



Economic Development Authority Special Meeting Agenda

Seating may be limited. If you would like to send in a comment for an item on the agenda to be read on your behalf, please submit to the Community Development Director ssellman@cityofisanti.us (763) 762-5761

1. Call to Order
 - a. Pledge of Allegiance
 - b. Roll Call
 - c. Agenda Modifications
 - d. Adopt Agenda

2. Resolution (and supporting documentation) authorizing the issuance of \$3.28 Million lease revenue bonds 2021A

3. Adjournment

EXTRACT OF MINUTES OF A MEETING OF THE
BOARD OF COMMISSIONERS OF THE
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI, MINNESOTA

HELD: May 18, 2021

Pursuant to due call and notice thereof, a regular or special meeting of the Board of Commissioners of the Economic Development Authority of the City of Isanti, Minnesota was duly called and held at the City Hall in the City of Isanti, Minnesota on, May 18, 2021 at 6:30 P.M.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING THE ISSUANCE OF \$3,280,000 PUBLIC
PROJECT LEASE REVENUE BONDS, SERIES 2021A (CITY OF ISANTI,
MINNESOTA, LEASE WITH OPTION TO PURCHASE PROJECT) AND THE
EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT, A
LEASE AGREEMENT AND AN INDENTURE OF TRUST IN CONNECTION
THEREWITH

WHEREAS, Minnesota Statutes, Sections 469.090 through 469.1082 (collectively, the "Act") authorizes the Economic Development Authority of the City of Isanti, Minnesota (the "Authority") to issue revenue bonds, in anticipation of the collection of revenues of a project, to finance, in whole or in part, the cost of acquisition, construction, reconstruction, improvement, betterment or extension of a project; and

WHEREAS, the Authority proposes to finance the acquisition and construction of a municipal liquor store (the "Project"), an authorized project under the Act to be used by the City of Isanti, Minnesota (the "City") and to provide funds for such purposes by the issuance of its Public Project Lease Revenue Bonds, Series 2021A (City of Isanti, Minnesota, Lease With Option to Purchase Project) (the "Bonds") bonds pursuant to an Indenture of Trust between the Authority and U.S. Bank National Association in St. Paul, Minnesota, as Trustee (the "Trustee"), dated as of June 1, 2021 (the "Indenture"); and

WHEREAS, the Bonds issued under the Indenture will be secured by a pledge and assignment of rental payments and certain rights of the Authority under the Lease Agreement between the Authority and the City (the "Lease"), dated as of June 1, 2021; and

WHEREAS, the Bonds shall be payable solely from the revenues pledged therefor and shall not constitute a debt of the Authority within the meaning of any constitutional or statutory limitation nor shall they constitute or give rise to a pecuniary liability of the Authority or a

charge against its general credit or taxing powers, nor constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the Authority, other than its interest in the Project; and

WHEREAS, in order to carry out the transaction, (1) the City will ground lease the land, on which the Project will be constructed (the "Land"), to the Authority pursuant to a Ground Lease Agreement between the City and the Authority (the "Ground Lease Agreement"), dated as of June 1, 2021 and (2) the Authority will lease the Land and the Project to the City pursuant to the Lease; and

WHEREAS, the City has retained AEM Financial Solutions, LLC in Edina, Minnesota, as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Economic Development Authority of the City of Isanti, Minnesota:

1. Findings. The Board of Commissioners acknowledges, finds, determines and declares that the Project will satisfies the purposes stated in the Act.
2. Authorization of Financing. Pursuant to the Ground Lease Agreement and the Lease Agreement, the financing by the Authority of the Project be and the same is hereby authorized.
3. Acceptance of Purchase. The offer of Northland Securities, Inc. (the "Purchaser"), to purchase the Bonds in accordance with the terms and at the rates of interest set forth in the Indenture, and to pay therefor the sum of \$_____, plus interest accrued to settlement, is hereby accepted. The Bonds shall bear interest at the rates, be in such denominations, be numbered, dated, mature, be subject to redemption, be in such form and have such other details and provisions as are prescribed by the Indenture.
4. Special Obligations; Security; Authorization to Execute and Deliver Indenture and Bonds. The Bonds shall be special obligations of the Authority payable primarily from the rental payments paid by City to the Authority. As security for the payment of the principal of, premium, if any, and interest on the Bonds, pro rata and without preference of any one Bond over any other Bonds, the Board of Commissioners hereby authorizes and directs the President and Secretary to execute the Indenture in substantially the form on file with the Authority, and to deliver the Indenture to the Trustee, and hereby authorizes and directs the execution of the Bonds, and hereby provides that the Indenture shall provide the terms and conditions, covenants, rights, obligations, duties and agreements of the Holders (as defined in the Indenture and hereinafter referred to as "Holders") of the Bonds, the Authority and the Trustee as set forth therein.
5. Authorization to Execute and Deliver Ground Lease and Lease. The President and the Secretary are hereby authorized and directed to execute, attest and deliver the Ground Lease, the Lease (together with the Indenture, collectively the "Bond Documents") in substantially the forms on file with the Authority. All of the provisions of the Bond Documents, when executed and delivered as authorized herein, shall be deemed to be part of this resolution

as fully and to the same extent as if incorporated herein and shall be in full force and effect according to the terms thereof from the date of execution and delivery thereof.

6. Termination upon Payment or Discharge. Upon payment or discharge of the Bonds in accordance with the terms of the Bond Documents the Authority's interest in the Project and real estate on which the Project is located shall terminate.

7. Binding Obligations; No Personal Liability. All covenants, stipulations, obligations and agreements of the Authority contained in this resolution and contained in the Bond Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Authority to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the Authority. Except as otherwise provided in this resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Authority or the Board of Commissioners thereof by the provisions of this resolution or by the Bond Documents, shall be exercised or performed by the Authority by such members of the Board of Commissioners, or such officers, board, body or agency thereof as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Bond Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the Board of Commissioners, or any officer, agent or employee of the issuer in that person's individual capacity, and neither the Board of Commissioners of the Authority nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

8. Sole and Exclusive Benefit. Except as herein otherwise expressly provided, nothing in this resolution or in the Indenture expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation other than the Authority or the Trustee, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provision hereof or of the Indenture or any provisions thereof, this resolution, the Indenture and all of their provisions being intended to be and being for the sole and exclusive benefit of the Authority and the Holders from time to time of the Bonds issued under the provisions of this resolution and the Indenture.

9. Provisions Held Separate and Apart; Binding Contracts. In case any one or more of the provisions of the Bonds, this resolution, the Bond Documents shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, the Bond Documents, or the Bonds, but this resolution, the Bond Documents and the Bonds shall be construed and endorsed as if such illegal or invalid provision had not been contained therein. The terms and conditions set forth in the Bond Documents, the pledge of revenues derived from the Project, the creation of the funds provided for in the Indenture, the provisions relating to the handling of the proceeds derived from the sale of Bonds pursuant to the Indenture and the handling of said revenues and other monies are all commitments, obligations and agreements on the part of the Authority contained in the Indenture, or the invalidity of the Bond Documents, shall not affect the commitments, obligations and agreements on the part of the Authority to create such funds and to handle said revenues, other monies and proceeds of the Bonds for the purposes, in the manner and according to the terms and conditions fixed in the

Indenture, it being the intention hereof that such commitments on the part of the Authority are as binding as if contained in this resolution separate and apart from the Indenture or the Lease.

10. Bond Recital. The Bonds shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of the issuance thereof, and that all acts, conditions and things required by the laws of the State of Minnesota relating to the adoption of this resolution, to the issuance of the Bonds and to the execution of the Bond Documents to happen, exist and be performed precedent to and in the enactment of this resolution, and precedent to the Bonds, the execution of the Bond Documents have happened, exist and have been performed as so required by law.

11. Performance. The officers, attorneys, engineers and other agents or employees of the Authority are hereby authorized to do all acts and things required of them by or in connection with this resolution, the Bond Documents, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, the Bond Documents and this resolution.

12. Furnishing of Certificates and Proceedings. The President and the Secretary and other officers of the Authority are authorized and directed to prepare and furnish to the Purchaser certified copies of all proceedings and records of the Authority relating to the Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality of the Bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Authority as to the truth of all statements contained therein.

13. Negative Covenant as to Use of Proceeds and Project. The Authority hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

14. Rebate; Tax Exempt Status of the Bonds. The Authority shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States.

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City by its resolution has found, determined and declared that (i) the Bonds are issued by the Authority on behalf of the City, a governmental unit with general taxing powers; (ii) no Bond is a private activity bond; (iii) ninety five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and (iv) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all entities subordinate to, or treated as one issuer with the City) during the calendar year in which the Bonds are issued and

outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

15. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the Authority hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the Authority hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Authority and all entities treated as one issuer with the Authority, and all subordinate entities whose obligations are treated as issued by the Authority during this calendar year 2021 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the Authority during this calendar year 2021 have been designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

The Authority shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this section.

16. Modifications to Documents. The approval hereby given to the various documents referred to herein includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the Authority Attorney and the Authority officials authorized herein to execute said documents prior to their execution; and said Authority officials are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officer or officers of the Authority herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. In the absence of the President or Secretary any of the documents authorized by this resolution to be executed by the Acting President or the Acting Secretary, respectively.

The motion for the adoption of the foregoing resolution was duly seconded by member _____, and upon vote being taken thereon the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

Passed: May 18, 2021.

President

Attest: _____
Secretary

STATE OF MINNESOTA)
COUNTY OF ISANTI) SS.
CITY OF ISANTI)

I, the undersigned, being the duly qualified and acting Secretary of the Economic Development Authority of the City of Isanti, Minnesota, hereby certify that I have carefully compared and attached the foregoing extract of minutes of a special meeting of the Board of Commissioners held May 18, 2021, with the original thereof on file and of record in my office and the same is a full, true and complete transcript therefrom insofar as the same relates to a Resolution Authorizing Issuance of Bonds.

WITNESS my hand on May 18, 2021.

