

First Draft  
Tuesday, March 19, 2024

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**LOAN AGREEMENT**

**between**

**CITY OF MARSHALL, MINNESOTA,  
as Issuer**

**and**

**FOUNDATION FOR INNOVATION IN EDUCATION,  
as Borrower**

**Dated as of [April/May] 1, 2024**

**Relating to:**

**[\$[Series A Par]  
City of Marshall, Minnesota  
Education Services Facility Lease Revenue Bonds  
(SWWC Service Cooperative)  
Series 2024A**

**and**

**[\$[Series B Par]  
City of Marshall, Minnesota  
Taxable Education Services Facility Lease Revenue Bonds  
(SWWC Service Cooperative)  
Series 2024B**

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With the exception of certain reserved rights, the interest of the City of Marshall, Minnesota (the “Issuer”) in this Loan Agreement has been assigned to U.S. Bank Trust Company, National Association (the “Trustee”) pursuant to the Indenture of Trust, dated as of [April/May] 1, 2024, between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the “Trustee”), and are subject to the security interest of the Trustee.

This instrument drafted by:  
Kennedy & Graven, Chartered (SEL)  
150 South Fifth Street, Suite 700  
Minneapolis, Minnesota 55402-1299



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## LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of [April/May] 1, 2024 (the “Loan Agreement”), is made and entered into between the CITY OF MARSHALL, MINNESOTA, a home rule charter city, municipal corporation and political subdivision organized under its Charter and the Constitution and laws of the State of Minnesota (the “Issuer”), and the FOUNDATION FOR INNOVATION IN EDUCATION, a Minnesota nonprofit corporation (the “Borrower”).

### RECITALS

Reference is hereby made to the Indenture of Trust, dated as of [April/May] 1, 2024 (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the “Trustee”), for the recitals and the definitions of various terms used herein.

In consideration of the premises, the respective representations and agreements contained herein, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, and in order to secure the payments to be made by the Borrower pursuant to Article IV hereof and the performance of all the covenants of the Borrower contained herein, the parties hereto agree as follows:

(The remainder of this page is intentionally left blank.)

## ARTICLE I

### DEFINITIONS AND GENERAL PROVISIONS

Section 1.1. Definitions. For all purposes of this Loan Agreement except as otherwise expressly provided or unless the context clearly otherwise requires, the terms defined in Section 1.01 of the Indenture, when used in this Loan Agreement, shall have the meanings specified in that Section.

Section 1.2. Borrower's Acts. Where the Borrower is permitted or required to do or accomplish any act or thing hereunder, the Borrower may cause the same to be done or accomplished by a third party selected by the Borrower with the same force and effect as if done or accomplished by the Borrower.

Section 1.3. Rules of Interpretation.

(1) This Loan Agreement shall be interpreted in accordance with and governed by the laws of the State.

(2) The words "herein," "hereof," and "hereunder," and words of similar import, without reference to any particular section or subdivision, refer to this Loan Agreement as a whole rather than to any particular section or subdivision of this Loan Agreement.

(3) References in this instrument to any particular article, section, subsection, subdivision, or clause hereof are to the designated article, section, subsection, subdivision, or clause of this instrument as originally executed.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP; and all computations provided for herein shall be made in accordance with GAAP consistently applied and applied on the same basis as in prior years.

(5) The Table of Contents and titles of articles and sections herein are for convenience of reference only and are not a part of this Loan Agreement, and shall not define or limit the provisions hereof.

(6) Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa and the masculine shall include the feminine and vice versa.

(7) Articles, sections, subsections, subdivisions, and clauses mentioned by number only are those so numbered which are contained in this Loan Agreement.

(8) Any opinion of counsel required hereunder shall be a written opinion of such counsel.

(9) References to the Bonds as “tax exempt” or to the “tax-exempt status of the Bonds” are to the exclusion of interest on the Bonds from gross income pursuant to Section 103(a) of the Code, irrespective of such forms of taxation as the alternative minimum tax or branch profits tax on foreign corporations.

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## ARTICLE II

### REPRESENTATIONS OF ISSUER AND BORROWER

Section 2.1. Representations of the Issuer. The Issuer makes the following representations and warranties as the basis for its covenants herein:

(1) The Issuer is a home rule charter city, municipal corporation and political subdivision organized under its Charter and the Constitution and laws of the State.

(2) There is no pending or, to the undersigned's actual knowledge, without inquiry or investigation, threatened suit, action, or proceeding against the Issuer before any court, arbitrator, administrative agency, or other governmental authority that challenges the Issuer's execution and delivery of the Bonds or the Issuer Documents.

(3) To the actual knowledge of the undersigned, without inquiry or investigation, the execution and delivery of the Issuer Documents will not constitute a breach of or default under any existing (a) provision of any special legislative act or charter provision relating to the establishment of the Issuer, or (b) agreement, indenture, mortgage, lease, or other instrument to which the Issuer is a party or by which it is bound.

(4) No proceeding of the Issuer for the issuance, execution, or delivery of the Bonds or the Issuer Documents has been repealed, rescinded, amended, or revoked.

(5) The Issuer understands that the Official Statement will be used by the Underwriter to offer and sell the Bonds. The Issuer has not participated in the preparation of or reviewed the Official Statement. The Issuer will not participate in the preparation of or the review of the Official Statement. The Issuer has made no independent investigation of the facts and statements provided in the Official Statement and assumes no liability or responsibility for any of the information contained in the Official Statement or the accuracy, completeness or sufficiency thereof.

Section 2.2. Representations, Covenants and Warranties of the Borrower. The Borrower represents, covenants, and warrants as follows:

(1) The Borrower is duly organized, in good standing and existing as a nonprofit corporation under the laws of the State, and the Borrower has full power and authority undertake its actions and responsibilities as contemplated by the Borrower Documents, including this Loan Agreement and by proper corporate action has authorized the execution and delivery of the Borrower Documents and the lease of the Project to the Cooperative for the purpose set forth in this Loan Agreement.

(2) The Borrower is an organization described in Section 501(c)(3) of the Code and is exempt from federal income tax under Section 501(a) of the Code. The Borrower is not a "private foundation" as defined in Section 509(a) of the Code. Not more than five percent (5%)

of the proceeds of the Bonds will be used, directly or indirectly, to finance or refinance property used in an unrelated trade or business of the Borrower determined by applying Section 513(a) of the Code or in the trade or business of any person other than an organization described in Section 501(c)(3) of the Code. The Borrower has not received notice from the Internal Revenue Service that its respective returns are being audited or its respective status as an organization described in Section 501(c)(3) of the Code is being investigated or challenged. The Borrower is in compliance with all requirements of such status.

(3) The Borrower has received from the Internal Revenue Service a determination letter stating that it is an exempt organization under Section 501(c)(3) of the Code and is not a “private foundation” as defined in Section 509(a) of the Code. No revenues derived from any portion of the Project do, or shall constitute, “unrelated business income” to the Borrower within the meaning of Section 513(a) of the Code, except as may be specifically permitted by Section 145(a) of the Code in amounts that would not require the interest on the Tax-Exempt Bonds to become includable in gross income for purposes of federal income taxation.

(4) The Borrower shall comply with and fulfill, or cause the Cooperative to fulfill, all other requirements and conditions of the Code, specifically Sections 103 and 141 through 150, and in the applicable Regulations and rulings issued pursuant thereto relating to the acquisition and operation of the Project financed by the Tax-Exempt Bonds such that interest on the Tax-Exempt Bonds shall at all times be excludable from gross income for federal income tax purposes.

(5) All of the property financed, refinanced, or otherwise provided by the net proceeds of the Tax-Exempt Bonds shall be owned by an Exempt Organization.

(6) Not more than two percent (2%) of the proceeds of any issue of Tax-Exempt Bonds will be applied to Issuance Costs.

(7) The Borrower has not leased, sold, assigned, granted, or conveyed and will not lease, sell, assign, grant, or convey all or any portion of the facilities financed with Tax-Exempt Bonds or any interest thereon to the United States or any agency or instrumentality thereof within the meaning of Section 149(b) of the Code.

(8) The Borrower shall not use the proceeds of the Tax-Exempt Bonds in such a manner as to cause the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and applicable Regulations; to this end, the Borrower shall comply with the provisions of the Tax Certificate.

(9) In order to qualify this Loan Agreement as a “program investment” with respect to a “governmental program” (as defined in Section 1.148-1(b) of the regulations promulgated by the United States Department of the Treasury and the Internal Revenue Service pursuant to the Code (the “Regulations”), and thereby permitting the application of the “materially higher” yield set forth in Section 1.148-2(d)(2)(iii) of the Regulations, the Borrower and any “related person” (as defined in Section 1.150-1(b) of the Regulations) shall not take any action the effect of which would be to disqualify this Loan Agreement as a “program investment,” including but not

limited to entering into any arrangement, formal or informal, under which the Borrower or the Cooperative purchases any Tax-Exempt Bonds in an amount related to the amount loaned to the Borrower under the terms of this Loan Agreement.

(10) The Borrower is duly authorized to own the Project and lease the same to the Cooperative under the laws, rulings, and regulations of the State, and the Borrower has obtained any requisite approvals of the State and other federal, regional, and local governmental bodies required to be received in connection with the ownership of the Project.

(11) The execution and delivery of the Borrower Documents, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions thereof do not and will not conflict with or result in a breach of any of the terms or conditions of the Borrower's articles of incorporation, its bylaws, any restriction or any agreement or instrument to which the Borrower is now a party or by which it is bound or to which any property of the Borrower is subject, and do not and will not constitute a default under any of the foregoing or a violation of any order, decree, statute, rule or regulation of any court or of any state or federal regulatory body having jurisdiction over the Borrower or its properties, including the Project, and do not and will not result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Borrower contrary to the terms of any instrument or agreement to which the Borrower is a party or by which it is bound.

(12) The proceeds of the Bonds, together with any other funds to be contributed to the Project by the Borrower or Cooperative or otherwise in accordance with this Loan Agreement, will be sufficient to pay the Project Costs, and the proceeds of the Bonds will be used only for the purposes contemplated hereby and allowable under the Act. The Borrower will not use any of the proceeds of the Bonds in any manner contrary to the terms of the Act or in any manner as to cause, or take or omit to take any action which would cause, the interest on the Tax-Exempt Bonds to be includable in the gross income of the Bondholders or beneficial owners thereof for purposes of federal income taxation.

(13) The Borrower intends to lease the Project to the Cooperative for operation by the Cooperative as an education services facility, including an administration, office, meeting and training center, consistent with its exempt purposes until the date on which all of the Bonds have been fully paid and are no longer Outstanding.

(14) The cost of financing the Project and paying any expenses incurred in connection therewith shall not be less than the aggregate principal amount of the Bonds.

(15) The Borrower covenants, warrants and represents to the Trustee and its respective successors and assigns, (i) that, except for uses in compliance with applicable environmental laws, it has not used or permitted and will not use or permit the Project to be used, whether directly or through contractors, agents or tenants, and to the best of the Cooperative's knowledge and except as disclosed to the Trustee in writing on or prior to the issuance of the Bonds (the "Bond Closing"), for the generating, transporting, treating, storage, manufacture, emission of, or disposal of any dangerous, toxic or hazardous pollutants, chemical wastes or substances as defined in the Federal Comprehensive Environmental Response Compensation and Liability Act

of 1980 (“CERCLA”), or the Federal Resource Conservation and Recovery Act of 1976 (“RCRA”) or the Minnesota Environmental Response and Liability Act, Minn. Stat. Chapter 115A (“MERLA”), or any other federal, state or local environmental laws, statutes, regulations, requirements and ordinances (“Hazardous Materials”); (ii) that, except as disclosed to the Trustee in writing on or prior to the Bond Closing, there have been no investigations or reports involving the Cooperative or the Project (while previously occupied by the Cooperative) by any governmental authority which in any way pertain to Hazardous Materials; (iii) that the operation of the Project by the Cooperative has not violated, is not currently violating, and will not violate any federal, state or local law, regulation, ordinance or requirement governing Hazardous Materials; (iv) that, to the best of the Cooperative’s knowledge, the Project is not listed in the United States Environmental Protection Agency’s National Priorities List of Hazardous Waste Sites nor any other list, schedule, log, inventory or record of Hazardous Materials or hazardous waste sites, whether maintained by the United States Government or by any state or local agency; and (v) that the Project does not contain any urea formaldehyde foam or asbestos, except as disclosed in a phase one environmental assessment prior to the Bond Closing. The Borrower covenants and agrees that, except for uses in compliance with applicable environmental laws, it will not use or permit the Project to be used, whether directly or through contractors, agents or tenants, for the generating, transporting, treating, storage, manufacture, emission of, or disposal of any Hazardous Materials, or in violation of any federal, state or local law, regulation, ordinance or requirement governing Hazardous Materials. The Borrower agrees to indemnify and reimburse the Trustee and its respective successors and assigns, for any loss, damage, expense, or costs resulting from a breach of these representations and warranties and from any loss, damage, expense or cost arising out of or incurred by the Issuer or the Trustee which is a result of a breach, misstatement of or misrepresentation of the above covenants, representations and warranties, together with all attorneys’ fees incurred in connection with the defense of any action against the Trustee arising out of the above. These covenants, representations and warranties are for the benefit of the Trustee and any other successor or assign of the Trustee, and shall be deemed to survive termination of this Agreement and any resignation or removal of the Trustee.

(16) No “Event of Default” or any event which, with the giving of notice or the lapse of time, or both, would constitute an “Event of Default” under the Indenture, has occurred or is continuing.

(17) There is not pending any suit, action, or proceeding against the Borrower before or by any court, arbitrator, administrative agency, or other governmental authority which materially and adversely affects the validity, as to the Borrower, of any of the transactions contemplated by this Loan Agreement, or the ability of the Borrower to perform its obligations hereunder or thereunder or as contemplated by this Loan Agreement.

(18) The proceeds of the Bonds shall be applied to the payment of capital and other costs of the Project, as required by the Act.

(19) The Borrower is not in the trade or business of selling properties such as the Bond-Financed Project and is undertaking the Bond-Financed Project for investment purposes only or otherwise for use by the Borrower in its trade or business; therefore, the Borrower has no

intention now or in the foreseeable future to voluntarily sell, surrender or otherwise transfer, in whole or part, its interest in the Bond-Financed Project.

(20) The Borrower is not in default in the payment of the principal of or interest on any indebtedness for borrowed money nor in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued.

(21) The Borrower has filed all federal and state income tax returns which, to the knowledge of the officers of the Borrower, are required to be filed and has paid all taxes shown on said returns and all assessments and governmental charges received by the Borrower to the extent that they have become due.

(22) To the knowledge of the Borrower, no public official of the Issuer has either a direct or indirect financial interest in this Loan Agreement nor will any public official either directly or indirectly benefit financially from this Loan Agreement.

(23) The Borrower has approved the terms and conditions of the Bonds and the Indenture, and the Borrower acknowledges that (i) the Borrower has received executed copies of the Issuer Documents, including the Indenture, the Borrower Documents, and the Cooperative Documents; (ii) the Borrower is familiar with the provisions and agrees to be bound to the fullest extent permitted by law to all provisions of the Indenture and the Cooperative Documents, directly or indirectly relating to the Borrower; (iii) the Borrower shall take all such actions as are required or contemplated of the Borrower under the Indenture to preserve and protect the rights of the Trustee and of the Holders thereunder; and (iv) the Borrower shall not take or effect any action which would cause a default thereunder or jeopardize such rights. The Borrower agrees that any provisions governing the rights, immunities and protections of the Trustee under the Indenture are incorporated by reference into this Loan Agreement as though fully set forth in this Loan Agreement

(24) Each document executed by the Borrower in connection with the Loan constitutes the legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms (subject, as to enforceability, to limitations resulting from bankruptcy, insolvency and other similar laws affecting creditors' rights generally).

(25) The financial statements of the Borrower [described in Section 7.3 hereof] for periods ending prior to the date hereof and delivered to the Original Purchaser are complete and correct in all material respects and fairly present the financial condition of the Borrower at the date of such statement. Since the date of the balance sheet set forth in the most recent set of such financial statements delivered by the Borrower, there have been no material adverse changes in the financial condition of the Borrower.

(26) No consent, approval, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority or any third party is required in connection with the execution and delivery of this Loan Agreement, or any of the agreements or instruments herein mentioned or related hereto to which the Borrower is a party or the carrying out or performance of any of the transactions required or contemplated hereby or thereby or, if

required, such consent, approval, order or authorization has been obtained or such registration, declaration or filing has been or will be accomplished or such notice has been or will be given.

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## ARTICLE III

### COMPLETION OF PROJECT

Section 3.1. Acquisition, Construction, and Equipping of the Project by Borrower. In connection with the acquisition, construction and equipping of the Project, the Borrower represents and covenants as follows:

(1) Acquisition, Construction, and Equipping. The Borrower will construct the Project within the boundary lines of the Project Premises legally described in the attached EXHIBIT A and will provide all other improvements, utilities, and other items required for facilities fully operable for use as an education services facility, including an administration, office, meeting and training center.

(2) Completion. The Borrower will acquire, construct, and equip the Project as promptly as practicable with all reasonable dispatch and in any event no later than August 1, 2025, except only as completion may be delayed by strikes, riots or acts of God or the public enemy, shortages of materials or supplies or any other reason beyond the reasonable control of the Borrower for which a reasonable extension of the time of completion shall be granted as determined by Bond Counsel, provided that if the Project is not completed by that date there shall be no resulting liability on the part of the Issuer and no abatement or diminution in the payments required to be made by the Borrower under Article IV hereof.

Section 3.2. Payment of Project Costs by Borrower. The Borrower agrees that it will provide any and all money required for the prompt and full payment of all sums required to complete the Project, including all of the following items which will be reimbursable from proceeds of the Bonds from and to the extent and in the manner provided in Sections 3.5 and 3.6 hereof and subject to the provisions of the Act and the Code. Project Costs shall include the following:

(1) all expenses incurred and to be incurred in connection with the acquisition, construction and equipping of the Project, including but not limited to the contract price of all labor, services, materials, supplies and equipment furnished under any contract for the construction and installation of the Project or otherwise incurred in connection therewith, including the cost of all Project Equipment and all appurtenances thereto, and of all rights-of-way for access and utility connections to and from the Project Premises, and all fees required for recording all financing statements and any title documents relating to the Indenture;

(2) the expense of preparation of the plans and specifications for the Project, including utilities, and all other facilities necessary or desirable in connection therewith, and all other architectural, engineering and supervisory services incurred and to be incurred in the planning, construction, and completion of the Project;

(3) all legal (including Bond Counsel and counsel to the Issuer, the Borrower, the Original Purchaser, and the Trustee), abstractors', financial and accounting fees and expenses,

administrative and rating agency fees (if any), printing costs and other expenses incurred and to be incurred on or before or in connection with the Completion Date with respect to (i) the authorization, sale and issuance of the Bonds; (ii) the preparation of this Loan Agreement, the Indenture, the Mortgage, the Lease Agreement, the Continuing Disclosure Undertaking, the Bond Purchase Agreement, and all other documents necessary to the Bond Closing or required by this Loan Agreement or the Indenture; (iii) the establishment of the Completion Date, including compliance with any governmental or administrative rules or regulations on or before such date; or (iv) the administrative charges imposed by the Issuer pursuant to Section 4.3 of this Loan Agreement in connection with the issuance of the Bonds;

(4) premiums on all insurance (including any title insurance) required to be taken out and maintained during the period before the Completion Date;

(5) all expenses incurred in seeking to enforce any remedy against any contractor, or any subcontractor or any supplier in respect of any default under any contract with such Person;

(6) all deed taxes, recording fees and other taxes, charges and assessments and license and registration fees of every nature whatsoever incurred and to be incurred in connection with acquisition or completion of the Project including the financing thereof;

(7) the cost of all other labor, services, materials, supplies and equipment necessary to complete the acquisition, construction, and installation of the Project, including but not limited to the Project Equipment;

(8) all fees and expenses of the Trustee and Paying Agent under the Indenture that become due on or before the Completion Date or in connection with the establishment of the Completion Date;

(9) without limitation by the foregoing, all other expenses which under accepted accounting practice constitute necessary capital expenditures for the completion of the Project or issuance of the Bonds, not including working capital or expendable supplies (all of which are nevertheless to be supplied by the Borrower from its own funds without reimbursement);

(10) interest on the Bonds during construction of the Project; and

(11) all advances, payments and expenditures made or to be made by the Issuer, the Trustee and any other person with respect to any of the foregoing expenses.

All Project Costs may be paid or reimbursed from available monies in the Construction Fund and the Cost of Issuance Fund to the extent and in the manner permitted in Sections 3.5 and 3.6 hereof. If, however, such monies are insufficient to pay in full Project Costs payable therefrom or are otherwise unavailable to pay any Project Costs, the Borrower shall nevertheless promptly pay so much of such Project Costs as may be in excess of such available monies in the Construction Fund or shall, at the request of the Trustee, forthwith pay over to the Trustee such monies as are necessary to pay such Project Costs. The Borrower shall not by reason of the payment of such excess Project Costs be entitled to any reimbursement from the Issuer in excess

of any monies available therefor in the Construction Fund or for any abatement or diminution of the Loan Repayments or Additional Charges.

Section 3.3. Authorization under the Act. In accordance with the Act, the Borrower agrees:

(1) to acquire, construct, and equip the Project and install the Project Equipment upon the Project Premises;

(2) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, with any other Persons, and in general to do all things which may be requisite or proper for acquiring, constructing, and installing the Project;

(3) pursuant to the provisions of this Loan Agreement, to pay all fees, costs and expenses incurred in the acquisition, construction, and installation of the Project from funds made available therefor in accordance with this Loan Agreement or otherwise subject to the right to contest such fees, costs and expenses; and

(4) so long as the Borrower is not in default under any of the provisions of this Loan Agreement to exercise all authority hereby conferred, which is granted and conferred irrevocably to the Completion Date and thereafter until all activities in connection with the acquisition, construction, and installation of the Project shall have been completed.

Neither the authorization granted in the Act nor any other provision of this Loan Agreement shall be construed as making the Borrower an agent or joint venture with the Issuer.

Section 3.4. Issuance of Bonds. The Issuer has contracted for the sale of the Bonds authorized by the Indenture, and the Borrower has and does approve the terms of the Indenture. Forthwith upon execution of this Loan Agreement, the Indenture, the Bond Purchase Agreement, the Indenture, the Mortgage, the Lease, the Assignment of Lease, the Continuing Disclosure Undertaking, the Tax Certificate, and all other documents required to be executed by the aforementioned documents, or as soon thereafter as practicable, the Issuer will execute the Bonds and cause them to be authenticated by the Trustee and delivered to the Original Purchaser upon payment of the purchase price of the Bonds and delivery to the Trustee of the documents enumerated in Section 2.08 of the Indenture and any other documents required by this Loan Agreement, the Bond Purchase Agreement, and the Continuing Disclosure Undertaking. Pursuant to the Indenture, proceeds from the initial sale of the Series 2024A Bonds in the amount of \$[\_\_\_\_\_] (par amount of \$[Series A Par].00, plus net original issue [premium/discount] of \$[\_\_\_\_\_] , less Underwriter's discount of \$[\_\_\_\_\_] ) and the proceeds from the initial sale of the Series 2024B Bonds in the amount of \$[\_\_\_\_\_] (par amount of \$[Series B Par].00, less Underwriter's discount of \$[\_\_\_\_\_] ) will be delivered to the Trustee who is required by the Indenture to deposit the same in the following trust funds in the following amounts:

(1) in the Bond Fund, an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024A Bonds and an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024B Bonds, for payment of capitalized interest;

(2) in the Cost of Issuance Fund, an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024A Bonds and \$[\_\_\_\_\_] from the proceeds of the Series 2024B Bonds for payment of Issuance Expenses; and

(3) in the Construction Fund, an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024A Bonds for payment of Project Costs.

If for any reason such documents are not furnished and the approving opinion of Bond Counsel in customary form cannot be obtained, then this Loan Agreement shall be terminated and be void and of no effect and the Borrower shall be obligated to pay all costs and expenses enumerated in Section 3.2 and incurred on or before the date of such termination.

Section 3.5. Disbursements from Construction Fund.

(1) Pursuant to the Indenture, the Trustee shall disburse money from the Construction Fund to or upon the order of the Borrower, in payment or reimbursement of Project Costs enumerated in Section 3.2 and certified, in writing by the Borrower Representative, provided that in no event shall less than ninety-five percent (95%) of the net proceeds of the Bonds be used to pay or reimburse prior expenditures chargeable to the capital account of the Project paid prior to December 30, 2023 (the date which is sixty (60) days prior to the adoption of a reimbursement resolution with respect to the 2022 Project by the governing body of each of the Borrower and the Cooperative on February 28, 2024), subject to the exception for preliminary expenditures and de minimis amounts under Section 1.150-2(f) of the Treasury Regulations.

(2) With respect to all Project Costs, each draw request (in the form attached as EXHIBIT B hereto) signed by the Borrower Representative shall contain the following additional information:

(A) the amount and nature of each item of Project Costs and the name and address of the payee, with the payee's statement and if reimbursement is requested, evidence of payment thereof attached;

(B) the amount of the requested draw to be disbursed from the Construction Fund;

(C) a statement that each item for which payment or reimbursement is requested is or was necessary in connection with the Project, qualifies as a Project Cost under this Loan Agreement and, if for the construction or equipping of the Project, was made or incurred in accordance with the plans and specifications for the Project and that none of such items has formed the basis for any previous payment from the Construction Fund; and

(D) a statement that there is no outstanding indebtedness known, after due inquiry, for labor, wages, materials or supplies which, if unpaid, might become the basis of a vendor's lien, or a mechanics', materialmen's, statutory or other similar lien upon the

Project or any part thereof, other than indebtedness then certified for payment or diligently being contested in good faith by the Borrower and that each contractor, subcontractor and materialman has filed with the Borrower receipts and waivers of liens for all amounts theretofore certified for payment, or any amount therein certified for reimbursement to the Borrower for payment, for work, materials and equipment furnished by him or that there is on file with the construction manager a cancelled check endorsed by the contractor, subcontractor or materialman evidencing such payment.

(3) For purposes of complying with this Section, the Trustee shall conclusively rely and shall be protected in acting or refraining from acting upon the draw request of the Borrower. The Trustee shall not be bound to make an investigation into the facts or matters stated in any draw request of the Borrower. The Trustee shall not be responsible for determining whether the funds on hand in the Construction Fund are sufficient to complete the Project. The Trustee shall not be responsible to collect lien waivers.

### Section 3.6. Establishment of Completion Date.

(1) The Completion Date shall be the date on which the Borrower shall furnish to the Trustee a certificate signed by the Borrower Representative and stating that the acquisition, construction, and equipping of the Project has been completed, and that the entire cost of the Project has been paid or are then due and payable in accordance with the draw request submitted pursuant to Section 3.5 hereto.

(2) On the Completion Date any balance remaining in the Construction Fund shall be disbursed by the Trustee to the Borrower or its order in such amount as may be necessary (and all thereof shall be disbursed if necessary) to pay, or to reimburse to the Borrower for the payment of, any part of the Project Costs which have not theretofore been paid by the Borrower or has not theretofore been reimbursed to the Borrower, as the case may be, in accordance with the provisions of Section 3.5 hereof. Any balance remaining in the Construction Fund shall be transferred by the Trustee to the Bond Fund.

Section 3.7. Enforcement of Contract. In the event of default of any contractor or subcontractor under any construction contract or in the event of a breach of warranty with respect to any materials, workmanship or performance, the Borrower will promptly proceed with commercial reasonableness and prudence, either separately or in conjunction with others, to exhaust its remedies against the contractor, subcontractor or vendor in default and against any surety on a bond securing the performance of such contract; provided, however, that the Borrower may on the advice of its counsel refrain from exhausting such remedies if determined by the Borrower not to be in its best interests and not necessary to complete construction of the Project, and the Borrower may also replace a defaulting contractor or subcontractor if the Borrower determines that it is in the best interest of the Borrower and/or the Project to do so. The Borrower shall pay any amounts recovered pursuant to any bond or by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery, other than any amounts resulting from the loss of income, into the Construction Fund if received before the Completion Date, and otherwise into the Bond Fund, provided that the Borrower may set off against such amounts or obtain reimbursement from the

Construction Fund for any payments made by the Borrower in connection with such action as an item of Project Cost as provided in Section 3.5.

Section 3.8. Disbursements from the Cost of Issuance Fund. The Issuer has, in the Indenture, authorized and directed the Trustee to make payments from the Cost of Issuance Fund for the payment of Issuance Expenses as provided in this Section. Payments shall be made from the Cost of Issuance Fund only for paying the Issuance Expenses including the costs of the title policies, legal, accounting, organization, Rating Agency fees, Trustee fees, marketing or other special services and other fees and expenses incurred or to be incurred by or on behalf of the Issuer or the Borrower in connection with the issuance of a series of Bonds. Each payment out of the Cost of Issuance Fund shall be made only upon receipt by the Trustee of invoices along with a request for payment signed by the Borrower Representative. The Trustee may conclusively rely and be protected in acting upon any written request signed by the Borrower Representative in making a disbursement hereunder and shall have no obligation to examine any accompanying invoices.

On [October/November] 1, 2024, the Trustee shall transfer proceeds of the Bonds remaining in the Cost of Issuance Fund to the Construction Fund or, in the event the Completion Date has occurred, any money remaining in the Cost of Issuance Fund shall be transferred to the Bond Fund.

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## ARTICLE IV

### THE LOAN, LOAN REPAYMENTS, ADDITIONAL CHARGES AND ADDITIONAL FINANCING

Section 4.1. The Loan. The Issuer agrees, upon the terms and conditions herein specified, to lend to the Borrower the proceeds received by the Issuer from the sale of the Bonds, excluding any accrued interest, by causing such proceeds to be deposited with the Trustee for disposition as provided herein and in the Indenture. The amount of the Loan shall be deemed to include any “discount” or any other amount by which the aggregate price at which the Issuer sells the Bonds to the Underwriter is less than the aggregate principal amount of the Bonds; and the obligation of the Issuer to make the Loan shall be deemed fully discharged upon so depositing the proceeds of the Bonds with the Trustee.

