

**Sauk Valley Community College**  
**March 28, 2022**

**Action Item 4.3**

**Topic:**                   **RESOLUTION authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, and for the issue of not to exceed \$4,600,000 General Obligation Debt Certificates (Limited Tax), of said Community College District evidencing the rights to payment under said Agreement, providing for the security for and means of payment under said Agreement of said Certificates, and authorizing the sale of said Certificates to the purchaser thereof.**

**College Health:**       **Metric 3, Financial Stability – The College uses its revenue conservatively. The College pursues and utilizes alternative revenue streams.**

**Presented By:**       **Dr. David Hellmich and Kent Sorenson**

**Presentation:**

The College issues debt certificates from time to time to renovate, repair, and equip campus facilities and functions and complete site improvements.

**Recommendation:**

The administration recommends the Board approve the RESOLUTION authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, and for the issue of not to exceed \$4,600,000 General Obligation Debt Certificates (Limited Tax), of said Community College District evidencing the rights to payment under said Agreement, providing for the security for and means of payment under said Agreement of said Certificates, and authorizing the sale of said Certificates to the purchaser thereof.

RESOLUTION authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, and for the issue of not to exceed \$4,600,000 General Obligation Debt Certificates (Limited Tax), of said Community College District evidencing the rights to payment under said Agreement, providing for the security for and means of payment under said Agreement of said Certificates, and authorizing the sale of said Certificates to the purchaser thereof.

\* \* \*

WHEREAS, Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois (the "*District*"), is a community college district of the State of Illinois operating under and pursuant to the Public Community College Act of the State of Illinois, as amended (the "*Public Community College Act*"), the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"), and in particular, the provisions of Section 17(b) of the Debt Reform Act (the "*Installment Purchase Provisions*"); and

WHEREAS, the Board of Trustees of the District (the "*Board*") has considered the needs of the District and, in so doing, the Board has deemed and does now deem it advisable, necessary, and for the best interests of the District to renovate, repair and equip campus facilities and functions and complete site improvements of the District (the "*Project*"), all as shown on preliminary plans and cost estimates on file with and approved by the Board; and

WHEREAS, the Board has determined the total cost of the Project and expenses incidental thereto, including financial, legal, architectural, and engineering services related to such work (the "*Related Expenses*") and to the Agreement hereinafter provided for in this Resolution to be not less than \$4,600,000, plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, sufficient funds of the District are not available to pay the costs of the Project, and it will, therefore, be necessary to borrow money in the amount of not to exceed \$4,600,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions, the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements; and

WHEREAS, the Board finds that it is desirable and in the best interests of the District to avail of the provisions of the Installment Purchase Provisions to authorize an Installment Purchase Agreement (the "*Agreement*"); name as counter-party to the Agreement the Treasurer of the Board (the "*Treasurer*"), as nominee-seller; authorize the Chair (the "*Chair*") and Secretary (the "*Secretary*") of the Board to execute and attest, respectively, the Agreement on behalf of the District and to file same with the Secretary in his or her capacity as keeper of the records and files of the District; and issue certificates evidencing the indebtedness incurred under the Agreement in the amount of not to exceed \$4,600,000:

NOW THEREFORE Be It and It Is Hereby Resolved by the Board of Trustees of Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, as follows:

*Section 1. Incorporation of Preambles.* The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

*Section 2. Authorization.* It is necessary and advisable for the residents of the District to pay the costs of the Project, including all Related Expenses, and to borrow money and, in evidence thereof and for the purpose of financing same, enter into the Agreement and, further, to provide for the issuance and delivery of certificates evidencing the indebtedness incurred under the Agreement.

*Section 3. Agreement is a General Obligation; Annual Budget.* The District hereby represents, warrants, and agrees that the obligation to make the payments due under the Agreement shall be a general obligation of the District payable from any funds of the District lawfully available for such purpose. The District represents and warrants that the total amount due under the Agreement, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees to budget funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement.

*Section 4. Execution and Filing of the Agreement.* From and after the effective date of this Resolution, the Chair and Secretary be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form set forth in Section 5 of this Resolution, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the original of the Agreement shall be filed with the Secretary and retained in the District records and shall constitute authority for the issuance of the Certificates hereinafter authorized.

*Section 5. Form of Agreement.* The Agreement shall be in substantially the form as follows:

INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois.

