

DICKINSON PUBLIC SCHOOL DISTRICT NO. 1
STARK AND DUNN COUNTIES, NORTH DAKOTA

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
\$9,995,000
GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2014**

**ARTICLE I
RECITALS**

Dickinson Public School District No. 1, of Stark and Dunn Counties, North Dakota (the "**District**"), a political subdivision of the State of North Dakota duly formed and organized under the provisions of Title 15.1, Education, of the North Dakota Century Code (the "**NDCC**"), by this Resolution Authorizing the Issuance and Sale of \$9,995,000 General Obligation School Building Bonds, Series 2014 (the "**Resolution**") authorizes the issuance of its General Obligation School Building Bonds, Series 2014 (the "**Bonds**") in the aggregate principal amount of \$9,995,000 for the purpose of constructing, remodeling, improving and equipping school buildings; to include construction of a new middle school, and to pay costs incidental to such work and bond issuance (the "**Project**"), all as detailed herein.

The District hereby makes the following recitals regarding the Bonds:

Section 1.01. Initial Resolution, Amount, and Purpose. On July 14, 2014, the governing body of the District adopted an Initial Resolution (the "**Initial Resolution**") for the purpose of instituting proceedings for the issuance of up to \$65,000,000 in general obligation bonds under the authority of NDCC Chapter 21-03.

Section 1.02. Initial Resolution Adoption and Filing. Upon adoption of the Initial Resolution by at least a majority vote of the District's governing body, the governing body ordered the Initial Resolution be filed in the office of the District's Assistant Superintendent.

Section 1.03. Resolution Calling Election. After adoption of the Initial Resolution, the governing body of the District by resolution dated July 14, 2014, provided for submission to the qualified electors of the District the question of whether the Initial Resolution should be approved and the District issue the Bonds to finance construction of the Project and set the date for the special election as October 7, 2014, which was not less than twenty (20) days after the passage of the Initial Resolution.

Section 1.04. Election Results and Authority to Issue Bonds. The governing body of the District caused Notice of Election to be published on August 6 and August 13, 2014 in *The Dickinson Press* and on August 8 and August 15, 2014 in the *Dunn County Herald*, according to law. At the October 7, 2014 special election, 1,716 votes were cast approving the adoption of the Initial Resolution by the District and issuance of the Bonds for construction of the Project and 620 votes

were cast against adoption. The adoption of the Initial Resolution and approval of the issuance of the Bonds for construction of the Project was approved by more than the sixty percent (60%) majority of the qualified voters voting upon the question as required by law (73.46%) thereby approving the issuance of the Bonds by the District.

Section 1.05. Issuance of Bonds will Not Exceed Constitutional Debt Limit. The issuance of the Bonds will not exceed any statutory or constitutional limit on indebtedness of the District.

Section 1.06. Project Purpose and Authority. Authorized the issuance of bonds, pursuant to the Initial Resolution, to be issued for the purpose of providing funds for the cost of the Project, which is a valid and authorized purpose for which the District may incur general obligation indebtedness pursuant to the terms and provisions of NDCC Section 21-03-06(4).

Section 1.07. Estimated Cost of Project. The cost of the Project is estimated at not less than \$65,000,000.

Section 1.08. Statutory and Procedural Compliance. The District has performed all statutorily required procedures preliminary to the issuance of the Bonds and asserts that as a condition of issuance all required acts, conditions and things prerequisite to the issue of the Bonds have been performed and do exist and have been performed by the governing body which is legally constituted and empowered to bind the District.

Section 1.09. Contract Letting. The District has let or will let contracts for any construction and equipment acquisition according to law.

NOW, THEREFORE, be it resolved by the governing body of the District as follows:

ARTICLE II CONDITIONS AND AGREEMENTS

Section 2.01. Appropriation. All monies required to be deposited in any funds and accounts established by this Resolution are hereby dedicated and appropriated to the payment of outstanding obligations properly chargeable against such funds and accounts when due and payable without further authorization from the governing body of the District.

Section 2.02. Expenditure and Accounting. Expenditure of monies from any funds and accounts established pursuant to this Resolution shall be made and accounted for by the officer or officers of the District empowered to expend and required to account for the expenditure of the District's funds.