Secretary

This Ground Lease was recorded with the Isanti County Recorder's Office on _____, 2021,
as document number _____.

GROUND LEASE AGREEMENT

Between

CITY OF ISANTI, MINNESOTA
As Lessor

and

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI,
MINNESOTA
As Lessee

Dated as of June 1, 2021

This Instrument Drafted By:
Taft Stettinius & Hollister LLP (MLI)
2200 IDS Center
80 South 8th Street
Minneapolis, Minnesota 55402

TABLE OF CONTENTS

	Page
ARTICLE I DEMISE OF LAND AND WARRANTIES.....	1
Section 1.01 Demise	1
Section 1.02 Warranties	1
Section 1.03 Lessee's Warranties.....	2
ARTICLE II TERM AND RENT	2
Section 2.01 Term	2
Section 2.02 Rent	2
Section 2.03 Lease	2
ARTICLE III USE OF PREMISES; ADDITIONAL COVENANTS	2
Section 3.01 Use	2
Section 3.02 Quiet Enjoyment	2
Section 3.03 Assignment and Subletting	2
Section 3.04 Additional Covenants.....	2
Section 3.05 Environmental Matters.....	3
Section 3.06 Release of Land.....	3
ARTICLE IV LESSEE'S DEFAULT; REMEDIES	3
Section 4.01 Lessee's Default	3
Section 4.02 Lessor's Remedies	3
ARTICLE V BINDING EFFECT; SUCCESSORS AND ASSIGNS.....	3
Section 5.01 Binding Effect.....	3
Section 5.02 Applicable Law	3
EXHIBIT A - LEGAL DESCRIPTION OF LAND	A-1

THIS GROUND LEASE AGREEMENT, made and entered into as of June 1, 2021 (the "Ground Lease"), by and between the CITY OF ISANTI, MINNESOTA, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Minnesota, as Lessor (the "Lessor") and the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI, MINNESOTA, a public body corporate and politic and duly organized and existing under the laws of the State of Minnesota, as Lessee (the "Lessee").

W I T N E S S E T H:

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

ARTICLE I

DEMISE OF LAND AND WARRANTIES

Section 1.01 Demise. Subject to and upon the terms, conditions, covenants and undertakings hereinafter set forth, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, Lessor's interest in the real property legally described on Exhibit A attached here, located in Isanti County, Minnesota (hereinafter called the "Land").

Section 1.02 Warranties. Lessor covenants and warrants to Lessee:

- (1) That Lessor has authority to enter into, execute and deliver this Ground Lease, and has duly authorized the execution and delivery of this Ground Lease;
- (2) That Lessor has determined that the Land can best be made suitable and convenient for public purposes through Lessor's entering into this Ground Lease and the Lease (as hereinafter defined), and the completion of the transactions contemplated thereby;
- (3) That the Land is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the construction of certain buildings (hereinafter called the "Improvements") on the Land, as contemplated by the Lease Agreement by and between Lessor and Lessee, of even date herewith (hereinafter called the "Lease");
- (4) That all taxes, assessments or impositions of any kind with respect to the Land, except current taxes, have been paid in full;
- (5) That the Land is properly zoned for the purpose of the Improvements; and
- (6) That Lessor has authority to enter into, execute and deliver the Lease, and has duly authorized its execution and delivery.

Section 1.03 Lessee's Warranties. Lessee covenants and warrants to Lessor that Lessee has authority to enter into, execute and deliver this Ground Lease and the Lease, and has duly authorized the execution and delivery of this Ground Lease and the Lease.

ARTICLE II

TERM AND RENT

Section 2.01 Term. The term of this Ground Lease shall commence as of the day and year first above written, and shall end on December 15, 2046, subject to earlier termination as provided in the Lease.

Section 2.02 Rent. The rent shall be One Dollar (\$1.00) payable in advance on the date hereof.

Section 2.03 Lease. In further consideration of the authorization, execution and delivery of this Ground Lease by each of the parties, the parties have entered into the Lease and have agreed to carry out and perform their obligations thereunder.

ARTICLE III

USE OF PREMISES; ADDITIONAL COVENANTS

Section 3.01 Use. Lessee shall not use or permit the use of the Land for any unlawful purpose.

Section 3.02 Quiet Enjoyment. Lessor covenants that upon Lessee's paying the rent reserved herein, and performing all conditions and covenants set forth in this Ground Lease and the Lease, Lessee shall and may peaceably have, hold and enjoy the Land for the term of this Ground Lease. Lessee covenants that upon expiration of this Ground Lease, either on the date specified in Section 2.01 or earlier pursuant to the terms of the Lease, it shall give Lessor peaceable possession of the Land, together with the Improvements constructed thereon pursuant to the Lease.

Section 3.03 Assignment and Subletting. Lessee shall have the right to assign or mortgage its interest in this Ground Lease and Land, and to sublet the Land in accordance with the Lease.

Section 3.04 Additional Covenants. In the event that any person or entity, however organized (other than Lessee or any assignee of Lessee), shall be determined to hold any interest that in any manner affects Lessor's good and merchantable title to the Land, Lessor shall use its best efforts to acquire the interest in the Land so held, such acquisition to be made at Lessor's sole cost and expense. Lessor hereby agrees to save and keep harmless Lessee, or any assignee of Lessee, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatever kind and nature, imposed on, incurred by or asserted against Lessee, or any assignee of Lessee, that in any way relate to or arise out of the assertion of any interest affecting Lessor's good and merchantable title

to the Land by any person or entity, however organized (other than Lessee or any assignee of Lessee).

Section 3.05 Environmental Matters. Lessor will hold Lessee harmless from and indemnify and defend Lessee against any claims brought by any party involving any environmental condition of the Land. The term "claim" shall include remediation costs, damage costs, fines, penalties, forfeitures, administrative costs, consent agreements and orders, attorneys' fees, consultant fees and laboratory fees.

Section 3.06 Release of Land. Lessee shall have the right to release Land from this Ground Lease as provided in Section 8.7 of the Lease.

ARTICLE IV

LESSEE'S DEFAULT; REMEDIES

Section 4.01 Lessee's Default. The following shall be an "event of default" or a "default" hereunder: if Lessee shall fail to (i) pay the rent provided herein, or (ii) observe or perform any of the obligations of Lessee otherwise provided herein.

Section 4.02 Lessor's Remedies. Upon the occurrence of an event of default by Lessee hereunder, which shall remain uncured for thirty days after receipt by Lessee of written notice of such event of default, Lessor may thereafter or any time subsequently during the existence of such breach or default; (i) enter into and upon the Land and repossess the same, expelling and removing therefrom all persons and property, and (ii) terminate this Ground Lease.

ARTICLE V

BINDING EFFECT; SUCCESSORS AND ASSIGNS

Section 5.01 Binding Effect. This Ground Lease shall be binding upon, and inure to the benefit of, the parties hereto, and their successors and assigns.

Section 5.02 Applicable Law. This Ground Lease shall be interpreted and enforced in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this Ground Lease Agreement as of the date first above written.

CITY OF ISANTI, MINNESOTA, Lessor

By _____
Its Mayor

By _____
Its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ISANTI)

The foregoing instrument was acknowledged before me on _____, 2021, by Jeff Johnson and Josi Wood, the Mayor and City Administrator, respectively, of the City of Isanti, a municipal corporation and political subdivision of the State of Minnesota, on behalf of said City.

Notary Public

Signature and notary page to Ground Lease Agreement.

ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
ISANTI, MINNESOTA
Lessee

By _____
Its President

By _____
Its Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF ISANTI)

The foregoing instrument was acknowledged before me on _____,
2021, by _____ and _____, the President and the
Secretary, respectively, of the Economic Development Authority of the City of Isanti,
Minnesota, a public body corporate and politic of the State of Minnesota, on behalf of said
Authority.

Notary Public

Signature and notary page to Ground Lease Agreement.

EXHIBIT A

Legal Description of Land

All that part of the Northwest Quarter of the Southeast Quarter of Section 29, Township 35, Range 23, described as follows: Beginning at the Southwest corner of the Northwest Quarter of the Southeast Quarter; thence North along the West line of said Northwest Quarter of Southeast Quarter a distance of 375 feet; thence South 89 degrees 57 minutes 50 seconds East 580.8 feet; thence South 1 degree 16 minutes 15 seconds East 375 feet and to the South line of said Northwest Quarter of Southeast Quarter; thence West along said South line 580.8 feet, more or less, and to the Southwest corner of said Northwest Quarter of said Southeast Quarter, being the point of beginning and there to terminate.

Together with a nonexclusive easement for ingress, egress and utility purposes over and across the South 295 feet of the Northeast Quarter of the Southwest Quarter of Section 29, Township 35, Range 23 (as measured at right angles to the South line of said Northeast Quarter of Southeast Quarter), lying easterly of the easterly right-of-way line of State Trunk Highway No. 65 and westerly of a line drawn parallel with and distant 66 feet easterly of said easterly right-of-way line of State Trunk Highway No. 65 (as measured at right angles to said easterly right-of-way line).

And also including a nonexclusive easement for ingress, egress and utility purposes over and across the South 66 feet of that part of the Northeast Quarter of the Southwest Quarter of Section 29, Township 35, Range 23, lying easterly of the East right-of-way line of State Trunk Highway No. 65, as measured at right angles to the South line of said Northeast Quarter of Southwest Quarter, Isanti County, Minnesota.