\* \* \*

THIS INSTALLMENT PURCHASE AGREEMENT (this “*Agreement*”) dated as of \_\_\_\_\_, 2022, by and between the Treasurer of the Board of Trustees (the “*Board*”) of the District (as hereinafter defined), as Nominee-Seller (the “*Seller*”), and Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, a community college district of the State of Illinois (the “*District*”):

**WITNESSETH**

A. The Board has determined to renovate, repair and equip campus facilities and functions and complete site improvements of the District (the “*Project*”), all as previously approved by the Board and on file with the Secretary of the Board (the “*Secretary*”).

B. Pursuant to the provisions of the Public Community College Act of the State of Illinois (the “*Public Community College Act*”), the Local Government Debt Reform Act of the State of Illinois (the “*Debt Reform Act*”), and, in particular, the provisions of Section 17(b) of the Debt Reform Act (the “*Installment Purchase Provisions*”), in each case, as supplemented and amended (collectively “*Applicable Law*”), the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements.

C. On the 28th day of March, 2022, the Board, pursuant to Applicable Law and the need to provide for the Project, adopted a resolution (the “*Resolution*”) authorizing the borrowing of money for the Project, the execution and delivery of this Agreement to finance same, and the issuance of certificates evidencing the indebtedness so incurred.

D. The Resolution is

- (a) incorporated herein by reference; and
- (b) made a part hereof as if set out at this place in full;

and each of the terms as defined in the Resolution is also incorporated by reference for use in this Agreement.

E. The Seller, as nominee as expressly permitted by the Installment Purchase Provisions, has agreed to make, construct and acquire the Project on the terms as hereinafter provided.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, it is mutually agreed between the Seller and the District as follows:

1. MAKE AND ACQUIRE PROJECT

The Seller agrees to make, construct, and acquire the Project upon real estate owned or to be owned by or upon which valid easements have been obtained in favor of the District.

2. CONVEYANCE

The District conveys to the Seller any portion of the Project heretofore acquired by the District and to be paid from proceeds of the Certificates (as defined in the Resolution). The Seller agrees to convey each part of the Project to the District and to perform all necessary work and convey all necessary equipment; and the District agrees to purchase the Project from the Seller and pay for the Project the purchase price of \$\_\_\_\_\_ ; plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the

Certificates and in no event shall the total aggregate principal purchase price to be paid pursuant to this Agreement exceed the sum of \$ \_\_\_\_\_, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificates.

### 3. PAYMENTS

The payment of the entire sum of \$ \_\_\_\_\_ of said purchase price shall:

- (a) be payable in installments due on the dates and in the amounts;
- (b) bear interest at the rates percent per annum which interest shall also be payable on the dates and in the amounts;
- (c) be payable at the place or places of payment, in the medium of payment, and upon such other terms, including prepayment (redemption);

all as provided for payment of the Certificates in the Resolution.

### 4. ASSIGNMENT

Rights to payment of the Seller as provided in this Agreement are assigned as a matter of law under the Installment Purchase Provisions to the owners of the Certificates. This Agreement and any right, title, or interest herein, shall not be further assignable. The Certificates, evidencing the indebtedness incurred hereby, are assignable (registrable) as provided in the Resolution.

### 5. TAX COVENANTS

The covenants relating to the tax-exempt status of the Certificates, as set forth in the Resolution, insofar as may be applicable, apply to the work to be performed and the payments made under this Agreement.

### 6. TITLE

(a) *Vesting of Title.* Title in and to any part of the Project, upon delivery or as made, during all stages of the making or acquisition thereof, shall and does vest immediately in the District.

(b) *Damage, Destruction, and Condemnation.* If, during the term of this Agreement, (i) all or any part of the Project shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, all or any part of the Project shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority; or (iii) a material defect in construction of all or any part of the Project shall become apparent; or (iv) title to or the use of all or any part of the Project shall be lost by reason of a defect in title; then the District shall continue to make payments as promised herein and in the Certificates and to take such action as it shall deem necessary or appropriate to repair and replace the Project.

#### 7. LAWFUL CORPORATE OBLIGATION

The District hereby represents, warrants, and agrees that the obligation to make the payments due hereunder shall be a lawful direct general obligation of the District payable from the general funds of the District and such other sources of payment as are otherwise lawfully available. The District represents and warrants that the total amount due the Seller hereunder, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees to budget funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of this Agreement.

#### 8. GENERAL COVENANT AND RECITAL

It is hereby certified and recited by the Seller and the District, respectively, that as to each, respectively, for itself, all conditions, acts, and things required by law to exist or to be done precedent to and in the execution of this Agreement did exist, have happened, been done and performed in regular and due form and time as required by law.