Section 2.03. Official Certifications. The District authorizes its officers and the officers of the respective counties to furnish certified copies of all proceedings had with regard to the Bonds by its governing body. The District agrees to furnish additional certifications of its officers as are necessary to establish the validity of the Bonds, the tax-exempt status of interest payable thereon, the absence of litigation materially affecting the Bonds and any other certifications or information reasonably necessary to insure marketability and compliance with the conditions of underwriting, including a continuing disclosure certificate.

Section 2.04. Arbitrage Compliance. The District covenants that (i) it will restrict the use of the proceeds of the Bonds in such manner and to such extent as may be necessary, in view of the District's reasonable expectations at the time of issuance of the Bonds, so that the Bonds will not constitute "arbitrage bonds" under Section 148 of the Internal Revenue Code, as amended (the "Code") and regulations prescribed under such Section, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 2.05. Qualified Tax-Exempt Obligations. The District hereby designates the Bonds as "qualified tax-exempt obligations" under Section 265 of the Code relating to the deduction allowed financial institutions for interest expense allocable to tax-exempt interest. The District represents that: (i) the Bonds are not private activity bonds under the private activity bond definition in the Code; (ii) the reasonably anticipated amount of qualified tax-exempt obligations (other than private activity bonds except for "qualified 501(c)(3) bonds" as defined in the Code) which will be issued during 2014 will not exceed \$10,000,000; and (iii) not more than \$10,000,000 of qualified tax-exempt obligations will be designated by the District (including any subordinate entities) for the calendar year 2014.

Section 2.06. Filing With County Auditor. After final passage of this Resolution, the District's Assistant Superintendent will record it in the records and certify a copy and file the certified copy with the respective county auditors and obtain from such officials a certificate acknowledging filing of the Resolution and the year in which the tax levy for the Bonds will be first collected.

Section 2.07. Debt Limit Certification. The Bonds will be endorsed by the manual or facsimile signature of the Assistant Superintendent certifying that the Bonds are issued in accordance with law and are within the debt limit of the District.

Section 2.08. Custodian of Funds and Accounts. The Assistant Superintendent of the District is hereby designated as the custodian of any funds and accounts established by this Resolution and is hereby authorized to take any action necessary to the levy and collection of taxes certified for collection by this Resolution.

Section 2.09. Tax Levies. A general tax direct, annual and irrevocable is hereby levied pursuant to the terms of NDCC Section 21-03-15 in sufficient amount, and in amounts of not less than nor for fewer years than shown on Attachment 1 hereto, when taken together with any other monies provided from sources committed by the District for the express purpose of paying the interest on such Bonds as it falls due, and also to pay and discharge the principal thereof at maturity.

The District shall be without power and shall continue without power to repeal such levy or levies or to obstruct a collection of any such tax until payments have been made or provided for, except that if the governing body in any year makes an irrevocable appropriation to the Sinking Fund Account of monies actually on hand, or if there is on hand in the Sinking Fund Account an excess amount, the governing body may cause its Assistant Superintendent to certify the fact and amount to

the respective County Auditor with the direction that such County Auditor should reduce by the amount so certified the amount otherwise to be included in the tax rolls next thereafter prepared.

Section 2.10. Rebate Compliance. The District covenants to pay directly to the government of the United States of America all amounts due with respect to Arbitrage rebate under section 148(f) of the Code in connection with the Bonds.

Section 2.11. Credit Enhancement Program. The District has elected to participate in the North Dakota Credit Enhancement Program. In the event the District is unable to make a full payment of the principal of and interest on the Bonds when due or payable, the District hereby authorizes the North Dakota Superintendent of Public Instruction to withhold state funds due or payable or appropriated to the District under NDCC Chapter 15.1-27, for use as provided for in NDCC Section 6-09.4-23. The Assistant Superintendent is hereby authorized to enter into an agreement with the Paying Agent regarding implementation and operation of the Credit Enhancement Program. Prior to the issuance of any additional parity bonds, the Assistant Superintendent shall certify that the state funds available to the District under NDCC Chapter 15.1-27 are at least two times the maximum annual debt service amount for all outstanding bonds and any additional parity bonds to be issued by the District under the Credit Enhancement Program.