Section 4.2. Loan Repayments.

(1) Subject to the Borrower’s right of prepayment granted in Sections 8.2 and 8.4, the Borrower agrees to repay the Loan (the “Loan Repayments”) as follows:

(A) As and for repayment of the Loan, on or before [five ((5)) Business Days prior to February 1 and August 1, the Borrower shall make Loan Repayments in an amount which, together with any balance on hand in the Bond Fund and available for that purpose, will equal (i) the amount payable as interest on the Outstanding Bonds on the next succeeding Interest Payment Date; and (ii) the amount payable as principal on the Outstanding Bonds on the next succeeding Principal Payment Date.

(B) Upon the occurrence of a “Determination of Taxability” the Borrower shall make the payment described in Section 7.8 hereof.

(C) Upon the occurrence of the damage, destruction or Condemnation of the Project and the termination of this Loan Agreement, the Borrower shall make the payments described in Article VI and Sections 8.2 and 8.4 hereof.

(D) On or before the date due, the Borrower shall pay an amount required to be deposited in the Rebate Fund pursuant to Section 7.7(13) hereof.

It is understood and agreed that all payments payable under this subsection (1) by the Borrower are assigned by the Issuer to the Trustee for the benefit of the Bondholders of the Bonds. The Borrower consents to such assignment. The Issuer hereby directs the Borrower and the Borrower hereby agrees to pay to the Trustee at the Trustee’s office which is at the address shown in or pursuant to Section 13.07 of the Indenture, all payments payable by the Borrower pursuant to this subsection (1); provided, however, that amounts transferred from the Revenue Fund to the Bond Fund pursuant to Section 4.02(a) of the Indenture shall be credited against the payments required under this subsection (1).

(2) All payments of Loan Repayments shall be made directly to the Trustee at its corporate trust office, for the account of the Issuer. In the event the Borrower should fail to make any of the payments required in this Section 4.2, the item so in default shall continue as an obligation of the Borrower until the amount in default shall have been fully paid, and the Borrower agrees to pay the same with interest thereon (including to the extent permitted by law, interest on overdue installments of interest) at the rate borne by the Bonds as to which such default exists.

Section 4.3. Additional Payments.

(1) The Borrower agrees to pay the Issuer at Bond Closing the Issuer Fee, a one-time administrative fee equal to (A) 0.25% of the original principal amount of the Bonds issued up to \$10,000,000, plus (B) 0.15% of the original principal amount of the Bonds in excess of 10,000,000. The Issuer Fee is required by the Issuer for the purpose of partially compensating the Issuer for services to be performed by it prior to and during the Term of the Loan Agreement. The Issuer Fee is not pledged to payment of the Bonds and may be used by the Issuer for any proper purpose.

(2) The Borrower agrees to pay any costs incurred by the Issuer as a result of the Issuer's compliance with an audit, random or otherwise, by the Internal Revenue Service, the Minnesota Department of Revenue, the Office of the State Auditor, or any governmental entity with respect to the Bonds, the Borrower, or the Project.

Section 4.4. Additional Charges. The Borrower agrees to pay, when due, each and all of the following:

(1) to or upon the order of the Trustee, when due, all reasonable fees of the Trustee for services rendered under the Indenture and all reasonable fees and charges of the Paying Agent, registrars, legal counsel, accountants, engineers, public agencies and others incurred in the performance on request of the Trustee of services required under the Indenture for which the Trustee and such other Persons are entitled to payment or reimbursement; provided that the Borrower may, without creating a default hereunder, contest in good faith the necessity or reasonableness of any such services, fees or expenses;

(2) the reasonable fees and expenses of counsel for the Issuer;

(3) to the Trustee, the amount of all advances made pursuant to Section 5.4 hereof, with interest thereon; and

(4) any costs incurred by the Trustee or Original Purchaser in the preparation of printed bonds.

Section 4.5. Borrower's Obligations Unconditional. All Loan Repayments, Additional Payments, and Additional Charges and all other payments required of the Borrower hereunder shall be paid without notice or demand and without setoff, counterclaim, or defense for any reason and without abatement or deduction or defense (except as provided in Section 8.2 hereof).

The Borrower will not suspend or discontinue any such payments, and will perform and observe all of its other agreements in this Loan Agreement, and, except as expressly permitted in Sections 7.8 and 8.4 hereof, will not terminate this Loan Agreement for any cause, including but not limited to any acts or circumstances that may constitute failure of consideration, destruction or damage to the Project or the Borrower's business, the taking of the Project or the Borrower's business by Condemnation or otherwise, the lawful prohibition of the Borrower's use of the Project or the Borrower's business, the interference with such use by any Person, the invalidity or unenforceability or lack of due authorization or other infirmity of this Loan Agreement, the lack of right, power or authority of the Issuer to enter into this Loan Agreement, eviction by paramount title, commercial frustration of purpose, bankruptcy or insolvency of the Issuer or Trustee, change in the tax or other laws or administrative rulings or actions of the United States of America or of the State or any political subdivision thereof, or failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the Loan Repayments and other amounts payable by the Borrower hereunder shall be paid in full when due without any delay or diminution whatever.

Section 4.6. Assignment of Issuer's Rights. As security for the payment of the Bonds, the Issuer will pledge the amounts payable hereunder and assign, without recourse or liability, to the Trustee, the Issuer's rights under this Loan Agreement, including the right to receive payments hereunder (except with respect to the Issuer's Unassigned Rights) and hereby directs the Borrower to make said payments directly to the Trustee. The Borrower herewith assents to such assignment and will make payments under this Loan Agreement directly to the Trustee without defense or setoff by reason of any dispute between the Borrower and the Trustee.

Section 4.7. Borrower's Remedies. Nothing contained in this Article shall be construed to release the Issuer from the performance of any of its agreements herein or to be a waiver of any of Borrower's rights, claims or causes of action as would otherwise exist, and if the Issuer should fail to perform any such agreements, the Borrower may institute such action against the Issuer as the Borrower may deem necessary to compel such performance so long as such action shall not violate the Borrower's agreements in Section 4.5 or diminish or delay the amounts required to be paid by the Borrower pursuant to Sections 4.2, 4.3 and 4.4. The Borrower acknowledges, however, and agrees that any pecuniary obligation of the Issuer created by or arising out of this Loan Agreement shall be payable solely out of the proceeds derived from this Loan Agreement and the sale of the Bonds.

Section 4.8. Deposit of Lease Revenues to Revenue Fund. The Borrower hereby covenants and agrees that the Lease Payments due from the Cooperative under the Lease shall be paid directly to the Trustee pursuant to the requirements of this Loan Agreement and the Lease, within [\_\_\_ (\_\_\_)] Business Days of receipt, for deposit by the Trustee into the Revenue Fund. Amounts received as Lease Payments shall be transferred by the Trustee under the provisions of Article V of the Indenture from the Revenue Fund as required under the terms of the Indenture and shall be credited against the payments required under Sections 4.2(1), 4.3, and 4.4 above.

## ARTICLE V

### PROJECT COVENANTS

Section 5.1. Project Operation and Maintenance. (a) The Borrower shall pay, or pursuant to the Lease, cause the Cooperative to pay, all expenses of the operation and maintenance of the Project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to Persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the Project and payable during the Term of the Loan Agreement and further described in this Article V. The Borrower agrees that at all times during the Term of the Loan Agreement, the Borrower will, at the Borrower's own expense, maintain, preserve and keep the Project open as an education services facility, or pursuant to the Lease cause the Cooperative to maintain, preserve and keep the Facility, with the appurtenances and every part and parcel thereof, open as an education services facility and in good repair, working order and condition and that the Borrower will from time to time make or pursuant to the Lease cause the Cooperative to make all repairs, replacements and renewals deemed proper and necessary by it.

(b) The Borrower shall pay or, under the terms of the Lease, cause the Cooperative to pay during the Term of the Loan Agreement, as the same respectively become due, all taxes, assessments, and other governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or any part thereof, or any interest therein or the revenues derived therefrom or hereunder, all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project and all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Project, provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Borrower shall be obligated to pay only such installments as are required to be paid during the Term of the Loan Agreement.

Section 5.2. Sale, Lease or Other Disposition of Any Portion of the Project. The Borrower agrees that it shall not sell, lease or otherwise dispose (including, without limitation, any involuntary disposition) of any portion of the Project unless the Borrower determines that such property has been transferred in exchange for compensation in an arms-length transaction. The Borrower may sell, lease, or otherwise dispose (including, without limitation, any involuntary disposition) of any portion of the Project (either real or personal property, including cash and investments) only if (1) no default or Event of Default then exists under this Loan Agreement and (2) if the sale, lease or other disposition relates to any portion of the Bond-Financed Project, before any such lease, sale or assignment, the Borrower shall have delivered to the Trustee an opinion of Bond Counsel, addressed to the Trustee, stating in effect that such lease, sale or assignment will not cause interest on the Tax-Exempt Bonds to be included in gross income for purposes of federal income taxation.

Section 5.3. No Additional Liens.

(1) The Borrower represents and warrants that, as of the date of execution of this Loan Agreement, there exists no lien, charge or encumbrance, other than the Permitted Encumbrances and capital leases, upon the Project Premises, or Loan Repayments, prior to this Loan Agreement. Except as otherwise permitted by the provisions of this Loan Agreement or any Security Document, the Borrower will not create or suffer to be created any lien, encumbrance or charge upon the Project Premises, other than Permitted Encumbrances and capital leases, and it will satisfy or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall occur, all lawful claims and demands for labor, materials, supplies or other items which, if not satisfied, might by law become a lien upon the Project Premises; provided that liens for labor or materials arising by operation of statutory law shall not be within the purview of this Section 5.3 if, when such liens shall be perfected, the Borrower shall cause them to be promptly discharged. If any such lien shall be filed or asserted against the Project Premises, or against any installment of Loan Repayments or Additional Charges, by reason of work, labor, services, or materials supplied or claimed to have been supplied, the Borrower shall, within thirty (30) days after it receives notice of the filing thereof or the assertion thereof, cause the same to be discharged of record, or effectively prevent the enforcement or foreclosure thereof against the Project, or against any installment of Loan Repayments or Additional Charges, by contest, payment, deposit, bond, order of court or otherwise.

Section 5.4. Advances. The Borrower acknowledges and agrees that under the Indenture the Trustee may take certain action and make certain advances relating to the Project or to certain other matters as expressly provided therein, and the Borrower shall be obligated to repay all such advances on demand, with interest from the date of each such advance, at the rate and under the conditions set forth in the Indenture.

Section 5.5. Alterations to the Project and Removal of Project Equipment. The Borrower shall have the right from time to time, at its cost and expense, to remodel and make such additions, modifications, alterations, improvements and changes (collectively referred to as “alterations”) in or to the Project or to remove any equipment therefrom as the Borrower, in its discretion, may deem to be desirable for its uses and purposes, provided such alterations or removal do not impair the operation of the Project or the character of the Project as a “project” within the meaning of the Act or otherwise impair the exclusion from gross income under Section 103 of the Code of the interest on the Bonds.

Section 5.6. Insurance. (a) The Borrower shall maintain, or pursuant to the Lease cause the Cooperative to maintain, at its cost and expense, insurance as follows:

(1) *Liability Insurance.* Comprehensive liability and property damage insurance against loss and/or damage with respect to the activities to be undertaken by and on behalf of the Borrower and the Cooperative in connection with the use of the Project substantially the same as insurance carried by the Cooperative with respect to other governmental activities.

(2) *Property Insurance.* Casualty and property damage insurance with respect to the Project in an amount at least equal to the replacement value of the Project with a deductible not to exceed the deductible carried by the Cooperative with respect to other similar governmental buildings (except that during construction of the Project, builders risk insurance, full value of completed structure - all risk coverage, may be substituted for property insurance required for that portion of the Project). Such coverage must apply exclusively to the Project and must be available to repair/rebuild the Project under all circumstances after the occurrence of an insured peril. Full payment of insurance proceeds up to the required policy dollar limit in connection with damage to the Project shall, under no circumstances, be contingent on the degree of damage sustained at other facilities owned or leased by the Cooperative. The policy must explicitly waive any co-insurance penalty. The Net Proceeds of insurance required by this section will be applied to the prompt repair, restoration or replacement of the Project or to the prepayment of Lease Payments as provided in the Lease. Any Net Proceeds not needed for those purposes will be paid to the Cooperative.

(3) *Worker's Compensation Insurance.* If required by State law, the Borrower shall carry, or pursuant to the Lease cause the Cooperative to carry, Worker's Compensation Insurance covering all employees on, in, near or about the Project, and upon request, the Borrower shall furnish to the Issuer certificates evidencing such coverage throughout the Term of the Loan Agreement.

(b) All insurance required in this Section shall be taken out and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State and rated A by Best or in the two highest categories of S&P's and Moody's and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least thirty days before the cancellation or revision becomes effective. All insurance policies or riders required by this Section 5.6 shall be so written or endorsed as to make losses payable to the Trustee, the Company, and the Charter School as their respective interests may appear. During the period of completion of the Project, the requirement that the Trustee be named as an insured party under the liability insurance may be satisfied by having the Trustee named as additional insureds under the liability insurance policy carried by the general contractor for the Project. The Borrower shall annually deposit, or pursuant to the Lease cause the Cooperative to annually deposit, with the Trustee a certificate of the Borrower or the Cooperative stating that the insurance carried for the Project is in full force and effect and complies with Section 5.6 of the Loan Agreement and Article VI of the Lease. Before the expiration of any such policy (or rider), the Borrower shall furnish or cause the Cooperative to furnish to the Trustee evidence that the policy has been renewed or replaced by another policy conforming to the provisions of this Section 5.6 and Article VI of the Lease.

Section 5.7. Damage or Destruction. The Borrower agrees to notify the Trustee immediately in the case of damage exceeding \$[100,000] in amount to, or destruction of, the Project or any portion thereof resulting from fire or other casualty. In the event that any such damage or destruction does not exceed \$[100,000], the Borrower shall forthwith repair, reconstruct and restore the Project to substantially the same or an improved condition or value as

existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Borrower will apply the Net Proceeds of any insurance relating to such damage received by the Borrower to the payment or reimbursement of the costs thereof. Net Proceeds of any insurance relating to such damage shall be paid directly to the Borrower.

In the event the Project or any portion thereof is destroyed by fire or other casualty and the damage or destruction is estimated to exceed \$100,000 and (i) it is estimated by the Borrower that the Project could not be placed back in service within six (6) months of such occurrence, or (ii) the estimated cost of restoration of the Project exceeds twenty percent (20%) of the original principal amount of the Bonds and the Project cannot be restored at a cost not exceeding the Net Proceeds of insurance received or likely to be received as a result of such damage or destruction, or (iii) the Borrower shall determine that it is not practical or desirable to rebuild, repair, or restore the Project, but the Borrower determines that the undamaged portion of the Project is sufficient to continue operations at the Project that are comparable to the operations at the Project prior to the damage or destruction, then the Borrower shall within one hundred twenty (120) days after such damage or destruction elect one of the following three options by written notice of such election to the Trustee:

(1) Option A - Repair and Restoration. The Borrower may elect to repair, reconstruct and restore the damaged Project. In such event, the Borrower shall proceed forthwith to repair, reconstruct and restore the damaged or destroyed Project to substantially the same condition or value as existed prior to the event causing such damage or destruction and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Borrower will apply the Net Proceeds of any insurance relating to such damage or destruction received by the Borrower from the Trustee to the payment or reimbursement of the costs thereof.

In the event the Borrower shall elect this Option A, the Borrower shall complete the repair, reconstruction and restoration of the Project, whether or not the Net Proceeds of insurance received by the Borrower for such purposes are sufficient to pay for the same. Net Proceeds not required for the repair, reconstruction and restoration of the Project shall be applied to the prepayment of the Bonds or used for such other purpose as the Borrower, based upon an opinion of Bond Counsel, determines will not cause interest on the Bonds to be included in gross income for purposes of federal income taxation.

(2) Option B – Partial Redemption of the Bonds. In the event that the Borrower shall determine that it is not practical or desirable to rebuild, repair, or restore the Project, but a certificate of a Borrower representative is delivered to the Trustee which states in effect that the undamaged portion of the Project is sufficient to continue operations at the Project that are comparable to the operations at the Project prior to the damage or destruction, this Loan Agreement shall not be terminated and the Net Proceeds of insurance shall be applied, to the maximum extent possible, to the partial redemption and prepayment of the Bonds in accordance with Section 3.01 of the Indenture.

(3) Option C - Redemption of the Bonds. In case the Borrower is unable to deliver the certificates or reports necessary under Option A of this Section, and in the event that the

Borrower is unable to make the determination and deliver the certificate necessary under Option B of this Section, this Loan Agreement shall be terminated in accordance with Section 8.4 and the Bonds shall be redeemed. If the Net Proceeds of insurance, together with all amounts then held by the Trustee under the Indenture available to redeem or retire the Bonds, shall be insufficient to so redeem the Bonds (including the expenses of redemption), the Borrower shall pay such deficiency to the Trustee as a Loan Repayment and the Net Proceeds of insurance, together with such Loan Repayment and amounts held by the Trustee under the Indenture, shall be applied to such redemption of the Bonds in accordance with Section 8.4 hereof and Section 3.01 of the Indenture. If the Bonds have been fully paid and all obligations of the Borrower hereunder have been paid or provided for, all Net Proceeds shall be paid to the Borrower.

Section 5.8. Condemnation. In the event of any condemnation or taking of the Project and (i) where title shall have been taken to all or substantially all of the Project or Project Premises, or so much so that the Borrower estimates that it will not be able to be placed back in service within six (6) months of such condemnation or taking; or (ii) the estimated cost of restoration of the Project exceeds twenty percent (20%) of the original face amount of the Bonds and the Project cannot be restored at a cost not exceeding the Net Proceeds of the Condemnation award; or (iii) the Borrower shall determine that it is not practical or desirable to restore the Project, but the Borrower determines that the portion of the Project not condemned or taken is sufficient to continue operations at the Project that are comparable to the operations at the Project prior to the condemnation or taking, the Borrower shall, within one hundred twenty (120) days after the date on which the Net Proceeds are finally determined, elect one of the three following options by written notice of such election to the Trustee.

(1) Option A - Repairs and Improvements. The Borrower may elect to use the Net Proceeds of the award made in connection with such condemnation or taking for additions, repairs and improvements to the Project.

Net Proceeds not required for the repairs and improvements shall be applied to the prepayment of the Bonds or in such other manner as the Borrower, based upon an opinion of Bond Counsel, determines will not cause interest on the Bonds to be included in gross income for purposes of federal income taxation.

(2) Option B – Partial Redemption of the Bonds. In the event that the Borrower shall determine that it is not practical or desirable to rebuild, repair, or restore the Project, but a certificate of a Borrower representative is delivered to the Trustee which states in effect that the portion of the Project not condemned or taken is sufficient to continue operations at the Project that are comparable to the operations at the Project prior to the condemnation or taking, this Loan Agreement shall not be terminated and the Net Proceeds of insurance shall be applied, to the maximum extent possible, to the partial redemption and prepayment of the Bonds in accordance with Section 3.01 of the Indenture.

(3) Option C - Redemption of the Bonds. In case the Borrower is unable to deliver the certificates or reports necessary under Option A of this Section, and in the event that the Borrower is unable to make the determination and deliver the certificate necessary under Option B of this Section, this Loan Agreement shall be terminated in accordance with Section 8.4 and

the Bonds shall be redeemed. If the Net Proceeds of condemnation, together with the amount then held by the Trustee under the Indenture available to redeem the Bonds shall be insufficient to redeem the Bonds (including principal, accrued interest, and expenses of redemption), the Borrower shall pay such deficiency to the Trustee as a Loan Repayment, and the Net Proceeds of condemnation, together with such Loan Repayment and amounts held by the Trustee under the Indenture shall be applied to such redemption of the Bonds in accordance with Section 8.4 hereof and Section 3.01 of the Indenture. If the Bonds have been duly paid and all other obligations of the Borrower hereunder have been paid or provided for, any remaining Net Proceeds shall be paid to the Borrower.

Section 5.9. Hazardous Materials. The Borrower shall not use the Project in any manner so as to violate in any material respect any applicable law, rule, regulation or ordinance of any governmental body or in such manner as to vitiate insurance upon the Project. The Borrower shall not commit or permit any waste upon the Project which would materially decrease the value of the Project. The Borrower shall comply in all material respects with all regulations concerning the environment, health and safety relating to the generation, use, handling, production, disposal, discharge and storage of Hazardous Materials, as defined in Section 2.2(15) hereof, in, on, under, or about the Project. The Borrower shall promptly take any and all necessary action in response to the presence, storage, use, disposal, transportation or discharge of any Hazardous Materials in, on, under or about the Project by the Borrower or Persons acting on behalf of or at the direction of the Borrower as all applicable laws, rules, regulations, or ordinances may require. In the event the Borrower undertakes any remedial action with respect to any Hazardous Materials on, under or about the Project, the Borrower shall immediately notify the Trustee of any such remedial action, and shall conduct and complete such remedial action (1) in compliance with all applicable federal, state and local laws, regulations, rules, ordinances and policies, and (2) in accordance with the orders and directives of all federal, state and local governmental authorities.

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## ARTICLE VI

### DAMAGE, DESTRUCTION AND CONDEMNATION

Section 6.1. Damage and Destruction. If there are any Outstanding Bonds when the Project is damaged or destroyed by fire or other casualty, the Borrower shall either restore the Project to the extent permitted or required by this Loan Agreement and the Indenture or, if Section 8.4 hereof is applicable, exercise its option to prepay the Loan pursuant to said Section.

Section 6.2. Condemnation. If there are any Outstanding Bonds when the Project or any part thereof is taken by Condemnation, the Borrower shall either restore the Project to the extent permitted or required by this Loan Agreement and the Indenture or, if Section 8.4 hereof is applicable, exercise its option to prepay the Loan pursuant to said Section.

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## ARTICLE VII

### BORROWER'S COVENANTS

Section 7.1. Covenant for the Benefit of the Trustee and Bondholders. The Borrower recognizes the authority of the Issuer to assign its interest in and pledge money receivable under this Loan Agreement (other than with respect to the Issuer's Unassigned Rights) to the Trustee as security for the payment of the principal and purchase price of and interest and redemption premiums, if any, on the Bonds, and the payment of all fees and expenses of the Trustee; and hereby agrees to be bound by, and joins with the Issuer in the grant of, a security interest to the Trustee in any right and interest the Borrower may have in sums held in the Funds described in Article IV of the Indenture, pursuant to the terms and conditions thereof, to secure payment of the Bonds. Each of the terms and provisions of this Loan Agreement is a covenant for the use and benefit of the Trustee and Holders of the Bonds, so long as any thereof shall remain Outstanding; but upon payment in full of the Bonds in accordance with Article X of the Indenture and of all fees and charges of the Trustee and Paying Agent, all references in this Loan Agreement to the Bonds, the Holders thereof, and the Trustee shall be ineffective, and neither the Trustee nor the Holders of any of the Bonds shall thereafter have any rights hereunder, save and except those that shall have theretofore vested or that arise from provisions hereunder which survive termination of this Loan Agreement.

Section 7.2. Inspection and Access. The Borrower agrees that the Trustee and its duly authorized agents shall have the right at all reasonable times to examine and inspect, and for that purpose to enter upon, the Project Premises, and shall also have such right of access thereto as may be reasonably necessary to cause the Project to be properly maintained in accordance with Article V hereof.

*[Underwriter/Cooperative to provide guidance as to financial reporting and financial covenants under Section 7.3]*

Section 7.3. Inspections; Reports, Financial Statements. The Borrower covenants that it will keep or cause to be kept proper books of records and accounts in which full, true, and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Borrower in accordance with GAAP consistently applied except as may be disclosed in the notes to the audited financial statements referred to in subsection (2) below, and will furnish or cause to be furnished to the Trustee (with respect to the item required under subsection (3) below only), the Underwriter, EMMA and any Beneficial Owner of \$[1,000,000] or more of Bonds who provides written notification to the Trustee and the Borrower that such Beneficial Owner elects to receive such report or statement:

(1) Quarterly financial statements of the Borrower as soon as practicable after they are available but in no event more than forty-five (45) days after the completion of such quarterly fiscal period, commencing with the quarter ending [\_\_\_\_, 20\_\_], including a statement of activities and changes in net assets (income statement) of the Borrower during such period and a statement of financial position (balance sheet) as of the end of each such quarterly fiscal period,

all in reasonable detail and certified, subject to year-end adjustment, by the treasurer or another authorized financial officer of the Borrower.

(2) As soon as practicable after it is available, but in no event more than [\_\_\_\_\_] (\_\_\_\_) days after the end of a Fiscal Year, commencing with the Fiscal Year ending June 30, 20[\_\_\_], a financial report for such Fiscal Year certified by an Independent Accountant covering the operations of the Borrower for such Fiscal Year and containing an audited statement of financial position (balance sheet) as of the end of such Fiscal Year and an audited statement of activities and changes in net assets (income statement) for such Fiscal Year and an audited statement of cash flows for such Fiscal Year, showing in each case in comparative form the financial figures for the preceding Fiscal Year.

(3) At or before the time of delivery of the financial reports referred to in subsection (1) or (2) above, a certificate of the Chief Financial Officer of the Borrower stating that the Chief Financial Officer of the Borrower has made a review of the activities of the Borrower during the preceding Fiscal Year or preceding period, as the case may be, for the purpose of determining whether or not the Borrower has complied with all of the terms, provisions, and conditions of this Loan Agreement, including Section 7.9 hereof, and that the Borrower has kept, observed, performed, and fulfilled each and every covenant, provision, and condition of this Loan Agreement on its part to be performed and is not in default in the performance or observance of any of the terms, covenants, provisions, or conditions hereof, or if the Borrower shall be in default such certificate shall specify all such defaults and the nature thereof.

(4) Within thirty (30) days of the receipt of audited financial statements for each Fiscal Year (but no later than \_\_\_\_\_ (\_\_\_\_) days after the end of the Fiscal Year), the Borrower shall furnish to the Trustee a certificate of the Chief Financial Officer of the Borrower showing the Borrower's [required debt service coverage ratio, days cash on hand]. Each of the calculations required hereunder shall be based upon audited financial statements, if available, and if not available based upon unaudited financial statements. If a calculation is based upon unaudited financial statements, the calculation shall be recalculated when the audited financial statements are available.

(5) Not later than August 15 of each Fiscal year, the Borrower shall furnish to the Trustee a certificate of the Chief Financial Officer of the Borrower showing the Borrower's Days Cash on Hand as of the preceding June 30.

(6) Such additional information as the Trustee may reasonably request concerning the Borrower in order to enable the Trustee to determine whether the covenants, terms, and provisions of this Loan Agreement have been complied with by the Borrower.

The Borrower also agrees that, within ten (10) days after its receipt thereof, the Borrower will file with the Trustee a copy of each consultant's report or counsel's opinion required to be prepared under the terms of this Loan Agreement.

Without limiting the foregoing, the Borrower will permit, upon reasonable notice, the Trustee and the Issuer (or such persons as they may designate) to visit and inspect the Project and to discuss the affairs, finances, and accounts of the Borrower with its officers and independent accountants, all at such reasonable times and locations and as often as the Trustee or the Issuer may reasonably desire.

Section 7.4. Indemnity by Borrower. (a) The Borrower shall and hereby agrees, at its expense, to pay, and to indemnify and save the Issuer, the Issuer Indemnified Parties, the Trustee and its officials, directors, officers, employees, attorneys and agents, and the Bondholders harmless against and from any and all claims, damages, demands, expenses, liabilities, and taxes of any character or nature whatsoever regardless of by whom imposed, and losses of every conceivable kind, character, and nature whatsoever including, but not limited to, claims for loss or damage to any property or injury to or death of any person, asserted by or on behalf of any person, firm, corporation, or governmental authority arising out of, resulting from, or in any way connected with (i) the Project or the conditions, occupancy, use, possession, conduct, or management of, or any work done in or about the Project, or from the planning, design, acquisition, or construction of the Project or any part thereof, (ii) any untrue statement or alleged untrue statement of any material fact or the omission or alleged omission to state a material fact necessary to make the statements made not misleading in any statement, information, or material furnished by the Borrower, including but not limited to any financial information, for use in any official statement of the Borrower authorized in connection with the sale of the Bonds and (iii) the Trustee's acceptance or administration of the Indenture or the trusts thereunder or the performance of the Trustee's duties thereunder or under this Agreement. The Borrower also covenants and agrees at its expense to pay and to indemnify and save the Issuer, the Issuer Indemnified Parties, and the Trustee and its officials, directors, officers, employees, attorneys and agents harmless of, from, and against all costs, reasonable counsel fees, expenses, and liabilities incurred in any action or proceeding brought by reason of any such claim or demand. In the event that any action or proceeding is brought against the Issuer, the Issuer Indemnified Parties, or the Trustee and its officials, directors, officers, employees, attorneys and or agents by reason of any such claim or demand, the Borrower, upon notice from the Issuer, the Issuer Indemnified Parties, or the Trustee and its officials, directors, officers, employees, attorneys and or agents covenants to resist and defend such action or proceeding on behalf of the Issuer, the Issuer Indemnified Parties, or the Trustee and its officials, directors, officers, employees, attorneys and or agents. Notwithstanding the foregoing, neither the Issuer, the Issuer Indemnified Parties, nor the Trustee and its officials, directors, officers, employees, attorneys and agents shall be indemnified against costs, counsel fees or expenses, or liability for damage arising out of bodily injury to persons or damage to property or any other claims or acts caused by the gross negligence or the willful misconduct of the party seeking indemnity.