**9. NO SEPARATE TAX**

**THE SELLER AND THE DISTRICT RECOGNIZE THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.**

**10. DEFAULT**

In the event of a default in payment hereunder by the District, the Seller or any Certificateholder may pursue any available remedy by suit at law or equity to enforce the payment of all amounts due or to become due under this Agreement, including, without limitation, an action for specific performance.

IN WITNESS WHEREOF the Seller has caused this Installment Purchase Agreement to be executed, and his or her signature to be attested by the Secretary of the Board, and the District has caused this Installment Purchase Agreement to be executed by the Chair of its Board, and also attested by the Secretary of its Board, all as of the day and year first above written.

SELLER:      Signature: \_\_\_\_\_

Name: Kent Sorenson  
as Nominee-Seller and the Treasurer of the  
Board of Trustees

ATTEST:

\_\_\_\_\_  
Secretary, Board of Trustees

COMMUNITY COLLEGE DISTRICT NO. 506,  
COUNTIES OF WHITESIDE, LEE, CARROLL,  
OGLE, BUREAU AND HENRY AND STATE OF  
ILLINOIS

\_\_\_\_\_  
Chair, Board of Trustees

ATTEST:

\_\_\_\_\_  
Secretary, Board of Trustees

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF WHITESIDE    )

**CERTIFICATE OF INSTALLMENT PURCHASE AGREEMENT FILING**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Trustees (the “Board”) of Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois (the “District”), and as such officer I do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2022, there was filed in my office a properly certified copy of that certain document, executed by the Chair of the Board, attested by me in my capacity as Secretary of the Board, and further executed, as Nominee-Seller, by the Treasurer of the Board, also attested by me, dated as of \_\_\_\_\_, 2022, and entitled “INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois”; and supporting the issuance of certain General Obligation Debt Certificates (Limited Tax), Series 2022, of the District; that attached hereto is a true and complete copy of said Agreement as so filed; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF I hereunto affix my official signature, this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Secretary, Board of Trustees

*Section 6. Certificate Details.* For the purpose of providing for the Project, there shall be issued and sold certificates of the District, in one or more series, in the principal amount of not to exceed \$4,600,000, and such certificates, if issued, shall be designated “General Obligation Debt Certificates (Limited Tax), Series 2022” (the “*Certificates*”) with such additional series designations and descriptions as may be necessary to describe the Certificates, as set forth in the Certificate Notification (as hereinafter defined). The Certificates shall be dated the date of the issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$100,000 each and multiples of \$5,000 in excess thereof (but no single Certificate shall represent installments of principal maturing on more than one date) or such other denominations as set forth in the Certificate Notification, and shall be numbered 1 and upward. The Certificates shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter set forth) on December 1 of each of the years (not later than 2032), in the amounts (not exceeding \$1,000,000 per year) and bearing interest at the interest rates per annum (not exceeding 5.00%) as set forth in the Certificate Notification. The Certificates shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Certificates is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Certificate Notification, and on June 1 and December 1 of each year thereafter to maturity.

Interest on each Certificate shall be paid by check or draft of the Treasurer, the Purchaser (as hereinafter defined) or a bank or trust company authorized to do business in the State of Illinois (as set forth in the Certificate Notification), as certificate registrar and paying agent (the “*Certificate Registrar*”), payable upon presentation in lawful money of the United States of America, to the person in whose name such Certificate is registered at the close of business on the

15th day of the month next preceding the interest payment date. The principal of the Certificates shall be payable in lawful money of the United States of America at the principal corporate trust office or the principal office (the "*Principal Office*") of the Certificate Registrar.

The Certificates shall be signed by the manual or facsimile signatures of the Chair and Secretary, and shall be registered, numbered and countersigned by the manual or facsimile signature of the Treasurer, as they shall determine, and in case any officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Certificates shall have thereon a certificate of authentication substantially in the form hereinafter set forth, duly executed by the Certificate Registrar as authenticating agent of the District and showing the date of authentication. No Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Certificate Registrar by manual signature, and such certificate of authentication upon any such Certificate shall be conclusive evidence that such Certificate has been authenticated and delivered under this Resolution. The certificate of authentication on any Certificate shall be deemed to have been executed by the Certificate Registrar if signed by an authorized officer of the Certificate Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Certificates issued hereunder.

*Section 7. Registration of Certificates; Persons Treated as Owners. (a). General.* The District shall cause books (the "*Certificate Register*") for the registration and for the transfer of the Certificates as provided in this Resolution to be kept at the Principal Office of the Certificate Registrar, which is hereby constituted and appointed the registrar of the District. The District is

authorized to prepare, and the Certificate Registrar shall keep custody of, multiple Certificate blanks executed by the District for use in the transfer and exchange of Certificates.