ARTICLE III FUND AND ACCOUNTS

Section 3.01. Establishment of Fund. There is hereby established the Dickinson Public School District No. 1, General Obligation School Building Bonds, Series 2014 Fund (the "**Fund**") which shall be held separate and distinct from all other funds to be used for the purposes for which it was borrowed and for no other purpose, except temporary investment, and as otherwise permitted by law and shall be held by the Assistant Superintendent of the District on deposit with a qualified depository of public funds as provided by law.

Section 3.02. Establishment of Accounts. There are hereby established within the Fund the following accounts:

- A. Construction Account. The net proceeds (gross proceeds less the underwriter's discount) from the Bonds shall be deposited into the Construction Account, less any accrued or funded interest thereon which shall be deposited in the Sinking Fund Account, any additional monies pledged to defraying the construction cost and all administrative costs and fees incident to the construction and issuance, and any investment earnings on the Construction Account. Payable from the Construction Account shall be the costs incidental to the construction and equipping of the Project and costs incidental to the issuance of the Bonds.
- B. Sinking Fund Account. Into the Sinking Fund Account shall be deposited (i) any accrued interest and any funded interest on the Bonds when sold, (ii) any balances remaining in the Construction Account when it is determined unlikely that any additional cost properly payable from the Construction Account will arise, and (iii) all collections from the levy of the general taxes required by Section 2.09 of this

Resolution and funds from any other source so appropriated by the governing body. The District shall deposit with the Paying Agent five days prior to the date on which any payment is due on the Bonds, an amount sufficient to make that payment. Should the District anticipate it will not be able to deposit with the Paying Agent sufficient funds to make any Bond payment, it will notify the North Dakota Department of Public Instruction and Paying Agent not less than 15 days prior to any such potential default in the deposit in the manner required by the North Dakota Department of Public Instruction. In the event the District fails to deposit funds in the payment amount with the Paying Agent five days prior to any payment date, the Paying Agent agreement shall provide that the Paying Agent shall notify the Department of Public Instruction of such default and request payment of state funds in the amount necessary to make such payment.

ARTICLE IV SALE OF BONDS

Section 4.01. Sale. As directed by the District, notice of sale of the Bonds has been published in *The Dickinson Press* on November 25, 2014. The written bids received for the purchase of the Bonds have been submitted to this governing body. All written bids received for the purchase of the Bonds, excepting the bid herein stated, are hereby rejected, and the Bonds are sold to _____ (the "**Underwriter**") as the best responsible and most favorable bidder therefore, at a price of \$_____ and a true interest cost of _____%, the sale to be subject to all of the terms and conditions set forth herein, in the notice of sale of the Bonds and in the accepted bid presented to this governing body.

Section 4.02. Principal Amount. The total principal amount of the Bonds shall be **Nine Million Nine Hundred Ninety Five Thousand Dollars** (\$9,995,000).

Section 4.03. Denominations and Book Entry Registration. The Bonds shall be issued as book entry bonds as required by the Depository Trust Company ("**DTC**"), New York, New York, in the aggregate principal amount equal to the principal amount of the Bonds. The Bonds shall be registered in the name of Cede & Co., as nominee of the DTC and the Paying Agent shall treat the record owner as the absolute owner of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, references herein to the Bondholder, owner, etc. shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds. Sales by the purchaser of beneficial interest participations in the Bonds to beneficial owners will be limited to minimum denominations of five thousand dollars (\$5,000) or any integral multiple in excess thereof.

With respect to the Bonds registered in the registration books kept by the Paying Agent in the name of Cede & Co., as nominee of DTC, the District, and the Paying Agent shall have no responsibility or obligation to any Participant (as defined in the Blanket Issuer Letter of Representations entered into between the District and DTC) or to any person on behalf of which a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest

in the Bonds, (ii) the delivery to any Participant or any other person, other than a Bondholder, as shown in the registration books kept by the Paying Agent, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a Bondholder, as shown in the registration books kept by the Paying Agent, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of registering transfers with respect to such Bond. The Paying Agent shall pay all principal of, premium, if any, and the interest on the Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Paying Agent, 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 principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Bondholder, as shown in the registration books kept by the Paying Agent, shall receive a certificated Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant hereto. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede Co., and subject to the provisions herein with respect to record dates, the word "Cede & Co." shall refer to such new nominee of DTC.