(b) It is the intention of the parties hereto that the Issuer and the Issuer Indemnified Parties shall not incur any pecuniary liability by reason of the terms of this Loan Agreement or the undertakings required of the Issuer hereunder, by reason of the issuance of the Bonds, by reason of the execution of the Indenture or this Loan Agreement or by reason of the performance of any act requested of the Issuer by the Borrower, or by reason of any audit or investigation initiated by the Internal Revenue Service, the Minnesota Department of Revenue, or any other federal or state agency relating to the Bonds, the Borrower, the Cooperative, the Trustee or the transactions contemplated herein or in the Indenture, including all claims, liabilities or losses

arising in connection with the violation of any statutes or regulations pertaining to the foregoing; nevertheless, if the Issuer or the Issuer Indemnified Parties should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold the Issuer and the Issuer Indemnified Parties harmless against all claims by or on behalf of any person, firm or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, except from claims arising from the willful, malicious or negligent acts of the Issuer or the Issuer Indemnified Parties, and upon notice from the Issuer, the Borrower shall defend the Issuer and the Issuer Indemnified Parties in any such action or proceeding.

(c) The Issuer shall not be obligated to pay the principal of or interest on the Bonds, except from money and assets received by the Trustee on behalf of the Issuer pursuant to this Loan Agreement, from amounts held by the Trustee under the Indenture, or from the proceeds of any Security Agreement. Neither the full faith and credit or the taxing power of the State or any political subdivision thereof nor the full faith and credit or the taxing power of the Issuer is pledged to the payment of the principal of or interest on the Bonds. The Borrower hereby acknowledges that the Issuer's sole source of money to repay the Bonds will be provided by the payments made by the Borrower pursuant to this Loan Agreement, or the collateral held by the Trustee therefor, and amounts credited to certain Funds held by the Trustee under the Indenture, and hereby agrees that if the payments to be made hereunder shall ever prove insufficient to pay all principal of and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal of or interest on the Bonds, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Trustee, the Issuer or any such third party, as the case may be, therefor.

(d) The Borrower's covenants in this Section shall survive the payment of the Bonds, the termination of the Indenture, the termination of this Loan Agreement, and the resignation or removal of the Trustee.

Section 7.5. Status of Borrower. The Borrower agrees that while the Bonds are Outstanding, the Borrower shall (i) maintain its nonprofit corporate existence, (ii) maintain its status as a Tax-Exempt Organization, including making all required annual filings with the Internal Revenue Service, (iii) continue to be a nonprofit corporation qualified to transact business and in good standing in the State, (iv) not dissolve or otherwise dispose of all or substantially all of its assets, and (v) not consolidate with or merge into another legal entity or permit one or more other legal entities to consolidate with or merge into the Borrower.

Section 7.6. Maintenance of Security Interest. (a) The Borrower shall, at its expense, take all necessary action to maintain and preserve the lien and security interest of the Mortgage and this Loan Agreement so long as any Bond is Outstanding.

(b) The Borrower covenants that, except for Permitted Encumbrances, it will not mortgage, grant a deed of trust lien upon (other than the Mortgage), pledge, grant a security interest in, or make an assignment of any of its revenues or property, including without limitation

its accounts, contract rights, general intangibles, or the proceeds of any thereof, or any of the Mortgaged Property or the proceeds thereof.

(c) The Borrower covenants that it will cause all financing statements (including continuation statements, but excluding the initial financing statements dated as of the Date of Original Issuance related to the Indenture and all supplements thereto and this Loan Agreement and all supplements thereto, as well as the Lease, the Mortgage and such other security agreements, financing statements and all supplements thereto and other instruments as may be required or recommended from time to time by Borrower's counsel or by Bond Counsel or by the Trustee (acting at the advice of counsel) to be kept, to be recorded and filed in such manner and in such places as may from time to time be required by law in order to preserve and protect fully the security interests of the Bondholders of the Bonds and the rights of the Trustee under the Indenture and this Loan Agreement and, upon advice of counsel, to take or cause to be taken any and all other action necessary to perfect the security interests created by the Indenture, all at the expense of the Borrower.

Section 7.7. Assurance of Tax Exemption. The Borrower understands after consultation with such legal counsel as deemed appropriate, that the exclusion from gross income of interest on any Tax-Exempt Bonds (including the Series 2024A Bonds) for federal income tax purposes is dependent on the accuracy and truthfulness of representations made herein and in the Tax Certificate. The Borrower covenants and warrants that such representations are accurate and truthful, and the Borrower shall comply with the Tax Certificate.

Section 7.8. Determination of Taxability.

(1) Promptly after the occurrence of a Determination of Taxability, the Borrower shall give written notice to the Issuer and Trustee of the Determination of Taxability and the Borrower shall provide to the Trustee in immediately available funds, an amount which when added to the amounts on deposit in the Funds, will equal the principal amount of all the Unpaid Bonds plus accrued interest thereon to the Redemption Date, and the Bonds shall be redeemed pursuant to Article III of the Indenture.

(2) Upon a Determination of Taxability the Borrower shall also pay to the Trustee an amount equal to the Paying Agent's and Trustee's fees, accrued and to accrue until final payment and redemption of the Bonds, and all other advances, fees, costs and expenses reasonably incurred by the Trustee, the Issuer and the Paying Agent, including Bond Counsel and legal fees.

(3) If this Loan Agreement has not been terminated under Section 8.4 hereof prior to the Redemption Date for the Bonds, this Loan Agreement shall be terminated on said Redemption Date and the closing for the termination of this Loan Agreement shall be completed otherwise as provided for termination of this Loan Agreement upon exercise of the Borrower's options under Section 8.4 hereof.

(4) Neither the Borrower nor any Holder shall be required to contest or appeal any notice of deficiency, ruling, decision, or legislative enactment which may give rise to a

Determination of Taxability; and the expenses of any such contest or appeal shall be paid by the party initiating the contest or appeal.

Section 7.9. Financial Covenants. [*Underwriter/Cooperative to provide guidance regarding financial covenants*]

(1) Debt Service Coverage Ratio.

(a) The Borrower covenants and agrees that it shall not, in any event, permit the Debt Service Coverage Ratio to be below 1.25 to 1.00 with respect to any Fiscal Year; provided that failure to maintain such ratio shall not cause an Event of Default hereunder if the Borrower complies with the applicable requirements of Section 7.9(1)(b), subject to Section 7.9(1)(c).

(b) In the event that the Borrower shall fail with respect to any Fiscal Year to maintain a Debt Service Coverage Ratio of at least 1.25 to 1.00, the Borrower shall (i) deliver to the Trustee notice of such failure, and (ii) retain an Independent Consultant within one hundred fifty (150) days of the end of the Fiscal Year which will be responsible for reviewing the operations of the Borrower and preparing a financial plan detailing the actions the Borrower shall be reasonably expected to undertake to correct the failure. The Independent Consultant's plan must be filed with the Trustee within two hundred ten (210) days of the end of such Fiscal Year. Upon the filing, the Borrower shall implement the Independent Consultant's plan to the extent reasonably practicable. The Borrower's obligations hereunder shall continue with respect to each such failure with respect to any subsequent Fiscal Year. The failure to comply with the terms and conditions of this Section 7.9(1)(b) shall be deemed to constitute an Event of Default under Section 9.1(3) hereof.

(c) Notwithstanding the aforesaid, the failure to maintain the Debt Service Coverage Ratio at equal to or greater than 1.00 to 1.00 with respect to any Fiscal Year shall be deemed to constitute an Event of Default under Section 9.1(3) hereof.

(2) Leverage Ratio.

(a) The Borrower covenants and agrees that it shall not, in any event, permit the Leverage Ratio to be greater than 0.80 to 1.00 at the end of any Fiscal Year; provided that failure to maintain such ratio shall not cause an Event of Default hereunder if the Borrower complies with the applicable requirements of Section 7.9(2)(b), subject to Section 7.9(2)(c).

(b) In the event that the Borrower shall fail at the end of any Fiscal Year to maintain a Leverage Ratio equal to or less than 0.80 to 1.00, the Borrower shall (i) deliver to the Trustee notice of such failure, and (ii) retain an Independent Consultant within one hundred fifty (150) days of the end of the Fiscal Year which will be responsible for reviewing the operations of the Borrower and preparing a financial plan detailing the actions the Borrower shall be reasonably expected to undertake to correct

the failure. The Independent Consultant's plan must be filed with the Trustee within two hundred ten (210) days of the end of such Fiscal Year. Upon the filing, the Borrower shall implement the Independent Consultant's plan to the extent reasonably practicable. The Borrower's obligations hereunder shall continue with respect to each such failure at the end of any subsequent Fiscal Year. The failure to comply with the terms and conditions of this Section 7.9(2)(b) shall be deemed to constitute an Event of Default under Section 9.1(3) hereof.

(c) Notwithstanding the aforesaid, the failure to maintain the Leverage Ratio at equal to or less than 1.00 to 1.00 at the end of any Fiscal Year shall be deemed to constitute an Event of Default under Section 9.1(3) hereof.

(3) Days Cash on Hand.

(a) The Borrower shall calculate Days Cash on Hand as of the end of each Fiscal Year and as of each June 30. The Borrower shall maintain, as of each calculation date, Days Cash on Hand of not less than ninety (90).

(b) In the event that the Borrower shall fail as of the end of any Fiscal Year or as of any June 30 to maintain Days Cash on Hand of not less than ninety (90), the Borrower shall (i) deliver to the Trustee notice of such failure, and (ii) retain an Independent Consultant within one hundred fifty (150) days of the end of the Fiscal Year which will be responsible for reviewing the operations of the Borrower and preparing a financial plan detailing the actions the Borrower shall be reasonably expected to undertake to correct the failure. The Independent Consultant's plan must be filed with the Trustee within two hundred ten (210) days of the end of such Fiscal Year. Upon the filing, the Borrower shall implement the Independent Consultant's plan to the extent reasonably practicable. The Borrower's obligations hereunder shall continue with respect to each such failure with respect to any subsequent Fiscal Year. The failure to comply with the terms and conditions of this Section 7.9(3)(b) shall be deemed to constitute an Event of Default under Section 9.1(3) hereof; provided that, for the avoidance of doubt, no Event of Default shall be deemed to occur at any time that Days Cash on Hand is less than ninety (90) if the Borrower is otherwise in compliance with this Section 7.9(3)(b).

(4) The Trustee has no duty or obligation to review the contents of any such reports provided to it under this Section 7.9 or to monitor the Borrower's compliance with any recommendations contained therein. The Trustee shall hold such reports solely as a repository on behalf of the Bondholders. If any of such information is provided to a Bondholder as permitted under the Indenture the Trustee may without further authorization or direction provide such requested information to all Bondholders.

Section 7.10. Covenants of the Cooperative. As a condition to execution and delivery of, and pursuant to the Lease, the Borrower cause the Cooperative to comply with the terms of this Loan Agreement.

Section 7.11. [Reserved]

Section 7.12. Post-Issuance Compliance. The Internal Revenue Service requires that an Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038 (“Form 8038”), be filed by the Issuer in connection with an issuance of the Tax-Exempt Bonds. Form 8038 requires statements as to whether the Issuer has established written procedures with respect to monitoring post-issuance compliance with requirements of the Code and the Regulations promulgated hereunder. The Issuer hereby requires the Borrower to be responsible for such monitoring of compliance and acknowledges that the Borrower will require the Cooperative in the Lease to agree and covenant to be responsible for such monitoring of post-issuance compliance.

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## ARTICLE VIII

### BORROWER'S OPTIONS

Section 8.1. Assignment and Transfer. The Borrower may assign its rights and obligations under this Loan Agreement and, as an incident thereto, transfer its interest in the Project without prior consent of the Issuer or the Trustee, but subject to the provisions of Sections 5.2 and 7.5 hereof.

Section 8.2. Prepayment.

(1) The Borrower shall have the option to direct the Trustee to call for redemption and prepayment of the Outstanding Bonds in whole or in part as provided in Section 3.01 of the Indenture. The Bonds to be redeemed shall be redeemed at a price equal to their principal amount, plus accrued interest, plus any premium set forth in Section 3.01 of the Indenture. In the event the Bonds are called for redemption in whole or in part, the Borrower shall make a Loan Repayment as provided in Section 4.2 hereof on such Redemption Date.

(2) If, after the Borrower exercises its option to redeem all Bonds, no Bonds remain Outstanding, the Indenture is discharged, and the Borrower has satisfied all of its obligations hereunder, the Trustee and the Issuer shall execute and deliver to the Borrower such release and other instruments as the Borrower reasonably determines are necessary to terminate this Loan Agreement. All further obligations of the Borrower hereunder, except as set forth in Section 10.13 hereof, shall thereupon terminate.

Section 8.3. Direction of Investments. Except during the continuance of an Event of Default, the Borrower shall have the right during the Term of the Loan Agreement to direct the Trustee to invest or reinvest all money held for the credit of Funds established by Article IV of the Indenture in such securities as are authorized by the Act or other law for such funds, subject, however, to the further conditions of Article VI of the Indenture and Section 7.7 hereof. The Borrower acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Borrower the right to receive brokerage confirmations of the security transactions as they occur, the Borrower specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Borrower with periodic cash transaction statements that include the detail for all investment transactions made by the Trustee for all current and future accounts.

For all investments held in any Fund, the Trustee may disclose the Borrower's identity and contract information to the registrars of such investments for the purposes of providing notices and other communications related to the investments.

Section 8.4. Termination of Loan Agreement. Except during the continuance of an Event of Default, the Borrower shall have the option of terminating this Loan Agreement subject to the following conditions:

(1) such option may be exercised only if one of the following events shall have occurred:

(A) if the Project shall have been damaged or destroyed to such extent that in the reasonable judgment of the Borrower (i) the Project cannot reasonably be restored within six (6) months to substantially its condition immediately preceding such damage or destruction, or (ii) the Project cannot reasonably be used to carry on the normal operations of the Borrower for six (6) months, or (iii) the reasonably estimated cost of restoration of the Project exceeds twenty percent (20%) of the original face amount of the Bonds and is also reasonably estimated to exceed the proceeds of property insurance payable therefor plus any deductible amount for which the Borrower is self-insured; or

(B) if by reason of Condemnation, title shall have been taken to all or substantially all of the Project or the Project Premises, or so much thereof that, in the reasonable judgment of the Borrower, (i) the Borrower will be prevented from carrying on its normal operations for six (6) months, or (ii) the reasonably estimated cost of restoration of the Project exceeds twenty percent (20%) of the original face amount of the Bonds and is also reasonably estimated to exceed the proceeds of the Condemnation award; or

(C) if as a result of any changes in the Constitution of the State or the Constitution of the United States of America, or of any legislative or administrative action, whether state or federal, or of any final decree, judgment or order of any court or administrative body, whether state or federal, entered after the contest thereof by the Borrower in good faith, the agreements contained in this Loan Agreement shall have become impossible of performance in accordance with the intent and purposes of the parties as expressed herein, or unreasonable burdens or excessive liabilities shall have been imposed upon the Borrower, including, but not limited to, the imposition of new state or local ad valorem, property, income or other taxes not imposed as of the date of execution of this Loan Agreement, other than ad valorem taxes upon privately owned property and for the same general purpose as the Project and special assessments levied in amounts proportionate to and not exceeding the benefits of future public improvements to the land included in the Project;

(2) in any of the events stated in clauses (A) through (C) above, if the Borrower determines to exercise its option to terminate this Loan Agreement it must give written notice to the Issuer and Trustee of its decision to exercise its option within one hundred twenty (120) days after such event;

(3) the Borrower shall give written notice to the Issuer and Trustee of its intention to exercise the option, stating therein a termination date not less than forty-five (45) nor more than ninety (90) days after the date the notice is mailed, but in no event prior to the date on which all Outstanding Bonds shall be deemed discharged under Article X of the Indenture; and the Borrower shall make arrangements satisfactory to the Trustee for the giving of any notice required for redemption of all of the Outstanding Bonds on the date on which the Bonds are to be redeemed;

(4) the Borrower shall make a Loan Repayment as provided in Section 4.2 hereof on the Redemption Date;

(5) the Borrower shall pay to the Trustee at least five (5) days prior to the Discharge Date, an amount equal to the Trustee's and Paying Agent's fees and expenses under the Indenture, accrued and to accrue until final payment and redemption of the Bonds and all other advances, fees, costs and expenses reasonably incurred and to be incurred on or before the termination date by the Trustee and Paying Agent under the Indenture and by the Issuer under this Loan Agreement; and

(6) on the termination date, a closing shall be held at the principal office of the Trustee, or any other office mutually agreed upon; at the closing the Issuer and Trustee shall, upon acknowledgment of receipt of the sum set forth in subsection (4) above, execute and deliver to the Borrower such release and other instruments as the Borrower reasonably determines are necessary to terminate this Loan Agreement; all further obligations of the Borrower hereunder, except as provided in Section 10.13 hereof shall thereupon terminate; provided, however, that the Borrower shall also remain obligated to pay or reimburse the Issuer and Trustee for the payment of all other fees, costs and expenses unaccounted for in the sum paid in accordance with subsection (4) above and reasonably incurred before or subsequent to such closing in connection with the Bonds.

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## ARTICLE IX

### EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default. Any one or more of the following events is an Event of Default under this Loan Agreement, and the term “Event of Default,” wherever used herein, means any one of the following events, whatever the reason for such default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

(1) if the Borrower shall fail to pay any Loan Repayments on the date due under this Loan Agreement;

(2) if the Borrower shall fail to pay any Additional Charges on or before the date that the payment is due, and shall continue to be in arrears for thirty (30) days after mailing of a notice to it by the Issuer or the Trustee that said Additional Charges have not been received on the due date;

(3) an Event of Default shall be deemed to have occurred as described in Section 7.9 hereof;

(4) if the Borrower shall fail to observe and perform or shall breach any other covenant, condition, or agreement on its part under this Loan Agreement for a period of sixty (60) days after mailing of a notice to it by the Issuer or the Trustee, stating that it is a “Notice of Default” hereunder and specifying such default or breach and requesting that it be remedied; provided, however, that so long as the Borrower is diligently pursuing a cure of any such default, if the default cannot be cured within sixty (60) days, the Borrower shall have such additional time as is needed to cure such default not to exceed an additional sixty (60) days without the approval of the Trustee or a waiver of the Trustee;

(5) if the Borrower shall be dissolved or liquidated (other than when a new entity assumes the obligations of the Borrower under the conditions permitting such action contained in Section 7.5);

(6) if any representation or warranty made by the Borrower herein, or by a member or Representative of the Borrower in any document or certificate furnished the Trustee or the Issuer or the Underwriter in connection herewith or therewith or pursuant hereto or thereto, shall prove at any time to be, in any material respect, incorrect or misleading as of the date made;

(1) if an event of default occurs and is continuing under the Indenture or any Security Document; or

(8) default by the Borrower in the payment of any amount when due in respect of any Material Indebtedness and continuance of such default beyond the period of grace, if any, allowed with respect thereto, or the occurrence of any act or omission by the Borrower which

results in such Material Indebtedness becoming, or being capable of becoming, immediately due and payable.

The foregoing notwithstanding, any default described in Section 9.1(4) hereof may be waived by the Trustee from time to time if the Borrower is proceeding with all due diligence to cure such default and the Borrower is not otherwise in default hereunder.

#### Section 9.2. Remedies.

(1) Whenever any Event of Default shall have happened and be subsisting the Trustee may, by written notice to the Borrower, declare all the Loan Repayments payable for the remainder of the Term of the Loan Agreement (an amount equal to that necessary to pay in full all Outstanding Bonds and the interest thereon assuming acceleration of the Bonds under the Indenture and to pay all other indebtedness thereunder) to be immediately due and payable whereupon the same shall become immediately due and payable by the Borrower. The provisions of this Section 9.2 do not limit the application of Section 9.1.

(2) Upon the occurrence of an Event of Default, the Trustee may also take whatever action at law or in equity may appear necessary or appropriate to collect all sums then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement, covenant, representation or warranty of the Borrower, under this Loan Agreement or any Security Documents; or to otherwise compensate the Issuer, Trustee or Bondholders for any damages on account of such Event of Default.

(3) The Issuer (without the prior written consent of the Trustee if the Trustee is not enforcing the Issuer's right in a manner to protect the Issuer or is otherwise taking action that brings adverse consequences to the Issuer) may take whatever action at law or in equity may appear necessary or appropriate to enforce its rights of indemnification under Section 7.4 and to collect all sums then due and thereafter to become due to the Issuer under Sections 3.2, 4.3, 4.4, 7.4, 7.10, 9.5, 9.8, 10.8, and 10.11 of this Loan Agreement. Notwithstanding the foregoing, the Issuer is not precluded from exercising any of its rights reserved to it as set forth in this Section, even if the Trustee is exercising the rights of the Issuer hereunder.

Section 9.3. Disposition of Funds. Any amounts collected pursuant to action taken under Section 9.2 (other than sums collected for the Issuer on account of its rights to indemnification and certain direct payments to be made to the Issuer under Sections 3.2, 4.3, 4.4, 7.4, 9.5, 9.8, 10.8, and 10.11 which sums shall be paid directly to the Issuer) shall be applied in accordance with the provisions of the Indenture.

Section 9.4. Nonexclusive Remedies. No remedy herein conferred upon or reserved to the Issuer or Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In

order to entitle the Issuer (or Trustee) to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or as may be required by law.

Section 9.5. Attorneys' Fees and Expenses. If an Event of Default shall exist under this Loan Agreement and the Issuer or Trustee should employ attorneys or incur other expenses for the collection of any amounts due hereunder, or for the enforcement of performance of any obligation or agreement on the part of the Borrower, the Borrower will upon demand pay to the Issuer or Trustee the reasonable fees of such attorneys and such other expenses so incurred.

Section 9.6. Effect of Waiver. In the event any agreement contained in this Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.7. Waiver of Stay or Extension. The Borrower covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any appraisal, valuation, stay, or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants in, or the performance of, this Loan Agreement; and the Borrower (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Issuer or Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 9.8. Issuer May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower or the property of the Borrower, the Trustee, or the Issuer with the prior consent of the Trustee, shall be entitled and empowered, by intervention in such proceeding or otherwise,

(1) to file and prove a claim and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Issuer and Trustee (for themselves and on behalf of Bondholders) (including any claim for the reasonable compensation, expenses, disbursements and advances of the Issuer and Trustee, their agents and counsel) allowed in such judicial proceeding, and

(2) to collect and receive any money or other property payable or deliverable on any such claims, and to distribute the same.

Section 9.9. Restoration of Positions. If the Issuer or Trustee have instituted any proceeding to enforce any right or remedy under this Loan Agreement, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Issuer or Trustee, then and in every such case the Borrower, Trustee and Issuer shall, subject to any determination in the proceeding, be restored to the positions they held prior to commencement of

such proceedings, and thereafter all rights and remedies of the Issuer shall continue as though no such proceeding had been instituted.

Section 9.10. Suits to Protect the Project. If the Borrower shall fail to do so after thirty (30) days' prior written notice from the Issuer or Trustee, the Issuer shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Project or any portion thereof, by any acts which may be unlawful or in violation of this Loan Agreement, and such suits and proceedings as the Issuer may deem expedient to protect its interests in the Project or any portion thereof, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of, or compliance with, such enactment, rule or order would impair or adversely affect the Project or be prejudicial to the interests of the Bondholders.

Section 9.11. Performance by Third Parties. The Issuer may permit third parties to perform any and all acts or take such action as may be necessary for and on behalf of the Borrower to cure any Event of Default hereunder. The acceptance by the Issuer or the Trustee of any such performance by third parties shall not in any way diminish or absolve the Borrower of primary liability hereunder.

Section 9.12. Exercise of the Issuer's Remedies by Trustee. Whenever any Event of Default shall have happened and be subsisting the Trustee may, but except as otherwise provided in the Indenture shall not be obliged to, exercise any or all of the rights of the Issuer under this Article IX, without notice to the Issuer.

(The remainder of this page is intentionally left blank.)

**ARTICLE X**  
**GENERAL PROVISIONS**

Section 10.1. Amounts Remaining in Funds. Except during the continuance of an Event of Default, any amounts remaining in the Funds created under Article IV of the Indenture upon expiration or earlier termination of this Loan Agreement, as provided herein, and after adequate provision has been made for payment in full of the Bonds, in accordance with Article X of the Indenture, any Additional Charges payable to the Trustee and Issuer, including Paying Agent's fees and expenses, and all other amounts required to be paid under this Loan Agreement and the Indenture, shall, forthwith be paid to the Borrower.

Section 10.2. Notices. All notices, certificates or other communications hereunder shall be in writing (except as otherwise expressly provided herein) and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, with proper address as indicated below. The Issuer, the Borrower, the Cooperative, and Trustee may, by written notice given by each of them to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Loan Agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

To the Issuer:	City of Marshall 344 West Main Street Marshall, MN 56258 Attn: City Administrator
To the Borrower:	Foundation for Innovation in Education c/o Southwest West Central Service Cooperative 1420 East College Drive Marshall, MN 56258 Attn: Executive Director
To the Cooperative:	Southwest West Central Service Cooperative 1420 East College Drive Marshall, MN 56258 Attn: Executive Director
To the Trustee:	U.S. Bank Trust Company, National Association 60 Livingston Avenue EP-MN-WS3C St. Paul, MN 55107 Attention: Corporate Trust Department
To the Original Purchaser of	Robert W. Baird & Co. Incorporated 7755 Third St. N, Suite 400



Section 10.10. Termination. At any time when no Bonds remain Outstanding and arrangements satisfactory to the Issuer and Trustee have been made for the discharge of all liabilities under this Loan Agreement, this Loan Agreement shall terminate.

Section 10.11. Administrative Fees, Attorneys' Fees and Costs. The Borrower shall reimburse the Issuer, upon demand, for all costs and expenses, including without limitation reasonable attorneys' fees, paid or incurred by the Issuer in connection with (1) the discussion, negotiation, preparation, approval, execution and delivery of the Bonds, the Indenture, this Loan Agreement, and the documents and instruments related hereto or thereto; (2) any amendments or modifications to any of the foregoing documents, instruments or agreements and the discussion, negotiation, preparation, approval, execution and delivery of any and all documents necessary or desirable to effect such amendments or modifications; (3) the servicing and administration of the Loan during the Term of the Loan Agreement or thereafter; and (4) the enforcement by the Issuer during the term hereof or thereafter of any of the rights or remedies of the Issuer hereunder or under the foregoing documents, or any document, instrument or agreement related hereto or thereto, including, without limitation, costs and expenses of collection in the Event of Default, whether or not suit is filed with respect thereto.

Section 10.12. Release. The Borrower hereby acknowledges and agrees that the Issuer, its officers, employees and agents shall not be liable to the Borrower, and hereby releases and discharges the Issuer, its officers, employees and agents from any liability, for any and all losses, costs, expenses (including reasonable attorneys' fees), damages, judgments, claims and causes of action, paid, incurred or sustained by the Issuer as a result of or relating to any action, or failure or refusal to act, on the part of the Trustee or any other party with respect to the Bonds, the Indenture, this Loan Agreement, or the documents and transactions related hereto or thereto or contemplated hereby or thereby, including, without limitation, the exercise by the Trustee or any third party of any of its rights or remedies pursuant to any of such documents.

Section 10.13. Survivorship of Obligations. All obligations of the Borrower under Sections 4.4(2), 7.4, 7.7, 7.8, 9.5, 10.8, 10.11, and 10.12 shall survive payment of the Bonds or earlier expiration or termination of this Loan Agreement pursuant to its terms.

Section 10.14. Electronic Signatures. The parties agree that the electronic signature of a party to this Loan Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Loan Agreement. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means or a digital signature provided by DocuSign or other digital signature provider; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Loan Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date and year first written above.

**CITY OF MARSHALL, MINNESOTA**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Administrator

Execution page of the Borrower to the Loan Agreement, dated as of the date and year first written above.

**FOUNDATION FOR INNOVATION IN  
EDUCATION**

By \_\_\_\_\_  
Its Chair

By \_\_\_\_\_  
Its Executive Director

**EXHIBIT A**  
**LEGAL DESCRIPTION OF THE PROJECT PREMISES**

[insert]

**EXHIBIT B**

**FORM OF DRAW REQUEST**

**[\$[Series A Par]  
City of Marshall, Minnesota  
Education Services Facility Lease Revenue Bonds  
(SWWC Service Cooperative)  
Series 2024A**

**and**

**[\$[Series B Par]  
City of Marshall, Minnesota  
Taxable Education Services Facility Lease Revenue Bonds  
(SWWC Service Cooperative)  
Series 2024B**

DISBURSEMENT REQUEST NO. \_\_\_\_\_ FOR DISBURSEMENT OF FUNDS  
FROM THE CONSTRUCTION FUND

U.S. Bank Trust Company, National Association, as Trustee

The undersigned being an authorized representative of Foundation for Innovation in Education, a Minnesota nonprofit corporation (the “Borrower”), does hereby certify pursuant to Section 4.05 of the Indenture of Trust, dated as of [April/May] 1, 2024 (the “Indenture”), between the City of Marshall, Minnesota (the “Issuer”) and the Trustee, and Section 3.5 of the Loan Agreement, dated as of [April/May] 1, 2024 (the “Loan Agreement”), between the Issuer and the Borrower, as follows:

(1) The amount and nature and the name and address of the payee of each item of Project Costs to be paid or reimbursed is attached hereto.

(2) Each item of cost for which payment or reimbursement is requested is or was necessary in connection with the Project, and qualifies as an item of Project Costs under the Loan Agreement, and if for the construction or equipping of the Project, was made or incurred in accordance with the plans and specifications for the Project and that none of such items has formed the basis for any previous payment from the Construction Fund.

(3) There is no outstanding indebtedness known, after due inquiry, for labor, wages, materials or supplies which, if unpaid, might become the basis of a vendor’s lien or a mechanics’, materialmen’s, statutory or other similar lien upon the Project or any part thereof, other than indebtedness then certified for payment or diligently being contested in good faith by the Borrower and that each contractor, subcontractor and materialman has filed with the Borrower receipts and waives or liens for all amounts theretofore certified for payment, or any amount therein certified for reimbursement to the Borrower for payment, for work, materials and

equipment furnished by him or that there is on file with the construction manager a cancelled check endorsed by the contractor, subcontractor, or materialman evidencing such payment.

(4) No default by the Borrower under the Loan Agreement has occurred that has not been cured.

(5) All representations and warranties made by the Borrower in the Loan Agreement are true and correct on and as of the date of this Request with the same effect as if made on this date.