Upon surrender for transfer of any Certificate at the Principal Office of the Certificate Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Certificate Registrar and duly executed by the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Certificate Registrar shall authenticate, date, and deliver in the name of the transferee or transferees a new fully registered Certificate or Certificates of the same series and maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Certificate or Certificates may be exchanged at said office of the Certificate Registrar for a like aggregate principal amount of Certificate or Certificates of the same series and maturity of other authorized denominations. The execution by the District of any fully registered Certificate shall constitute full and due authorization of such Certificate and the Certificate Registrar shall thereby be authorized to authenticate, date, and deliver such Certificate; *provided, however*, the principal amount of outstanding Certificates of each series and maturity authenticated by the Certificate Registrar shall not exceed the authorized principal amount of Certificates for such series and maturity less previous retirements.

The Certificate Registrar shall not be required to transfer or exchange any Certificate during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Certificate and ending at the opening of business on such interest payment date, nor to transfer or exchange any Certificate after notice calling such Certificate for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Certificates.

The person in whose name any Certificate shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any

Certificate shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Certificates, but the District or the Certificate Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates except in the case of the issuance of a Certificate or Certificates for the unredeemed portion of a Certificate surrendered for redemption.

(b) *Global Book-Entry System.* The Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the series and maturities of the Certificates determined as described in Section 6 hereof. If requested by the Purchaser, upon initial issuance, the ownership of each such Certificate may be registered in the Certificate Register in the name of Cede & Co., or any successor thereto (“*Cede*”), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns (“*DTC*”). In such event, all of the outstanding Certificates shall be registered in the Certificate Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Chair and Secretary and the President, Vice President of Business Services and any other business official of the District and the Certificate Registrar are each authorized to execute and deliver, on behalf of the District, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Certificates by wire transfer.

With respect to Certificates registered in the Certificate Register in the name of Cede, as nominee of DTC, the District and the Certificate Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Certificates from time to time as securities depository (each such broker-dealer, bank or other

financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the District and the Certificate Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Certificate as shown in the Certificate Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Certificate as shown in the Certificate Register, of any amount with respect to the principal of or interest on the Certificates. The District and the Certificate Registrar may treat and consider the person in whose name each Certificate is registered in the Certificate Register as the holder and absolute owner of such Certificate for the purpose of payment of principal and interest with respect to such Certificate, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, and for all other purposes whatsoever. The Certificate Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the respective registered owners of the Certificates, as shown in the Certificate Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District’s obligations with respect to payment of the principal of and interest on the Certificates to the extent of the sum or sums so paid. No person other than a registered owner of a Certificate as shown in the Certificate Register, shall receive a Certificate evidencing the obligation of the District to make payments of principal and interest with respect to any Certificate. Upon delivery by DTC to the Certificate Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 6 hereof with



respect to the payment of interest to the registered owners of Certificates at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name “Cede” in this Resolution shall refer to such new nominee of DTC.

In the event that (i) the District determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Certificate Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the District determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the District shall notify DTC and DTC Participants of the availability through DTC of certificated Certificates and the Certificates shall no longer be restricted to being registered in the Certificate Register in the name of Cede, as nominee of DTC. At that time, the District may determine that the Certificates shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the District, or such depository’s agent or designee, and if the District does not select such alternate universal book-entry system, then the Certificates may be registered in whatever name or names registered owners of Certificates transferring or exchanging Certificates shall designate, in accordance with the provisions of Section 7(a) hereof.

Notwithstanding any other provisions of this Resolution to the contrary, so long as any Certificate is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the name provided in the Representation Letter.

*Section 8. Redemption. (a) Optional Redemption.* All or a portion of the Certificates, if any, due on and after the date, if any, specified in the Certificate Notification shall be subject to redemption prior to maturity at the option of the District from any available funds, as a whole or

in part, and if in part in integral multiples of \$5,000, in any order of their maturity as determined by the District (less than all of the Certificates of a single maturity to be selected by the Certificate Registrar), on the date specified in the Certificate Notification (not later than 90 days after the dated date of the Certificates), if any, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Certificates maturing on the date or dates, if any, indicated in the Certificate Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Certificate Registrar, at a redemption price of par plus accrued interest to the redemption date for such Certificates, on the dates, if any, and in the principal amounts, if any, as indicated in such Certificate Notification.

