



February 4, 2016

Vince Reep
Dickinson Public School District #1
444 4th St W
Dickinson ND 58601

Dear Mr. Reep:

On February 4, 2016, the Bank of North Dakota approved a loan to Dickinson Public School District #1 under the School Construction Loan Program. The loan was approved under the following terms and conditions:

1. BORROWERS NAME: Dickinson Public School District #1
2. MAXIMUM LOAN AMOUNT: \$10,000,000
3. INTEREST RATE: The borrowing interest rate to the school district will be 5.00% fixed until July 1, 2025. The yield rate to the school district will be 2.00% until July 1, 2025, via state buydown funds. After that time, the rate will be negotiated between the school district and BND.
4. REPAYMENT TERMS: The construction term may not exceed 24 months and the permanent financing term not to exceed 20 years. Monthly interest payments during construction with monthly principal and interest payments during permanent financing based on an amortization of up to 20 years.
5. SECURITY: Unlimited General Obligation Pledge of the District.
6. PURPOSE: Construction of a new middle school (Grades 6-8) in Dickinson.
7. STATE BUYDOWN FUNDS:

Total Buydown Amount (Life of Loan):	\$3,642,852.11
Total Buydown Amount (Through June 30, 2017):	\$202,847.65
8. LOAN CONDITIONS:
 - The Borrower shall provide any documents and assurances deemed necessary by BND in a form and substance in the sole and absolute discretion of BND to include an opinion of counsel confirming the ability of Dickinson Public School District #1 to borrow funds from BND.
 - BND to receive proper borrowing authorization for Dickinson Public School District #1 **prior to funding**.
 - The draw requests will be prepared by the project engineer/architect and be submitted via a draw request signed by the Superintendent and School Board President. The Dickinson Public School District #1 Board will approve each draw request. BND may require supporting documentation at its discretion.
 - Dickinson Public School District #1 shall provide a CPA audited financial statement on an annual basis.
 - The Borrower shall be responsible for all costs associated with the loan.
 - All documents to be prepared by a BND approved attorney.
 - The Borrower must provide BND with advance instructions, i.e. wiring instructions, bank routing number, account number, etc. **prior to funding**.
 - Dickinson Public School District #1 will not incur any additional debt with property taxes as a source of repayment without prior BND approval.

Acceptance of this commitment letter will be acknowledged by signing and returning the enclosed copy of this letter. The commitment expiration for the loan will be **May 4, 2016**.

If you have questions concerning this letter, please contact me at 1-800-472-2166, ext. 328-5694. Draw requests based on the draw schedule and payments can be made by calling Loan Operations at 701-328-5724. BND's cutoff for transactions is 3:00 P.M.

Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligation hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

If you have questions concerning this letter, please contact me at 1-800-472-2166, ext. 328-5694.

Sincerely,



Chad B. Johnson
Business Banker

DICKINSON PUBLIC SCHOOL DISTRICT #1

By: _____

Dated: _____

Title: _____

Documentation Checklist

BND Officer	Borrower Name	Description		Status Description	Second Date
		Description 1	Description 2		
Chad Johnson	Dickinson Public School District #1	BND Commitment Letter	Original	Need/New Loan	
		Bond Resolution		Need/New Loan	
		Loan Agreement		Need/New Loan	
		Closing Certificate		Need/New Loan	
		Purchaser's Certificate		Need/New Loan	
		Bond Counsel Opinion Certificate		Need/New Loan	
		Amortization Schedule		Need/New Loan	
		Loan Program Documents		Need/New Loan	
		Borrowing Authority	Prior to Funding	Need/New Loan	
		Requisition for Payment	As Advances are Requested	Need/New Loan	
		Annual Financial Statement	Audited	On-Going	