LEASE AGREEMENT

BETWEEN

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI,
MINNESOTA

as Landlord

and

CITY OF ISANTI, MINNESOTA
as Tenant

Dated as of June 1, 2021

Taft Stettinius & Hollister LLP (MLI)
2200 IDS Center
80 South 8th Street
Minneapolis, Minnesota 55402

TABLE OF CONTENTS

ARTICLE I	DEFINITIONS AND EXHIBITS	2
Section 1.1.	Definitions.....	2
Section 1.2.	Exhibits	6
ARTICLE II	REPRESENTATIONS, COVENANTS AND WARRANTIES	7
Section 2.1.	Representations, Covenants and Warranties of Tenant	7
Section 2.2.	Representations, Covenants and Warranties of Landlord	8
ARTICLE III	ACQUISITION AND CONSTRUCTION OF PROJECT	10
Section 3.1.	Agreement to Construct the Project.....	10
Section 3.2.	Agreement to Issue Bonds; Application of Bond Proceeds.....	10
Section 3.3.	Disbursements from the Construction Fund	12
Section 3.4.	Obligation of the Parties to Cooperate in Furnishing Documents to Trustee	12
Section 3.5.	Establishment of Completion Date	12
Section 3.6.	Landlord Required to Pay Project Costs in Event Construction Fund Insufficient.....	12
Section 3.7.	Remedies to be Pursued Against Contractors and Subcontractors and Their Sureties	12
Section 3.8.	Investment of Construction Fund and Reserve Fund Moneys Permitted	13
Section 3.9.	Liens and Encumbrances	13
ARTICLE IV	TERM OF LEASE	15
Section 4.1.	Lease Term.....	15
Section 4.2.	Possession and Enjoyment.....	15
Section 4.3.	Termination by Tenant.....	15
Section 4.4.	Intent to Continue Lease Term; Appropriations and Property Taxes	15
Section 4.5.	Effect of Termination.....	15
Section 4.6.	Termination of Lease Term	16
ARTICLE V	RENTAL PAYMENTS	17
Section 5.1.	Rental Payments.....	17
Section 5.2.	Place of Payment of Rental Payments	17
Section 5.3.	Additional Rental Payments	17
Section 5.4.	Rental Payments to be Unconditional.....	18
Section 5.5.	Current Expense.....	18
ARTICLE VI	INSURANCE AND INDEMNIFICATION	20
Section 6.1.	Liability Insurance	20
Section 6.2.	Property Insurance	20
Section 6.3.	Worker's Compensation Insurance	20
Section 6.4.	Requirements For All Insurance	20
Section 6.5.	Indemnification; Hazardous Substance.....	21
Section 6.6.	Damage to or Destruction or Condemnation of Project.....	22

ARTICLE VII	OTHER OBLIGATIONS OF TENANT	23
Section 7.1.	Use; Permits	22
Section 7.2.	Maintenance of Project by Tenant	23
Section 7.3.	Taxes, Other Governmental Charges and Utility Charges.....	23
Section 7.4.	Advances	23
Section 7.5.	Landlord Access to Project	24
Section 7.6.	Transfer of Functions	24
ARTICLE VIII	TITLE	24
Section 8.1.	Title	25
Section 8.2.	Security Interest	25
Section 8.3.	Liens.....	24
Section 8.4.	Installation of Tenant's Equipment	25
Section 8.5.	Modification of Project	26
Section 8.6.	Easements and Utility Access	26
Section 8.7.	Release of Unimproved Land	27
Section 8.8.	Covenant For the Benefit of the Bondholders	27
ARTICLE IX	PROJECT WARRANTIES	28
Section 9.1.	Selection of Project.....	28
Section 9.2.	Construction and Maintenance of Project.....	28
Section 9.3.	Contractors' Warranties.....	28
Section 9.4.	Disclaimer of Warranties	28
ARTICLE X	PREPAYMENT	29
Section 10.1.	When Available	29
Section 10.2.	Exercise of Purchase Option.....	29
Section 10.3.	Release of Landlord's Interest	29
Section 10.4.	Defeasance	29
Section 10.5.	Partial Prepayment or Defeasance	30
Section 10.6.	Exercise of Partial Prepayment or Defeasance Option	30
Section 10.7.	Credit for Partial Prepayment or Defeasance.....	30
ARTICLE XI	ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING	31
Section 11.1.	Assignment by Landlord.....	31
Section 11.2.	Assignment and Subleasing by Tenant.....	31
Section 11.3.	Restriction on Mortgage or Sale of Project by Tenant	31
ARTICLE XII	EVENTS OF DEFAULT AND REMEDIES	32
Section 12.1.	Events of Default Defined	32
Section 12.2.	Remedies on Default.....	33
Section 12.3.	Return of Project.....	34
Section 12.4.	No Remedy Exclusive.....	34
Section 12.5.	Agreement to Pay Attorneys' Fees and Expenses	34
Section 12.6.	Late Charge.....	34
Section 12.7.	Effect of Waiver.....	34
ARTICLE XIII	ADMINISTRATIVE PROVISIONS.....	35
Section 13.1.	Notices	35
Section 13.2.	Financial Information.....	35

Section 13.3.	Binding Effect.....	35
Section 13.4.	Severability	35
Section 13.5.	Amendments, Changes and Modifications	35
Section 13.6.	Captions	35
Section 13.7.	Further Assurances and Corrective Instruments	35
Section 13.8.	Execution In Counterparts	35
Section 13.9.	Applicable Law	35
EXHIBIT A	DESCRIPTION OF LAND, PROJECT IMPROVEMENTS AND PROJECT EQUIPMENT.....	A-1
EXHIBIT B	SCHEDULE OF RENTAL PAYMENTS	B-1
EXHIBIT C	DRAW REQUEST CERTIFICATE.....	C-1

THIS LEASE AGREEMENT (the "Lease") is dated as of June 1, 2021, and is between the Economic Development Authority of the City of Isanti , Minnesota, a public body corporate and politic, as Landlord (the "Landlord"), whose address is City Hall, 110 1st Avenue NW, Isanti, Minnesota 55040-7372, and the City of Isanti, a municipal corporation and political subdivision of the State of Minnesota, as Tenant (the "Tenant"), whose address is City Hall, 110 1st Avenue NW, Isanti, Minnesota 55040-7372:

WITNESSETH:

WHEREAS, the Tenant is authorized by law to lease real and personal property as are needed to carry out its governmental functions; and

WHEREAS, Tenant has determined that it is necessary for it to lease from Landlord under this Lease certain real and personal property (the "Project") for purposes of financing the Project; and

WHEREAS, the Landlord is willing to finance the acquisition and betterment of the Project and to lease, or (in the case of the Land) sublease, the Project to Tenant, and the Tenant is willing to rent the same from Landlord, all pursuant to this Lease.

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Each term defined in the Indenture which is used but not otherwise defined herein shall have the same meaning in this Lease as is prescribed for that term in the Indenture. Unless the context otherwise clearly requires, the terms defined in this Section shall, for all purposes of this Lease, have the meanings herein specified.

Act: Collectively, the Landlord Powers Act and the Tenant Powers Act, as amended from time to time.

Additional Rental Payments: The same as defined in Section 5.3 hereof.

Bond Closing: The date the Bonds are issued and delivered to the original purchaser.

Bond Counsel: The firm of Taft Stettinius & Hollister LLP, in Minneapolis, Minnesota, or any other attorney or firm of attorneys nationally recognized as experienced in matters relating to the tax-exempt financing of projects within the City and acceptable to the Landlord and the Tenant.

Bond Fund: The Bond Fund created pursuant to Section 5.02 of the Indenture.

Bond Resolution: The resolution adopted by the Landlord's Board of Commissioners, its governing body, on May 18, 2021, authorizing issuance and sale of the Series 2021A Bonds, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

Bonds: The Series 2021A Bonds and Additional Bonds.

Business Day: Any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions in the city in which the principal corporate office of the Trustee is located are authorized by law or executive order to be closed.

City: The City of Isanti, Minnesota.

Code: The Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder.

Completion Date: The date described in Section 3.5, evidencing completion of the Project.

Construction Fund: The Construction Fund created pursuant to Section 4.02 of the Indenture for the purpose of accounting for proceeds of the Bonds used to pay Project Costs.

Contractor: Any contractor from which Landlord has ordered or will order or with which Tenant has contracted or will contract for the acquisition, construction and installation of any portion of the Project.

County: Isanti County, Minnesota.

Date of Original Issuance: June 16, 2021.

Environmental Law: The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. App. §1804 et seq., the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq. the Clean Air Act, 42 U.S.C. §7401 et seq., the Minnesota Environmental Response and Liability Act, Minnesota Statutes, Chapter 115B, the Minnesota Petroleum Tank Release Cleanup Act, Minnesota Statutes, Chapter 115C, and any other federal, state, county, municipal, local or other statute, law, ordinance or regulation which may relate to or deal with human health or the environment, all as may be from time to time amended.

Fiscal Year: The fiscal year of the Tenant, commencing January 1 of a given year and extending through December 31 of the same year.

Governmental Unit: A "governmental unit" within the meaning of Section 141 of the Code.

Ground Lease: The Ground Lease Agreement, dated as of June 1, 2021, between Tenant, as lessor and Landlord, as lessee, whereby Tenant leases the Land to Landlord.

Hazardous Substances: Asbestos, ureaformaldehyde, polychlorinated biphenyls ("PCBs"), nuclear fuel or material, chemical waste, radioactive material, explosives, known carcinogens, petroleum products and by-products and other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law.

Holder(s): The registered owner(s) of Bonds on the bond register maintained by the Trustee pursuant to the Indenture.

Independent Counsel: An attorney duly admitted to the practice of law before the highest court of the State who is not a full-time employee of Landlord or Tenant.

Independent Engineer: An engineer or engineering firm or an architect or architectural firm qualified to practice the profession of engineering or architecture under the laws of the State and who is not a full-time employee of Tenant or Landlord.

Indenture: The Indenture of Trust, dated as of June 1, 2021, between the Landlord and U.S. Bank National Association, St. Paul, Minnesota, as initial Trustee thereunder, pursuant to which the Series 2021A Bonds are issued.

Interest Payment Date: For the Series 2021A Bonds, each December 15 and June 15, commencing June 15, 2022.

Land: The real property subleased to the Tenant under the Ground Lease and described in Exhibit A hereto.

Landlord: Economic Development Authority of the City of Isanti, Minnesota, a public body corporate and politic of the State, its successors and assigns.