The principal amounts of Certificates to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Certificates credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Certificate Registrar may, and if directed by the Board shall, purchase Certificates required to be retired on such mandatory redemption date. Any such Certificates so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Certificates shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof subject to the limitations set forth in this section. The District shall, at least twenty (20) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Certificate Registrar) notify the Certificate Registrar of such redemption date and of the principal amount and maturity or maturities of Certificates to be redeemed. For purposes of any redemption of less than all of the outstanding Certificates of a single maturity, the particular

Certificates or portions of Certificates to be redeemed shall be selected by lot by the Certificate Registrar from the Certificates of such maturity by such method of lottery as the Certificate Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Certificates or portions thereof so that any \$5,000 Certificate or \$5,000 portion of a Certificate shall be as likely to be called for redemption as any other such \$5,000 Certificate or \$5,000 portion. The Certificate Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Certificates to be redeemed or the time of the giving of official notice of redemption.

The Certificate Registrar shall promptly notify the District in writing of the Certificates or portions of Certificates selected for redemption and, in the case of any Certificate selected for partial redemption, the principal amount thereof to be redeemed.

*Section 9. Redemption Procedure.* Unless waived by any holder of Certificates to be redeemed, notice of the call for any such redemption shall be given by the Certificate Registrar on behalf of the District by mailing the redemption notice by first class mail at least twenty (20) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate Register or at such other address as is furnished in writing by such registered owner to the Certificate Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Certificates are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Certificates to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Certificate or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) the place where such Certificates are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Office of the Certificate Registrar, and

(6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Certificates to be redeemed at the option of the District shall have been received by the Certificate Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption shall be conditional upon the receipt of such moneys by the Certificate Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the District shall not redeem such Certificates, and the Certificate Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Certificates will not be redeemed. Otherwise, prior to any redemption date, the District shall deposit with the Certificate Registrar an amount of money sufficient to pay the redemption price of all the Certificates or portions of Certificates which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Certificates or portions of Certificates so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Certificates or portions of Certificates shall cease to bear interest. Upon surrender of such Certificates for redemption in accordance with said notice, such Certificates shall be paid by the Certificate Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Certificate, there shall be prepared for the registered holder a new Certificate or Certificates of the same series and maturity in the amount of the unpaid principal.

If any Certificate or portion of Certificate called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Certificate or portion of Certificate so called for redemption. All Certificates which have been redeemed shall be cancelled and destroyed by the Certificate Registrar and shall not be reissued.

*Section 10. Form of Certificate.* The Certificates shall be in substantially the following form; *provided, however,* that if the text of the Certificate is to be printed in its entirety on the front side of the Certificate, then paragraph [2] and the legend “See Reverse Side for Additional Provisions”, shall be omitted and paragraphs [6] through [11] shall be inserted immediately after paragraph [1]:

[FORM OF CERTIFICATE - FRONT SIDE]

REGISTERED  
NO. \_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTIES OF WHITESIDE, LEE, CARROLL, OGLE, BUREAU AND HENRY

COMMUNITY COLLEGE DISTRICT NO. 506

GENERAL OBLIGATION DEBT CERTIFICATE (LIMITED TAX), SERIES 2022

See Reverse Side for  
Additional Provisions

Interest                      Maturity                      Dated  
Rate: \_\_\_\_%              Date: December 1, 20\_\_      Date: \_\_\_\_\_, 2022      [CUSIP: \_\_\_\_\_]

Registered Owner:

Principal Amount:

[1]      KNOW ALL PERSONS BY THESE PRESENTS, that Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois (the “District”), hereby acknowledges itself to owe and for value received promises to pay from the source and as hereinafter provided to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Certificate or from the most recent interest payment date to which interest has been paid on June 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_, until said Principal Amount is paid. Principal of this Certificate is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal [corporate trust] office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as certificate registrar and paying agent (the “Certificate Registrar”). Payment of the installments of interest

shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Certificate Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Certificate Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Certificate Registrar.

[2] Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Certificate did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of certificates of which this is one, does not exceed any limitation imposed by law; that the obligation to make payments due hereon is a general obligation of the District payable from any funds of the District legally available for such purpose, and that the District shall budget funds annually and in a timely manner so as to provide for the making of all payments hereon when due. THE OWNER OF THIS CERTIFICATE ACKNOWLEDGES THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

[4] This Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Certificate Registrar.

[5] IN WITNESS WHEREOF said Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, by its Board of Trustees, has caused this Certificate to be signed by the manual or duly authorized facsimile signatures of the Chair and Secretary of said Board of Trustees, and to be registered, numbered and countersigned by the manual or duly authorized facsimile signature of the Treasurer of said Board of Trustees, all as of the Dated Date identified above.