Any capitalized terms used herein that are otherwise not defined shall have the meanings assigned to them in the Indenture.

You are hereby requested to disburse from the Construction Fund the amounts shown on this Request and to make payment to the Persons entitled to receipt thereof as shown on this Request.

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

**FOUNDATION FOR INNOVATION IN  
EDUCATION**

By \_\_\_\_\_

Its \_\_\_\_\_

First Draft  
Tuesday, March 19, 2024

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**INDENTURE OF TRUST**

**between**

**CITY OF MARSHALL, MINNESOTA,  
as Issuer**

**and**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
as Trustee**

**Dated as of [April/May] 1, 2024**

**Relating to:**

**[\$Series A Par]  
City of Marshall, Minnesota  
Education Services Facility Lease Revenue Bonds  
(SWWC Service Cooperative)  
Series 2024A**

**and**

**[\$Series B Par]  
City of Marshall, Minnesota  
Taxable Education Services Facility Lease Revenue Bonds  
(SWWC Service Cooperative)  
Series 2024B**

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This instrument drafted by:  
Kennedy & Graven, Chartered (SEL)  
150 South Fifth Street, Suite 700  
Minneapolis, Minnesota 55402-1299

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## INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of [April/May] 1, 2024 (the “Indenture”), is by and between the CITY OF MARSHALL, a home rule charter city, municipal corporation and political subdivision organized under its Charter and the Constitution and laws of the State of Minnesota (the “Issuer”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association with trust powers (herein sometimes called the “Trustee”):

WITNESSETH:

WHEREAS, the Issuer is authorized by the provisions of Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the “Act”), to issue its revenue bonds to finance, in whole or in part, the costs of the acquisition, construction, reconstruction, improvement, betterment, or extension of projects, including any properties, real or personal, used or useful in connection with a revenue producing enterprise, whether or not operated for profit; and

WHEREAS, Foundation for Innovation in Education, a Minnesota nonprofit corporation (the “Borrower” or “Foundation”) has requested that the Issuer issue its Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024A (the “Series 2024A Bonds”), in the original aggregate principal amount of \$[Series A Par] and Taxable Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024B (the “Series 2024B Bonds” or “Taxable Bonds”) and collectively with the Series 2024A Bonds, the “Bonds”), in the original aggregate principal amount of \$[Series B Par], pursuant to the terms of this Indenture, and loan the proceeds thereof (the “Loan”) to the Borrower pursuant to a Loan Agreement, dated as of [April/May] 1, 2024 (the “Loan Agreement”), between the Issuer and the Borrower, to finance the following: (i) the acquisition, construction, and equipping of an approximately 16,100 square-foot facility (the “Facility”) on real property located at or about the intersection of Channel Parkway and London Road in the City of Marshall, Minnesota (the “Land”), to be owned by the Foundation and leased to and operated by the Cooperative; (ii) the funding of capitalized interest; and (iii) the payment of a portion of the costs of issuing the Bonds (collectively, the “Bond-Financed Project”); and

WHEREAS, the Project, as defined in Section 1.01 herein, will be owned by the Borrower and leased to and operated by the Southwest West Central Service Cooperative (“Cooperative” or “SWWC”), a service cooperative and a public corporation and agency established pursuant to Minnesota Statutes, Section 123A.21, as amended (the “Cooperative Act”), in accordance with a Lease Agreement, dated as of [April/May] 1, 2024, by and between the Foundation, as landlord, and the Cooperative, as tenant (the “Lease”), pursuant to which the Cooperative will operate the Project for the purpose of providing educational programs and services to its members, including independent school districts, cities, counties, and other governmental agencies, as well as nonprofit organizations, and on its members’ behalf; and

WHEREAS, the Lease requires that, from and after the date hereof, the Cooperative make Lease Payments to the Foundation in such amounts and at such times as will be sufficient to pay the principal of, premium, if any, and interest on the Bonds, when due; and

WHEREAS, pursuant to the terms of the Loan Agreement, the Borrower has agreed to make Loan Repayments to the Issuer in such amounts and at such times as will be sufficient to pay the principal of, premium, if any, and interest on the Bonds when due; and

WHEREAS, as security for the payment of the Bonds, the Issuer has agreed to assign and pledge to the Trustee, among other things, all right, title, and interest of the Issuer in and to the Loan Agreement (except certain rights reserved to the Issuer under the terms of this Indenture), including the Loan Repayments (as hereinafter defined); and

WHEREAS, the execution and delivery of this Indenture, the Loan Agreement, the Bond Purchase Agreement (as hereinafter defined) and the issuance of the Bonds and the loan of the proceeds thereof to the Borrower have been authorized by the City Council, the governing body of the Issuer, pursuant to a resolution adopted by the City Council on March 26, 2024 (the “Bond Resolution”); and

WHEREAS, the Trustee hereby accepts the trust created by this Indenture and in evidence thereof has joined in the execution hereof; and

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

#### GRANTING CLAUSES

That the Issuer in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds issued hereunder by the Bondholders thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure, for the equal and proportionate benefit, security and protection of the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds, does hereby assign and grant a security interest in the following to the Trustee and its successors in trust and assigns forever, for the securing of the performance of the obligations of the Issuer hereinafter set forth (collectively, the “Trust Estate”):

#### I.

The Loan Agreement and any Security Document (including but not limited to the Mortgage), including all extensions and renewals of the term thereof, if any, together with all right, title, and interest of the Issuer in and to the Loan Agreement (except for the Issuer’s Unassigned Rights), including, but not limited to, the present and continuing right to make claim for, collect, receive, and receipt for any of the sums, amounts, income, revenues, issues, and profits and any other sums of money payable or receivable under the Loan Agreement and Security Documents (except for amounts payable to the Issuer under or with respect to the Issuer’s Unassigned Rights), to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer under the Loan Agreement and the other Security Documents is or may become entitled to.

## II.

All money, assets, and securities from time to time held by the Trustee under the terms of this Indenture, except for money deposited with or paid to the Trustee for the redemption of specific Bonds, which money shall be held in trust for the Bondholders of such specific Bonds only, except for money in the Rebate Fund which is not subject to the lien of this Indenture.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in said Trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security, and protection of all present and future Bondholders of the Bonds, from time to time, issued under and secured by this Indenture without privilege, priority, or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds;

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

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and all said property, rights, and interests, including, without limitation, the amounts payable under the Loan Agreement and any Security Document (including, but not limited to the Mortgage) and any other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as herein expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective Bondholders of the Bonds as follows:

(The remainder of this page is intentionally left blank.)

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this article and in the recitals and succeeding articles of this Indenture shall, for all purposes of this Indenture and of any indenture supplemental hereto, have the meanings herein specified; and any term defined in the Lease which is used but not otherwise defined herein shall have the meaning in this Indenture as is prescribed for that term in the Lease.

Act: Minnesota Statutes, Sections 469.152 through 469.1655, as amended.

Additional Bonds: any additional bonds issued pursuant to the terms and conditions of Section 2.11.

Additional Lease Payments: rent payable for the purposes provided for in Section 5.3 of the Lease.

Assignment of Lease: the Assignment of Lease, dated as of [April/May] 1, 2024, by the Borrower in favor of the Trustee and consented to by the Cooperative, and all amendments thereof and supplements thereto.

Bond Closing: the Date of Original Issuance.

Bond Counsel: Kennedy & Graven, Chartered or any other attorney or firm of attorneys nationally recognized as experienced in tax-exempt bond financing selected by the Issuer and acceptable to the Borrower.

Bond-Financed Project: the portion of the Project and related costs, including financing costs, financed with the Bonds, as described in the Tax Certificate.

Bond Fund: the Bond Fund created under Section 4.07 hereof.

Bond Purchase Agreement: the Bond Purchase Agreement, dated [\_\_\_\_], 2024, between the Original Purchaser, the Issuer, the Borrower, and the Cooperative.

Bond Register: the register maintained by the Trustee pursuant to Section 2.04.

Bond Registrar: the Trustee in its capacity as registrar of the Bonds.

Bond Resolution: the resolution adopted by the City Council on March 26, 2024, authorizing the issuance and sale of the Bonds, as the same may be amended, modified or supplemented.

Bondholder or Holder or Beneficial Owner: the actual person who is the beneficial owner of any Bonds or the actual persons who are the beneficial owners of any Bonds and for such purposes of this Indenture shall not mean any designee of DTC.

Bonds: collectively, the Series 2024A Bonds and the Series 2024B Bonds and any Additional Bonds.

Bond Year: the one (1) year period beginning on each February 1 and ending on January 31 of each subsequent year, except that the first Bond Year shall begin on the Date of Original Issuance of the Bonds and end on January 31, 2025.

Borrower: Foundation for Innovation in Education, a Minnesota nonprofit corporation and any successor owner of the Project authorized under the Security Documents.

Borrower Documents: means the Loan Agreement, the Bond Purchase Agreement, the Lease, the Assignment of Lease, the Mortgage, the Continuing Disclosure Undertaking, the Tax Certificate, and any other document executed by the Borrower in connection with the issuance of the Bonds.

Borrower Representative: the Chair or Executive Director of the Cooperative Board of Directors, or any other person at any time designated to act in on behalf of the Cooperative by written certificate furnished to the Issuer and the Trustee, containing the specimen signature of such person and signed on behalf of the Borrower by its Chair or its Executive Director.

Business Day: any day of the year other than (a) a Saturday or Sunday, or (b) any day on which banking business is not transacted by banks in the city in which the Trustee has its designated corporate trust office.

Cede & Co.: initially, Cede & Co., as nominee of DTC and any successor or subsequent such nominee designated by DTC respecting DTC's functions as book-entry depository for the Bonds.

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

Certified Resolution: a copy of a resolution of the Council, certified by the Issuer's clerk or other appropriate official to have been duly adopted by the Council and to be in full force and effect on the date of such certification.

City: the City of Marshall, Minnesota.

Code or Internal Revenue Code: the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Tax-Exempt Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

Continuing Disclosure Undertaking: means the Continuing Disclosure Undertaking by the Foundation and the Cooperative, dated as of [April/May \_\_], 2024.

Cooperative: Southwest West Central Service Cooperative, a service cooperative and a public corporation and agency established pursuant to the Cooperative Powers Act.

Cooperative Documents: the Bond Purchase Agreement, the Lease, the Continuing Disclosure Undertaking, the Tax Certificate, and any other document executed by the Cooperative in connection with the issuance of Bonds.

Cooperative Powers Act: Minnesota Statutes, Section 123A.21, as from time to time amended.

Cooperative Representative: the Chair or Executive Director of the Cooperative Board of Directors, or any other person at any time designated to act in on behalf of the Cooperative by written certificate furnished to the Issuer and the Trustee, containing the specimen signature of such person and signed on behalf of the Cooperative by its Chair or its Executive Director.

Co-Trustee: any co-trustee as permitted pursuant to Section 8.18.

Completion Date: the date the Borrower certifies the construction of the Project is complete pursuant to Section 3.6 of the Loan Agreement.

Condemnation: the word “Condemnation” or phrase “eminent domain” includes the taking or requisition by governmental authority or by a Person acting under governmental authority and a conveyance made under threat of Condemnation, and “Condemnation award” shall mean payment for property condemned or conveyed under threat of Condemnation.

Construction Fund: the Construction Fund created under Section 4.03 hereof.

Construction Period: the period between the beginning of construction of the Project or the date on which the Bonds are first delivered to the purchaser thereof, whichever is earlier, and the Completion Date.

Cost of Issuance Fund: the Cost of Issuance Fund created under Section 4.09 hereof from which Issuance Expenses will be paid.

Date of Original Issuance: [April/May \_\_], 2024, the date on which there is delivery by the Issuer of, and payment for, the Bonds.

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

Determination of Taxability: means receipt by the Trustee or any Beneficial Owner of a written notification of the issuance, prior to the maturity date or redemption of all outstanding Tax-Exempt Bonds, of a statutory notice of deficiency by the United States Department of the Treasury, Internal Revenue Service, or a decision by a court of competent jurisdiction, holding in effect that interest on any Tax-Exempt Bond is included for federal income tax purposes in the gross income of the Bondholder thereof, which statutory notice or court decision is (a) not contested by the Borrower in accordance with Section 7.8 of the Loan Agreement; or (b) contested by the Borrower in accordance with Section 7.8 of the Loan Agreement and resolved adversely to the interests of the Bondholders, or abandoned by, the Borrower. A change in federal tax law is not a determination of taxability.

DTC or Depository: The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, or any successor book-entry securities depository for the Bonds appointed pursuant to Section 2.09.

DTC Participant: means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Bonds or securities as depository.

EMMA: the Electronic Municipal Market Access system established by the Municipal Securities Rulemaking Board (the “MSRB”) with the support of the Securities and Exchange Commission, which can be accessed on the date hereof at [www.emma.msrb.org](http://www.emma.msrb.org) or any successor system established by the MSRB.

Event of Default: any occurrence or event of fault specified and defined by the Loan Agreement, any other Security Document, or by Section 7.01 of this Indenture, which has not been cured.

Favorable Opinion of Bond Counsel: an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is not prohibited by the laws of the State and, with respect to any Tax-Exempt Bonds, will not adversely affect any exclusion from gross income for federal income tax purposes of interest on any Tax-Exempt Bonds.

Financial Newspaper: The *Marshall Independent* or any other newspaper or journal of general circulation in the English language in Marshall, Minnesota.

Fiscal Year: the period commencing on July 1 of any year and ending on June 30 of the following calendar year, or any other twelve-month period specified in a Borrower resolution as the fiscal year of the Borrower (provided that the first Fiscal Year ending after the date hereof shall mean the period ending June 30, 2024).

Foundation: the Borrower.

Funds: the Bond Fund, the Cost of Issuance Fund, the Construction Fund, and the Rebate Fund.

Government Obligations: direct obligations of the United States of America or obligations the full and timely payment of the principal of and any interest on which is unconditionally guaranteed by the United States of America.

Indebtedness: (a) all indebtedness of the obligor for borrowed money incurred or assumed by the obligor, and all purchase money mortgages, installment purchase contracts, leases, guaranties, or other similar instruments in the nature of a borrowing by which the obligor will be unconditionally obligated to pay; (b) the capitalized value of the liability under any lease of real or personal property; and (c) any guaranties of any obligation or indebtedness of another Person.

Indenture: this Indenture of Trust, and any amendments or supplements hereto.

Independent: when used with reference to an attorney, engineer, architect, certified public accountant, consultant, or other professional person, a person who: (a) is in fact independent;

(b) does not have any material financial interest in the Borrower or the transaction to which his certificate or opinion relates (other than payment to be received for professional services rendered); and (c) is not connected with the Issuer, the Borrower, or the Cooperative as an officer, director, or employee.

Independent Accountant: a certified public accountant or firm of certified public accountants selected by the Borrower and registered and qualified to practice as such under the laws of the State, who does not have any direct financial interest in the Borrower, other than the payment to be received under contract for services performed and who is not connected with the Borrower as an officer, employee, underwriter, partner, affiliate, subsidiary, or person performing similar functions and is not a trustee or director of the Borrower.

Independent Counsel: an attorney duly admitted to practice law before the highest court of any state and who is not a full-time employee, director or shareholder of the Issuer, the Borrower, or the Cooperative.

Independent Engineer: an Independent engineer or engineering firm or an Independent architect or architectural firm selected by the Borrower or the Cooperative and qualified to practice the profession of engineering or architecture under the laws of the State.

Interest Payment Date: for the Series 2024A Bonds and the Series 2024B Bonds, each February 1 and August 1 commencing August 1, 2025.

Issuance Expenses: costs paid or incurred by or on behalf of the Borrower in connection with the issuance of the Bonds and the making of the Loan by the Issuer to the Borrower including, without limitation, the following: payment of financial, legal, accounting and appraisal fees, expenses and disbursements, the Issuer's fees, and expenses attributable to the issuance of the Bonds, and expenses attributable to the issuance of the Bonds, the cost of printing, engraving and reproduction services, legal fees and expenses for Bond Counsel, Issuer's counsel, Trustee's counsel, Underwriter's counsel and counsel to the Borrower and the Cooperative relating to the issuance of the Bonds, the initial or acceptance fee of the Trustee, and all other fees, charges and expenses incurred in connection with the issuance of the Bonds and the preparation and filing or recording of this Indenture and of any document, including the Cooperative Documents, the Borrower Documents and the Security Documents, relating to the issuance of the Bonds, including any other costs within the meaning of Section 147(g) of the Code.

Issuer: the City of Marshall, Minnesota, a home rule charter city, municipal corporation and political subdivision organized under its Charter and the Constitution and laws of the State, its successors and assigns.

Issuer Documents: this Indenture, the Loan Agreement, the Bond Purchase Agreement, and any other document executed and delivered by the Issuer in connection with the issuance of a series of Bonds.

Issuer Fee: the Issuer's one-time administrative fee equal to (A) 0.25% of the original principal amount of the Bonds issued by the City up to \$10,000,000, plus (B) 0.15% of the original principal amount of the Bonds in excess of 10,000,000, as more specifically set forth in Section 4.3(1) of the Loan Agreement.

Issuer Indemnified Party or Issuer Indemnified Parties: the Issuer, its past, present, and future governing body members, manager, administrator, executive director, officers, employees, legal counsel, advisors, and agents, individually and collectively.

Issuer Representative: the Mayor or City Administrator of the Issuer, and any other officer, official, employee, person or persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Borrower and the Trustee containing the specimen signatures of such person or persons and signed on behalf of the Issuer by its duly authorized agent. Such certificate may designate an alternate or alternates.

Issuer's Unassigned Rights: the rights of the Issuer to inspect the Project, books and records, give or receive notices, approvals, consents, requests and other communications and to enforcement and indemnification and certain direct payments to be made to it pursuant to Sections 3.2, 4.3, 4.4, 7.4, 9.2, 9.5, 9.8, 10.8, and 10.11 of the Loan Agreement.

Land: the real property described in Exhibit A attached to the Loan Agreement, together with all additions to, replacements of and substitutions for the foregoing, owned by the Foundation and leased to the Cooperative under the Lease.

Lease: the Lease Agreement, dated as of [April/May] 1, 2024, by and between the Foundation, as Landlord, and the Cooperative, as Tenant.

Lease Payments: lease payments payable by the Cooperative to the Foundation under Article V of the Lease.

Loan Agreement: the Loan Agreement, dated as of [April/May] 1, 2024, between the Issuer and the Borrower, and any amendments and supplements thereto.

Loan Repayments: the payments required to be made by the Borrower pursuant to Section 4.2 of the Loan Agreement.

Majority Bondholder(s): any Bondholder or Bondholders who, in the aggregate, are the beneficial owners of greater than fifty percent (50%) of the Outstanding principal amount of the Bonds; provided that Bonds held by the Borrower, the Cooperative or any affiliate thereof shall be disregarded in making such determination, unless one hundred percent (100%) of the Outstanding Bonds are held by the Borrower, the Cooperative or any affiliate thereof.

Material Indebtedness: (i) any Indebtedness owed to the Issuer, (ii) the Bonds, (iii) any Indebtedness payable from or secured by the Trust Estate which as to priority of payment is on a parity with or senior to the Bonds, and (iv) any other Indebtedness which has a principal amount outstanding of not less than \$[250,000].

Moody's: Moody's Investors Service, its successors and assigns and, if such corporation shall be subsequently dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower by notice to the Trustee.

Mortgage: the Mortgage, Security Agreement, and Assignment of Rents, dated as of [April/May] 1, 20243, between the Borrower, as mortgagor, and the Trustee, as mortgagee, and all amendments thereof and supplements thereto.

Net Proceeds: Any property insurance proceeds or condemnation award paid with respect to the Project, net of the expenses incurred in the collection thereof.

Non-appropriation: the failure of the governing body of the Cooperative to appropriate money for any Fiscal Year of the Cooperative sufficient for the continued performance and discharge by the Cooperative of its obligations under the Lease (including Cooperative's obligations to make Lease Payments thereunder); provided, that such Non-appropriation shall only be deemed to exist and be effective hereunder if declared in and evidenced by the passage of a resolution of the Board of Directors of the Cooperative specifically stating Cooperative will no longer appropriate any moneys to pay the Lease Payments due under the Lease for a designated upcoming Fiscal Year and all subsequent Fiscal Years.

Opinion of Counsel: a written opinion of counsel (who need not be Independent Counsel unless so specified) appointed by the Foundation or Cooperative.

Original Purchaser: Robert W. Baird & Co. Incorporated or any other Person(s) who purchase the Bonds from the Issuer at Bond Closing.

Outstanding: used as of any particular time with reference to Bonds, means all Bonds theretofore authenticated and delivered by the Trustee under the Indenture except: (i) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds for the payment or redemption of which funds or direct obligations of or obligations fully guaranteed by the United States of America in the necessary amount shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Article III, or provision satisfactory to the Trustee shall have been made for the giving of such notice, all as provided in Article X; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the terms of Section 2.07 pertaining to replacement of Bonds.

Permitted Encumbrances: as of any particular time, "permitted encumbrances" as defined in the Mortgage.

Permitted Investments: means the following investments, if and to the extent the same are legal for investment, with regard to any money held as part of the funds held by the Trustee pursuant to this Indenture:

- (a) bills, certificates of indebtedness, notes, bonds, or similar securities which are direct obligations of, or the principal and interest of which are unconditionally guaranteed by, the United States of America;

(b) direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any corporation, if such obligations are in one (1) of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either or both of such rating agencies, any other nationally recognized rating service;

(c) negotiable or non-negotiable certificates of deposit, time deposits, or other similar banking arrangements, issued by any nationally or state-chartered bank (including the Trustee) or trust company or any savings and loan association, domiciled in the State, if either (i) the long-term obligations of such bank or trust company are rated in one (1) of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either or both of such rating services, any other nationally recognized rating service or (ii) the deposits are continuously secured as to principal, but only to the extent not insured by the Federal Deposit Insurance Corporation, or similar corporation chartered by the United States of America, (A) by lodging with a bank or trust company, as collateral security, obligations described in paragraph (a) or (b) above or other marketable securities eligible as security for the deposit of trust funds under applicable regulations of the Comptroller of the Currency of the United States of America or applicable state law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (B) if the furnishing of security as provided in clause (A) of this paragraph is not permitted by applicable law, in such manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for the deposit of trust funds;

(d) repurchase agreements with respect to obligations listed in paragraph (a) or paragraph (b) above if entered into with a nationally or state-chartered bank domiciled in the State (including the Trustee), trust company domiciled in the State or a broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) which is a member of the Securities Investors Protection Corporation if (i) such obligations that are the subject of such repurchase agreement are delivered to the Trustee or are supported by a safekeeping receipt issued by a depository, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at current market value, calculated no less frequently than monthly, of not less than the repurchase price, (ii) a prior perfected security interest in the obligations which are the subject of such repurchase agreement has been granted to the Trustee, and (iii) such obligations are free and clear of any adverse third-party claims;

(e) commercial paper maturing in two hundred seventy (270) days or less and rated in the highest rating category by two (2) nationally recognized rating services;

(f) money market mutual funds invested solely in obligations listed in paragraph (a), (b), or (c) above including funds offered or managed by the Trustee or its affiliates;

(g) agreements or contracts for guaranteed investment contracts issued or guaranteed by financial institutions, United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries. The

credit quality of the issuer's or guarantor's long-term unsecured debt must be rated in one of the three highest categories by a nationally recognized rating agency;

(h) certificates or receipts issued by any nationally or state-chartered bank, domiciled in the State, trust company domiciled in the State or broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) which is a member of the Securities Investors Protection Corporation, organized and existing under the laws of the United States of America or any state thereof, the outstanding unsecured long-term debt of which is rated in either of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either rating services, in the capacity of custodian, which certificates or receipts evidence ownership of a portion of the principal of or interest on Governmental Obligations held (which may be in book-entry form) by such bank, trust company or broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) as custodian;

(i) tax-exempt obligations (as defined in Section 150(a)(6) of the Code and which are not "investment property" as defined in Section 148(b)(2) of the Code) rated at the time of purchase in one of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either rating service or both of such rating services, any other nationally recognized rating service;

(j) deposits in interest-bearing, time deposits or certificates of deposit or similar arrangements (without regard to whether such deposits or arrangements are insured by the Federal Deposit Insurance Corporation (the "FDIC") of any lead bank of a bank holding company which has at least an "A-1" or "prime-one" rating or their equivalents from S&P or Moody's, or their successors, or certificates of deposit of any national bank if the amount thereof is fully insured by the FDIC;

(k) U.S. dollar denominated deposit accounts, federal funds with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than three hundred sixty (360) days after the date of purchase (Ratings on holding companies are not considered as the rating of the bank.); and

(l) any investments which are legal investments under Minnesota Statutes, Chapter 118A.

Person: any natural person, corporation, nonprofit corporation, joint venture, cooperative, partnership, trust or unincorporated organization, government or governmental body or agency, political subdivision or other legal entity, as in the context may be appropriate.

Project: the Project Improvements, the Project Equipment and the Land owned by the Foundation and to be leased to the Cooperative pursuant to the Lease and which are more fully described in Exhibit A attached to the Lease.

Project Costs: the cost items enumerated in Section [3.2] of the Loan Agreement.

Project Equipment: any and all (i) fixtures or tangible personal property now or hereafter attached or affixed to the Project Premises, but specifically excluding any fixtures owned by

tenants, if any, (ii) other tangible personal property now or hereafter located within or used in connection with the Project Premises or the Facility, and (iii) any additions to, replacements of and substitutions for any of the foregoing.

Project Improvements: The buildings, structures, improvements and fixtures located on or to be purchased, constructed, renovated, bettered, enlarged and otherwise improved on the Land in accordance with the Plans and Specifications, and all additions, alterations, modifications and improvements thereof made pursuant to Sections 6.6 or 8.5 of the Lease [and Sections \_\_\_ of the Loan Agreement], to be used by the Cooperative as an education services facility, including an administration, office, meeting and training center.

Project Premises: the Land.

Purchaser: Robert W. Baird & Co. Incorporated, as the Original Purchaser of the Bonds.

Rating Agency means S&P or Moody's.

Rebate Analyst: the Rebate Analyst described in Section 4.08 of this Indenture.

Rebate Fund: the Rebate Fund created under Section 4.10 hereof.

Rebate Amounts: the amount determined pursuant to Section 7.7(13) of the Loan Agreement to be rebated to the United States,

Redemption Date: when used with respect to any Bond to be redeemed, the date on which it is to be redeemed pursuant hereto.

Redemption Price: when used with respect to any Bond to be redeemed, the price at which it is to be redeemed pursuant hereto.

Registered Owner: means the person in whose name a Bond is registered on the books maintained for the registration of the Bonds, initially, Cede & Co. as nominee of DTC or any successor nominee of the DTC.

Regular Record Date: the meaning given that term in Section 2.05.

Representation Letter: means such letter of representations to DTC or other documentation required by DTC as a condition to its acting as book-entry depository for the Bonds together with any replacement thereof or amendment or supplement thereto (and including any structured procedures or policies referenced therein or applicable thereto) respecting the procedures and other matters relating to DTC's role as book-entry depository for the Bonds.

Responsible Officer: when used with respect to the Trustee, any officer of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any

corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

Revenue Fund: the Revenue Fund created under Section 4.02 hereof.

S&P: S&P Global Ratings, its successors, and their assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a municipal securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized municipal securities rating agency designated by the Borrower (other than Moody's) by notice to the Trustee.

Security Agreements or Security Documents: collectively, the Loan Agreement, the Lease, Assignment of Lease, the Mortgage, and the all as the same may be amended or supplemented from time to time.

Series 2024A Bonds: the Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024A, issued by the Issuer in the original aggregate principal amount of \$[Series A Par], dated the Date of Original Issuance, authorized by this Indenture and the Bond Resolution and described in Section 2.01.

Series 2024B Bonds: the Taxable Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024B, issued by the Issuer in the original aggregate principal amount of \$[Series B Par], dated the Date of Original Issuance, authorized by this Indenture and the Bond Resolution and described in Section 2.01.

Series 2024A Taxable Rate: means [ ]% per annum.

Special Record Date: that date specified by the Trustee for the payment of any defaulted interest.

State: the State of Minnesota.

Tax-Exempt Bonds: the Series 2024A Bonds and any Additional Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes.

Title Insurer: means [ ], a [ ], its successors, and assigns.

Trustee: U.S. Bank Trust Company, National Association, St. Paul, Minnesota, or the successor thereto at the time serving as such trustee under this Indenture.

Trust Funds: the funds established under this Indenture, other than the Rebate Fund.

Trust Estate: the property and funds described in the granting clauses of this Indenture, including the Trust Funds.

UCC: the Minnesota Uniform Commercial Code, Minnesota Statutes, Chapter 336, as amended, and any successor statute(s) thereto.

Underwriter: Robert W. Baird & Co. Incorporated, the Original Purchaser of the Bonds.

Section 1.02 Additional Provisions as to Interpretation. All references herein to “articles”, “sections” and other subdivisions are to the corresponding articles, sections or subdivisions of this Indenture; and the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof. The terms defined in this article shall include the plural as well as the singular.

Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or funds in the necessary amount to pay or redeem any Bonds, the amount so to be deposited or held shall be the principal amount of such Bonds and all unpaid interest thereon to maturity, except that in the case of Bonds which are to be redeemed prior to maturity and in respect of which there shall have been furnished to the Trustee proof satisfactory to it that notice of such redemption on a specified redemption date has been duly given or provision satisfactory to the Trustee shall be made for such notice, the amount so to be deposited or held shall be the principal amount of such Bonds and interest thereon to the redemption date, together with the redemption premium, if any.

Any terms defined in the Lease but not defined herein shall have the same meaning herein unless the context hereof clearly requires otherwise.

This Indenture is governed by and shall be construed in accordance with the laws of the State of Minnesota.