The Blanket Issuer Letter of Representations has been executed by the District and has been filed with DTC. The District will secure the Paying Agent's representation that it will comply with the requirements of the DTC Operational Arrangements Memorandum dated December 12, 1994, as it may be amended from time to time.

DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and the Paying Agent. The District may terminate the services of DTC with respect to the Bonds if the District determines that: (i) DTC is unable to discharge its responsibilities with respect to the Bonds, or (ii) a continuance of the requirement that all of the outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.

Upon the termination of the services of DTC with respect to the Bonds, or upon the discontinuance or termination of the services of DTC with respect to any portion of the Bonds pursuant to this section after which no substitute bond depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the District, is willing and able to undertake such functions upon reasonable and customary terms, the District is obligated to deliver Bond certificates to the Bondholders and the Bonds shall no longer be restricted to being registered in the registration books kept by the Paying Agent in the name of Cede & Co. as nominee of DTC, but may be registered in whatever name or names the Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and give, respectively, in the manner provided in the Blanket Issuer Letter of Representations.

Section 4.04. Maturity. The Bonds shall mature serially.

Section 4.05. Numbering. The Bonds shall be numbered in consecutive numerical order from R-1 upwards as issued.

Section 4.06. Dates. The Bonds shall be dated December 30, 2014.

Section 4.07. Principal Maturities. The Bonds shall mature or be subject to mandatory redemption on August 1 in the years and in the amounts set forth in the Schedule of Maturities and Interest Rates attached as Attachment 2.

Section 4.08. Redemption. The Bonds maturing on August 1, 2023 and thereafter are subject to redemption prior to maturity on August 1, 2022 and any date thereafter at a price of par plus accrued interest to the redemption date. Not less than thirty (30) days prior to the date specified for redemption and prepayment of any of the Bonds the District will cause notice of call to be mailed to the registered holders thereof. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the holder without charge, representing the remaining principal amount outstanding.

Section 4.09. Registrar, Authenticating and Paying Agent, and Place of Payment. U.S. Bank National Association, St. Paul, Minnesota is hereby appointed the sole Paying Agent for the Bonds. The place of payment of the principal or Redemption Price of and interest on the Bonds shall be the office of the Paying Agent. Interest on the Bonds and, upon presentation and surrender thereof, the principal thereof shall be payable in lawful money of the United States of America by wire transfer to DTC by U.S. Bank National Association, St. Paul, Minnesota, as Bond Registrar, Authenticating and Paying Agent (the "**Bond Registrar**" or "**Paying Agent**"), or its successor.

Section 4.10. Preparation, Execution and Delivery. The Bonds shall be prepared under the supervision and at the direction of the Assistant Superintendent of the District, sealed with the original or a facsimile seal of the District, executed by the manual or facsimile signature of the President of the Board of Education of the District and attested to by the manual or facsimile signature of the Assistant Superintendent and delivered to the Underwriter at closing upon receipt of the purchase price plus any accrued interest. The Bonds shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Resolution until the Certificate of Authentication thereon shall have been executed by the Bond Registrar by manual signature of one of its authorized representatives. The Bonds shall be reproduced in substantially the form attached hereto as Attachment 3.

Section 4.11. Interest. The Bonds shall bear interest at the rates set forth in the Schedule of Maturities and Interest Rates attached hereto as Attachment 2. Interest shall be payable on February 1 and August 1 in each year, commencing August 1, 2015, to the person in whose name each Bond is registered at the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest on the Bonds shall cease at maturity or on a date prior thereto on which they have been duly called for redemption unless the holder thereof shall present the same for payment and payment is refused.

Section 4.12. Source of Payment/Security. The Bonds are payable as to principal and interest from the Sinking Fund Account created by this Resolution, which Sinking Fund Account

shall derive its revenues from the levy of a general obligation ad valorem tax against all the taxable property located within the boundaries of the District.

Section 4.13. Assignment. The Bonds are transferable upon the books of the District at the principal office of the Bond Registrar, by the registered owner thereof in person or by the owner's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the District will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange. No transfer of Bonds shall be required to be made during the fifteen days next preceding an interest payment date, nor during the forty-five (45) days next preceding the date fixed for redemption of Bonds.