SPECIMEN

\_\_\_\_\_  
Chair, Board of Trustees

SPECIMEN

\_\_\_\_\_  
Secretary, Board of Trustees

Registered, Numbered and Countersigned:

SPECIMEN

\_\_\_\_\_  
Treasurer, Board of Trustees

Date of Authentication: \_\_\_\_\_, 2022

CERTIFICATE  
OF  
AUTHENTICATION

Certificate Registrar and Paying Agent:

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

This Certificate is one of the Certificates described in the within-mentioned resolution and is one of the General Obligation Debt Certificates (Limited Tax), Series 2022, of Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois.



\_\_\_\_\_,  
as Certificate Registrar

By \_\_\_\_\_  
SPECIMEN  
Authorized Officer

[FORM OF CERTIFICATE - REVERSE SIDE]

**COMMUNITY COLLEGE DISTRICT NO. 506**

**COUNTIES OF WHITESIDE, LEE, CARROLL, OGLE, BUREAU AND HENRY AND STATE OF ILLINOIS**

**GENERAL OBLIGATION DEBT CERTIFICATE (LIMITED TAX), SERIES 2022**

[6] This Certificate is one of a series of certificates issued by the District to renovate, repair and equip campus facilities and functions and complete site improvements of the District, in full compliance with the provisions of the Public Community College Act of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Trustees of the District by a resolution duly and properly adopted for that purpose, in all respects as provided by law. The Certificates issued by the District in connection with the Project have been issued in evidence of the indebtedness incurred pursuant to a certain Installment Purchase Agreement (the "*Agreement*"), dated as of \_\_\_\_\_, 2022, entered into by and between the District and the Treasurer of the Board, as Seller-Nominee, to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents.

[7] [Optional and Mandatory Redemption provisions, as applicable, will be inserted here].

[8] Notice of any such redemption shall be sent by first class mail not less than twenty (20) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Certificate to be redeemed at the address shown on the registration books of the District maintained by the Certificate Registrar or at such other address as is furnished in writing by such registered owner to the Certificate Registrar. When so called for redemption, this Certificate will cease to bear interest on the specified redemption date, provided funds for

redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[9] This Certificate is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the principal [corporate trust] office of the Certificate Registrar in \_\_\_\_\_, \_\_\_\_\_, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing resolution, and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[10] The Certificates are issued in fully registered form in the denomination of \$100,000 each and authorized integral multiples of \$5,000 in excess thereof. This Certificate may be exchanged at the principal [corporate trust] office of the Certificate Registrar for a like aggregate principal amount of Certificates of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Certificate Registrar shall not be required to transfer or exchange any Certificate during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Certificate and ending at the opening of business on such interest payment date, nor to transfer or exchange any Certificate after notice calling such Certificate for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Certificates.

[11] The District and the Certificate Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the District nor the Certificate Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee)

the within Certificate and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_  
attorney to transfer the said Certificate on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Certificate in every particular, without alteration or enlargement or any change whatever.

*Section 11. Sale of Certificates.* The Chair or Vice Chair of the Board, together with the President or Vice President of Business Services of the District (collectively, the “*Designated Representatives*”), are hereby authorized to proceed on or before September 28, 2022, without any further authorization or direction from the Board, to sell the Certificates upon the terms as prescribed in this Resolution. The Certificates hereby authorized shall be executed as in this Resolution provided as soon after the delivery of the Certificate Notification, and thereupon be deposited with the Treasurer, and, after authentication thereof by the Certificate Registrar, be delivered by the Treasurer to the purchaser or purchasers thereof (the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 99.00% of the principal amount of the Certificates (exclusive of original issue discount, if any), plus accrued interest to date of delivery, if any.

Each Purchaser of the Certificates shall be: (a) pursuant to a competitive sale conducted by PMA Securities, LLC, Naperville, Illinois (“*PMA*”), the best bidder for the Certificates; (b) in

a negotiated underwriting, a bank or financial institution listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of *The Bond Buyer's Municipal Marketplace*; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Debt Reform Act or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that the Purchaser as set forth in either (b) or (c) shall be selected only upon the recommendation of PMA that the sale of the Certificates on a negotiated or private placement basis to such Purchaser is in the best interest of the District because of (i) the pricing of such Certificates by such Purchaser, (ii) then current market conditions or (iii) the timing of the sale of such Certificates; and further *provided*, that a Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with PMA if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the District.