IT IS THE SPECIFIC PURPOSE AND INTENT OF THIS INDENTURE, AND ANY OTHERS ANCILLARY HERETO, THAT THE ISSUER SHALL UNDERGO NO EXPENSE OF WHATEVER NATURE, KIND OR VARIETY. THE TRUSTEE AND THE ISSUER (AND THE FOUNDATION AND THE COOPERATIVE) DO SPECIFICALLY AGREE THAT THE FOUNDATION AND THE COOPERATIVE SHALL PAY ANY AND ALL EXPENSES AND FEES OF THE TRUSTEE RELATING DIRECTLY OR INDIRECTLY TO THE PROJECT IN ANY FASHION WHATEVER. IN THE EVENT ANY CONFLICT OF LANGUAGE SHALL BE NOW OR SUBSEQUENTLY DETERMINED, THIS PROVISION SHALL IN ALL RESPECTS GOVERN THE FISCAL RESPONSIBILITIES OF BOTH THE FOUNDATION AND THE COOPERATIVE.

ARTICLE II

FORM, EXECUTION AND REGISTRATION OF BONDS

Section 2.01 Form, Maturities and Denomination of Series 2024A Bonds. (a) The Bonds shall be designated “Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024A” and “Taxable Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024B,” respectively. The form of the Series 2024A Bonds shall be substantially in the form set forth in Exhibit B. The Bonds shall be in printed form in the denomination of \$5,000, or any integral multiple thereof, initially numbered R-1 upwards, and shall be dated the Date of Original Issuance. The Bonds issued in exchange for or transfer of other Bonds shall bear interest from the date to which interest has been paid on the Bonds being surrendered for exchange on transfer. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year, commencing February 1, 2025 (each an “Interest Payment Date”). The principal or redemption price (if applicable) of the Bonds shall be payable to the Holder upon presentation and surrender at the office of the Trustee, except as otherwise provided in Section 2.09. The Bonds shall be payable in such coin or currency of the United States of America as may at the time be legal tender for the payment of public and private debts, and interest on Bonds shall be paid by check or draft mailed to the Holder at the Holder's address. The Regular Record Date for the payment of interest on the Bonds payable on any Interest Payment Date shall be the 15<sup>th</sup> day (whether or not a Business Day) of the calendar month preceding each Interest Payment Date.

(b) The Series 2024A Bonds shall be in the aggregate principal amount of \$[Series A Par], shall mature on February 1 in the years and amounts and shall bear interest at the rates per annum, according to years of maturity, as follows:

**Series 2024A Bonds** [*to be updated at bond pricing*]

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
[2026	\$ 335,000	_____ %
2027	345,000	_____
2028	365,000	_____
2029	380,000	_____
2030	400,000	_____
2031	420,000	_____
2034*	1,385,000	_____
2036*	1,045,000	_____
2038*	1,145,000	_____
2040*	1,250,000	_____
2042*	1,365,000	_____
2045*	2,295,000	_____]

\_\_\_\_\_  
\*Term Bonds

(c) The Series 2024B Bonds shall be in the aggregate principal amount of \$[Series B Par], shall mature on February 1 in the years and amounts and shall bear interest at the rates per annum, according to years of maturity, as follows:

**Series 2024B Bonds** [*to be updated at bond pricing*]

Year	Principal Amount	Interest Rate
[2026	\$85,000	_____]%

Section 2.02 Execution of Bonds; Special, Limited Obligations. The Bonds shall be executed in the name of the Issuer by the manual or facsimile signatures of the officers of the Issuer designated to sign the Bonds in the Bond Resolution, and said signatures shall be authenticated by the manually executed signature of a Responsible Officer of the Trustee, which is hereby designated and appointed as authenticating agent, paying agent, registrar, and transfer agent for the Bonds. The official seal of the Issuer shall be omitted from the Bonds, as permitted by law. In the event that any of the officers who shall have signed any of the Bonds shall cease to be officers of the Issuer before the Bonds shall have been authenticated or delivered by the Trustee, or transferred or exchanged, such Bonds may nevertheless be authenticated, delivered, and issued, and upon such authentication, shall be binding upon the Issuer as though those officers who signed and sealed (if not omitted) the same had continued to be such officers of the Issuer; and, also, any Bond may be (but shall not be required to be) signed on behalf of the Issuer by such person who, at the actual date of execution of such Bond, shall be the proper officer of the Issuer, notwithstanding that on the date of such Bond such person shall not have been such an officer of the Issuer. Upon the execution and delivery of this Indenture, and satisfaction of the conditions set forth in Section 2.08 hereof, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate and deliver to the Original Purchaser (i) the Series 2024A Bonds in the aggregate principal amount of \$[Series A Par] and (ii) the Series 2024B Bonds in the aggregate principal amount of \$[Series B Par], as provided in this section.

THE BONDS AND THE INTEREST THEREON ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE EXCLUSIVELY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF OR A CHARGE AGAINST THE GENERAL CREDIT OF THE ISSUER AND THE BONDS ARE NOT SECURED BY A PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE ISSUER, THE STATE, OR OF ANY POLITICAL SUBDIVISION THEREOF.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS AGAINST ANY PAST, PRESENT, OR FUTURE GOVERNING BODY MEMBERS, MANAGER, ADMINISTRATOR, EXECUTIVE DIRECTOR, OFFICERS, EMPLOYEES, LEGAL COUNSEL, ADVISORS, AND AGENTS OF THE ISSUER, OR OF ANY SUCCESSOR TO THE ISSUER, AS SUCH, EITHER DIRECTLY OR THROUGH THE ISSUER OR ANY SUCCESSOR TO THE ISSUER, UNDER ANY RULE OF LAW OR EQUITY, STATUTE, OR CONSTITUTION, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, AND ALL SUCH LIABILITY OF

ANY SUCH GOVERNING BODY MEMBERS, MANAGER, ADMINISTRATOR, EXECUTIVE DIRECTOR, OFFICERS, EMPLOYEES, LEGAL COUNSEL, ADVISORS, AND AGENTS, AS SUCH, IS HEREBY EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND CONSIDERATION FOR THE EXECUTION AND ISSUANCE OF THE BONDS.

Section 2.03 Authentication of Bonds. No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless a Responsible Officer of the Trustee shall manually endorse and execute on such Bond a certificate of authentication substantially in the form of the Trustee's certificate set forth in Exhibit B and Exhibit C hereto, respectively, with appropriate variations, omissions, and insertions as permitted or required by this Indenture, and such executed certificate of authentication of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered, and delivered under this Indenture and that the Holder thereof is entitled to the benefits of this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer execute the certificate of authentication on all of the Bonds.

No Bonds shall be authenticated by the Trustee except in accordance with this article.

The Trustee shall not be required to authenticate any Bond or Bonds unless provided with the documents referred to in Section 2.08.

Section 2.04 Registration, Transfers and Exchange. As long as any of the Bonds issued hereunder shall remain outstanding, the Trustee shall, on behalf of the Issuer, maintain and keep at the office of the Trustee, acting in its capacity as paying agent and registrar for Bonds, records for the payment of the principal of and interest on such Bonds, as in this Indenture provided, and for the registration and transfer of such Bonds, and shall also keep at said office of the Trustee books for such registration and transfer. The Issuer does hereby appoint the Trustee, and its successors in the trust from time to time, as its agent to maintain said office and agency at the office of the Trustee.

Upon surrender for transfer of any fully registered Bond at the office of the Trustee with a written instrument of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee, duly executed by the Holder or the Holder's duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, interest rate and maturity; provided that until termination of the book-entry only system pursuant to Section 2.10, the Bonds may only be registered in the name of DTC or its nominee. Neither the Trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by DTC. The execution by the Issuer of any Bond of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

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

In all cases in which the privilege of exchanging Bonds or transferring fully registered Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the Issuer or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The Trustee shall require the payment by the Registered Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and of any other expenses necessarily incurred in connection with such transfer.

The Issuer and the Trustee shall not be obligated to make any such exchange or transfer of Bonds during the fifteen days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds. The Issuer and Trustee shall not be required to make any transfer or exchange of any Bonds called for redemption.

Transfers are subject to the requirements of the Depository as long as the Bonds are held in Book-Entry Form.

Section 2.05 Payment of Interest on Bonds; Interest Rights Preserved. Interest on the Bonds which is payable on any Interest Payment Date shall be paid to the person in whose name that Bond is registered at the close of business on the 15th day (whether or not a Business Day) of the calendar month preceding said Interest Payment Date (the "Regular Record Date").

Any interest on a Bond which is payable, but which is not punctually paid or duly provided for, on any Interest Payment Date ("Defaulted Interest") shall forthwith cease to be payable to the Holder thereof as of the relevant Regular Record Date and shall instead be paid by the Issuer as provided below:

Payment of any Defaulted Interest on Bonds shall be made to such the persons in whose names such Bonds are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, and shall be paid by check or draft mailed to such person as is the Registered Owner on the Special Record Date at the Registered Owner's address as it appears on the registration books of the Issuer.

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

Section 2.06 Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the Registered Owner thereof or its legal representative, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 2.07 Replacement of Mutilated, Destroyed, Stolen or Lost Bonds. In case any Outstanding Bond shall become mutilated, destroyed, stolen or lost, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange therefor or replacement thereof a new Bond of like tenor, number and amount as the Bond so mutilated, destroyed, stolen or lost, upon surrender of such Bond, if mutilated, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Trustee and the Issuer with indemnity satisfactory to it and complying with such other reasonable regulations as the Trustee may prescribe and paying such reasonable expenses as the Trustee and the Issuer may incur in connection therewith. In the event any such Bond (except a mutilated Bond) shall have matured, instead of issuing a duplicate Bond, the Trustee, on behalf of the Issuer, may pay the same without surrender thereof, making such requirements as it deems fit for its protection, including a lost instrument bond. The Trustee may charge the Bondholder of such Bond with its reasonable fees and expenses for such service.

Section 2.08 Conditions for Authentication of Bonds. The Trustee shall not authenticate and deliver the Series 2024A Bonds unless there shall have been delivered to the Trustee the following:

(a) A certified copy of the Bond Resolution authorizing the issuance of the Series Bonds and the execution and delivery by the Issuer of the Issuer Documents.

(b) Executed counterparts of the Issuer Documents, the Borrower Documents, the Cooperative Documents, and the Security Documents.

(c) Copies of the resolutions adopted by of the governing bodies of each of the Foundation and the Cooperative authorizing the execution and delivery of the Foundation Documents and the Cooperative Documents, respectively, and approving the financing of the Project through the issuance of the Bonds by the Issuer in accordance with the terms of this Indenture.

(d) A request and authorization to the Trustee on behalf of the Issuer and signed by the official(s) specified in the Resolution, to authenticate and deliver the Series 2024A Bonds in the original aggregate principal amount of \$[Series A Par] and the Series 2024B Bonds in the original aggregate principal amount of \$[Series B Par], upon payment to the Trustee, for the account of the Issuer, of a sum specified in such request and authorization.

(e) An executed opinion of Bond Counsel, to the effect that the Bonds have been authorized, issued, and delivered and that the interest on the Series 2024A Bonds is excludable from the gross income of the Holders for federal income tax purposes, and, to the same extent, is

excludable from the net taxable income of Holders who are individuals, estates, and trusts for State income tax purposes, subject to customary exceptions.

(f) Such further certifications, documents and Opinions of Counsel as the Issuer, the Original Purchaser, or Bond Counsel may require, the satisfaction of such requirements to be conclusively evidenced by the delivery of the opinion of Bond Counsel referred to in paragraph (e) above.

Section 2.09 Book-Entry Only System. DTC will act as securities depository for the Bonds. The Bonds shall be issued in the form of a separate single fully registered bond for each separate maturity of the Bonds. Upon initial issuance the ownership of the Bonds shall be registered in the Bond Register in the name of Cede & Co., as the nominee of DTC.

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

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

Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions in Section 2.04, references to “Cede & Co.” in this section shall refer to such new nominee of DTC.

Notwithstanding the provisions of this Indenture to the contrary (including without limitation surrender of Bonds, registration thereof, and Authorized Denominations), as long as the Bonds are in book-entry form, full effect shall be given to the Representation Letter and the procedures and practices of DTC thereunder. Neither the Trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by DTC.

Section 2.10 Termination of Book-Entry Only System. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice

to the Issuer and discharging its responsibilities with respect thereto under applicable law. The Issuer, at the direction of the Foundation or Cooperative, may terminate the services of DTC with respect to the Bonds if it determines that DTC is no longer able to carry out its functions as security depository as contemplated herein.

Upon the termination of the services of DTC as provided in the preceding paragraph, the Issuer, at the direction of the Foundation or Cooperative, shall take all reasonable and diligent steps as may be necessary to find an alternate book-entry depository, but if (and only if) no such substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Foundation, is willing and able to undertake such functions upon reasonable or customary terms, then the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names the Bondholders shall designate at that time, in accordance with Section 2.04. To the extent that the Beneficial Owners are designated as the transferee by the Bondholders, in accordance with Section 2.04 the Bonds will be delivered in appropriate form, content and Authorized Denomination to the Beneficial Owners.

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

#### Section 2.11 Issuance of Additional Bonds.

After the delivery of the Bonds, the Issuer may from time to time, upon the conditions stated in this section, issue and deliver Additional Bonds for completing, improving, expanding or modifying the Project, including the refunding of any Bonds, payable equally and ratably from the revenues of the Project pledged and appropriated hereunder with the Bonds. Every series of such Additional Bonds shall be authorized by a resolution adopted by the Issuer authorizing the issuance of such Additional Bonds and the execution and delivery of: (i) a supplemental indenture, supplementing and amending this Indenture providing the date, interest rates and maturities of such Additional Bonds, options and requirements for redemption prior to maturity with respect to such Additional Bonds, deposit of proceeds to the various funds and accounts, and such other terms as may be required by reason of the foregoing and which adopts the applicable provisions of this Indenture; (ii) an amendment supplementing and amending the Loan Agreement; (iii) an amendment supplementing and amending the Mortgage; and (iv) an amendment to the Lease and each Issuer Document, Security Document, Borrower Document, or Corporation Document as applicable or a new lease pursuant to which the Cooperative is obligated to make additional Lease Payments sufficient to pay the principal and interest due with respect to such Additional Bonds and any related costs or expenses; and (v) such other documents as are necessary or appropriate in connection with the issuance, sale, and delivery of such Additional Bonds.

Each series of Additional Bonds shall be executed, authenticated and delivered as provided in this Article II upon filing with the Issuer original executed counterparts of the supplement to the Indenture and amendments to the Loan Agreement, Mortgage, Lease (or a new lease), and each Issuer Document, Security Document, Borrower Document, or Corporation Document as applicable, together with such additional certificates, opinions and other documents described in

Section 2.08 as Bond Counsel determines to be applicable. No such Additional Bonds, however, shall be issued unless the following additional conditions are met:

(a) The Lease shall be in effect, and no “event of default”, as such term is defined in the Lease, shall exist thereunder; and

(b) The Issuer shall have been furnished an opinion of Bond Counsel to the effect that the issuance of the Additional Bonds will not impair the tax exempt status of the interest on the Bonds; and

(c) There shall have been furnished to the Issuer a certificate of a Foundation or Cooperative Representative to the effect that the proceeds of the Additional Bonds, together with any additional funds supplied or to be supplied by the Foundation or Cooperative will be sufficient to complete the cost of the improvement, expansion or modification of the Project or the cost of the refunding, as the case may be.

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ARTICLE III

REDEMPTION OF BONDS BEFORE MATURITY

Section 3.01 Redemption of Series 2024A Bonds.

(a) Optional Redemption. The Series 2024A Bonds are subject to redemption by the Issuer at the option of the Borrower on February 1, 20[ ] and any Business Day thereafter, in whole or in part on any date, at the redemption price equal to the principal amount to be redeemed plus accrued interest to the date of redemption.

Series 2024A Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. If only a portion of the Series 2024A Bonds are redeemed, such Series 2024A Bonds to be redeemed shall be selected from maturities designated by the Borrower. If less than all of one (1) maturity is to be redeemed, Series 2024A Bonds of such maturity shall be selected randomly in such manner determined by the Trustee.

The Series 2023B Bonds are not subject to optional redemption under the provisions of this Section 3.01(a).

(b) Mandatory Sinking Fund Redemption. Series 2024A Bonds maturing on February 1, 20[34], 20[36], 20[38], 20[40], 20[42], and 20[45] (the “Term Bonds”) shall be redeemed by lot on February 1 in the following years and principal amounts, at their principal amount, without any premium, plus accrued interest thereon to such redemption date (after any credits are made as provided below):

Mandatory Redemption Schedule

Series 2024A Bonds Maturing February 1, 20[34]

<u>Payment Date (February 1)</u>	<u>Principal Amount</u>	<u>Payment Date (February 1)</u>	<u>Principal Amount</u>
[2032 2033	\$ _____ _____	2034*	\$ _____]

\* *Final Maturity*

Series 2024A Bonds Maturing February 1, 20[36]

<u>Payment Date (February 1)</u>	<u>Principal Amount</u>	<u>Payment Date (February 1)</u>	<u>Principal Amount</u>
[2035	\$ _____	2036*	\$ _____]

\* *Final Maturity*

Series 2024A Bonds Maturing February 1, 20[38]

<u>Payment Date (February 1)</u>	<u>Principal Amount</u>	<u>Payment Date (February 1)</u>	<u>Principal Amount</u>
[2037	\$ _____	2038*	\$ _____]

*\* Final Maturity*

Series 2024A Bonds Maturing February 1, 20[40]

<u>Payment Date (February 1)</u>	<u>Principal Amount</u>	<u>Payment Date (February 1)</u>	<u>Principal Amount</u>
[2039	\$ _____	2040*	\$ _____]

*\* Final Maturity*

Series 2024A Bonds Maturing February 1, 20[42]

<u>Payment Date (February 1)</u>	<u>Principal Amount</u>	<u>Payment Date (February 1)</u>	<u>Principal Amount</u>
[2041	\$ _____	2042*	\$ _____]

*\* Final Maturity*

Series 2024A Bonds Maturing February 1, 20[45]

<u>Payment Date (February 1)</u>	<u>Principal Amount</u>	<u>Payment Date (February 1)</u>	<u>Principal Amount</u>
[2043	\$ _____	2045*	\$ _____]
2044	_____		

*\* Final Maturity*

As and for a sinking fund for the redemption of the Bonds there shall be deposited into the Bond Fund, a sum sufficient to redeem (after credit as provided below) the applicable principal amount of the Bonds on the applicable dates at the redemption price stated above; provided that the Trustee shall not be required to call Bonds for redemption during the occurrence and continuance of an Event of Default.

At the option of the Borrower not less than thirty (30) days next proceeding any sinking fund redemption date, the Borrower may (i) deliver to the Trustee for cancellation Bonds in an aggregate principal amount desired by the Borrower; or (ii) specify a principal amount of Bonds

which, prior to said date, have been redeemed (otherwise than through mandatory redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount against the obligation of the Issuer on such mandatory sinking fund redemption date, and any excess shall be so credited against future sinking fund redemption obligations on such Bonds in chronological order. In the event the Borrower shall avail itself of the provisions of clause (i) of the first sentence of this paragraph, the certificate required by the first sentence of this paragraph shall be accompanied by the Bonds to be canceled.

(c) Calamity Redemption. In the event of (A) damage to or destruction of the Project or any part thereof or Condemnation of the Project or any part thereof to the extent provided in Section 8.4 of the Loan Agreement, or in the event of any changes in the Constitution or laws of the United States of America or the State as provided in Section 8.4 of the Loan Agreement and (B) termination by the Borrower of the Loan Agreement upon the occurrence of one of those events, all Bonds shall be redeemed by the Issuer on the earliest date for which timely notice of call can be given, at a Redemption Price equal to the principal amount to be redeemed, without any premium, plus accrued interest to the Redemption Date.

(d) Tax Redemption. The Series 2024A Bonds are subject to mandatory redemption in whole on the first Business Day for which notice of redemption can properly be given as provided herein upon the occurrence of a Determination of Taxability at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Bonds plus accrued interest thereon to the Redemption Date.

(e) Notice of Redemption. Notice of any such redemption shall be mailed as provided in Sections 3.02 and 3.03. On or prior to the date fixed for redemption, funds shall be deposited with the Trustee sufficient to pay the Bonds called and accrued interest thereon. Upon the happening of the above conditions, any Bonds thus called shall not bear interest after the call date, and except for the purpose of payment by application of the funds so deposited, shall no longer be protected by the Indenture.

Section 3.02 Written Notice to Trustee. In the event the Borrower shall give notice to the Trustee of any redemption of the Bonds pursuant to Section 3.01, the Trustee shall give notice, in the name of the Issuer, at least forty-five to sixty days prior to the Redemption Date of such Bonds, which notice shall (1) specify the Bonds (or portions thereof) to be redeemed, the Redemption Date, the Redemption Price and the place or places where or, if a partial redemption the manner in which the amounts due upon such redemption will be payable and (2) state that on the Redemption Date the Bonds (or portions thereof) to be redeemed shall cease to bear interest. If the notice is conditioned upon moneys being on deposit with the Trustee in an amount sufficient to pay the Redemption Price on the Redemption Date, the notice shall state such condition and that such redemption shall not be effective unless such condition is met. Such notice may set forth any additional information relating to such redemption.

Section 3.03 Mailing of Notice. Notice of redemption shall be mailed by the Trustee, not less than thirty (30) days and not more than sixty (60) days before the Redemption Date, by first class mail to the Holders of all Bonds which are to be redeemed, at their last addresses appearing upon the Bond Register; provided, however, that failure to give such notice by mailing, or any

defect therein, shall not affect the validity of any proceedings for the redemption of any Bond with respect to which no such failure has occurred.

Section 3.04 Deposit for Redemption. On or prior to the date fixed for redemption, there shall be deposited with the Trustee in cash an aggregate amount which shall be sufficient to pay the redemption price on the Bonds to be redeemed, and interest thereon to the redemption date; and there shall be deposited, or arrangements shall be made with the Trustee to deposit, with the Trustee a sum sufficient to pay the proper expenses and charges of the Trustee in connection with such redemption. Upon deposit with the Trustee of the aggregate amount of such redemption price and interest pursuant to this section, such moneys shall be set aside by the Trustee and held by it for the account of the respective Holders of the Bonds being redeemed.

Section 3.05 Payment of Redeemed Bonds. After notice of redemption shall have been given as provided in Section 3.03, the Bonds specified in such notice shall become due and payable on the Redemption Date. Payment of the redemption price thereof shall be made to or upon order of the Holder, upon the surrender of the Bonds. Any installment of interest maturing on or prior to the Redemption Date shall be payable to the Holders of Bonds registered as such on the relevant Regular Record Dates according to the terms of such Bonds and the provisions of Section 2.05, and the notice of redemption herein provided for may so state. If redemption moneys are available for the payment of all of the Bonds duly called for redemption on the Redemption Date, the Bonds so called shall cease to bear interest after the Redemption Date, and such Bonds shall not be deemed to be Outstanding hereunder for any purpose, except that the Holders thereof, on presentation, as herein provided, shall be entitled to receive payment of the redemption price thereof from the moneys set aside by the Trustee as aforesaid.

Section 3.06 Cancellation of Redeemed Bonds. All Bonds so redeemed, shall forthwith be cancelled and destroyed by the Trustee in accordance with the customary practices of the Trustee and applicable record retention requirements; and no further Bonds shall be executed or authenticated or issued hereunder in exchange or substitution therefor.

Section 3.07 Partial Redemption of Bonds. Upon surrender of any Bond for redemption in part only, the Issuer shall execute, and the Trustee shall authenticate and deliver to the owner thereof a new Bond or Bonds of the same series, date, interest rate, and maturity, of authorized denominations, in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered. In the event of any partial redemption, the Trustee shall provide, at the Borrower's request and expense, a new debt service schedule for the Bonds to the Borrower.

Section 3.08 Conditional Redemption of Bonds. Notwithstanding any provisions in this article to the contrary, in the case of an optional redemption, such redemption may be conditioned upon the deposit of money, in an amount equal to effect the redemption, with the Trustee on or before the Redemption Date, and the Borrower retains the right to rescind any notice thereof on or prior to the scheduled Redemption Date, and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is rescinded. This condition shall be stated in the notice of redemption, and if for any reason the monies are not received by such Redemption Date, the redemption shall be automatically cancelled, interest shall continue to accrue and be entitled to the benefits of this Indenture on and after the date on which the Bonds were to be redeemed and the Trustee shall promptly mail notice of said cancellation by first class mail to the

Holders of all Bonds which were to be redeemed, at their last address appearing upon the Bond Register, and return to the Holders any Bonds surrendered by them for redemption.

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## ARTICLE IV

### BOND PROCEEDS; FUNDS

Section 4.01 Deposit of Bond Proceeds. The Trustee shall apply the proceeds from the initial sale of the Series 2024A Bonds in the amount of \$[\_\_\_\_\_] (par amount of \$[Series A Par].00, plus net original issue [premium/discount] of \$[\_\_\_\_\_] , less Underwriter's discount of \$[\_\_\_\_\_] ) and the proceeds from the initial sale of the Series 2024B Bonds in the amount of \$[\_\_\_\_\_] (par amount of \$[Series B Par].00, less Underwriter's discount of \$[\_\_\_\_\_] ) as follow:

(a) to the Bond Fund, an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024A Bonds and an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024B Bonds, for payment of capitalized interest;

(b) to the Cost of Issuance Fund, an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024A Bonds and \$[\_\_\_\_\_] from the proceeds of the Series 2024B Bonds for payment of Issuance Expenses; and

(c) to the Construction Fund, an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2024A Bonds for payment of Project Costs.

Section 4.02 Establishment of Revenue Fund. There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024 Revenue Fund" (the "Revenue Fund"). The Borrower will cause the Cooperative to deposit when due all Lease Payments due under the Lease directly to the Trustee for deposit in the Revenue Fund. Any earnings realized from investments in the Revenue Fund shall be credited to the Revenue Fund.

As and when received each month, the Trustee shall apply any funds from the Revenue Fund in the following priority:

(a) first, to the Bond Fund, an amount sufficient to cause the total amount then deposited in the Bond Fund to equal the monthly payment required under Section 4.2(1) of the Loan Agreement;

(b) second, to the Rebate Fund, rebate deposits described in the Tax Certificate; and

(c) third, to the Trustee, the amount necessary for payment of the Trustee's fees and expenses for services rendered hereunder.

The Revenue Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw funds from the Revenue Fund to pay the amounts set forth in this Section 4.02, which authorization and direction the Trustee hereby accepts.

Section 4.03 Establishment of Construction Fund. There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Education Services

Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024 Construction Fund” (the “Construction Fund”). On the Date of Original Issuance of the Bonds there shall be deposited with the Trustee to the credit of the Construction Fund those proceeds of the Series 2024A Bonds described in Section 4.01(c). As provided in Section 4.05, Construction Period income and profit from the investment of moneys in the Construction Fund shall be credited to the Construction Fund.

The moneys in the Construction Fund shall be held in trust by the Trustee and applied to the payment of the Project Costs in accordance with and subject to the provisions of this article and the applicable provisions of the Loan Agreement, and pending such application shall be subject to a lien and charge in favor of the Holders of the Bonds issued and Outstanding under this Indenture and shall be held for the further security of such Holders until paid out as herein provided. In the event the moneys in the Bond Fund shall be insufficient on any Interest Payment Date to pay principal of, premium (if any) or interest on the Bonds due on such date, the Trustee shall use any moneys then on deposit to the credit of the Construction Fund, to the extent needed, to pay such principal, premium and interest.

Any sums in the Construction Fund in excess of any amount required to pay Project Costs shall be transferred to the Bond Fund at the time or times and in the manner provided in Section 3.6 of the Loan Agreement.

Any interest earned on sums held in the Construction Fund prior to the Completion Date shall remain a part of the Construction Fund.

Section 4.04 Project Costs Defined. For the purposes of this article, Project Costs shall include, without intending thereby to limit or restrict any proper definition of such cost under any applicable laws or sound accounting practice, the Project Costs as defined in the Loan Agreement and as further described in Section 3.2 of the Loan Agreement.

Section 4.05 Payments from Construction Fund. Payments shall be made by the Trustee from the Construction Fund to the Borrower or its order, as the case may be, upon receipt of the draw request attached to the Loan Agreement as EXHIBIT B (“Construction Fund Draw Request”), which may be submitted by fax or by email in a PDF format. All payments made from the Construction Fund shall be presumed by the Trustee to be made for the purposes certified in said Construction Fund Draw Request, and the Trustee shall not be required to see to the application of any payments made from the Construction Fund.

None of the funds in the Construction Fund shall be used for any purposes other than the payment or reimbursement of Project Costs and, if authorized hereby and applicable, the payment of principal of, premium (if any) on and interest on the Bonds.

The Trustee shall not be bound to make an investigation into the facts or matters stated in any Construction Fund Draw Request and any certificates, orders, and requests and other documents received by the Trustee, as required by the Loan Agreement as conditions precedent to the payment from the Construction Fund. The Trustee shall not be responsible for determining whether the funds on hand in the Construction Fund are sufficient to complete the Project. The Trustee shall not be responsible to collect lien waivers.

Section 4.06 Deposit and Investment of Excess Moneys. The Trustee shall invest the moneys on deposit in the Construction Fund, at the direction of the Borrower, in Permitted Investments. In the absence of written direction delivered to the Trustee from the Borrower, the Trustee shall hold such amounts uninvested without liability of interest. The Trustee shall, from time to time, if required to make payments pursuant to a Construction Fund Draw Request, cause any such investments to be sold or otherwise be converted into cash, whereupon the proceeds derived from such sale or conversion shall be deposited into the Construction Fund for application thereunder. Any interest or profit derived from investments shall be credited to the Construction Fund. The Trustee shall have no liability whatsoever for any loss, fee, tax or other charge incurred in connection with any investment, reinvestment, sale or liquidation of an investment hereunder. Investments permitted under this section may be purchased from the Trustee or from any of its affiliates. The Borrower shall not direct any portion of the Construction Fund representing proceeds of the Bonds to be invested or used in such manner that any of the Bonds would be “arbitrage bonds” under Section 148 of the Internal Revenue Code and regulations thereunder; provided that the Trustee has no duty to monitor the yield on any directed investment or any obligation to limit the yield on any investment the Issuer directs the Trustee to make. Neither the Trustee nor the Issuer shall be liable for any loss resulting from any such investment, nor from failure to preserve rights against endorsers or other prior parties to instruments evidencing any such investment.