Landlord Powers Act: Minnesota Statutes, Sections 469.090 through 469.1082 and all powers granted to the Landlord therein.

Landlord Representative: The Landlord Representative as defined in the Indenture.

Lease: This Lease Agreement and all amendments 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 Tenant to appropriate money for any Fiscal Year of Tenant sufficient for the continued performance and discharge by the Tenant of its obligations under this Lease (including Tenant's obligations to make Rental Payments hereunder); 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 City Council of the Tenant specifically stating Tenant will no longer appropriate any moneys to pay the Rental Payments due under this Lease for a designated upcoming Fiscal Year and all subsequent Fiscal Years.

Payment Date: Any date on which a Rental Payment is required to be paid as provided in Section 5.1 and as shown on the attached Exhibit B.

Permitted Encumbrances: As of any particular time: (i) liens for taxes and assessments not then delinquent, or which Tenant may, pursuant to provisions of Section 7.3, permit to remain unpaid, (ii) this Lease, the Ground Lease, the Indenture and amendments hereto or thereto, (iii) Landlord's interest in the Project, (iv) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right not filed or perfected in the manner prescribed by law, and any such lien which Tenant may, pursuant to Article VIII, permit to remain unpaid, (v) utility, access, and other easements and rights-of-way, restrictions, and exceptions affecting the Land existing as of the date hereof, (vi) such minor defects, irregularities, encumbrances, easements, rights-of-way, and clouds on title as normally exist with respect to property similar in character to the Land and as do not in the aggregate materially impair the property affected thereby for the purposes for which it was acquired, and (vii) building, zoning, and subdivision laws.

Plans and Specifications: The plans and specifications for the Project as in existence on the date of issuance of the Bonds and approved by the Tenant, together with any additions thereto or modifications thereof approved by all such parties.

Principal Payment Date: For the Series 2021A Bonds, each December 15, commencing December 15, 2022.

Project: The Project Improvements, the Project Equipment and the Land which are being leased or, as to the Land, subleased to the Tenant pursuant to this Lease and which are more fully described in the attached Exhibit A.

Project Costs or Cost of the Project or Cost: All costs of purchase, construction and installation of the Project including the following:

- (a) fees and expenses of surveyors and engineers for estimates, surveys, soil borings, environmental reports, and soil tests and other preliminary investigations and items necessary for the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of surveyors and engineers in relation to the acquisition, construction, furnishing or equipping of the Project or the making of this Lease;
- (b) all costs and expenses of every nature incurred in constructing and furnishing the Project Improvements and purchasing and installing the Project Equipment, including the actual cost of labor, materials, machinery, furnishings and equipment as may be payable to contractors, builders and materialmen in connection with the construction, furnishing and equipping the Project;
- (c) the cost of any insurance and performance and payment bonds maintained during the construction of the Project;
- (d) expenses of administration, supervision and inspection properly chargeable to the Project; underwriting expenses, legal fees and expenses, fees and expenses of accountants and other consultants, publication and printing expenses and other fees and expenses which are necessary or incidental and to the making of this Lease and the issuance of the Bonds or to the acquisition, purchase, construction, installation, furnishing and equipping of the Project;
- (e) all other items of expenses not elsewhere specified in this definition as may be necessary or incident to: (i) the making of the Ground Lease and this Lease; (ii) the construction, installation, equipping and furnishing of the Project; and (iii) the financing thereof;
- (f) reimbursement to Tenant or Landlord or those acting for it for any of the above-enumerated costs and expenses incurred and paid by them before or after the execution of this Lease (subject to the compliance, if applicable, with the "reimbursement regulations," being Treasury Regulations, Section 1.150-2); and
- (g) any other costs of the Project described in Section 3.3.

Project Equipment: All items of machinery, equipment, or other personal property installed or acquired or to be acquired for installation in the Project Improvements or elsewhere on the Land in accordance with the Plans and Specifications and paid for in whole or in part from the proceeds of the Bonds, and all replacements thereof and substitutions therefor made pursuant to Sections 6.6 or 8.5.

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, to be used by the Tenant as an public works facility.

Purchase Option Price: The price at which the Tenant may purchase the Project as set forth in Article X.

Rental Payment: The payment due from Tenant to Landlord on each Payment Date during the Term of this Lease, as provided, for the Series 2021A Bonds, in Section 5.1 and shown on the attached Exhibit B (assuming no prepayment or acceleration of the Series 2021A Bonds), and exclusive of payments due under paragraph (e) of Section 5.1, and without giving effect to credits available under said section.

Reserve Fund: The Reserve Fund created pursuant to section 5.03 of the Indenture.

Reserve Requirement. The Reserve Requirement as defined in the Indenture.

Series 2021A Bonds: The \$3,280,000 Public Project Lease Revenue Bonds, Series 2021A (City of Isanti, Minnesota, Lease With Option to Purchase Project), dated the Date of Original Issuance.

State: The State of Minnesota.

State and Federal Law or Laws: The Constitution and any law of the State and any rule or regulation of any agency or political subdivision of the State; and any law of the United States, and any rule or regulation of any federal agency.

Tenant: The City of Isanti, a municipal corporation and political subdivision of the State of Minnesota.

Tenant Powers Act: Minnesota Statutes, Section 465.71 and 469.041, as from time to time amended.

Tenant Representative: The City Representative as defined in the Indenture.

Term or Lease Term: The period commencing as of June 1, 2021, and ending on December 15, 2036, subject to earlier termination in accordance with the provisions of this Lease.

Trustee: The Trustee under the Indenture.

Section 1.2. Exhibits.

The following Exhibits are attached to and by reference made a part of this Lease:

Exhibit A: A description of the Land, Project Improvements and Project Equipment being leased by Tenant pursuant to this Lease.

Exhibit B: A schedule indicating the date and scheduled amount of each Rental Payment (respecting the Series 2021A Bonds) coming due during the Lease Term (assuming no optional prepayment or acceleration).

Exhibit C: Form of Draw Request.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Tenant. Tenant represents, covenants and warrants as follows:

- (a) Tenant is a municipal corporation and political subdivision duly organized and existing under the Constitution and laws of the State.
- (b) Tenant is authorized under the Constitution and laws of the State to execute and deliver this Lease and to perform all of its obligations provided hereunder and contemplated hereby.
- (c) The officers of Tenant executing this Lease have been duly authorized to execute and deliver this Lease under the terms and provisions of a resolution of Tenant's governing body, or by other appropriate official action.
- (d) In authorizing and executing this Lease, Tenant has complied with all open meeting, public bidding and other State and Federal Laws applicable to this Lease and the Tenant.
- (e) Tenant will not pledge, mortgage or assign this Lease, or its duties and obligations hereunder to any other person, firm or corporation except as provided under the terms of this Lease.
- (f) The Project will be used during the Term of this Lease only to carry out the governmental purposes of Tenant.
- (g) During the Term of this Lease, Tenant will not take any action (or suffer any action to be taken or circumstance to exist which is within the power of Tenant to prevent) the effect of which would be (1) to cause the interest on the Bonds to become subject to federal income taxation, including, but not limited to, permitting any entity that is not a Governmental Unit to use, directly or indirectly, any portion of the Project in a trade or business so as to impair the tax-exempt status of the Bonds, all within the meaning of Section 141 of the Code, or (2) to cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.
- (h) The Project will comply with all applicable land use, environmental control, building, subdivision, and zoning ordinances and regulations, if any, and will be constructed wholly within the boundaries of the Land.
- (i) The execution and delivery hereof, the compliance with the terms and conditions hereof, and the consummation of the transactions contemplated hereby, do not and will not conflict with or result in a breach of the terms, conditions, and provisions of any restriction or any agreement or instrument to which the Tenant is now a party or by which the Tenant is bound, or constitute a default under any of the foregoing.

(j) There is no litigation, action, suit or proceeding pending (or to the best of Tenant's knowledge, threatened) before any court, administrative agency, arbitrator or governmental body that challenges (1) the authority of Tenant or its officers or its employees to enter into this Lease, the Bond Purchase Agreement, or the Ground Lease, (2) the proper authorization, approval and/or execution of this Lease and other documents contemplated hereby, (3) the ability of Tenant otherwise to perform its obligations under this Lease, the Bond Purchase Agreement or the Ground Lease and the transactions contemplated hereby, or (4) the issuance of the Series 2021A Bonds by the Landlord.

(k) The Tenant has reviewed the Indenture respecting the Series 2021A Bonds and hereby consents to the terms of the Indenture and agrees to be bound by and to discharge any obligations specifically imposed upon the Tenant pursuant to the terms of the Indenture.

(l) The Tenant covenants, notwithstanding any termination of this Lease (whether arising pursuant to an Event of Default, a Non-appropriation or otherwise), that it will use its best efforts to assist the Landlord and/or the Trustee in re-leasing and/or selling the Project.

(m) The Tenant certifies that this Lease is a "triple net" lease that requires the Tenant to pay all expenses, taxes, fees, insurance premiums, rebate payments, reserve deposits and costs associated with the Project and this Lease without the right of offset.

Section 2.2. Representations, Covenants and Warranties of Landlord. Landlord represents, covenants and warrants as follows:

(a) Landlord is a public body corporate and politic and a political subdivision, duly organized and existing under the laws of the State and has power to enter into this Lease and by proper action has duly authorized the execution of this Lease.

(b) The Project constitutes an authorized economic development project under the Act.

(c) The governing body of Landlord has determined that the Project will promote the public interest and welfare of the State of Minnesota and the City and the people thereof through the provision of public facilities required for the purpose of providing various services to the City residents within the City.

(d) The acquisition and construction of the Project, the issuance and sale of the Series 2021A Bonds, the execution and delivery of this Lease and the performance of all covenants and agreements of the Landlord contained in this Lease have been duly authorized by the Bond Resolution.

(e) Landlord has not made, done, executed or suffered and warrants that it will not make, do, execute or suffer any act or thing whereby its Landlord's interest in the Project shall or may be impaired or changed or encumbered, except as provided in the Indenture.