Prior to the sale of the Certificates, the Chair, the Treasurer, the President, the Vice President of Business Services of the District or any other business official of the District is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Certificates, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Certificates treating the fee paid as interest on the Certificates) is less than the present value of the interest reasonably expected to be saved on the Certificates over the term of the Certificates as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Certificates, the Designated Representatives shall prepare a Notification of Sale of the Certificates, which shall include the pertinent details of sale as provided herein (the “*Certificate Notification*”). In the Certificate Notification for the Certificates, the

Designated Representatives shall find and determine that the Certificates have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Certificates does not exceed the maximum rate otherwise authorized by applicable law. The Certificate Notification shall be entered into the records of the District and made available to the Board at the next regular meeting thereof; but such action shall be for information purposes only, and the Board shall have no right or authority at such time to approve or reject such sale as evidenced in the Certificate Notification.

Upon the sale of the Certificates, as evidenced by the execution and delivery of the Certificate Notification by the Designated Representatives, the Chair, the Treasurer, the President of the District, the Vice President of Business Services of the District and any other officer of the District, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Certificates as may be necessary, including, without limitation, the contract for the sale of the Certificates between the District and the Purchaser or Purchasers (which may be evidenced by an executed bid form or term sheet) (each a "*Purchase Contract*"). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find that the Purchase Contract is in the best interests of the District and that no person holding any office of the District, either by election or appointment, is in any manner interested, directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the Purchase Contract; the surety bond executed by the Treasurer of the Board in connection with the issuance of the Certificates as required by Section 3-19 of the Public Community College Act is hereby approved and shall be filed with the County Clerks of the Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry, Illinois; and the Certificates before being issued shall be registered, numbered and countersigned by the Treasurer, such registration being made in a book provided for that purpose, in which shall be entered the record of the

resolution authorizing the Board to borrow said money and a description of the Certificates issued, including the number, date, to whom issued, amount, rate of interest and when due.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Certificates (the “*Official Statement*”) and the use by the District of the Term Sheet relating to the Certificates, substantially in the form now before the Board (the “*Term Sheet*”) is hereby ratified, approved and authorized; the execution and delivery of the Official Statement and the Term Sheet is hereby authorized; and the officers of the Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Resolution, said Preliminary Official Statement, the Official Statement, the Term Sheet and the Certificates.

*Section 12. Use of Certificate Proceeds.* Accrued interest received on the delivery of the Certificates is hereby appropriated for the purpose of paying first interest due on the Certificates and is hereby ordered deposited into the “General Obligation Debt Certificate (Limited Tax) Fund of 2022” (the “*Certificate Fund*”), which shall be the fund for the payment of the principal of and interest on the Certificates. Funds lawfully available for the purpose of paying the principal of and interest on the Certificates shall be deposited into the Certificate Fund and used solely and only for such purpose.

The principal proceeds of the Certificates and any premium received on the delivery of the Certificates are hereby appropriated to pay the costs of issuance of the Certificates and for the purpose of paying the cost of the Project, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the “Project Fund of 2022” (the “*Project Fund*”), hereby created. It is hereby found and determined and hereby declared and set forth that the Board (i) has not entered into an agreement of any kind with any entity, party or person (including, but not limited to, the Purchaser) to not expend the proceeds of the Certificates deposited into the Project

Fund for any period of time and (ii) is not required by any contract, decree, instrument, order, regulation or ruling, to not expend the proceeds of the Certificates deposited into the Project Fund for any period of time. Moneys in the Project Fund shall be used to pay costs of the Project in accordance with the following procedures:

1. Contracts (“*Work Contracts*”) have been or shall be awarded, from time to time, by the Board for the work on the Project; and the Board represent and covenant that each Work Contract has been or will be let in strict accordance with the applicable laws of the State of Illinois, and the rules and procedures of the District for same.

2. Pursuant to this Resolution or subsequent resolution or resolutions to be duly adopted, the Board shall identify all or a designated portion of each Work Contract to the Agreement. The Work Contracts attached hereto as *Exhibit 1* are hereby identified to the Agreement. This Resolution, any such further resolution and said Work Contracts shall be filed of record with the Secretary and the Treasurer. The adoption and filing of any such resolution or resolutions and the Work Contracts with such officers shall constitute authority for the Treasurer to make disbursements from the Project Fund to pay amounts due under such Work Contracts from time to time, upon such further resolutions, orders, vouchers, warrants, or other proceedings as are required under the applicable laws of the State of Illinois, and the rules and procedures of the District for same. No action need be taken by or with respect to the contractors under the Work Contracts as, pursuant to the Installment Purchase Provisions, the Treasurer acts as Nominee-Seller of the Project for all purposes, enabling the issuance of the Certificates.