Section 4.14. Discharge. When all of the Bonds, and the interest thereon, have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this Resolution shall cease. The District may discharge all Bonds and interest due on any date by depositing with the Paying Agent on or before that date a sum sufficient for the payment thereof in full; or if any Bond or interest thereon should not be paid when due, the same may nevertheless be discharged by depositing with the Paying Agent a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The District may also discharge all prepayable Bonds, if any, called for redemption on any date when they are prepayable according to their terms, by depositing with the Paying Agent on or before that date a sum sufficient for the payment thereof in full, provided that notice of the redemption thereof has been duly given as provided herein. The District may also discharge all Bonds at any time, by irrevocably depositing in escrow with an escrow agent, for the purpose of paying all principal and interest due on such Bonds prior to a date upon which all of the same will be prepayable according to their terms, and paying all remaining Bonds on that date, a sum of cash and securities of the same types described in NDCC Section 21-03-06(7)(c) in such aggregate amount, bearing interest at such rates and maturing or callable at the holder's option on such dates as shall be required to provide funds sufficient for this purpose; provided that notice of the redemption of all prepayable Bonds on or before such date has been duly given as required herein.

Dated December 8, 2014.

DICKINSON PUBLIC SCHOOL DISTRICT NO. 1 Attest:

President, Board of Education

Assistant Superintendent

The governing body of the District acted on the foregoing resolution at a properly noticed meeting held in Dickinson, North Dakota, on December 8, 2014, with the motion for adoption made by _____ and seconded by _____, and the roll call vote on the motion was as follows:

"Aye" _____

"Nay" _____

Absent _____

ATTACHMENT 1

\$9,995,000

DICKINSON PUBLIC SCHOOL DISTRICT NO. 1
 STARK AND DUNN COUNTIES, NORTH DAKOTA
 GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2014

TAX LEVY

| <u>Year of Levy</u> | <u>Year of Collection</u> | <u>Levy*</u> |
|---------------------|---------------------------|--------------|
| 2014 | 2015 | |
| 2015 | 2016 | |
| 2016 | 2017 | |
| 2017 | 2018 | |
| 2018 | 2019 | |
| 2019 | 2020 | |
| 2020 | 2021 | |
| 2021 | 2022 | |
| 2022 | 2023 | |
| 2023 | 2024 | |
| 2024 | 2025 | |
| 2025 | 2026 | |
| 2026 | 2027 | |
| 2027 | 2028 | |

| | | |
|------|------|--|
| 2028 | 2029 | |
| 2029 | 2030 | |
| 2030 | 2031 | |
| 2031 | 2032 | |
| 2032 | 2033 | |
| 2033 | 2034 | |

* Levy is ten percent greater than the amount of principal and interest due to accommodate the five percent discount for taxes paid prior to February 15th of each tax year and late payments.

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DICKINSON PUBLIC SCHOOL DISTRICT NO. 1
 STARK AND DUNN COUNTIES, NORTH DAKOTA

\$9,995,000

GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2014

SCHEDULE OF MATURITIES AND INTEREST RATES

\$ _____ Serial Bonds

| <u>Year*</u> | <u>Amount</u> | <u>Rate</u> | | <u>Year*</u> | <u>Amount</u> | <u>Rate</u> |
|--------------|---------------|-------------|--|--------------|---------------|-------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* August 1 of each year

\$ _____ Term Bonds

| <u>\$ _____ @ ____% Term Bond Maturing August 1, 20__</u> | |
|---|-------------------------|
| <u>Date</u> | <u>Principal Amount</u> |
| August 1, 20__ | \$ |
| August 1, 20__ | \$ |

R-1

DICKINSON PUBLIC SCHOOL DISTRICT NO. 1
 STARK AND DUNN COUNTIES, NORTH DAKOTA
 GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2014

Book Entry Term Bond

Principal Amount: _____ Dollars (\$ _____)

Registered Holder: Cede & Co.

| | | | |
|-------------------------------|--------------------------------------|-------------------------------|--------------|
| <u>Dated Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> | <u>CUSIP</u> |
| December __, 2014 | August 1, 20__ | ____% | |
| <u>Interest Payment Dates</u> | <u>Initial Interest Payment Date</u> | <u>Registrar/Paying Agent</u> | |
| February 1 and August 1 | August 1, 2015 | _____ | |