(f) To finance the Cost of the Project, Landlord proposes to issue the Series 2021A Bonds.

(g) There is no litigation pending or to the best of Landlord's knowledge threatened against Landlord relating to the Indenture, the Bond Purchase Agreement, the Ground Lease, the acquisition, equipping, installation, construction or financing of the Project or to the Series 2021A Bonds or to this Lease or questioning the organization, powers or authority of Landlord to perform its obligations hereunder.

(h) The execution and delivery of this Lease, the fulfillment of or compliance with the terms and conditions hereof, and the consummation of the transactions contemplated hereby do not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Landlord is now a party or by which Landlord is bound or constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of Landlord, or upon the Project, except Permitted Encumbrances.

ARTICLE III

ACQUISITION AND CONSTRUCTION OF PROJECT

Section 3.1. Agreement to Construct the Project. Subject to the provisions of Section 3.6, the Landlord shall (1) construct, equip, better, install and otherwise complete the Project, or causing the same to occur, and, subject to the terms and conditions of this Lease, which terms and conditions the Landlord determines to be necessary, desirable and proper, or (2) provide for and make all decisions with respect to such construction, equipping, installation and completion of the Project. The Landlord hereby agrees to act and do all things, to perform all acts and agreements hereinabove described in this section and to bring any actions or proceedings against any person as the Landlord shall deem proper; and the Landlord further agrees that it will, in accordance with the requirements set forth in this article, cause the construction, equipping, installation and completion of the Project to occur. The parties hereto agree that, as between the Landlord and the Tenant, the Landlord shall have the sole right of possession and use of the Project for the purpose of causing the construction, installation, completion, operation and maintenance of the Project.

Subject to the provisions in Section 12.2, and all authority hereby conferred, are granted and conferred irrevocably in connection with the construction, equipping, installation, operation and maintenance of the Project which shall not be terminated prior thereto by act of the Landlord or of the Tenant. The Tenant agrees that title to Tenant's interest in any equipment, fixtures or other personal property financed by the Bonds which are to be affixed to the Project to be acquired after issuance of Bonds shall pass to the Landlord at the time such equipment, fixtures or other personal property is delivered to the Project. All warranties and guarantees of all contractors, subcontractors, suppliers, architects and engineers for the furnishing of labor, materials or equipment or supervision or design in connection with the Project Costs and any rights or causes of action arising from or against any of the foregoing are assigned to the Landlord.

The Landlord agrees to cause the Project and all other facilities and equipment necessary in connection therewith to be substantially acquired, constructed and installed on or before

Section 3.2. Agreement to Issue Bonds; Application of Bond Proceeds. In order to provide funds for payment of Project Costs, the Landlord will issue and deliver to the initial purchaser thereof the Series 2021A Bonds and the Landlord will deposit the proceeds of the Series 2021A Bonds in the Bond Fund, the Reserve Fund, and the Construction Fund as provided in the Indenture.

Section 3.3. Disbursements from the Construction Fund. The Landlord has, in the Indenture, authorized and directed the Trustee to use the moneys in the Construction Fund to pay, or to reimburse the Landlord, for payments made, for the following costs and for the following purposes:

(1) All Project Costs, including the costs of acquiring, constructing, and equipping the Project, including costs of labor and materials and other charges from architects, engineers,

contractors, builders and material suppliers in connection with the design, planning, acquisition, installation and construction of the Project, and including the reasonable expenses of any employees of the Landlord performing any such functions (provided said employee costs are properly chargeable as a capital cost of the Project);

(2) Interest accruing upon the Series 2021A Bonds prior to the Completion Date and not covered by proceeds of the Series 2021A Bonds and earnings thereon deposited in the Bond Fund, and any interest which has accrued for any interim financing obtained by the Landlord incident to the acquisition, installation and construction of the Project before the Series 2021A Bonds are delivered to the initial purchaser thereof;

(3) The cost of any indemnity and surety bonds obtained in connection with the Project, the fees and expenses of the Trustee during construction, taxes and other municipal governmental charges levied or assessed during construction upon the Project or any property acquired therefor, and the premiums for insurance, if any, in connection with the Project during construction;

(4) The cost of acquisition and installation of equipment for completion or operation of the Project;

(5) Fees and expenses of engineers and architects for surveys and estimates and other preliminary investigations, preparation of plans and specifications, and supervising acquisition, installation and construction, as well as for the performance of all other duties of engineers and architects, as are specifically required in relation to the acquisition, installation and construction of the Project or the issuance of Bonds therefor;

(6) Expenses of administration, supervision and inspection properly chargeable to the Project, any administrative fees of the Landlord, legal expenses and fees, fiscal consultant expenses and fees, financing charges, cost of audits and of preparing, offering and issuing the Bonds, and initial and transaction fees and any expenses of the Trustee, incident to the acquisition, installation, construction and financing of the Project; and also

(7) Any other obligation or expense heretofore or hereafter incurred by the Landlord or the Tenant in connection with the acquisition, installation, equipping and construction of the Project.

All moneys in the Construction Fund (including moneys earned pursuant to the provisions of Section 3.8) remaining after the Completion Date and payment in full of the items provided for in the preceding subsections (1) to (7), inclusive, of this section, then due and payable, shall be deposited in the Bond Fund, as provided in the Indenture, and credited against amounts of Rental Payments due or to become due; provided that amounts approved by the Landlord Representative, as to Project Costs, shall be retained by the Trustee in the Construction Fund for payment of Project Costs not then due and payable but reasonably foreseen.

Each of the payments referred to in this section shall be made only upon the written order of the Landlord Representative as to the Project Costs; provided, that interest accruing on the Bonds during construction may be paid without an order of the Landlord Representative.

Before any of the payments referred to in the preceding subsections of this section (other than (2)) may be made, the Landlord Representative, as to the Project Costs, shall certify to the Trustee with respect to each such payment by submitting the form of Draw Request attached hereto as Exhibit C: (a) that none of the items for which the payment is proposed to be made has theretofore been paid from the Construction Fund and (b) that each item for which the payment is proposed to be made is or was necessary in connection with the Project and is or was a Project Cost. In the case of any contract providing for the retention of a portion of the contract price, there shall be paid from the Construction Fund only the net amount remaining after deduction of any such portion.

Section 3.4. Obligation of the Parties to Cooperate in Furnishing Documents to Trustee. The Landlord agrees to cooperate in furnishing to the Trustee the documents referred to in Section 3.3 that are required to effect payments out of the Construction Fund and to cause such orders to be directed by the Landlord Representative, and to the Trustee as may be necessary to effect payments out of the Construction Fund in accordance with Section 3.3. Such obligation is subject to any provision of this Lease or the Indenture requiring additional documentation with respect to payments and shall not extend beyond the moneys in the Construction Fund available for payment under the terms of the Indenture.

Section 3.5. Establishment of Completion Date. The Completion Date shall be evidenced to the Trustee by a certificate signed by the Landlord Representative stating that construction of the Project has been completed in accordance with the Plans and Specifications and all labor, services, materials and supplies used in such construction, acquisition and installation have been paid for.

Section 3.6. Landlord Required to Pay Project Costs in Event Construction Fund Insufficient. In the event that, after the Series 2021A Bonds have been issued, the moneys in the Construction Fund available for payment of the Project Costs should not be sufficient to pay all costs required to complete the Project in accordance with the Plans and Specifications, the Landlord agrees, for the benefit of the Tenant and the Holders of the Series 2021A Bonds, to complete the Project and the Landlord shall pay the Costs thereof directly or by causing to be deposited in the Construction Fund such amounts as are necessary and sufficient for payment of the balance of the Project Costs, and to this end Landlord shall promptly perform its obligations. The Tenant does not make any representation or warranty, either express or implied, that the moneys which will be paid into the Construction Fund and which will be available for payment of the Project Costs will be sufficient to pay all such Costs. The Landlord agrees that if after exhaustion of the moneys of the Construction Fund the Landlord should pay any portion of the Project Costs pursuant to the provisions of this Section, Landlord shall not be entitled to any reimbursement therefor from the Tenant, the Trustee, or the Holders of any of the Series 2021A Bonds or be entitled to any diminution in or postponement of the amounts payable under Section 5.1 or 5.3.

Section 3.7. Remedies to be Pursued Against Contractors and Subcontractors and Their Sureties. In the event of default of any Contractor or subcontractor under any contract made by it in connection with the Project or in the event of breach of warranty with respect to any materials, workmanship, or performance guaranty, the Landlord will promptly proceed, either separately or in conjunction with others, to exhaust the remedies of the Tenant or the Landlord

against the Contractor or subcontractor so in default and against each such surety for the performance of such contract. The Landlord agrees to advise the Tenant of the steps it intends to take in connection with any such default. If the Landlord shall so notify the Tenant, the Landlord may, at its own expense and in its own name or in the name of the Tenant, prosecute or defend any action or proceedings or take any other action involving any such Contractor, subcontractor or surety which the Landlord deems reasonably necessary, and in such event the Tenant hereby agrees to cooperate fully with the Landlord and to take all action necessary to effect the substitution of the Landlord for the Tenant in any such action or proceeding. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery, prior to the Completion Date shall be paid into the Construction Fund or, if recovered after the Completion Date and full disposition of the Construction Fund in accordance with Section 3.3, shall be paid into the Bond Fund.

Section 3.8. Investment of Construction Fund and Reserve Fund Moneys Permitted. Any moneys held as a part of the Construction Fund and Reserve Fund shall at the written request of the Landlord Representative as to the Construction Fund be invested or reinvested by the Trustee in Qualified Investments. The type, amount and maturity of such investments shall be as specified by the Landlord Representative as to the Construction Fund. The Trustee may make any and all investments permitted under this section through or from its own bond department or any of its affiliates. The Landlord covenants that the portion of the Construction Fund representing bond proceeds shall be directed to be invested and deposited only for a temporary period pending the need for expenditure to pay Project Costs, and it further covenants that said portion representing bond proceeds shall not be directed to be invested or used in such manner that any of the Series 2021A Bonds would be "arbitrage bonds" for purposes of Section 148 of the Internal Revenue Code and regulations thereunder. The Landlord and Tenant acknowledge that if the Landlord shall fail to provide written investment directions such amounts shall be held by the Trustee uninvested and the Trustee is relying on any such written investment direction as to the suitability and legality of such directed investment and its compliance with the requirements of Section 5.05 of the Indenture.