Alternatively to the creation of the funds described above, the appropriate officers may allocate the funds to be deposited into the Certificate Fund or proceeds of the Certificates to one or more related funds of the District already in existence and in accordance with good accounting



practice; *provided, however*, that this shall not relieve such officers of the duty to account and invest such funds and the proceeds of the Certificates, as herein provided, as if the funds described above had in fact been created. At the time of the issuance of the Certificates, the costs of issuance of the Certificates may be paid by the Purchaser on behalf of the District from the proceeds of the Certificates.

*Section 13. Non-Arbitrage and Tax-Exemption.* The District hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Certificates) if taking, permitting or omitting to take such action would cause any of the Certificates to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “*Code*”), or would otherwise cause the interest on the Certificates to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service (the “*IRS*”) of the exemption from federal income taxation for interest paid on the Certificates, under present rules, the District may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The District also agrees and covenants with the purchasers and holders of the Certificates from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Certificates and affects the tax-exempt status of the Certificates.

The Board hereby authorizes the officials of the District responsible for issuing the Certificates, the same being the Chair, Secretary and Treasurer, to make such further covenants and certifications regarding the specific use of the proceeds of the Certificates as approved by the

Board and as may be necessary to assure that the use thereof will not cause the Certificates to be arbitrage bonds and to assure that the interest on the Certificates will be exempt from federal income taxation. In connection therewith, the District and the Board further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Certificates and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Certificates; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, advisors, attorneys and other persons to assist the District in such compliance.

*Section 14. Designation of Issue.* The District hereby designates each of the Certificates as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code.

*Section 15. Registered Form.* The District agrees that it will not take any action to permit the Certificates to be issued in, or converted into, bearer or coupon form.

*Section 16. List of Certificateholders.* The Certificate Registrar shall maintain a list of the names and addresses of the holders of all Certificates and upon any transfer shall add the name and address of the new Certificateholder and eliminate the name and address of the transferor Certificateholder.

*Section 17. Duties of Certificate Registrar.* If requested by the Certificate Registrar, the Chair and Secretary are authorized to execute the Certificate Registrar’s standard form of agreement between the District and the Certificate Registrar with respect to the obligations and duties of the Certificate Registrar hereunder which may include the following:

- (a) to act as certificate registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Certificateholders as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential;

(c) to give notice of redemption of Certificates as provided herein;

(d) to cancel and/or destroy Certificates which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(e) to furnish the District at least annually a certificate with respect to Certificates cancelled and/or destroyed; and

(f) to furnish the District at least annually an audit confirmation of Certificates paid, Certificates outstanding and payments made with respect to interest on the Certificates.

*Section 18. Continuing Disclosure Undertaking.* The Chair is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "*Continuing Disclosure Undertaking*"). When the Continuing Disclosure Undertaking is executed and delivered on behalf of the District as herein provided, the Continuing Disclosure Undertaking will be binding on the District and the officers, employees and agents of the District, and the officers, employees and agents of the District are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedy for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Certificate to seek mandamus or specific performance by court order to cause the District to comply with its obligations under the Continuing Disclosure Undertaking.

*Section 19. Municipal Bond Insurance.* In the event the payment of principal and interest on the Certificates is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the District and the Certificate Registrar

agree to comply with such usual and reasonable provisions regarding presentment and payment of the Certificates, subrogation of the rights of the Certificateholders to the Bond Insurer upon payment of the Certificates by the Bond Insurer, amendment hereof, or other terms, as approved by the Chair of the Board on advice of counsel, his or her approval to constitute full and complete acceptance by the District of such terms and provisions under authority of this Section.

*Section 20. Record-Keeping Policy and Post-Issuance Compliance Matters.* On August 25, 2014, the Board adopted a record-keeping policy (the “*Policy*”), in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the District, the interest on which is excludable from “gross income” for federal income tax purposes (including the Certificates) or which enable the District or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit Certificates and other specified tax credit bonds. The Board and the District hereby reaffirm the Policy as amended.

*Section 21. Severability.* If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

*Section 22. Repeal.* All resolutions or parts thereof in conflict herewith be and the same are hereby repealed, and this Resolution shall be in full force and effect forthwith upon its adoption.

Adopted March 28, 2022.

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Chair, Board of Trustees

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Secretary, Board of Trustees

**EXHIBIT 1**

**WORK CONTRACTS**