The Trustee shall be entitled to conclusively rely on the written investment direction of the Borrower as to the legality and the suitability of such directed investments. The Trustee shall have no responsibility whatsoever to determine whether any investments made pursuant to this Indenture are or continue to be Permitted Investments.

Section 4.07 Application of Balance in Construction Fund. When a Certificate of the Borrower Representative prepared pursuant to Section 3.6 of the Loan Agreement shall have been furnished to the Trustee, any balance in the Construction Fund (after reserving such amount as the Borrower Representative shall deem necessary for the payment of any remaining amounts due or to become due for Project Costs, and after returning to the Borrower any contingent funds which may have been deposited by the Borrower into the Construction Fund as additional funds to finance the total Project Costs and found to be unnecessary for such purpose) shall be deposited in the Bond Fund and shall be credited against the next Loan Repayment due under the Loan Agreement.

Section 4.08 Establishment of Bond Fund. There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the “Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024 Bond Fund” (the “Bond Fund”) which shall be used to pay when due the principal of, premium, if any, and interest on the Bonds.

- (1) There shall be deposited into the Bond Fund, as and when received:
  - (A) All transfers from the Revenue Fund pursuant to Section 4.02(a) above.
  - (B) Accrued interest, if any, paid on any Bonds to the date of delivery of the Bonds.

(C) All Loan Repayments by the Borrower pursuant to Section 4.2 of the Loan Agreement and any payment or other moneys received by the Trustee under and pursuant to any of the provisions of this Indenture and the Loan Agreement which is required to be paid into the Bond Fund, or which is accompanied by directions that such payment is to be credited to the Bond Fund.

(D) Any interest earned on sums held in the Bond Fund.

(E) All other money received by the Trustee under and pursuant to any of the provisions of the Loan Agreement, Lease, this Indenture, or Mortgage which are required to be deposited into the Bond Fund or which are accompanied by written directions that such money is to be deposited to the Bond Fund.

(2) The Trustee shall disburse, from time to time, sufficient money from the Bond Fund as specified below to pay the principal of, premium, if any, and the interest on, the Bonds as the same become due and payable.

(3) If any Bond shall not be presented for payment at Maturity, provided money sufficient to pay such Bond shall have been made available to the Trustee and is held by the Trustee for the benefit of the Holder thereof, all liability of the Issuer to the Holder thereof for the payment of such Bond shall forthwith cease, determine, and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such money, without liability for interest thereon, for the benefit of the Holder of such Bond, who shall thereafter be restricted exclusively to such money for any claim of whatever nature on his part hereunder or on, or with respect to, such Bond.

(4) Any money remaining in the Bond Fund after payment in full of all Bonds, and payment of the fees, charges, and expenses of the Trustee, the Paying Agent, and the Issuer which have accrued and which will accrue and all other items required to be paid hereunder will be paid to the Borrower.

#### Section 4.09 Establishment of Cost of Issuance Fund.

(1) There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the “Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024 Cost of Issuance Fund” (the “Cost of Issuance Fund”). On the Date of Original Issuance of the Bonds there shall be deposited with the Trustee to the credit of the Cost of Issuance Fund those proceeds of the Bonds described in Section 4.01(b).

(2) The Trustee shall disburse money from the Cost of Issuance Fund to the Borrower or its designee to pay the Issuance Expenses (or to reimburse the Borrower for any expenditure in payment of the Issuance Expenses) upon receipt by the Trustee of a certificate of the Borrower, which shall be in writing and shall contain the following: (A) a statement of the amount and general nature of each item of Issuance Expenses certified to have been incurred or paid by and requested to be reimbursed to the Borrower, or certified to be due and payable and requested to be paid to a Person other than the Borrower; and (B) a statement that each item for which payment or reimbursement is requested is or was necessary in connection with the issuance of such Bonds and that none of such items has formed the basis for any previous payment from the Cost of Issuance

Fund. If the amount on hand in the Cost of Issuance Fund is insufficient to pay all of the Issuance Expenses, the Borrower shall provide for the payment of such Issuance Expenses out of its own funds and such Issuance Expenses shall not be paid or reimbursed from any other Trust Funds.

(3) Any interest earned on sums held in the Cost of Issuance Fund shall be credited as received to the Bond Fund. On [October/November] 1, 2024, or an earlier date on which the Trustee receives a certificate of the Borrower stating that all Issuance Expenses have been paid, the Trustee shall transfer any balance then on hand in the Cost of Issuance Fund to the Bond Fund; and within thirty (30) days thereafter the Trustee shall furnish the Borrower a written report as to the amounts disbursed from the Cost of Issuance Fund, showing the date of each such disbursement and the Person to whom it was made.

#### Section 4.10 Establishment of Rebate Fund.

(1) There is hereby created a Rebate Fund which shall be expended by the Trustee in accordance with the provisions hereof and the written instructions of the Borrower or the Rebate Analyst given pursuant to the provisions of the Tax Certificate. The Trustee shall deposit in the Rebate Fund, upon receipt, all Rebate Amounts deposited with the Trustee in accordance with Section 7.7(13) of the Loan Agreement; and for purposes of making such deposits the Trustee shall, at the direction of the Borrower, transfer from the appropriate fund to the Rebate Fund a sum equal to any Rebate Amounts attributable to sums held in the Construction Fund.

(2) The Borrower shall engage or, if the Borrower fails to so engage, the Trustee shall engage, at the Borrower's expense, a Rebate Analyst to make the calculations, with respect to the Rebate Fund, and the Trustee shall make information regarding the Bonds and investments hereunder available to the Borrower and the Cooperative, shall make deposits and disbursements at the written direction of the Rebate Analyst, shall invest the Rebate Fund at the Borrower's direction and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the written instructions of the Borrower or the Rebate Analyst given pursuant to the Tax Certificate. The Trustee shall be deemed conclusively to have complied with the provisions of the Tax Certificate if it follows the written directions of the Borrower or the Rebate Analyst and shall have no liability or responsibility to enforce compliance by the Borrower or the Cooperative with the terms of the Tax Certificate or any other tax covenants contained herein.

(3) Upon written direction of the Borrower or the Rebate Analyst, the Trustee shall remit sums in the Rebate Fund to the United States as provided in Section 7.7(13) of the Loan Agreement.

(4) Upon written direction of the Borrower, the Trustee shall remit to the Borrower, or transfer to the Bond Fund, any surplus rebate sums held in the Rebate Fund as provided in Section 7.7(13) of the Loan Agreement.

(5) Notwithstanding anything to the contrary contained herein, in the Loan Agreement, or in the Tax Certificate, the Trustee and the Issuer shall have no responsibility for making any determinations as to the amount to be deposited to or withdrawn from the Rebate Fund or the amount required to be rebated to the United States. The Trustee's sole responsibility with respect

to all matters relating to rebate shall be to follow the written instructions of the Rebate Analyst or the Borrower and to make payments pursuant to this Section 4.08 as and when instructed in writing to do so by the Rebate Analyst or the Borrower.

## ARTICLE V

### DISPOSITION OF TRUST MONEYS

Section 5.01 “Trust Moneys” Defined. All moneys received by the Trustee:

- (a) upon the release of property from the lien of this Indenture, or
- (b) as compensation for, or proceeds of sale of, any part of the Trust Estate taken by eminent domain or purchased by, or sold pursuant to an order of, a governmental authority or otherwise disposed of, or
- (c) as proceeds of insurance upon any part of the Trust Estate, or
- (d) as elsewhere herein provided to be held and applied under this article, or required to be paid to the Trustee and whose disposition is not elsewhere herein otherwise specifically provided for, including, but not limited to the investment income of all Trust Funds and accounts held by the Trustee under this Indenture (other than the Rebate Fund), or
- (e) as proceeds from the sale of the Bonds, or
- (f) as Loan Repayments, or as otherwise payable under the Loan Agreement,

(all such moneys being herein sometimes called “Trust Moneys”) shall be held by the Trustee as a part of the Trust Estate, and, upon the exercise by the Trustee of any remedy specified in Article VIII, such Trust Moneys shall be applied in accordance with Section 7.04, except funds held in the Rebate Fund and to the extent that the Trustee is holding in trust, moneys and/or Government Obligations for the payment of any Bonds which are no longer deemed to be Outstanding under the provisions of Article X, which moneys and/or Government Obligations shall be applied only as provided in Article X. Prior to the exercise of any such remedy, all or any part of the Trust Moneys shall be held, invested, withdrawn, paid or applied by the Trustee, from time to time, as provided in this article and in Article X.

Section 5.02 Investment of Funds. Any money held as part of the funds held by the Trustee pursuant to this Indenture shall be invested or reinvested by the Trustee upon the request and direction of the Borrower Representative in Permitted Investments, and in the case of securities held as Permitted Investments with maturities of not more than five (5) years, in accordance with the provisions of Section 3.8 of the Loan Agreement, except during the occurrence and continuance of an Event of Default, and except that investments in the Rebate Fund shall be made only in accordance with written directions of the Borrower or the Rebate Analyst. In the absence of written direction delivered to the Trustee from the Borrower, the Trustee shall hold such amounts uninvested. The type, amount and maturity of Permitted Investments shall conform to the instructions, if any, in the request of the Borrower Representative. Investments permitted under this section may be purchased from the Trustee or from any of its affiliates. Obligations so purchased shall be deemed at all times to be a part of the Construction Fund, Bond Fund, or other Trust Fund held by the Trustee hereunder, as applicable, but may from time to time be sold or otherwise converted into cash for application thereunder, whereupon the proceeds derived from such sale or conversion shall be credited to such Trust Fund. Any interest accruing on and any

profit realized from such investment shall be credited to the Trust Fund from which the investment has been made. The Trustee shall redeem or sell, at the best price obtainable, any obligations so purchased, whenever it shall be necessary to do so in order to provide moneys to meet any payment from the Trust Fund. Neither the Trustee nor the Issuer shall be liable for any loss, fee, tax or other charge incurred in connection with any such investment, nor from failure to preserve rights against endorsers or other prior parties to instruments evidencing any such investment.

Monies credited to any account or fund maintained hereunder which are uninvested pending disbursement or receipt of proper investment directions or as directed herein, may be deposited to and held in a non-interest bearing demand deposit account established with the Commercial Banking Department of the Trustee or with any bank affiliated with the Trustee, without the pledge of securities to or other collateralization of such deposit accounts.

The Trustee shall be entitled to conclusively rely on the written investment direction of the Borrower or the Rebate Analyst as to the legality and the suitability of such directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments. The Trustee shall have no responsibility whatsoever to determine whether any investments made pursuant to this Indenture are or continue to be Permitted Investments. The Issuer and the Borrower acknowledge that regulations of the Comptroller of the Currency grant the Issuer and the Borrower the right to receive brokerage confirmations of security transactions as they occur. The Issuer and the Borrower, pursuant to Section 8.3 of the Loan Agreement, specifically waive such notification to the extent permitted by law and acknowledge that they will receive periodic transaction statements that will detail all investment transactions.

#### Section 5.03 Return on Investments.

(a) In directing investments pursuant to Section 3.8 of the Loan Agreement and this Indenture, the Borrower will not instruct the Trustee to use the proceeds of the Bonds or other sums pledged to the payment of the Bonds, directly or indirectly, to acquire any securities or obligations the acquisition of which would cause any of the Bonds to be an “arbitrage bond” as defined in Section 148 of the Code, and for this purpose the Borrower, in order to restrict yield on investments, may direct investments in SLGS (and accordingly is hereby authorized to act as agent of the Issuer for such purpose). The Trustee has no duty to monitor the yield on any directed investment or any obligation to limit the yield on any investment the Issuer directs the Trustee to make. The Trustee shall be fully protected in relying on the written direction of the Borrower or the Rebate Analyst with respect to whether the acquisition of any securities or obligations would have the effect prohibited by this section.

(b) By its execution of the Loan Agreement, the Borrower acknowledges that it will not direct the Trustee to invest moneys in any Trust Funds which would cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code. If at any time the money in all funds and accounts relating to the Bonds exceed, within the meaning of Section 149(b) of the Code, (i) amounts invested for an initial temporary period until the moneys are needed for the purpose for which the Bonds were issued, (ii) investments of a bona fide debt service fund, and (iii) investments of a reserve which meet the requirement of Section 148(d)(1) of the Code, then moneys in excess of such amounts shall be invested at the direction of the Cooperative pursuant to Section 3.8 of the Loan Agreement in Permitted Investments consisting of (A) bonds issued by

the United States Treasury, (B) other investments permitted under regulations, or (C) obligations which are (a) not issued by, or guaranteed by, or insured by, the United States or any agency or instrumentality thereof or (b) not federally insured deposits or accounts, all within the meaning of Section 149(b) of the Code. The Trustee shall be fully protected in relying on the written investment directions of the Cooperative and shall only make investments as so directed.

Section 5.04 Computation of Balances in Trust Fund. In computing the assets of any Trust Fund established hereunder, investments and accrued but unpaid interest thereon shall be deemed a part thereof, and such investments, shall be valued at par value, or at the redemption price thereof, if then redeemable at the option of the holder.

Section 5.05 Rebate to United States. The Bonds are subject to the rebate to the United States of earnings in excess of the yield on the Bonds imposed by Section 148 of the Code and Section 1.148-3 of the Treasury Regulations. The Trustee shall have no obligation to calculate the amount of, or make, any required rebate as provided in Section 4.10 hereof. The Trustee shall cooperate with the Borrower in determining the amount of any rebate.

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## ARTICLE VI

### GENERAL COVENANTS

Section 6.01 Payment of Principal, Premium, if Any, and Interest. The Issuer covenants that it will promptly pay or cause to be paid the principal of, premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, but solely from the Trust Estate, including amounts paid upon an Event of Default and pursuant to action taken under the Mortgage. The principal of, premium, if any, and interest on the Bonds (except to the extent paid out of money attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof and, under certain circumstances, to proceeds from insurance and condemnation awards) are payable solely from the amounts to be paid under the Loan Agreement and otherwise as provided herein and in the Loan Agreement and, under the Mortgage, pursuant to its terms, and the amounts under the Loan Agreement are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds or in this Indenture shall be construed as pledging any other funds or assets of the Issuer. Neither the State nor the Issuer nor any other political subdivision of the State shall in any event be liable for the payment of the principal of, premium, if any, or interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Issuer except to the extent money pledged herein is sufficient therefor.

Section 6.02 Performance of Covenants; Issuer. The Issuer covenants that it will faithfully perform or cause to be performed at all times any and all covenants, undertakings, stipulations, and provisions contained in this Indenture and in the Loan Agreement, in any and every Bond executed, authenticated, and delivered hereunder and in all of its proceedings pertaining hereto.

Section 6.03 Instruments of Further Assurance. The Issuer will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments, and transfers required for the better assuring, transferring, conveying, pledging, assigning, and confirming unto the Trustee all and singular the amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds. The Issuer, except as herein and in the Loan Agreement and the Mortgage provided, will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project, the amounts, revenues and receipts payable under the Loan Agreement or its rights under the Loan Agreement.

Section 6.04 Recording and Filing. (a) The Borrower has covenanted in the Loan Agreement to cause all financing statements (but excluding the initial financing statements dated as of the date of issue which will be filed by the Title Insurer) related to this Indenture and all supplements thereto and the Loan Agreement and all supplements thereto, as well as the Mortgage and such other security agreements, financing statements and all supplements thereto and other instruments, including continuation statements, that are recommended from time to time by counsel to the Borrower or by Bond Counsel, or required by the Trustee (acting at the advice of Counsel) to be kept, to be recorded and filed in such manner and in such places as may from time to time be required by law in order to preserve and protect fully the security of the Bondholders of the Bonds and the rights of the Trustee hereunder, and to take or cause to be taken any and all other

action necessary to perfect the security interest created by this Indenture. At the direction and expense of the Borrower, the Trustee will cooperate with the Borrower in effecting such recordings and filings.

(b) Notwithstanding the foregoing, without further direction from the Borrower, at the expense of the Borrower, the Trustee shall file continuation statements on the fifth anniversary of the Date of Original Issuance, with respect to all UCC financing statements filed in connection with the original issuance of the Bonds, and on every fifth anniversary of such date as long as any Bonds are Outstanding. Unless the Trustee shall have been notified in writing by the Borrower or Bond Counsel that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in (i) relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this Section 6.04; and (ii) filing any continuation statements in the same filing offices as the initial filings were made. The Trustee shall cause to be filed a continuation statement with respect to each UCC financing statement relating to the Bonds which was filed at the time of the issuance thereof, in such manner and in such places as the initial filings were made, provided that a copy of the filed original financing statement is timely delivered to the Trustee. The Borrower shall be responsible for the costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder.

Section 6.05 Inspection of Books. All books and records in the Issuer's possession relating to the Project and the amounts derived from the Project shall at all reasonable times be open to inspection by such accountants or other agents as the Trustee or Majority Bondholder(s) may from time to time designate in writing.

Section 6.06 Rights Under Loan Agreement. The Loan Agreement, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Borrower, including provisions that subsequent to the issuance of Bonds and prior to their payment in full or provision for the payment thereof having been made in accordance with the provisions hereof, and except as otherwise expressly provided in the Loan Agreement and in Article XII of this Indenture, the Loan Agreement may not be effectively amended, changed, modified, altered, or terminated without the written consent of the Trustee, and reference is hereby made to the Loan Agreement for a detailed statement of said covenants and obligations of the Borrower thereunder, and the Issuer agrees that the Trustee in its name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Borrower under and pursuant to the Loan Agreement for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

Section 6.07 Designation of Trustee as Bond Registrar and Paying Agent; Designation of Any Additional Paying Agents. The Trustee is hereby designated and agrees to act as Bond Registrar and paying agent for and in respect to the Bonds. The Issuer hereby agrees to cooperate with the Trustee and the Borrower, when requested, and at the Borrower's expense, in designating any additional paying agents and in making available funds hereunder in payment of such of the Bonds as shall be presented when due at the principal office(s) of said additional paying agent(s).

Section 6.08 Determination of Taxability. (a) At such time as the Trustee receives written notification of a Determination of Taxability, the Trustee shall notify the Borrower and the Issuer

thereof by certified mail, return receipt requested, postage prepaid and shall file such notification with EMMA.

(b) In the event the Trustee receives written notice from the Borrower that it is electing to contest a potential Determination of Taxability pursuant to Section 7.8 of the Loan Agreement, the Trustee shall promptly notify EMMA and all Registered Owners of such election.

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## ARTICLE VII

### EVENTS OF DEFAULT; REMEDIES

Section 7.01 Events of Default. Each of the following events is hereby defined as, and is declared to be and to constitute, an “Event of Default” (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any decree or order of any court or any order, rule or regulation of any administrative or governmental body):

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

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

(c) if default shall be made in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in this Indenture or in the Bonds, and such default shall have continued for a period of thirty (30) days after there has been given, by registered or certified mail, to the Issuer and the Borrower by the Trustee, or to the Issuer, the Borrower, and the Trustee by the Holder or Holders of at least twenty-five percent in aggregate principal amount of the Bonds then Outstanding, a written notice specifying such default or breach and requiring it to be remedied provided that if such default cannot be cured within such thirty (30) day period through the exercise of diligence but can be wholly cured, the failure of the Issuer or the Borrower to remedy such default within such thirty (30) day period shall not constitute an event of default hereunder if the Issuer or the Borrower shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch and provides the Trustee with a certification to that effect; or

(d) the occurrence of an “Event of Default” under the Loan Agreement; or

(e) if any Non-appropriation should occur under the Lease.

Section 7.02 Enforcement of Covenants and Conditions. Upon the occurrence and continuation of an event of default (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise and use in the circumstances in the conduct of their own affairs. The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture except for its own negligence or willful misconduct.

Upon the occurrence of an Event of Default, the Trustee may, and shall upon the written request of the Holders of a majority in aggregate principal amount of Outstanding Bonds, by written notice to the Issuer and the Borrower, declare the principal of the Bonds to be immediately

due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, notwithstanding anything in this Indenture or in the Bonds to the contrary.

At any time after such a declaration of acceleration has been made, but before the Trustee has exercised any other remedy specified herein or in any Security Document, the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Issuer, the Borrower and the Trustee, may rescind and annul such declaration and its consequences if:

(a) there has been paid to or deposited with the Trustee by or for the account of the Issuer, or provision satisfactory to the Trustee has been made for the payment of, a sum sufficient to pay

(1) all overdue installments of interest on all Bonds,

(2) the principal of (and premium, if any, on) any Bonds which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Bonds,

(3) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate borne by the Bonds, and

(4) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(b) all Events of Default, other than the non-payment of the principal of Bonds which have become due solely by such acceleration, have been cured or waived as provided herein.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Upon the happening and continuance of an Event of Default, in addition to the acceleration of the Bonds, the Trustee may (subject to the provisions of Section 8.06 hereof), and shall upon the written request by registered or certified mail to the Trustee of the Holders of a majority in aggregate principal amount of outstanding Bonds:

(a) proceed to protect and enforce all rights of the Bondholder by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein or in the Security Documents or the Bonds, or in aid of the execution of any power herein or therein granted, or for the enforcement of any other appropriate legal or equitable remedy;

(b) with respect to the Project Equipment, exercise any remedies available to a secured party under the UCC as then in effect in the State of Minnesota;

(c) exercise any remedies available to the Trustee under the Mortgage or any other Security Document.

In the event of a sale under this Indenture, whether by virtue of judicial proceedings or advertisement or otherwise, the Trust Estate may, at the option of the Trustee, be sold as one parcel and as an entirety or in such parcels, manner and order as the Trustee in its sole discretion may elect.

Notwithstanding the foregoing, the Trustee need not proceed upon any such written request of the Bondholders, as aforesaid, unless such Bondholders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby.

Upon the occurrence of an Event of Default under the Loan Agreement, the Trustee may also enforce any and all rights, if any, of the Issuer thereunder. The Issuer may also exercise any of its rights as provided in Section 9.12 of the Loan Agreement.

Section 7.03 Trustee May File Proofs of Claims. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower or any other obligor upon the Bonds, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Borrower for the payment of overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(a) to file and prove a claim for the whole amount of principal, premium, if any, and interest owing and unpaid in respect of the Bonds then Outstanding and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Bondholders allowed in such judicial proceedings, and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Bondholder to make such payments to the Trustee, and, in the event that the Trustee shall consent to the making of such payments directly to the Bondholders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements, and advances of the Trustee, its agents and counsel.

Section 7.04 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Indenture or any Security Document, shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee or Issuer, and after such funds shall have been applied as may be specifically required pursuant to this Indenture or any Security Document (e.g., to the restoration and replacement of any portion of the Project following casualty thereto or other loss thereof, as described in Section 6.6 of the Lease), and after payment of all taxes, assessments or liens prior to the lien of this Indenture (including reasonable fees and disbursements of the Trustee), except any taxes, assessments or liens subject to which any sale or other disposition of the Trust Estate or part thereof shall have been made, be

deposited in the Bond Fund, and all moneys in the Bond Fund maintained with the Trustee shall be applied as follows:

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

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

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

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

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

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

Section 7.05 Right of Trustee to Act Without Possession of Bonds. All rights of action (including the right to file proof of claim) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the

Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Holders of the Bonds hereby secured, and any recovery of judgment shall be for the equal benefit of the Holders of the Outstanding Bonds.

Section 7.06 Control by Bondholders. The Holders of a majority in aggregate principal amount of the Bonds at the time Outstanding shall have the right, during the continuance of an Event of Default,

(a) to require the Trustee to proceed to enforce this Indenture or any Security Document, either by judicial proceedings for the enforcement of the payment of the Bonds or the foreclosure of this Indenture or the enforcement of any other remedy; and

(b) to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee hereunder, or under any Security Document; provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Holders not taking part in such direction,

(3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(4) the Trustee shall be indemnified as provided in Section 8.06.

Section 7.07 Limitation on Suits by Bondholders. No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for any other remedy hereunder, unless a Default has occurred of which a Responsible Officer has been notified; nor unless also such Default shall have become an Event of Default and the Holders of not less than a majority in aggregate principal amount of Bonds Outstanding hereunder shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; nor unless also they shall have offered to the Trustee indemnity as provided hereinafter; and such notification, request and offer of indemnity are hereby declared in every such case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for enforcement or for any other remedy hereunder; it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by the Holder's action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Holders of all Bonds outstanding hereunder. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder, which is absolute and unconditional, to enforce and bring suit for the payment of the principal of and interest on any Bond at and after the maturity thereof or to pay the principal of and interest on each of the Bonds

issued hereunder to the respective Holders thereof at the time and place in said Bonds expressed, in accordance with the terms of the Bonds.

Section 7.08 Waiver by Bondholders. The Trustee, upon the written request of the Holders of a majority in aggregate principal amount of the Bonds at the time Outstanding hereunder, shall waive any Default hereunder and its consequences, except a Default in the payment of the principal of the Bonds at the date of maturity specified therein; provided, however, that a Default in the payment of interest on the Bonds shall not be waived unless, prior to such waiver, all arrears of interest and all expenses of the Trustee shall have been paid or shall have been provided for by deposit with the Trustee of a sum sufficient to pay the same. In case of any such waiver, the Issuer, the Trustee and the Holders of the Bonds shall be restored to their former positions and rights hereunder respectively. No such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 7.09 Remedies Cumulative, Delay Not To Constitute Waiver. No remedy by the terms of this Indenture, the Loan Agreement or any Security Document, conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

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

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

Section 7.10 Restoration of Rights Upon Discontinuance of Proceedings. In case the Trustee or Bondholders shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or Bondholders, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Issuer, the Trustee and the Bondholders shall continue as if no such proceedings had been taken.

Section 7.11 Suits to Protect the Trust Estate and Other Property. Subject to Section 8.06, the Trustee shall have the power, but shall not be required to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture, the Loan Agreement or any other Security Document, and such suits and proceedings as the Trustee may deem expedient to protect its interests and the interests of the Bondholders in the Trust Estate and in the issues, profits, revenues and other income arising therefrom, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of, or compliance with, such

enactment, rule or order would impair the security hereunder or thereunder or be prejudicial to the interest of the Bondholders or the Trustee.

Section 7.12 Borrower as Agent of Issuer.

(1) No default under Section 7.01(c) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the Trustee to the Issuer and the Borrower, and the Issuer and the Borrower shall have had the time permitted by the applicable subsection after receipt of such notice to correct said default or cause said default to be corrected and the Issuer or Borrower shall not have corrected said default or caused said default to be corrected within said time.

(2) With regard to any alleged default concerning which notice is given to the Borrower under the provisions of this Section 7.12, the Issuer hereby names and appoints the Borrower as its attorney-in-fact and agent with full authority to perform any covenant or obligation of the Issuer alleged in said notice to constitute a default, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts and with power of substitution; provided that the Borrower shall give the Issuer notice of its intention so to perform on behalf of the Issuer, and provided further that the Issuer may at any time, by a writing addressed to the Borrower withdraw, limit or modify the appointment hereby made.

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## ARTICLE VIII

### CONCERNING THE TRUSTEE

Section 8.01 Acceptance of Trust and Prudent Performance Thereof. The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no duties shall be implied. The Trustee shall, during the existence of any Event of Default which has not been cured, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of their own affairs.

The Trustee shall not be required to take notice or be deemed to have notice of any Default hereunder, except Default in the deposits or payments specified herein, unless the Responsible Officer shall be specifically notified in writing of such Default by the Borrower, by the Issuer or by the Holders of a majority in aggregate principal amount of Bonds Outstanding hereunder, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume that there is no Default, except as aforesaid.

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

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

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

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

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

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

(2) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of all the Bonds at the time outstanding relating

to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

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

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

(a) the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and the Trustee shall be under no duty to make any investigations or inquiry into any statements contained or matters referred to in any such instrument;

(b) any request, direction, election, order, certification or demand of the Issuer or the Borrower shall be sufficiently evidenced by an instrument signed by an Issuer Representative or a Borrower Representative, as the case may be (unless otherwise in this Indenture specifically prescribed), and any resolution of the Issuer may be evidenced to the Trustee by a Certified Resolution;

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

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

(e) The Trustee shall have the right to accept and act upon instructions or directions pursuant to this Indenture and the Security Documents sent in the form of a manually signed document by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Issuer, the Borrower, and the Cooperative (each, a "Sender") shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions ("Authorized Officers"), which incumbency certificate and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If a Sender elects to give the Trustee

e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. Each Sender agrees that the Trustee cannot determine the identity of the actual sender of such instructions and that the Trustee shall conclusively presume that instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. Each Sender shall be responsible for ensuring that only their respective Authorized Officers transmit such instructions to the Trustee, and the Senders and their Authorized Officers are responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and authentication keys provided by the Trustee, if any. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction delivered by other means. Each Sender agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including, without limitation, the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 8.03 Trustee Not Responsible for Indenture Statements, Validity. The Trustee shall not be responsible for any recital or statement herein, or in the Bonds (except in respect of the certificate of the Trustee endorsed on such Bonds), or for the validity of the execution by the Issuer of this Indenture or the validity or execution of the Loan Agreement or the Bond Resolution, or of any supplemental instrument, or for the sufficiency of the security of the Bonds issued hereunder or intended to be secured hereby, or for the value of or title to any of the Trust Estate, or otherwise as to the maintenance or the security hereof; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenant, condition or agreement on the part of the Issuer, the Borrower or the Cooperative except as herein set forth, but the Trustee may require of the Issuer, the Borrower, and the Cooperative full information and advice as to the performance of the covenants, conditions and agreements aforesaid and of the condition of the physical property included in the Trust Estate. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder.

The Trustee shall not be responsible for and makes no representation as to the legality, effectiveness or sufficiency of any security document or for the creation, perfection, priority or protection of any lien securing the bonds. The Trustee shall not be responsible for filing any financing or continuation statement or recording any documents or instruments in any public office at any time or otherwise for perfecting or maintaining the perfection of any lien or security interest in the trust estate it being understood that the Issuer shall be obligated to make such filings on behalf of the Trustee.