The Landlord and Tenant acknowledge that regulations of the Comptroller of the Currency grant the Landlord and Tenant the right to receive brokerage confirmations of the security transactions as they occur. The Landlord and Tenant specifically waive such notification to the extent permitted by law and will receive periodic cash transaction statements which will detail all investment transactions.

Section 3.9. Liens and Encumbrances. The Landlord shall pay, before delinquency, all costs for work done or caused to be done by the Landlord which could result in any lien or encumbrance on the Project or any part thereof, shall keep the title to the Project and every part thereof free and clear of any lien or encumbrance in respect of such work, and shall, to the extent permitted by law, indemnify and hold harmless the Tenant against any claim, loss, costs, demand and legal or other expense, whether in respect of any lien or otherwise, arising out of the supply of materials, services or labor for such work. The Landlord shall immediately notify the Tenant of any lien, claim or lien or other action which affects the title to the Project or any part thereof, and shall cause the same to be removed within five days (or such additional time as the Tenant may permit in writing), failing which the Tenant may take such action as the Tenant deems

necessary to remove the same and the entire costs thereof shall be immediately due and payable by the Landlord to the Tenant; provided, however, that the Landlord may in good faith contest any mechanic's lien by appropriate proceedings if (i) the contest does not involve the imminent threat of forfeiture, sale or disturbance of the Project or any part thereof and (ii) the Landlord provides such security as the Tenant or the Trustee, or both may reasonably request. The Tenant shall not, without Landlord's prior written consent, which consent may be withheld in the Landlord's absolute discretion, encumber its interest in the Project or any part thereof.

ARTICLE IV

TERM OF LEASE

Section 4.1. Lease Term. Landlord hereby leases the Project to Tenant, and Tenant hereby leases, or in the case of the Land, subleases the Project from Landlord upon the terms and conditions set forth in this Lease. This Lease shall be in effect for a Lease Term commencing upon the date of this Lease and ending on the date the last Rental Payment is due and payable as shown in Exhibit B unless terminated by Tenant at the end of any Fiscal Year of Tenant occurring prior thereto in accordance with Section 4.3, or unless terminated as provided in Section 4.6.

Section 4.2. Possession and Enjoyment. Landlord hereby covenants to provide Tenant during the Term of this Lease with the quiet use and enjoyment of the Project and Tenant shall during the Term of this Lease peaceably and quietly have and hold and enjoy the Project, without suit, trouble or hindrance from Landlord, except as expressly set forth herein. Landlord will, at the request of Tenant and at Tenant's cost, join in any legal action in which Tenant asserts its right to such possession and enjoyment to the extent Landlord lawfully may do so.

Section 4.3. Termination by Tenant. In the sole event of Non-appropriation, Tenant shall have the right to terminate this Lease, in whole but not in part, at the end of any Fiscal Year of Tenant, in the manner and subject to the terms specified in this section and in Sections 4.5 and 4.6. Tenant may effect such termination by giving Landlord and the Trustee a written notice of termination and by paying to Landlord any Rental Payments and any other amounts due pursuant to Section 4.5 which are due and have not been paid and any other amount due pursuant to Section 4.5 at or before the end of its then current Fiscal Year. Tenant shall give written notice to the Trustee and the Landlord of any such termination not less than ninety days prior to the end of such Fiscal Year. If the Landlord and the Trustee are not delivered a written notice of an event of Non-appropriation with a certified copy of a resolution of the City Council of the Tenant stating that Tenant will no longer appropriate any moneys to pay the Rental Payments due under this Lease, not less than ninety days prior to the end of a fiscal year then an event of Non-appropriation is deemed not to have occurred. In the event of termination of this Lease as provided in this section, Tenant shall convey to Landlord and release its interest under this Lease in the Project in accordance with Section 12.3 immediately after termination of this Lease.

Section 4.4. Intent to Continue Lease Term; Appropriations and Property Taxes. Tenant presently intends to continue this Lease for its entire Term and to pay all Rental Payments. The Tenant covenants that the chief financial official and/or other appropriate official of the Tenant will include in the officer's annual budget for each Fiscal Year and thereby request an appropriation by Tenant's City Council of an amount sufficient to meet Tenant's obligations under this Lease. To provide sufficient funds to pay the Rental Payments due hereunder, subject to the provisions in Section 4.3, Tenant shall include in each annual budget an appropriation sufficient, and shall levy such taxes as may be necessary, when combined with any other appropriated and available funds, to make the Rental Payments.

Section 4.5. Effect of Termination. Upon any termination of this Lease as described in Section 4.3, Tenant shall not be responsible for the payment of any additional Rental Payments

coming due with respect to succeeding Fiscal Years. If Tenant does not deliver possession of the Project to Landlord in accordance with Section 12.3 and convey to Landlord or release its interest under this Lease in the Project immediately upon the termination of this Lease, the termination shall nevertheless be effective, but Tenant shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments coming due which are attributable to the number of days after termination of this Lease during which Tenant fails to take such actions and for any other loss suffered by Landlord as a result of Tenant's failure to take such actions as required. Termination of this Lease for any reason shall not terminate Tenant's obligations under Sections 2.1, 6.5 or 6.6 or relieve Tenant from any liability for the nonperformance of any covenant in those sections or for any inaccuracy in the representations contained in Section 2.1.

Section 4.6. Termination of Lease Term. The Term of this Lease will terminate upon any termination hereof by Tenant described in Section 4.3, upon a default by Tenant and Landlord's election to terminate this Lease pursuant to Article XII, or upon the Tenant's exercise of its option to purchase the Project pursuant to Article X and Tenant's payment of the Purchase Option Price. Upon Tenant's purchase of the Project, this Lease and the Ground Lease shall terminate and the Tenant thereupon shall become entitled to the Project **AS IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY TENANT**, except that the Project shall not be subject to any lien or encumbrance created by or arising through Landlord, other than Permitted Encumbrances. To evidence the foregoing, the Landlord shall, at the request and expense of Tenant, execute such documents as the Tenant reasonably determines are required to convey and release to the Tenant, any and all of Landlord's remaining right, title and/or interest in and to the Project.

ARTICLE V

RENTAL PAYMENTS

Section 5.1. Rental Payments. Subject to Tenant's exercise of its option to purchase the Project or prepay in part Rental Payments pursuant to Article X, and payment of the Purchase Option Price, Tenant shall:

(a) On or before the date identified on Exhibit B pay the Rental Payments as set forth on Exhibit B.

(b) The Tenant shall have a credit against each Rental Payment to the extent of any investment earnings which are available and which are in excess of amounts otherwise required to pay principal of or interest on the Series 2021A Bonds or to cure any deficiency in the Reserve Fund.

(c) In the event the Tenant shall have paid Rental Payments with respect to a Rental Payment Date, but the funds on deposit in the Bond Fund are nevertheless insufficient to pay such principal, premium (if any) and interest on the Bonds then due or to become due on such Interest Payment Date, the Tenant will forthwith pay as Rental Payments the amount of the deficiency

(d) If, for any reason, the balance in the Reserve Fund is less than the Reserve Requirement, the Tenant shall, upon request of the Trustee made under Section 5.03(d) of the Indenture, immediately pay to the Trustee, for deposit in the Reserve Fund, an amount sufficient to restore the Reserve Fund to the Reserve Requirement. If sums are transferred from the Reserve Fund to the Bond Fund under Section 5.03(c) of the Indenture, the Tenant shall make a semiannual Rental Payment as described in Section 5.03(d) of the Indenture.

(e) The Tenant shall also have a credit against its Rental Payment obligations under this section to the extent of funds transferred from the Reserve Fund to the Bond Fund to make the last payments due on Outstanding Bonds, as described in Section 5.03(f) of the Indenture.

Section 5.2. Place of Payment of Rental Payments. The Rental Payments provided for in Section 5.1 shall be paid directly to the Trustee at its corporate trust office for the account of Tenant for deposit in the Bond Fund or Reserve Fund, as provided in the Indenture.

Section 5.3. Additional Rental Payments. The Tenant shall pay Additional Rental Payments as follows:

(a) To the Trustee, for itself or remittance to the paying agents, promptly after being billed, until the principal of and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture, (i) an amount equal to the annual fee of the Trustee as trustee, for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture during the preceding billing period, (ii) the fees and charges of paying agents, authenticating agents, and registrars on the Bonds for acting as paying agent, authenticating agent, and registrar as provided in the Indenture, as and when the same become due, and (iii) the fees and charges of the Trustee for

necessary extraordinary services rendered by it and extraordinary expenses incurred by it under the Indenture, as and when the same become due, other than the fees and charges which were required by reason of the gross negligence or willful default of the Trustee under the Indenture; provided, that the Tenant may, without creating a default hereunder, contest in good faith the necessity for any such extraordinary services and extraordinary expenses and the reasonableness of any such fees, charges or expenses; and

(b) To the Trustee or Landlord, as the case may be, upon demand, any amounts advanced by the Trustee for the account of the Tenant or the Landlord under the Indenture or advanced by the Landlord under this Lease; and

(c) To the Treasurer of Isanti County, or other appropriate authority or official for the account of the Tenant and before the same become delinquent or any penalty attaches, all taxes, special assessments, or other governmental charges imposed on or with respect to the Project or any part thereof, subject to Section 7.3; and

(d) To the Landlord, all reasonable expenses incurred by the Landlord in connection with the transactions contemplated hereby which are not otherwise required to be paid by the Tenant under the terms of this Lease; and

(e) All other costs and expenses specifically required to be paid by the Tenant or Landlord under the terms of this Lease or the Indenture.

