA RESOLUTION NO. 2020-05

RESOLUTION RELATING TO FINANCING THE PURCHASE OF CITY LAND; AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT FOR THE SALE OF THE LAND BACK TO THE CITY AND THE ISSUANCE OF AUTHORITY'S TAXABLE FULL-TERM INSTALLMENT PURCHASE REVENUE BONDS, SERIES 2020B; AND APPROVING AND AUTHORIZING THE EXECUTION OF DOCUMENTATION RELATING THERETO

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Authority, as follows:

SECTION 1. Authority; Purpose. The Authority has Housing and Redevelopment Authority powers under Minnesota Statutes, Section 469.091, subdivision 1. Acting pursuant to Minnesota Statutes, Sections 469.012, subdivision 1(h) and 471.64, the Authority has the power to acquire real property. The same provisions of law authorize the Authority to finance the purchase of the real property and sell the real property back to the City. Pursuant to Minnesota Statutes, Sections 469.033 and 469.034, and Chapter 475, the Authority has the power to issue revenue bonds to provide the funds necessary to finance the purchase of real property. Pursuant to the foregoing authority, the Authority proposes to issue its Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020B (the "Bonds") to finance the purchase of certain real property owned by the City known as the Cottrell parcel (hereafter, the "Land").

SECTION 2. Sale of Bonds. The Authority has retained Baker Tilly Municipal Advisors, LLC, independent municipal advisor ("Baker Tilly"), to assist the Authority in connection with the sale of the Bonds. In consultation with Baker Tilly, the President and the Executive Director of the Authority, or each of their authorized designees, are hereby authorized to approve the sale of the Bonds by any legal means, and to execute a contract on the part of the Authority for the sale of the Bonds to the purchaser thereof in an amount not to exceed $1,700,000, provided the true interest costs proposed for any Bonds does not exceed 4.25% per annum.

SECTION 3. Ratification of Sale. Upon approval of the sale of the Bonds by the President and the Executive Director, the Board will take action at a subsequent meeting to adopt the necessary approving award resolution as prepared by Dorsey & Whitney LLP.

SECTION 4. Terms of the Bonds. The Bonds shall be designated "Taxable Full-Term Installment Purchase Revenue Bonds, Series 2020B." The terms of the Bonds, including without limitation, the date of original issue, interest payment dates, maturity dates and principal amounts, interest rates, redemption provisions, and provisions for registration and exchange shall be set forth in an Indenture of Trust (the "Indenture") between the Authority and U.S. Bank National Association ("U.S. Bank"), as trustee (the "Trustee"). The Authority approves and selects U.S. Bank as Trustee.

Bonds issued under this resolution and the Indenture will be secured solely by (i) installment payments to be made by the City pursuant to an Installment Sale Agreement (the "Installment Sale Agreement") between the City and the Authority and (ii) funds held by the Trustee under the Indenture; and said Bonds and the interest on said Bonds shall be payable solely from the revenue pledged therefor under the Indenture, and no such Bonds shall constitute nor give rise to a pecuniary liability of the Authority or a charge against its general credit or taxing powers and shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the Authority, other than the revenues pledged to the payment of the Bonds under the Indenture.

SECTION 5. Official Statement. In the event the President and the Executive Director of the Authority, or each of their authorized designees, after consulting with Baker Tilly, decide to sell the Bonds publicly, whether by negotiated or competitive sale (as opposed to a direct placement of the Bonds with a single purchaser), Baker Tilly is hereby authorized and directed to prepare and distribute, on behalf of the Authority, a Preliminary Official Statement relating to the Bonds and a final Official Statement (together with the Preliminary Official Statement, the "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 adopted by the Securities and Exchange Commission under the Securities Act of 1934. Within seven business days from the date the Bonds are sold, the Authority shall deliver to the purchaser sufficient copies of the Official Statement. The officers of the Authority are hereby authorized and directed to review such Official Statement and to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency thereof, the execution of which shall constitute full approval of such.

SECTION 6. Expiration of Authority. If the Executive Director and President, or each of their authorized designees, have not approved the sale of the Bonds to a purchaser and executed the related purchase agreement by December 1, 2020, this resolution and all approvals hereunder shall expire.

Upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the Resolution was declared duly passed and adopted