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

Section 8.05 Money Held in Trust. Money held by the Trustee hereunder is held in trust but need not be segregated from other funds except to the extent required by law. The Trustee

shall be under no liability for interest on any money received by it hereunder except as specifically provided herein.

Section 8.06 Obligation of Trustee. The permissive right of the Trustee to do things enumerated in this Indenture or any Security Document shall not be construed as a duty. The Trustee shall be under no obligation to institute any suit, exercise the option, or to take any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other anticipated disbursements and against all liability except to the extent determined by a court of competent jurisdiction to have been caused solely by its own gross negligence or willful misconduct; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Trustee shall be reimbursed for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Issuer shall fail to make such reimbursement from funds provided by the Borrower, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture (other than moneys used to discharge Bonds under Article X) and shall be entitled to a preference therefor over any of the Bonds or claims for interest Outstanding hereunder.

Section 8.07 Notice to Bondholders. The Trustee shall give to the Holders of the Bonds whose names and addresses are known to it written notice of all Defaults known to the Trustee by virtue of actual knowledge of a Responsible Officer, within thirty days after the occurrence of an Event of Default unless such Default shall have been cured before the giving of such notice; provided that, except in the case of Default in the payment of principal and interest on any of the Bonds; and further provided that no such notice shall be given unless and until any such Default becomes an Event of Default.

Section 8.08 Intervention in Judicial Proceedings. In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interest of Bondholders of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the owners of at least fifty-one percent in the aggregate principal amount of Bonds outstanding hereunder. The rights and obligations of the Trustee under this Section are subject to the approval of the court having jurisdiction in the premises.

Section 8.09 Further Investigation by Trustee. The resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be in full warrant, protection and authority to the Trustee for its actions hereunder; but the Trustee may, in its unrestricted discretion, and shall, if requested in writing so to do by the Holders of not less than fifty-one percent in aggregate principal amount of Bonds Outstanding hereunder, cause to be made such independent investigation as it may see fit, and in that event may decline to release any property, or pay over cash, or take other action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of such investigation shall be paid by the Borrower, or, if paid by the Trustee, shall be repaid to it with interest at the lesser of seven percent per annum or the maximum rate permitted by law, by the Borrower or from the Trust Estate.

Section 8.10 Trustee to Retain Financial Records. The Trustee shall retain all financial statements furnished by the Issuer, the Borrower and the Cooperative in accordance with this Indenture so long as any of the Bonds shall be Outstanding. Provided that the Trustee shall have no duty to review or analyze any such financial statements. The Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed in any manner therein.

Section 8.11 Compensation of Trustee. The Trustee and any Paying Agent shall be entitled to payment and/or reimbursement for reasonable fees for services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in and about the execution of the trusts created by this Indenture and in and about the exercise and performance of the powers and duties of the Trustee hereunder and for the reasonable and necessary costs and expenses incurred in defending any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the negligence or willful default of the Trustee). In this regard the Issuer has made provisions in Section 4.4 of the Loan Agreement for the payment of said fees, advances, counsel fees, costs and expenses and reference is hereby made to the Loan Agreement for the provisions so made; and the Issuer shall not otherwise be liable for the payment of such sums. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of interest on or principal or premium, if any, of any Bond and upon the money received by it hereunder, for said fees, advances, counsel fees, costs and expenses incurred by it..

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

Section 8.13 Appointment of Trustee. There shall at all times be a trustee hereunder which shall be an association or corporation organized and doing business under the laws of the United States or any State thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or State authority. If such association or corporation publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this section the combined capital and surplus of such association or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this section, and another association or corporation is eligible, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.16.

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

deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.15 Resignation or Removal of Trustee. The Trustee may resign and be discharged from the trusts created by this Indenture by giving to the Issuer and the Borrower thirty days' notice in writing, and to the Bondholders thirty days' notice by first class mail at its, her or his address as set forth on the registration books of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect on the day specified in such notice, unless previously a successor trustee shall have been appointed by the Bondholders as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor trustee.

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

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

If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this section within forty-five (45) days after a vacancy shall have occurred in the office of Trustee, the Holder of any Bond hereby secured or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee. Every such Trustee appointed pursuant to the provisions of this section shall be a trust company or bank having trust powers and having a reported capital and surplus not less than \$50,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

Section 8.17 Transfer of Rights and Property to Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, to the Borrower and also to the Issuer, an instrument in writing accepting such appointment hereunder,

and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors as Trustee and Paying Agent; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor Trustee execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any assignment, conveyance or instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such assignments, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all assignments, conveyances and other instruments provided for in this article shall, at the expense of the Cooperative, be forthwith filed and/or recorded by the successor Trustee in each recording office where the Indenture shall have been filed and/or recorded.

#### Section 8.18 Co-Trustee.

(a) At any time or times, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Estate may at the time be located, the Issuer and the Trustee shall have power to appoint one or more persons approved by the Trustee either to act as Co-Trustee or Co-Trustees, jointly with the Trustee of all or any part of the Trust Estate, or to act as separate Trustee or separate Trustees of all or any part of the Trust Estate, and to vest in such person or persons, in such capacity, such title to the Trust Estate or any part thereof, and such rights, powers, duties, trusts or obligations as the Issuer and the Trustee may consider necessary or desirable, subject to the remaining provisions of this section.

(b) Upon the request of the Trustee or of the Holders of at least twenty-five percent in aggregate principal amount of Bonds outstanding hereunder, the Issuer shall for such purpose join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint the Co-Trustee. If the Issuer shall not have joined in such appointment within fifteen days after the receipt by it of a request so to do, or in case an Event of Default shall have occurred and be continuing, the Trustee alone shall have power to make such appointment.

(c) The Issuer shall execute, acknowledge and deliver all such instruments as may be required by any such Co-Trustee or separate trustee for more fully confirming such title, rights, powers, trusts, duties and obligations to such Co-Trustee or separate Trustee.

(d) Every Co-Trustee appointed hereunder shall act subject to the following conditions and provisions, namely:

(1) The Bonds shall be authenticated and delivered and all rights, powers, trusts, duties and obligations by this Indenture conferred upon the Trustee in respect of the custody, control or management of moneys, papers, securities and other personal property shall be exercised, solely by the Trustee.

(2) All rights, powers, trusts, duties and obligations conferred or imposed upon the Trustee hereunder shall be conferred or imposed upon and exercised or performed by the Trustee, or by the Trustee and Co-Trustee or by a separate Trustee or separate Trustees jointly, if so provided in any instrument appointing such Co-Trustee or separate Trustee or Trustees, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts or incompetent to bring suit to enforce the Lease, in which event such act or acts shall be performed by the Co-Trustee or separate Trustee or Trustees.

(3) Any request in writing by the Trustee to any Co-Trustee or separate Trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking, of such action by the Co-Trustee or separate Trustee.

(4) Any Co-Trustee or separate Trustee may delegate to the Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(5) The Trustee at any time, by an instrument in writing, with the concurrence of the Issuer, may accept the resignation of or remove any Co-Trustee or separate Trustee appointed under this section and in case an Event of Default shall have occurred and be continuing, the Trustee shall have power to accept the resignation of, or remove, any such Co-Trustee or separate Trustee without the concurrence of the Issuer. Upon the request of the Trustee, the Issuer shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal.

(6) No Trustee hereunder shall be personally liable by reason of any act or omission of any other Trustee hereunder.

(7) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Trustee shall be deemed to have been delivered to each such Co-Trustee or separate Trustee.

(8) Any moneys, papers, securities or other items of personal property received by any such Co-Trustee or separate Trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Trustee.

(e) Upon the acceptance in writing of such appointment by any Co-Trustee or any separate Trustee, the Co-Trustee or separate Trustee shall be vested with such title to the Trust Estate or any part thereof, and with such rights, powers, duties and obligations, as shall be specified in any instrument of appointment jointly with the Trustee (except insofar as local law makes it necessary for any such Co-Trustee or separate Trustee to act alone) subject to all the terms of this Indenture. Every such acceptance shall be filed with the Trustee. Any Co-Trustee or separate Trustee may, at any time by an instrument in writing, constitute the Trustee, such Co-Trustee's or separate Trustee's attorney-in-fact and agent, with full power and authority to do all acts and things and to exercise all discretion on such Co-Trustee's or separate Trustee's behalf and in such Co-Trustee's or separate Trustee's name.

(f) In case any Co-Trustee or separate Trustee shall die, become incapable of acting, resign or be removed, the title to the Trust Estate, and all rights, powers, trusts, duties and obligations of said Co-Trustee or separate Trustee shall, so far as permitted by law, vest in and be exercised by the Trustee unless and until a successor Co-Trustee or separate Trustee shall be appointed in the manner herein provided.

Section 8.19 Appointment of Successor or Alternate Paying Agents. In the event the initial Trustee shall also have been appointed paying agent for the Bonds, a successor Trustee shall become successor paying agent with respect to such Bonds unless otherwise provided in the instrument appointing such successor Trustee. If any paying agent other than the initial Trustee shall resign or become incapable of acting, or shall be removed under a supplemental indenture entered into pursuant to the terms hereof, the Trustee may appoint a successor paying agent which is a bank or trust company qualified to act as paying agent under the Act and which is willing to accept the office on reasonable and customary terms approved by an Authorized Issuer Representative. The Trustee may appoint successor paying agents. "Paying Agent" as used in this section refers to the bank or trust company named in the form of Bond provided for the Bonds in Exhibit B hereto, where principal of and interest on Bonds may be paid.

Section 8.20 Indemnification. To the extent authorized by law, the Borrower and the Cooperative shall indemnify and hold harmless the Trustee against any and all loss, damage, claims, expense and liability arising out of or in connection with the acceptance of administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim (whether asserted by the Issuer, Borrower, the Cooperative, any bondholder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder except to the extent that such loss, damage, claim, expense or liability is determined by a court of competent jurisdiction to have been caused solely by Trustee's gross negligence or willful misconduct.

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## ARTICLE IX

### CONCERNING THE BONDHOLDERS

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

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

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

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

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

Section 9.03 [Reserved]

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

(a) to give any notice to the Issuer, the Borrower, the Cooperative, or the Trustee, or to give any direction to the Trustee, or to make any request of the Trustee, or to consent to the waiving of any default hereunder and its consequences, or to take any other action authorized to be taken by Bondholders pursuant to any of the provisions of Article VII;

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

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

(d) subject to Article XII, to consent to any amendment of the Lease or to any instrument supplemental to the Lease; or

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

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

(a) A meeting of Bondholders may be held at such place within the city where the Trustee has its principal office or, in case of its failure to act, the Borrower, the Cooperative or Bondholders calling the meeting shall prescribe.

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

(c) In the event that the Holders of at least ten percent in aggregate principal amount of the Bonds then Outstanding, shall have requested the Trustee to call a meeting of the Bondholders, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have given the notice of such meeting within twenty days after receipt of such request, then the Holders of Bonds in the amount above specified may call such meeting to take any action authorized in this Section by giving notice thereof as provided in paragraph (b) of this section.

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

(e) The Trustee may make such reasonable regulations as it may deem advisable for any meeting of Bondholders in regard to proof of the holding of Bonds and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, determination of presiding and recording officers, and such other matters concerning the conduct of the meeting as it shall deem appropriate.

(f) At any meeting of Bondholders, the presence of persons owning Bonds in an aggregate principal amount sufficient under the appropriate provision of this Indenture to take action upon the business for the transaction of which such meeting was called shall constitute a quorum. Any meeting of Bondholders duly called pursuant to this section may be adjourned from time to time by vote of the Holders (or proxies for the Holders) of a majority in aggregate principal amount of the Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present; and the meeting may be held as so adjourned without further notice.

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

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

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## ARTICLE X

### PAYMENT, DEFEASANCE AND RELEASE

Section 10.01 Payment of Bonds; Satisfaction and Discharge of Bonds and Obligation to Bondholders. Whenever the conditions specified in either clause (A) or clause (B) of the following subsection (1) and the conditions specified in the following subsections (2) and (3) to the extent applicable, shall exist, namely:

(1) either

(A) all Bonds have been cancelled by the Trustee or delivered to the Trustee for cancellation, excluding, however,

(i) Bonds for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Paying Agent or Trustee and thereafter repaid to the Borrower or discharged from such trust, and

(ii) Bonds alleged to have been destroyed, lost or stolen which have been replaced or paid as provided in Section 2.07 hereof, and (A) which, prior to the satisfaction and discharge of this Indenture as hereinafter provided, have not been presented to the Paying Agent or the Trustee with a claim of ownership and enforceability by the Holder thereof, or (B) whose enforceability by the Holder thereof has been determined adversely to the Holder by a court of competent jurisdiction or other competent tribunal; or

(B) the Issuer or the Borrower has deposited or caused to be deposited as trust funds:

(i) with the Paying Agent, cash which shall be sufficient, or

(ii) with the Trustee cash and/or Government Obligations, which do not permit the redemption thereof at the option of the issuer thereof, the principal of, premium, if any, and interest on which when due (or upon the redemption thereof at the option of the holder), will, without reinvestment, provide cash which together with the cash, if any, deposited with the Trustee at the same time, shall be sufficient,

to pay and discharge the entire indebtedness on Bonds not theretofore cancelled by the Trustee or delivered to the Trustee for cancellation by the payment of interest on and principal (and premium, if any) of the Bonds which have become due and payable or which shall become due at their stated Maturity Date or Redemption Date, as the case may be, and which are to be discharged under the provisions hereof, and has made arrangements satisfactory to the Trustee for the giving of notice of redemption, if any, by the Trustee in the name, and at the expense, of the Borrower in the same manner as is provided by Section 3.2 hereof; and

(2) the Issuer or the Borrower has paid, caused to be paid or made arrangements satisfactory to the Trustee for the payment of all other sums payable hereunder and under the Loan Agreement by the Trustee or the Borrower until the Bonds are so paid; and

(3) unless the Bonds are “gross defeased,” the Borrower has delivered to the Trustee a report of an Independent Accountant stating that the payments to be made on the security referred to Section 7.1(1)(B) hereof will be sufficient to pay when due the principal of, premium, if any, and interest on the Bonds to be defeased; and

(4) if discharge is to be effected under to Section 10.01(1)(B) hereof, an opinion of Bond Counsel is delivered to the Trustee stating in effect that such discharge will not impair the tax-exempt status of the Bonds; then, except as otherwise provided in this Article X and Sections 7.02 and 8.07 hereof, the rights of the Bondholders shall be limited to the cash or cash and securities deposited as provided in to Section 10.01(1)(A) or (B) hereof, and upon the Borrower’s request the rights and interest hereby granted or granted by the Loan Agreement and the Security Documents to or for the benefit of the Trustee or Bondholders shall cease, terminate and become null and void, and the Issuer and the Trustee shall, at the expense of the Borrower, execute and deliver such instruments of satisfaction and transfer as may be necessary, and forthwith the estate, right, title and interest of the Trustee in and to all of the Project and in and to all rights under the Loan Agreement and this Indenture (except the money or securities or both deposited as required above and except as may otherwise be provided in this Article X and Sections 7.02 and 8.07 shall thereupon be discharge and satisfied); except that in any event certain obligations of the Borrower under the Loan Agreement shall survive as provided in Section 10.13 of the Loan Agreement.

Section 10.02 Discharge of the Indenture. Notwithstanding the fact that the lien of this Indenture upon the Trust Estate may have been discharged and cancelled in accordance with Section 10.01 hereof, this Indenture and the rights granted and duties imposed hereby, to the extent not inconsistent with the fact that the lien upon the Trust Estate may have been discharged and cancelled, shall nevertheless continue and subsist until the principal of and the interest on, all of the Bonds shall have actually been paid in full and the Trustee shall have applied all funds theretofore held by the Trustee for payment of any Bonds not theretofore presented for payment or purchase, as the case may be, which funds shall be held in trust solely for the Holders of such Bonds pending their application in accordance herewith.

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## ARTICLE XI

### SUPPLEMENTAL INDENTURES

Section 11.01 Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may, without consent of, but with ten (10) Business Days' notice to, the Bondholders (solely through a notice posted on EMMA), enter into an indenture or indentures supplemental to this Indenture for any one (1) or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, covenants, agreements, powers, or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee which are not contrary to or inconsistent with this Indenture as then in effect;
- (c) To subject to this Indenture additional revenues, properties, or collateral;
- (d) To modify, amend, or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;
- (e) To evidence the appointment of a separate or co-Trustee or the succession of a new Trustee hereunder;
- (f) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.11 hereof;
- (g) If a Series of Bonds are all Depository Bonds, amend, modify, alter, or replace the Letter of Representations or other provisions relating to Depository Bonds; and
- (h) To comply with changes to applicable State laws.

The Trustee shall not be obligated to enter into any such supplemental Indenture which adversely affects the Trustee's own rights, duties or immunities under this Indenture.

Section 11.02 Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures permitted by Section 11.01 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Majority Bondholder(s) shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to require or consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture.

Notwithstanding the foregoing, that nothing in this Section or in Section 11.01 hereof shall permit, or be construed as permitting, without the consent of the Bondholders of not less than [two-thirds] in aggregate principal amount of the Outstanding Bonds, any of the following:

- (a) an extension of the maturity of the principal of, or the interest on, any Bond issued under this Indenture;
- (b) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon;
- (c) the creation of any lien ranking prior to or on a parity with the lien of this Indenture on the Trust Estate or any part thereof other than to provide for the issuance of parity Additional Bonds in accordance with the provisions of Section 2.11 of this Indenture; or
- (d) the deprivation of the Bondholder of any Outstanding Bond of the lien hereby created on the Trust Estate, and provided further, that nothing in this Section or in Section 11.01 of this Indenture shall permit, or be construed as permitting, without the consent of the Bondholders of all Outstanding Bonds (i) a privilege or priority of any Bond or Bonds over any other Bond or Bonds; or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indentures or any modifications or waiver of the provisions of the Loan Agreement or any Security Document.

If at any time the Issuer requests the Trustee to enter into any such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture, together with a copy of the proposed supplemental indenture to be posted on EMMA and given to the Bondholders through the Depository to the Registered Owner(s) required by the terms of Section 2.04 of this Indenture to be kept at the designated corporate trust office of the Trustee. Such notices shall be prepared by the Borrower on behalf of the Issuer and shall briefly set forth the nature of the proposed supplemental indenture. If, within forty-five (45) days following such notices, the required Bondholder consents shall have been received by the Trustee, no Bondholder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Article shall not become effective unless and until the Borrower shall have consented to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution of any such supplemental indenture together with a copy of the proposed supplemental indenture to be delivered via e-mail to the contact person on file with the Trustee or mailed by certified or registered mail to the Borrower at least fifteen (15) Business Days prior to the proposed date of execution and delivery of any such supplemental indenture. The

Borrower shall be deemed to have consented to the execution and delivery of any such supplemental indenture if the Trustee does not receive a written letter of protest or objection thereto signed by or on behalf of the Borrower on or before fifteen (15) Business Days after the mailing of said notice to the address provided to the Trustee and listed in the Loan Agreement.

Each supplemental indenture executed and delivered pursuant to the provisions of this Section 11.02 shall take effect when the required Bondholder consents are received consistent with the provisions of Section 13.01 below.

Section 11.03 Opinion of Counsel Required. Notwithstanding anything in this Article XI to the contrary, no supplemental indenture may be entered into unless the Issuer and the Trustee have first received the following opinion letters. Subject to the provisions of Section 8.01, the Trustee in executing or accepting the additional trusts permitted by this Article or the modifications thereby of the trusts created by this Indenture may rely, and shall be fully protected in relying, on (i) an Opinion of Counsel (including Counsel to the Borrower or Bond Counsel) stating that (a) the execution of such supplemental indenture is authorized or permitted by this Indenture and (b) all conditions precedent to the execution and delivery of such supplemental indenture have been complied with, and (ii) a Favorable Opinion of Bond Counsel that the execution and performance of such supplemental indenture shall not, in and of itself, adversely affect the federal income tax status of the Tax-Exempt Bonds. The Trustee may accept and rely upon such Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to the provisions of this Article complies with the requirements of this Article. The Trustee is not obligated to enter into an amendment that adversely affects its rights.

Section 11.04 Effect of Supplemental Indentures. Upon the execution and delivery of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every holder of any Bond theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

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## ARTICLE XII

### AMENDMENT OF SECURITY DOCUMENTS

Section 12.01 Amendments to Security Documents Not Requiring Consent of Bondholders. Without the consent of or notice to the Bondholders, the Issuer, the Borrower, the Cooperative, and the Trustee may amend, change or modify and consent to any amendment, change or modification of the Issuer Documents, the Borrower Documents, the Cooperative Documents and the Security Documents (collectively, the “Loan Documents”) as may be required (a) by the provisions of the Loan Agreement or this Indenture, (b) for the purpose of curing any ambiguity, inconsistency or defect or omission in the Loan Documents, (c) in connection with an amendment or to effect any purpose for which there could be an amendment of this Indenture pursuant to Section 11.01, (d) in connection with implementing the issuance of Additional Bonds, or (e) in connection with any other change therein which is not to the material prejudice of the Trustee or the Bondholders. Additionally, without the consent of the Bondholders, the Borrower and the Cooperative shall have the right to amend the Lease by providing a statement of the specific rent due in any year; provided that no amendment shall reduce the rent in any year to an amount less than the [Schedule of Minimum Base Rent] (as defined in the Lease) for such year.

The Issuer and the Trustee shall without the consent of the Bondholders, but with twenty one (21) days’ prior written notice to the Bondholders, amend, change or modify or consent to any amendment, change or modification of the Security Documents as may be required (a) so as to more precisely identify the Project or the Mortgaged Property (as defined in the Mortgage) or to substitute or add additional improvements, equipment or furnishings to the Facility or additional rights or interests in property acquired in accordance with the provisions of the Security Documents; (b) to enter into an indenture or indentures supplemental hereto as provided in Section 11.02 of this Indenture; (c) to assign rights and obligations under the Security Documents or (d) to effectuate the sale of unimproved real property as described in the Mortgage in compliance with the requirements of [Section 3.5] of the Tax Certificate.

Section 12.02 Amendments to Security Documents Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided in Section 12.01 hereof, neither the Issuer nor the Trustee shall amend, change or modify or consent to any other amendment, change or modification of the Security Documents without mailing of notice to the Bondholders and written approval or consent of Bondholders of not less than two-thirds in aggregate principal amount of the Outstanding Bonds is required for any amendment, change or modification of the Security Documents that would permit the termination or cancellation of the Security Documents or a reduction in or postponement of the payments under the Security Documents or any change in the provisions relating to the payment thereunder. If at any time the Issuer and the Borrower shall request the consent of the Trustee to any such proposed amendment, change or modification of the Security Documents pursuant to this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 11.02 of this Indenture with respect to supplemental indentures. Such notice shall be prepared by the Issuer or the Borrower, shall briefly set forth the nature of such proposed amendment, change or modification as prepared by the Issuer or the Borrower, and shall include a copy of the proposed amendment. The Trustee is not obligated to enter into an amendment that adversely affects its rights.

Each amendment to a Security Document executed and delivered pursuant to the provisions of this Section 12.02 shall take effect when and the required Bondholder consents are received consistent with the provisions of Section 12.1 below.

Section 12.03 No Amendment May Reduce Lease Payments. Under no circumstances shall any amendment to the Lease reduce the Lease Payments thereunder without the consent of the Holders of all the Bonds Outstanding.

Section 12.04 Opinions of Counsel Required. Notwithstanding anything in this Article XII to the contrary, the Security Documents may not be amended unless the Issuer and the Trustee have first received the following opinion letters. In consenting to an amendment, change or modification to the Loan Documents permitted by this Article XII, the Issuer and the Trustee shall receive, and (subject, with respect to the Trustee, to Section 8.01) shall be fully protected in relying upon, (i) an Opinion of Counsel (which may be Counsel to the Borrower or Bond Counsel) stating that (a) the execution of such consent, amendment, change or modification is authorized or permitted by this Indenture and the applicable Security Document, and (b) all conditions precedent to the execution and delivery of such consent, amendment, change or modification have been complied with, and (ii) a Favorable Opinion of Bond Counsel that the delivery and performance of such amendment, change or modification shall not, in and of itself, adversely affect the federal income tax status of the Tax-Exempt Bonds. The Trustee is not obligated to enter into an amendment that adversely affects its rights. The Trustee and the Issuer may accept and rely upon such Opinion of Counsel as conclusive evidence that any such consent, amendment, change or modification complies with the provisions of this Article.

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## ARTICLE XIII

### MISCELLANEOUS

Section 13.01 Consents of Bondholders. Any consent, request, direction, approval, objection, or other instrument required by this Indenture to be signed and executed by one or more Bondholders may be in any number of concurrent writings or documents of similar tenor and may be signed or executed by such Bondholder(s) in person or by an agent appointed in writing. For the avoidance of doubt, proof of the execution of any such consent, request, direction, approval, objection, or other instrument or of the written appointment of any such agent or of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

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

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the Issuer maintained by the Trustee pursuant to Section 2.04 of this Indenture.

For all purposes of this Indenture and of the proceedings for the enforcement hereof, such person shall be deemed to continue to be the Bondholder of such Bond until the Trustee shall have received notice in writing to the contrary. For purposes of consents, requests, directions, approvals, objections or other instruments required by this Indenture to be signed and executed by one or more Bondholders, Bonds owned by the Issuer, the Borrower or the Cooperative or any affiliate thereof are not deemed “Outstanding”; provided, however, that for the purpose of determining whether the Trustee shall be protected in relying upon any such written consents, only Bonds that the Trustee actually knows to be so owned shall be so disregarded.

A copy of such supplemental indenture (or brief summary thereof or reference thereto prepared by the Borrower) or such amendment to a Security Document, together with a request to Bondholders for their consent thereto prepared by the Borrower, shall be sent by the Borrower, or at the written direction of the Borrower, by the Trustee, to Bondholders, at the expense of the Borrower, by industry standard means selected by the Trustee for such communication which may include first-class mail postage prepaid, e-mail, DTC, posting on EMMA, provided that a failure to mail such request shall not affect the validity of the supplemental indenture when consented to as provided hereinafter. Such supplemental indenture or amendment to the Security Documents requiring the consent of Bondholders as provided in Section 11.02 or 12.02, as applicable, shall not be effective unless and until there shall have been filed with the Trustee (a) the written consents of Bondholders of the percentage of Bonds specified in Section 11.02 or 12.02, as applicable, and (b) the opinions of Counsel required in Articles XI and XII, as applicable. Any such consent shall be binding upon the Bondholder giving such consent and upon any subsequent holder of such

Bonds and of any Bonds issued in exchange therefor or in lieu thereof (whether or not such subsequent Bondholder has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent holder.

Section 13.02 No Personal Liability of Officials of Issuer or Trustee. No covenant or agreement contained in the Bonds or in this Indenture shall be deemed to be the covenant or agreement of any elected, appointed or otherwise engaged governing body member, official, director, officer, agent, member, consultant, contractor, or legal counsel of the Issuer in his or her individual capacity or any officer, agent, member, consultant or employee of the Trustee in his or her individual capacity, and neither the members of the governing body of the Issuer nor any official executing the Bonds, including any officer or employee of the Trustee, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 13.03 No Benefits to Outside Parties. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, the Trustee, the paying agent, if any, and the Bondholders of the Bonds, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Issuer and the Borrower shall be for the sole and exclusive benefit of the Trustee, the paying agent, if any, and the Bondholders of the Bonds.

Section 13.04 Severability. If any term or provision of this Indenture or the Bonds shall be held or deemed to be or shall, in fact, be invalid, illegal, inoperative, or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because such term or provision conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever, and such term and provision shall be valid and enforced to the fullest extent permitted by law.

Section 13.05 Execution of Indenture in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture and signature pages for all purposes.

Section 13.06 Headings Not Controlling. The headings of the several Articles and Sections hereof are inserted for the convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 13.07 Notices. Any request, demand, authorization, direction, notice, consent of Bondholders or other document provided or permitted by this Indenture shall be sufficient for any purpose under this Indenture or the Lease when personally delivered, delivered by overnight express mail, or mailed by first class mail, postage prepaid, or by electronic means which produces

receipt of transmission (except as otherwise provided in this Indenture) (with a copy to the other parties) at the following addresses (or such other address as may be provided by any party by notice), or telecopied, to be followed immediately by first class mail, and shall be deemed to be effective upon receipt:

To the Issuer:	City of Marshall 344 West Main Street Marshall, Minnesota 56258 Attn: City Administrator
To the Trustee:	U.S. Bank Trust Company, National Association 60 Livingston Avenue EP-MN-WS3C St. Paul, Minnesota 55107 Attn: Corporate Trust Department
To the Borrower:	Foundation for Innovation in Education c/o Southwest West Central Service Cooperative 1420 East College Drive Marshall, Minnesota 56258 Attn: Executive Director
To the Cooperative:	Southwest West Central Service Cooperative 1420 East College Drive Marshall, Minnesota, 56258 Attention: Executive Director
To the Original Purchaser of the Bonds:	Robert W. Baird & Co. Incorporated 7755 Third St. N, Suite 400 Oakdale, MN 55128 Attn: Managing Director

Section 13.08 Limitation of Liability of Issuer and Issuer Indemnified Parties.

(a) Anything in this Indenture to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Trustee or the Borrower as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

(b) No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the Issuer contained in this Indenture, any other Issuer Documents, or in any Bond or for any claim based hereon or otherwise in respect hereof or upon any obligation, covenant, promise, or agreement of the Issuer contained in any agreement, instrument, or certificate executed in connection with the Project or the issuance and sale of the Bonds, against any of the Issuer Indemnified Parties, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and

understood that no personal liability whatsoever shall attach to, or be incurred by, any of the Issuer Indemnified Parties, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into by the Issuer with the Borrower or the Trustee, or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against each of the Issuer Indemnified Parties is, by the execution of the Bonds, this Indenture, and the other documents executed by the Issuer, and as a condition of, and as part of the consideration for, the execution of the Bonds, this Indenture, and the other documents executed by the Issuer, is expressly waived and released.