(f) To the Landlord, upon its request or the request of the Trustee, any amount of arbitrage profit required to be rebated to the United States under Section 6.07 of the Indenture.

Section 5.4. Rental Payments to be Unconditional. Except as provided in Section 4.3, the obligation of Tenant to make Rental Payments required hereunder, and to perform and observe all other covenants and agreements of Tenant contained herein, shall be absolute and unconditional in all events and the obligation to make such Rental Payments shall remain notwithstanding any dispute between Tenant and Landlord or any other person unless the Landlord shall violate the Tenant's right to quiet enjoyment of the Project to such a degree that Tenant no longer enjoys its right of possession to the Project. Tenant shall make all Rental Payments and other payments required hereunder when due and shall not withhold any Rental Payment or other payment pending final resolution of such dispute and Tenant shall not assert any right of setoff or counterclaim against its obligation to make such Rental Payments or other payments required under this Lease. Tenant shall have the right pursuant to Section 7.3 to in good faith contest taxes, special assessments, utility or other charges in accordance with the provisions of Section 7.3. However, nothing herein shall be construed to release Landlord from the performance of its obligations hereunder; and if Landlord should fail to perform any such obligation, Tenant may institute such legal action against Landlord as Tenant may deem necessary to compel the performance of such obligation or to recover damages therefor.

Section 5.5. Current Expense. The obligations of Tenant under this Lease, including its obligation to pay the Rental Payments due with respect to the Project, in any Fiscal Year for which this Lease is in effect, shall constitute a current expense of Tenant for such Fiscal Year. The Tenant's obligations hereunder shall be from year to year only and shall not constitute an

indebtedness, liability or mandatory payment obligation of Tenant in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision herein shall be construed or interpreted as creating a general obligation or other indebtedness of the Tenant within the meaning of any constitutional or statutory debt limitation. Except for the lien herein created in the Project and the proceeds thereof, nothing herein shall be construed to pledge or to create a lien on any taxes or on any other class or source of money of the Tenant, nor shall any provision herein restrict the future issuance of any bonds of the Tenant or obligations payable from any class or source of Tenant moneys.

ARTICLE VI

INSURANCE AND INDEMNIFICATION

Section 6.1. Liability Insurance. The Tenant shall, at its own expense, cause comprehensive liability and property damage insurance to be carried and maintained with respect to the activities to be undertaken by and on behalf of the Tenant in connection with the use of the Project substantially the same as insurance carried by the Tenant with respect to other governmental activities.

Section 6.2. Property Insurance. The Tenant shall cause casualty and property damage insurance to be carried and maintained 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 Tenant 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 Tenant. The policy must explicitly waive any co-insurance penalty.

Section 6.3. Worker's Compensation Insurance. If required by State law, Tenant shall carry Worker's Compensation Insurance covering all employees on, in, near or about the Project, and upon request, shall furnish to Landlord certificates evidencing such coverage throughout the Term of this Lease.

Section 6.4. Requirements For All Insurance. All insurance policies (or riders or endorsements to existing policies) required by this Article 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 Standard and Poor'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 Sections 6.1 and 6.2 shall name Tenant, Landlord and Trustee as insured parties and, with respect to the property insurance, shall also name the Landlord and Trustee as loss payees. During the period of completion of the Project, the requirement that Landlord and Trustee be named as an insured party under the liability insurance may be satisfied by having Landlord and Trustee named as additional insureds under the liability insurance policy carried by the general Contractor. Tenant shall annually deposit with the Trustee a certificate of the Tenant stating that the insurance it carries for the Project is in full force and effect and complies with Article VI of this Lease. Before the expiration of any such policy (or rider), Tenant shall furnish to Landlord evidence that the policy has been renewed or replaced by another policy conforming to the provisions of this Article. The Trustee has no duty or obligations to determine the sufficiency of such insurance requirements.

Section 6.5. Indemnification; Hazardous Substance.

(1) Tenant assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Project or any portion thereof and for injury to or death of any person or damage to any property, in any manner arising out of or incident to any possession, use, operation or condition of the Project or any portion thereof, whether such injury or death be with respect to agents or employees of Tenant or of third parties, and whether such property damage be to Tenant's property or the property of others. To the maximum extent permitted by law, Tenant hereby assumes responsibility for and agrees to indemnify, protect, save and keep harmless Landlord and the Trustee from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorney's fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Landlord or the Trustee that in any way relate to or arise out of the possession, use, operation or condition of the Project or the financing related thereto, unless caused by Landlord, the Trustee or their agents.

(2) To the maximum extent permitted by law, the Tenant hereby agrees to defend, indemnify and hold harmless Landlord, the Trustee and their officers, employees, agents, successors and assigns (hereinafter collectively referred to as the "Indemnitees") from and against, and shall reimburse each such Indemnitees for, any and all loss, claim, liability, damage, judgment, penalty, injunctive relief, injury to person, property or natural resources, cost, expense, action or cause of action arising in connection with or as the result of any past, present or future existence, use, handling, storage, transportation, manufacture, release or disposal of any Hazardous Substance in, on or under the Land, whether foreseeable or unforeseeable, regardless of the source, the time of occurrence or the time of discovery (hereafter collectively referred to as "Loss"). The foregoing indemnification against Loss includes, without limitation, indemnification against all costs in law or in equity of removal, response, investigation, or remediation of any kind, and disposal of such Hazardous Substances, all costs of determining whether the Land is in compliance with, and of causing the Land to be in compliance with, all applicable Environmental Laws, all costs associated with claims for damages to persons, property, or natural resources, and the Indemnitees' reasonable attorneys' and consultants' fees, court costs and expenses incurred in connection with any thereof.

(3) The obligations of Tenant to indemnify the Indemnitees shall survive satisfaction and payment in full of the Bonds, and termination of this Lease or the Landlord or Trustee reacquiring possession of the Land under the Ground Lease. The rights of the Indemnitees hereunder shall be in addition to any other rights and remedies which the Indemnitees may have against the Land and the Tenant under this Lease or any other document or at law or in equity.

(4) Notwithstanding anything in this Lease to the contrary, if Landlord should, after subleasing the Land to the Tenant as provided herein, subsequently terminate this Lease and reacquire possession of the Land under the Ground Lease (the date on which this event occurs being the "Termination Date"), the indemnifications described in this section shall not apply to any Loss incurred by Landlord or the Trustee as a direct result of affirmative actions of the Landlord or the Trustee after Landlord or the Trustee has terminated this Lease and acquired possession of the Land under the Ground Lease if such affirmative actions of the Landlord or the Trustee are the sole and direct cause of the introduction and initial release of a Hazardous Substance in, on or under the Land; provided, however, that the Tenant shall bear the burden of

proof that the introduction and initial release of such Hazardous Substance (i) occurred subsequent to the Termination Date, (ii) did not occur as a result of any action of the Tenant, and (iii) did not occur as a result of a continuing migration or release of any Hazardous Substance introduced prior to the Termination Date in, on, under or near the Project.

(5) Except as expressly provided for in this section, the indemnifications provided herein shall remain in full force and effect, including, without limitation, with respect to Hazardous Substances which are discovered or released in, on or under the Land after the Termination Date, and with respect to the continuing migration or release of any Hazardous Substance previously introduced in, on, under or near the Land. The foregoing limitations shall not affect or impair any rights, remedies or claims the Landlord or the Trustee may have outside the scope of this indemnity, at law or in equity, with respect to the Tenant or others.

Section 6.6. Damage to or Destruction or Condemnation of Project. If after the execution of this Lease all or any part of the Project is lost, stolen, condemned, destroyed or damaged, or taken by condemnation, Tenant shall as soon as practicable after such event restore and/or replace (as in the case may be required), or cause to be restored and/or replaced, the same at Tenant's sole cost and expense such restoration or replacement to be of equal or greater value to the Project or the applicable portion thereof immediately prior to the time of the loss occurrence or condemnation, whereupon such restoration or replacement shall be substituted in this Lease by appropriate endorsement, if necessary. By way of example but not limitation, restoration shall include any demolition, clearance or other clean-up or safety measures reasonably required in connection with any casualty, destruction or other loss of any portion of the Project. The Net Proceeds payable with respect to the loss may be applied towards the costs of such replacement or restoration.

ARTICLE VII

OTHER OBLIGATIONS OF TENANT

Section 7.1. Use; Permits. Tenant shall exercise due care in the construction, use, operation and maintenance of the Project, and shall not install, use, operate or maintain the Project improperly, carelessly, in violation of any State and Federal Law or for a purpose or in a manner contrary to that contemplated by this Lease. Tenant shall obtain (or cause to be obtained) all permits and licenses necessary for the construction, operation, possession and use of the Project. Tenant shall comply with all State and Federal Laws applicable to the construction, use, possession and operation of the Project, and if compliance with any such State and Federal Law requires changes or additions to be made to the Project, such changes or additions shall be made by Tenant at its expense.

Section 7.2. Maintenance of Project by Tenant. Tenant shall, at its own expense, maintain, preserve and keep the Project in good repair, working order and condition and shall from time to time make all repairs and replacements necessary to keep the Project in such condition. Neither Landlord nor Trustee shall have any responsibility for any of these repairs or replacements.

Section 7.3. Taxes, Other Governmental Charges and Utility Charges. Except as expressly limited by this section, Tenant shall pay (or cause to be paid) all taxes and other charges of any kind which are at any time lawfully assessed or levied against or with respect to the Project, or which become due during the Term of this Lease, whether assessed against Tenant or Landlord. Tenant shall also pay (or cause to be paid) when due all gas, water, steam, electricity, heat, power, telephone, and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and all special 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 Tenant shall only be required to pay (or cause to be paid) such installments, during the Term of this Lease as and when the same become due.