DICKINSON PUBLIC SCHOOL DISTRICT NO. 1 (the "**District**"), acknowledges itself indebted and for value received hereby promises to pay to the Registered Holder the Principal installments set forth on the reverse hereof and on the Maturity Date, unless redeemed prior thereto as provided in the Resolution at which time interest shall cease to accrue provided money for such redemption is on deposit with the Paying Agent, and to pay interest on the Principal Amount at the Interest Rate specified above from the Dated Date hereof to the Initial Interest Payment Date and on each Interest Payment Date thereafter including the Maturity Date. Such interest will be payable by wire transfer to DTC.

This book-entry bond is one of a duly authorized series of bonds of the District (the "**Bonds**") issued by the District in the aggregate principal amount of \$ _____ under and pursuant to North Dakota Century Code (the "**NDCC**") Section 21-03-06(4) and the Resolution Authorizing Issuance (the "**Resolution**") adopted by the District's Board of Education on December 8, 2014 for the purpose of financing the cost of constructing and equipping school buildings and work incidental thereto and to pay costs incidental to such work and bond issuance. Capitalized terms used herein which are not specifically defined herein shall have the same meanings given to such terms in the Resolution. A copy of the Resolution is on file in the office of the District's Assistant Superintendent in Dickinson, North Dakota.

The Bonds:

- (i) are transferable, as provided in the Resolution;
- (ii) are subject to optional redemption as provided in the Resolution;
- (iii) shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Paying Agent; and
- (iv) shall be subject to the payment of the sinking fund installments set out herein.

Notwithstanding any other provisions herein set out, so long as Cede & Co. is the registered owner hereof, the provisions of the Blanket Issuer Letter of Representations previously entered into by and between the District and DTC shall be controlling as to the matters addressed therein and all the terms and provisions therein are incorporated herein as though fully set out herein.

The Bonds are payable from the Dickinson Public School District No. 1 General Obligation School Building Bonds, Series 2014 Fund into which will be deposited tax collections from the ad valorem tax levied or to be levied for payment of the principal and interest on the Bonds. The District has also elected, for this issue of Bonds, to participate in the School District Credit Enhancement Program pursuant to Section 6-09.4-23 of the North Dakota Century Code. Interest

on this Bond shall cease at maturity or on a date prior thereto on which it has been duly called for redemption unless the registered owner shall present the same for payment and payment is refused.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions, and things required by the Constitution and laws of the State of North Dakota to be done, to happen, and to exist and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding general obligation of the District in accordance with its terms, have been done, have happened, do exist, and have been performed in regular and due form, time, and manner as so required; that, prior to the issuance hereof, a direct, annual, irrevocable, ad valorem tax has been duly levied upon all taxable property in said District for the years and in amounts sufficient to pay the interest hereon and the principal hereof as the same respectively become due, and additional taxes, if needed, may be levied upon all such property without limitation as to rate or amount; that the issuance of this Bond does not cause the indebtedness of the District to exceed any limit prescribed by Article X Section 15 of the Constitution of the State of North Dakota or NDCC Section 21-03-04; and that the full faith and credit of the District is hereby pledged to the punctual payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the District has caused the Bonds to be executed in the name of the District and on its behalf by the facsimile signature of the President of the Board of Education and the facsimile of its official seal to be imprinted hereon and attested to by the facsimile signature of the Assistant Superintendent.

DICKINSON PUBLIC SCHOOL DISTRICT NO. 1

ATTEST:

(FACSIMILE)

President
Board of Education

(FACSIMILE)

Assistant Superintendent

(S E A L)

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

as Bond Registrar

Authorized Representative

STATE OF NORTH DAKOTA)
) ss.
COUNTY OF STARK)

I hereby certify that the Bonds are recorded in my office, are issued pursuant to law, and are within the debt limit of Dickinson Public School District No. 1, Stark and Dunn Counties, North Dakota.

Witness my hand as of the __ day of _____, 2014.

(FACSIMILE)
Assistant Superintendent

SINKING FUND INSTALLMENTS
Year (August 1) Amount Year (August 1) Amount

*Final Maturity

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