(c) No agreements or provisions contained in this Indenture, or any agreement, covenant, or undertaking by the Issuer in connection with the Project or the issuance, sale, and/or delivery of the Bonds shall give rise to a charge against the general credit of the Issuer, or shall obligate the Issuer financially in any way, except as may be payable from the revenues pledged hereby for the payment of the Bonds and their application as provided in this Indenture. No failure of the Issuer to comply with any term, covenant, or agreement contained in the Bonds, this Indenture or the Loan Agreement, or in any document executed by the Issuer in connection with the Project or the issuance and sale of the Bonds, shall subject the Issuer to liability for any claim for damages, costs, or other financial or pecuniary charge, except to the extent the same can be paid or recovered from the revenues pledged for the payment of the Bonds or other revenues derived under the Loan Agreement. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant, or agreement herein; provided that no costs, expenses, or other monetary relief shall be recoverable from the Issuer, except as may be payable from the revenues pledged under this Indenture for the payment of the Bonds or other revenue derived under the Loan Agreement. No provision, covenant, or agreement contained herein, or any obligations imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory limitation or shall constitute or give rise to a charge against the Issuer's general credit. In making the agreements, provisions, and covenants set forth in this Indenture, the Issuer has not obligated itself, except with respect to the application of the revenues pledged in this Indenture for the payment of the Bonds or other revenues derived under the Loan Agreement.

(d) Nothing contained in this Indenture shall in any way obligate the Issuer to pay any debt or meet any financial obligations to any Person at any time except from money received under the provisions of this Indenture or from the exercise of the Issuer's rights hereunder. Nothing contained in this Bond Indenture shall in any way obligate the Issuer to pay such debts or meet such financial obligations from money received for the Issuer's own purposes. The Bonds secured by this Indenture do not now and shall never constitute a general obligation or debt of the Issuer or a pledge of the faith and credit of the State, or any other political subdivision thereof, and each covenant and undertaking by the Issuer in this Indenture and in the Bonds to make payments is not a general obligation or debt of the Issuer or a pledge of the faith and credit of the State, but is a special, limited obligation payable solely from the Trust Estate pledged for their payment in accordance with this Indenture.

Section 13.09 Remedies of the Issuer. Notwithstanding any contrary provision in this Indenture, the Issuer shall have the right to take any action or make any decision with respect to proceedings for indemnity against the liability of the Issuer, the Borrower and the respective

personnel and for collection reimbursements. The Issuer may enforce its rights under the Loan Agreement which have not been assigned to the Trustee by legal proceedings for the specific performance of any obligation contained therein and herein or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Borrower of its obligations to the Issuer under the Loan Agreement, including court costs, reasonable attorneys' fees and other costs and expenses incurred in enforcing such obligations.

Section 13.10 Limitation on Actions. The Issuer shall not be required to monitor, or provide information or disclosure concerning the financial condition of the Borrower or other matters relating to the Bonds and shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder or under the Loan Agreement. The Issuer shall not be required to take notice of any breach or default except when given notice thereof by the Trustee, or the Bondholders, as the case may be. The Issuer shall not be required to take any action unless indemnity reasonably satisfactory to it is furnished for expenses or liability to be incurred therein (other than the giving of notice). The Issuer, upon written request of the Bondholders, or the Trustee, shall cooperate to the extent reasonably necessary to enable the Trustee to exercise any power granted to the Trustee by this Indenture.

Section 13.11 Responsibility. The Issuer shall be entitled to the advice of counsel (who may be counsel for any party or for any Bondholder or Beneficial Owner unless an opinion of independent counsel or opinion of Bond Counsel is required hereunder) and shall be wholly protected as to any actions taken or omitted to be taken in good faith in reliance on such advice. The Issuer may rely conclusively on any notice, certificate or other document furnished to it hereunder or pursuant to the Loan Agreement or the Bond Purchase Agreement and reasonably believed by it to be genuine. The Issuer shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or in good faith omitted to be taken by it because it was reasonably believed to be beyond the discretion or power conferred upon it or taken by it pursuant to any direction or instruction by which it is governed hereunder or omitted to be taken by it by reason of the lack of direction or instruction required for such action hereunder, or be responsible for the consequences of any error of judgment reasonably made by it. When any payment, consent or other action by the Issuer is called for by this Indenture or the Loan Agreement, the Issuer may defer such action pending such investigation or inquiry or receipt of such evidence, if any, as it may require in support thereof. A permissive right or power to act in the Issuer shall not be construed as a requirement to act, and no delay in the exercise of a right or power shall affect the subsequent exercise thereof. The Issuer shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any Person. No recourse shall be had by the Borrower, the Trustee, any Bondholder or any Beneficial Owner for any claim based on this Indenture or the Bonds against any of the Issuer's governing body members, officers, employees, legal counsel, financial advisors or agents unless such claim is based upon the willful dishonesty or intentional violation of law of such person.

Section 13.12 Survival of Certain Provisions. Notwithstanding anything in this Indenture to the contrary, any provisions of this Indenture which relate to the majority of the Bonds, interest payments and dates therefor, optional and mandatory redemption provisions, credit against sinking fund payments, exchange, transfer and cancellation of the Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of the Bonds, non-presentation of the Bonds, the holding of money in trust, and repayments to the Borrower and the Issuer from

Indenture funds and accounts, the rebate of amounts to the United States of America, and the rights, remedies and duties of the Trustee and the Registrar in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee, the Registrar, the Paying Agent and the Owners notwithstanding the release and discharge of this Indenture. The provisions of this Section 13.12 shall survive the release, discharge, and satisfaction of this Indenture.

Section 13.13 Electronic Signatures. The parties agree that the electronic signature of a party to this Indenture shall be as valid as an original signature of such party and shall be effective to bind such party to this Indenture. For purposes hereof: (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means or a digital signature provided by DocuSign or other digital signature provider; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Indenture of Trust to be executed in their respective corporate names by their duly authorized officers, all as of the date and year first written above.

**CITY OF MARSHALL, MINNESOTA**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Administrator

[Signature page to Indenture of Trust]

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**

By \_\_\_\_\_  
Its Vice President

[Signature page to Indenture of Trust]

**EXHIBIT A**

**FORM OF SERIES 2024A BOND**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF LYON

No. R- \_\_\_\_\_ \$ \_\_\_\_\_

CITY MARSHALL, MINNESOTA  
EDUCATION SERVICES FACILITY LEASE REVENUE BOND  
(SWWC SERVICE COOPERATIVE)  
SERIES 2024A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
_____ %	February 1, 20__	[April/May] __, 2024	

BONDHOLDER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_  
DOLLARS

The City of Marshall, Minnesota, a home rule charter city, municipal corporation and political subdivision organized under its Charter and the Constitution and laws of the State of Minnesota (the “Issuer”), for value received, promises to pay from the sources and as hereinafter provided, to the Bondholder (named above), or registered assigns, on the Maturity Date (stated above), upon surrender hereof, the Principal Sum (stated above), and in like manner to pay interest on said Principal Sum from the Original Issue Date (stated above) at the Interest Rate per annum (stated above), semiannually on February 1 and August 1 commencing February 1, 2025 (or, if any such day is not a business day, then on the next business day thereafter with the same effect as if paid on such date), until said Principal Sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Series 2024A Bond prior to maturity may become applicable hereto; provided that during the occurrence and continuance of an Event of Default, this Series 2024A Bond shall bear interest at ten percent (10%) (the “Late Payment Rate”) and, from and after a Determination of Taxability, this Series 2024A Bond shall bear interest at the Series 2024A Taxable Rate. Both principal of and premium, if any, on this Series 2024A Bond are payable in lawful money of the United States of America at the designated corporate trust office of U.S. Bank Trust Company, National Association, a national banking association, in Saint Paul, Minnesota, as trustee (the “Trustee”), or at the duly designated office of any successor Trustee or paying agents appointed under the Indenture (hereinafter defined). Payment of interest on this Series 2024A Bond shall be made to the Bondholder hereof on the “Record Date” or “Special Record Date,” as the case may be, and shall be paid by check or draft mailed to the person who

shall be the Bondholder hereof on the Record Date or Special Record Date, as the case may be, at the address of the Bondholder as it then appears on the registration books of the Trustee. The Record Date shall be the 15th day of the calendar month preceding an Interest Payment Date. The Special Record Date shall be a date for payment of interest, specified by the Trustee in the event of a default on the payment of interest. Capitalized terms used herein that are not otherwise defined shall have the meanings provided in the Indenture.

So long as this Series 2024A Bond is registered in the name of a nominee of The Depository Trust Company (“DTC”), payment of principal, premium, if any, and interest on this Series 2024A Bond shall be made as provided in the Letter of Representations and surrender of this Series 2024A Bond shall not be required for payment of the redemption price upon a partial redemption of this Series 2024A Bond. Until termination of the book-entry only system pursuant to the Indenture, Series 2024A Bonds may only be registered in the name of DTC or its nominee.

This Series 2024A Bond is one of an authorized issue of the “Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024A” (the “Series 2024A Bonds”), limited in aggregate principal amount to \$[Series A Par]. The Series 2024A Bonds are being issued simultaneously with the Issuer’s Taxable C Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024B (the “Series 2024B Bonds,” and together with the Series 2024A Bonds, the “Bonds”), limited in aggregate principal amount to \$[Series B Par]. The proceeds of the Bonds are being used by Foundation for Innovation in Education, a Minnesota nonprofit corporation (the “Borrower”), to finance (i) the acquisition, construction, and equipping of an approximately 16,100 square-foot facility (the “Facility”) on real property located at or about the intersection of Channel Parkway and London Road in the City of Marshall, Minnesota (the “Land”); (ii) the funding of capitalized interest; and (iii) the payment of a portion of the costs of issuing the Bonds (collectively, the “Project”). The Land and Facility will be owned by the Borrower and leased to and operated by Southwest West Central Service Cooperative (“Cooperative”), a service cooperative and a public corporation and agency established pursuant to Minnesota Statutes, Section 123A.21, as amended.

The proceeds from the sale of the Bonds have been loaned by the Issuer to the Borrower, under the terms of a Loan Agreement, dated as of [April/May] 1, 2024 (as from time to time amended and supplemented, the “Loan Agreement”), between the Issuer and the Borrower, pursuant to which the Borrower is obligated to pay amounts which are sufficient to (i) pay the principal of, premium, if any, and interest on the Bonds as the same shall become due in accordance with their terms and provisions and the terms and provisions of the Indenture; (ii) pay the fees and expenses of the Trustee and any paying agents properly payable under the Indenture; and (iii) pay certain expenses of the Issuer related to the issuance of the Bonds. The Borrower has granted a lien on the Project to the Trustee, pursuant to a Mortgage, Security Agreement, and Assignment of Rents, dated as of [April/May] 1, 2024 (the “Mortgage”), between the Borrower and the Trustee, to secure the obligations under the Loan Agreement and the Indenture. Copies of the Loan Agreement and the Mortgage are on file at the designated corporate trust office of the Trustee, and reference is hereby made to the Loan Agreement and the Mortgage for the provisions thereof.

THIS SERIES 2024A BOND SHALL BE PAYABLE SOLELY FROM REVENUES DERIVED FROM THE SALE, OPERATION, OR LEASING OF THE FACILITY AND THE PAYMENTS RECEIVED UNDER THE LOAN AGREEMENT AND, UPON AN EVENT OF

DEFAULT, THE MORTGAGE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, THE STATE OF MINNESOTA (THE “STATE”), OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS SERIES 2024A BOND.

The Bonds are all issued under and are equally and ratably secured by and entitled to the protection of an Indenture of Trust, dated as of [April/May] 1, 2024 (as from time to time amended and supplemented, the “Indenture”), between the Issuer and the Trustee, duly executed and delivered by the Issuer to the Trustee and pursuant to which all payments due from the Borrower to the Issuer under the Loan Agreement are assigned to the Trustee to secure the payment of the principal of, premium, if any, and interest on the Bonds. Reference is hereby made to the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Trustee, and the Bondholders of the Series 2024A Bonds and the terms upon which the Series 2024A Bonds are issued and secured.

The Series 2024A Bonds are issuable in fully registered form, in minimum denominations of \$5,000 or any integral multiple thereof. This Series 2024A Bond is transferable by the Bondholder hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee in Saint Paul, Minnesota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Series 2024A Bond. Upon such transfer a new registered Series 2024A Bond or Series 2024A Bonds of the same series, date, interest rate, and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Issuer and the Trustee and any paying agents may deem and treat the Bondholder hereof as the absolute owner hereof (whether or not this Series 2024A Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

The Bonds shall be callable at any time upon the occurrence of any of the following: (1) the Project or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 5.8(2) of the Loan Agreement is applicable; or (2) any of the events specified in Section 8.4 of the Loan Agreement have occurred and upon the Borrower’s exercising its option to prepay the loan pursuant to Section 8.2 of the Loan Agreement; or (3) upon acceleration because of an Event of Default. If called for redemption at any time for the reasons stated in clause (1), (2) or (3) above, the Bonds shall be subject to redemption by the Issuer at any time in whole or (in the case of redemption pursuant to Section 5.8(2) of the Loan Agreement) in such manner as the Borrower may direct, less than all of such Bonds of a single maturity to be selected randomly in such manner as the Trustee may determine, such redemption to be at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date.

The Bonds are subject to redemption by the Issuer at the option of the Borrower as set forth in Section 3.01(a) of the Indenture.

The Bonds are subject to mandatory sinking fund redemption prior to maturity, and are to be redeemed randomly or such other manner as the Trustee may determine, at one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the principal amounts provided in the Indenture.

The Bonds shall be redeemed upon a Determination of Taxability in whole on the first Business Day for which notice of redemption can properly be given as provided in the Indenture at a redemption price equal to one hundred three percent of the principal amount of the Bonds plus accrued interest to the Redemption Date.

At the option of the Borrower not less than thirty (30) days next proceeding any sinking fund redemption date of a written certificate to the Trustee, the Borrower may (i) deliver to the Trustee for cancellation Bonds in an aggregate principal amount desired by the Borrower or (ii) specify a principal amount of Bonds which, prior to said date, have been redeemed (otherwise than through mandatory redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount against the obligation of the Issuer on such mandatory sinking fund redemption date, and any excess shall be so credited against future sinking fund redemption obligations on such Bonds in chronological order. In the event the Borrower shall avail itself of the provisions of clause (i) above, the certificate required by the first sentence of this paragraph shall be accompanied by the Bonds to be canceled.

Upon surrender of any Bond for redemption in part only, the Issuer shall execute, and the Trustee shall authenticate and deliver to the owner thereof a new Bond or Bonds of the same series, date, interest rate, and maturity, of authorized denominations, in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered. In the event of any partial redemption, the Trustee shall provide, at the Borrower's request and expense, a new debt service schedule for the Bonds to the Borrower

In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first class mail thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to each Registered Holder of a Bond to be redeemed; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. All Bonds so called for redemption, provided funds for their redemption have been duly deposited, will cease to bear interest on the specified redemption date and (except for the purpose of payment) shall no longer be protected by the Indenture and shall not be deemed Outstanding under the Indenture, and shall thereafter be payable solely from the funds provided for payment.

In the case of an optional redemption, the notice may state that it is conditioned upon the deposit of money, in an amount equal to effect the redemption, with the Trustee on or before the redemption date and that the Borrower retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is

rescinded as hereinafter described. The Bonds thus called shall not, on or after the specified redemption date, bear any interest and, except for the purpose of payment, shall not be entitled to the lien of the Indenture. If for any reason the monies are not received by such redemption date, the redemption shall be automatically cancelled, interest shall continue to accrue and be entitled to the benefits of the Indenture on and after the date on which the Bonds were to be redeemed and the Trustee shall promptly mail notice of said cancellation by first class mail to the Holders of all Bonds which were to be redeemed, at their last address appearing upon the Bond Register, and return to the Holders any Bonds surrendered by them for redemption.

The Bonds may become subject to acceleration and prepayment upon the occurrence of a Non-appropriation resulting in a termination of the Lease Agreement, dated as of [April/May] 1, 2024, by and between the Borrower, as Landlord, and the Cooperative, as Tenant.

In addition to the foregoing, if under certain circumstances an Event of Default, as defined in the Indenture, shall occur, the Trustee may, and shall upon the written request of the Holders of a majority in aggregate principal amount of Outstanding Bonds, by written notice to the Issuer and the Borrower, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, notwithstanding anything in the Indenture or in this Bond to the contrary.

The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Act") and pursuant to a resolution adopted by the City Council of the Issuer which authorized the execution and delivery of the Bonds, the Loan Agreement, and the Indenture.

It is hereby certified and recited that the issuance of the Bonds and the acquisition, construction, and equipping of the Project will promote the public welfare and carry out the purposes of the Act; that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the issue of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and that this Bond and the issue of which it is a part do not constitute an indebtedness of the Issuer within the meaning of State of Minnesota constitutional or statutory limitation and shall not constitute or give rise to a charge against the Issuer's general credit. The Issuer has not obligated itself, except with respect to the application of the revenues pledged in the Indenture for the payment of the Bonds or other revenues derived under the Loan Agreement.

The Bondholder of this Series 2024A Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an event of default as defined in the Indenture shall have occurred, and then only to the extent provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

This Series 2024A Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Series 2024A Bond to be executed in its name and on its behalf by the facsimile signature of its authorized officers, as of the Original Issue Date.

**CITY OF MARSHALL, MINNESOTA**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Administrator

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This Series 2024A Bond is one of the Series 2024A Bonds described in the within mentioned Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**  
As Trustee

By \_\_\_\_\_  
Responsible Agent

\_\_\_\_\_

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto the transferees indicated below the within Series 2024A Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Series 2024A Bond on the books kept for the registration thereof, with full power of substitution in the premises:

Transferee(s)

Principal Amount

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

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2024A Bond in every particular, without alteration or any change whatever.

Signature must be guaranteed by a member of a Medallion Signature Program:

\_\_\_\_\_

The Trustee will not effect transfer of this Series 2024A Bond unless the information concerning the transferee(s) requested below is provided.

Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Include information for all joint owners if the Series 2024A Bond is held by joint account)

Insert social security or  
other identifying number of  
Transferee

\_\_\_\_\_

\_\_\_\_\_

**EXHIBIT B**

**FORM OF SERIES 2024B BOND**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF LYON

No. R- \_\_\_\_\_ \$ \_\_\_\_\_

CITY MARSHALL, MINNESOTA  
TAXABLE EDUCATION SERVICES FACILITY LEASE REVENUE BOND  
(SWWC SERVICE COOPERATIVE)  
SERIES 2024B

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
_____ %	February 1, 20__	[April/May] __, 2024	

BONDHOLDER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_  
DOLLARS

The City of Marshall, Minnesota, a home rule charter city, municipal corporation and political subdivision organized under its Charter and the Constitution and laws of the State of Minnesota (the “Issuer”), for value received, promises to pay from the sources and as hereinafter provided, to the Bondholder (named above), or registered assigns, on the Maturity Date (stated above), upon surrender hereof, the Principal Sum (stated above), and in like manner to pay interest on said Principal Sum from the Original Issue Date (stated above) at the Interest Rate per annum (stated above), semiannually on February 1 and August 1 commencing February 1, 2025 (or, if any such day is not a business day, then on the next business day thereafter with the same effect as if paid on such date), until said Principal Sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Series 2024B Bond prior to maturity may become applicable hereto; provided that during the occurrence and continuance of an Event of Default, this Series 2024B Bond shall bear interest at ten percent (10%) (the “Late Payment Rate”). Both principal of and premium, if any, on this Series 2024B Bond are payable in lawful money of the United States of America at the designated corporate trust office of U.S. Bank Trust Company, National Association, a national banking association, in Saint Paul, Minnesota, as trustee (the “Trustee”), or at the duly designated office of any successor Trustee or paying agents appointed under the Indenture (hereinafter defined). Payment of interest on this Series 2024B Bond shall be made to the Bondholder hereof on the “Record Date” or “Special Record Date,” as the case may be, and shall be paid by check or draft mailed to the person who shall be the Bondholder hereof on the Record Date or Special Record Date, as the case may be, at the address of the Bondholder

as it then appears on the registration books of the Trustee. The Record Date shall be the 15th day of the calendar month preceding an Interest Payment Date. The Special Record Date shall be a date for payment of interest, specified by the Trustee in the event of a default on the payment of interest. Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Indenture.

So long as this Series 2024B Bond is registered in the name of a nominee of The Depository Trust Company (“DTC”), payment of principal, premium, if any, and interest on this Series 2024B Bond shall be made as provided in the Letter of Representations and surrender of this Series 2024B Bond shall not be required for payment of the redemption price upon a partial redemption of this Series 2024B Bond. Until termination of the book-entry only system pursuant to the Indenture, Series 2024B Bonds may only be registered in the name of DTC or its nominee.

This Series 2024B Bond is one of an authorized issue of the “Taxable Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024B” (the “Series 2024B Bonds”), limited in aggregate principal amount to \$[Series B Par]. The Series 2024B Bonds are being issued simultaneously with the Issuer’s C Education Services Facility Lease Revenue Bonds (SWWC Service Cooperative), Series 2024A (the “Series 2024A Bonds,” and together with the Series 2024B Bonds, the “Bonds”), limited in aggregate principal amount to \$[Series A Par]. The proceeds of the Bonds are being used by Foundation for Innovation in Education, a Minnesota nonprofit corporation (the “Borrower”), to finance (i) the acquisition, construction, and equipping of an approximately 16,100 square-foot facility (the “Facility”) on real property located at or about the intersection of Channel Parkway and London Road in the City of Marshall, Minnesota (the “Land”); (ii) the funding of capitalized interest; and (iii) the payment of a portion of the costs of issuing the Bonds (collectively, the “Project”). The Land and Facility will be owned by the Borrower and leased to and operated by Southwest West Central Service Cooperative (“Cooperative”), a service cooperative and a public corporation and agency established pursuant to Minnesota Statutes, Section 123A.21, as amended.

The proceeds from the sale of the Bonds have been loaned by the Issuer to the Borrower, under the terms of a Loan Agreement, dated as of [April/May] 1, 2024 (as from time to time amended and supplemented, the “Loan Agreement”), between the Issuer and the Borrower, pursuant to which the Borrower is obligated to pay amounts which are sufficient to (i) pay the principal of, premium, if any, and interest on the Bonds as the same shall become due in accordance with their terms and provisions and the terms and provisions of the Indenture; (ii) pay the fees and expenses of the Trustee and any paying agents properly payable under the Indenture; and (iii) pay certain expenses of the Issuer related to the issuance of the Bonds. The Borrower has granted a lien on the Project to the Trustee, pursuant to a Mortgage, Security Agreement, and Assignment of Rents, dated as of [April/May] 1, 2024 (the “Mortgage”), between the Borrower and the Trustee, to secure the obligations under the Loan Agreement and the Indenture. Copies of the Loan Agreement and the Mortgage are on file at the designated corporate trust office of the Trustee, and reference is hereby made to the Loan Agreement and the Mortgage for the provisions thereof.

THIS SERIES 2024B BOND SHALL BE PAYABLE SOLELY FROM REVENUES DERIVED FROM THE SALE, OPERATION, OR LEASING OF THE FACILITY AND THE PAYMENTS RECEIVED UNDER THE LOAN AGREEMENT AND, UPON AN EVENT OF DEFAULT, THE MORTGAGE. NEITHER THE FULL FAITH AND CREDIT NOR THE

TAXING POWER OF THE ISSUER, THE STATE OF MINNESOTA (THE “STATE”), OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS SERIES 2024B BOND.

The Bonds are all issued under and are equally and ratably secured by and entitled to the protection of an Indenture of Trust, dated as of [April/May] 1, 2024 (as from time to time amended and supplemented, the “Indenture”), between the Issuer and the Trustee, duly executed and delivered by the Issuer to the Trustee and pursuant to which all payments due from the Borrower to the Issuer under the Loan Agreement are assigned to the Trustee to secure the payment of the principal of, premium, if any, and interest on the Bonds. Reference is hereby made to the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Trustee, and the Bondholders of the Series 2024B Bonds and the terms upon which the Series 2024B Bonds are issued and secured.

The Series 2024B Bonds are issuable in fully registered form, in minimum denominations of \$5,000 or any integral multiple thereof. This Series 2024B Bond is transferable by the Bondholder hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee in Saint Paul, Minnesota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Series 2024B Bond. Upon such transfer a new registered Series 2024B Bond or Series 2024B Bonds of the same series, date, interest rate, and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Issuer and the Trustee and any paying agents may deem and treat the Bondholder hereof as the absolute owner hereof (whether or not this Series 2024B Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

The Bonds shall be callable at any time upon the occurrence of any of the following: (1) the Project or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 5.8(2) of the Loan Agreement is applicable; or (2) any of the events specified in Section 8.4 of the Loan Agreement have occurred and upon the Borrower’s exercising its option to prepay the loan pursuant to Section 8.2 of the Loan Agreement; or (3) upon acceleration because of an Event of Default. If called for redemption at any time for the reasons stated in clause (1), (2) or (3) above, the Bonds shall be subject to redemption by the Issuer at any time in whole or (in the case of redemption pursuant to Section 5.8(2) of the Loan Agreement) in such manner as the Borrower may direct, less than all of such Bonds of a single maturity to be selected randomly in such manner as the Trustee may determine, such redemption to be at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date.

The Series 2022B Bonds are not subject to optional redemption.

The Bonds are subject to mandatory sinking fund redemption prior to maturity, and are to be redeemed randomly or such other manner as the Trustee may determine, at one hundred percent

(100%) of the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the principal amounts provided in the Indenture.

The Bonds shall be redeemed upon a Determination of Taxability in whole on the first Business Day for which notice of redemption can properly be given as provided in the Indenture at a redemption price equal to one hundred three percent of the principal amount of the Bonds plus accrued interest to the Redemption Date.

At the option of the Borrower not less than thirty (30) days next proceeding any sinking fund redemption date of a written certificate to the Trustee, the Borrower may (i) deliver to the Trustee for cancellation Bonds in an aggregate principal amount desired by the Borrower or (ii) specify a principal amount of Bonds which, prior to said date, have been redeemed (otherwise than through mandatory redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount against the obligation of the Issuer on such mandatory sinking fund redemption date, and any excess shall be so credited against future sinking fund redemption obligations on such Bonds in chronological order. In the event the Borrower shall avail itself of the provisions of clause (i) above, the certificate required by the first sentence of this paragraph shall be accompanied by the Bonds to be canceled.

Upon surrender of any Bond for redemption in part only, the Issuer shall execute, and the Trustee shall authenticate and deliver to the owner thereof a new Bond or Bonds of the same series, date, interest rate, and maturity, of authorized denominations, in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered. In the event of any partial redemption, the Trustee shall provide, at the Borrower's request and expense, a new debt service schedule for the Bonds to the Borrower

In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first class mail thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to each Registered Holder of a Bond to be redeemed; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure has occurred. All Bonds so called for redemption, provided funds for their redemption have been duly deposited, will cease to bear interest on the specified redemption date and (except for the purpose of payment) shall no longer be protected by the Indenture and shall not be deemed Outstanding under the Indenture, and shall thereafter be payable solely from the funds provided for payment.

In the case of an optional redemption, the notice may state that it is conditioned upon the deposit of money, in an amount equal to effect the redemption, with the Trustee on or before the redemption date and that the Borrower retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is rescinded as hereinafter described. The Bonds thus called shall not, on or after the specified redemption date, bear any interest and, except for the purpose of payment, shall not be entitled to

the lien of the Indenture. If for any reason the monies are not received by such redemption date, the redemption shall be automatically cancelled, interest shall continue to accrue and be entitled to the benefits of the Indenture on and after the date on which the Bonds were to be redeemed and the Trustee shall promptly mail notice of said cancellation by first class mail to the Holders of all Bonds which were to be redeemed, at their last address appearing upon the Bond Register, and return to the Holders any Bonds surrendered by them for redemption.

The Bonds may become subject to acceleration and prepayment upon the occurrence of a Non-appropriation resulting in a termination of the Lease Agreement, dated as of [April/May] 1, 2024, by and between the Borrower, as Landlord, and the Cooperative, as Tenant.

In addition to the foregoing, if under certain circumstances an Event of Default, as defined in the Indenture, shall occur, the Trustee may, and shall upon the written request of the Holders of a majority in aggregate principal amount of Outstanding Bonds, by written notice to the Issuer and the Borrower, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, notwithstanding anything in the Indenture or in this Bond to the contrary.

The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Act") and pursuant to a resolution adopted by the City Council of the Issuer which authorized the execution and delivery of the Bonds, the Loan Agreement, and the Indenture.

It is hereby certified and recited that the issuance of the Bonds and the acquisition, construction, and equipping of the Project will promote the public welfare and carry out the purposes of the Act; that all acts, conditions and things required to be done precedent to and in the issuance of this Bond and the issue of which it is a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and that this Bond and the issue of which it is a part do not constitute an indebtedness of the Issuer within the meaning of State of Minnesota constitutional or statutory limitation and shall not constitute or give rise to a charge against the Issuer's general credit. The Issuer has not obligated itself, except with respect to the application of the revenues pledged in the Indenture for the payment of the Bonds or other revenues derived under the Loan Agreement.

The Bondholder of this Series 2024B Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an event of default as defined in the Indenture shall have occurred, and then only to the extent provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

This Series 2024B Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Series 2024B Bond to be executed in its name and on its behalf by the facsimile signature of its authorized officers, as of the Original Issue Date.

**CITY OF MARSHALL, MINNESOTA**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Administrator

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This Series 202BA Bond is one of the Series 2024B Bonds described in the within mentioned Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**  
As Trustee

By \_\_\_\_\_  
Responsible Agent

\_\_\_\_\_

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto the transferees indicated below the within Series 2024B Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Series 2024B Bond on the books kept for the registration thereof, with full power of substitution in the premises:

Transferee(s)

Principal Amount

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

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2024B Bond in every particular, without alteration or any change whatever.

Signature must be guaranteed by a member of a Medallion Signature Program:

\_\_\_\_\_

The Trustee will not effect transfer of this Series 2024B Bond unless the information concerning the transferee(s) requested below is provided.

Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Include information for all joint owners if the Series 2024B Bond is held by joint account)

Insert social security or  
other identifying number of  
Transferee

\_\_\_\_\_

\_\_\_\_\_