Tenant may, at its own expense and in its own name, in good faith contest any such taxes, assessments, utility and other charges and shall notify the Landlord of such good faith contest and, in the event of any such contest, may permit the taxes, assessments, utility or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom but only if (1) nonpayment of any such items will not materially endanger the interest of Landlord in the Project, nor subject to loss or forfeiture the Project or any part thereof, and (2) Tenant files with the Trustee an opinion of Independent Counsel stating in effect that neither event will occur. If both conditions are not satisfied Tenant shall promptly pay such taxes, assessments, utility or other charges or provide Landlord with full security against any loss which may result from nonpayment, in form satisfactory to Landlord.

Section 7.4. Advances. If Tenant shall fail to perform any of its obligations under this Article, Landlord may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and Tenant shall be obligated to repay all such advances on demand with interest from the date of the advance to the date of repayment.

The interest rate on the advance (1) the rate of interest at which the Landlord borrowed the money advanced or, (2) if the Landlord did not borrow the money, the rate of four percent (4%) per annum.

Section 7.5. Landlord Access to Project. Tenant agrees that Landlord shall have the right at all reasonable times upon reasonable notice to examine and inspect the Project. Tenant further agrees that Landlord shall have such rights of access to the Project as may be reasonably necessary to cause the proper maintenance of any portion of the Project in the event of failure by Tenant to perform its obligations hereunder.

Section 7.6. Transfer of Functions. The Tenant covenants that it will, at all times during the Term of this Lease, use the Project to the fullest extent possible in the governmental functions of the Tenant. The Tenant further covenants that, to the extent it may lawfully do so under the laws of the State of Minnesota, and to the extent it would not obviate the Tenant's right to terminate this Lease at the end of any Fiscal Year, it will not transfer any governmental functions from the Project to any other location during the Term of this Lease and will not otherwise eliminate or diminish the use of the Project by the Tenant in its governmental functions unless the Tenant promptly replaces such governmental functions with other functions or programs of the Tenant which will be substituted at the Project for the transferred functions for the remaining Term of this Lease.

ARTICLE VIII

TITLE

Section 8.1. Title. During the Term of this Lease title to the Project and any and all repairs, replacements, substitutions and modifications to it under Sections 6.6 or 8.5 shall be in the Landlord. Upon any termination of this Lease described in Section 4.3 or upon a default by Tenant and Landlord's election to terminate this Lease pursuant to Article XII, Tenant shall have no further interest in the Project under this Lease. In such event Tenant shall execute and deliver to Landlord such documents as Landlord may request to evidence the termination of this Lease; and upon request by Landlord, Tenant shall deliver possession of the Project to Landlord, in accordance with Section 12.3.

Section 8.2. Security Interest. The Tenant hereby grants to the Landlord a security interest in all portions of the Project that are deemed personal property or fixtures pursuant to applicable law, the proceeds thereof and all repairs, replacements, substitutions and modifications thereto or thereof made pursuant to Section 8.5 and a security interest in the proceeds of all insurance policies, in order to secure Tenant's payment of all Rental Payments due during the Term of this Lease and the performance of all other obligations herein to be performed by the Tenant. The Tenant will cause to be executed, filed and recorded all instruments, including financing statements and continuation statements, and will perform such acts as are required to establish and maintain a valid and perfected security interest in such portions of the Project.

Section 8.3. Liens. During the Term of this Lease, Tenant shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Project, other than the respective rights of Landlord and Tenant as herein provided and Permitted Encumbrances. Except as expressly provided in Section 7.3 and this Article, Tenant shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time; provided that if any such lien for labor or materials is established against the Project and Tenant shall first notify Landlord of Tenant's intention to do so, Tenant may in good faith contest any such lien, and in such event may permit the lien so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom but only if (1) nonpayment of any such item will not materially endanger the interest of Landlord in the Project and will not subject to loss or forfeiture the Project or any part thereof, and (2) the Tenant files with the Landlord an opinion of Independent Counsel stating in effect that neither event will occur. Tenant shall reimburse Landlord for any expense incurred by Landlord in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 8.4. Installation of Tenant's Equipment. Tenant may at any time and from time to time, in its sole discretion and at its own expense, install items of fixtures, equipment and other personal property in or upon the Project. All such items shall remain the sole property of Tenant, in which Landlord shall have no interest, and may be modified or removed by Tenant at any time provided that Tenant shall repair and restore on a timely basis any and all damage to the Project resulting from the installation, modification or removal of any such items. Nothing in

this Lease shall prevent Tenant from purchasing items to be installed pursuant to this section under a conditional sale or lease-purchase contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, or from entering into any other loan agreement secured by a lien or security interest in such property provided that no such lien or security interest shall attach to any part of the Project. Landlord and the Trustee shall, at the request and expense of Tenant, execute such releases and other documents as Tenant reasonably determines is necessary to facilitate such purchase or loan and as are consistent with the rights of the parties under this Lease; and as a condition to executing such documents, Landlord and the Trustee may require and in good faith conclusively rely upon a written statement of Tenant that the documents comply with the provisions of this section.

Section 8.5. Modification of Project. Subject to Tenant's rights under Section 8.4, Tenant shall, at its own expense, have the right to make repairs to the Project, and to make repairs, replacements, substitutions and modifications to all or any of the parts thereof. All such work and any part or component used or installed to make a repair or as a replacement, substitution or modification, shall thereafter comprise part of the Project and be subject to the provisions of this Lease. Such work shall not in any way damage the Project or cause it to be used for purposes other than those authorized under the provisions of State and Federal Law or those contemplated by this Lease; and the Project, upon completion of any such work shall be of value which is not less than the value of the Project prior to the commencement of such work. Any property for which a replacement or substitution is made pursuant to this section may be disposed of by Tenant in such manner and on such terms as are determined by Tenant. Landlord shall also at Tenant's expense execute such other releases from the provisions of this Lease for any replacement equipment as Tenant may reasonably request. For purposes of executing any such amendment or document, Landlord and Trustee may require and in good faith conclusively rely upon a written statement of Tenant that such amendment or document complies with the provisions of this section.

Section 8.6. Easements and Utility Access. Tenant may, at Tenant's expense, at any time and from time to time request Landlord to convey an easement affecting the Land to a corporate utility or public body, or any other person, upon written certification by an Independent Engineer that in its opinion the easement is necessary or desirable to provide road or other access or utility service for the Project or other property and will not impair the usefulness of the Project for the purposes contemplated in this Lease and will not destroy the means of ingress therefrom and egress therefrom. No such easement shall result in any abatement of rents or other sums payable by Tenant under this Lease. Landlord will execute the easement and will join in the execution of a supplement to this Lease and the Ground Lease, providing for the subordination of this Lease and the Ground Lease to any such easement; but the subordination shall not become effective until the following items are filed with, and/or where applicable, executed by, the Landlord:

(1) a copy of the easement (or if Section 8.7 is applicable, release) executed or to be executed by Landlord;

(2) a plat or survey of the Land prepared and certified by a registered Minnesota land surveyor, showing the land to be subjected to the easement as described in the easement (or if Section 8.7 is applicable, the land to be released) and the location in relation thereto of all

buildings, structures and permanently installed equipment on the land, and all other easements, roads, tracks and utility installations;

(3) evidence of the authority of the officers executing the lease supplement and easement (or, if Section 8.7 is applicable, the release) on behalf of Landlord and Tenant, including a certified copy of an authorizing resolution of the governing body of Landlord and of Tenant; and

(4) the certificate of the Independent Engineer.

Any money received by Tenant for the easement shall be remitted to the Landlord and credited to the Bond Fund. For purposes of executing the instruments described in this section, Landlord and Trustee may require and in good faith conclusively rely upon a written statement of Tenant that the provisions of this section have been fully satisfied.

Section 8.7. Release of Unimproved Land. Tenant may, at Tenant's expense, at any time and from time to time request Landlord to release from the provisions of this Lease and the Ground Lease any part of the Land on which no building, structure or permanently installed equipment is situated, upon written certification by an Independent Engineer stating that in their opinion the Land proposed to be released is not needed for the operation of the Project for the purposes stated in this Lease, and that the release will not impair the usefulness of the Project for these purposes and will not destroy the means of ingress thereto and egress therefrom. Landlord will join in the execution of a supplement to this Lease providing for the release thereof, subject to the following conditions:

(1) the release shall not become effective until the filing with the Landlord of the following items:

(A) the items described in paragraphs (1) to (4), inclusive, of Section 8.6; and

(B) an opinion of Independent Counsel stating that the above documents satisfy the requirements of this Section and that the release is in appropriate form for execution by the respective parties; and

(2) the Tenant shall not be entitled to any abatement, reduction, or diminution of any rents payable under this Lease.

Section 8.8. Covenant For the Benefit of the Bondholders. Tenant recognizes the authority of the Landlord to pledge all moneys receivable under this Lease, including any proceeds from the sale of all or a part of the Project, as security for the payment of the principal of and interest and redemption premiums, if any, on the Bonds. Each of the terms and provisions of this Lease is a covenant for the use and benefit of the Holders of the Bonds, so long as any thereof shall remain outstanding; and the Trustee shall be deemed, on behalf of the Bondholders, a third party beneficiary of said terms and conditions; but upon payment in full of the Bonds and of all fees and charges of the Trustee, all references in this Lease to the Bonds shall be ineffective, and no Holder of any of the Bonds shall thereafter have any rights hereunder, save and except those that shall have theretofore vested.

ARTICLE IX

PROJECT WARRANTIES

Section 9.1. Selection of Project. The Project and the Contractors have been and are to be selected by Landlord, and Tenant shall have no responsibility in connection therewith, or with respect to the suitability of the Project for the use intended by Landlord or any delay or failure by the Contractors to construct the Project for use by Tenant.

Section 9.2. Construction and Maintenance of Project. Landlord is obligated to construct, inspect or maintain the Project or any portion thereof under any circumstances, such actions shall not be the obligation of Tenant.

Section 9.3. Contractors' Warranties. For and during the Term of this Lease, all of its interest in all Contractors' warranties and guarantees, express or implied, issued on or applicable to the Project, are assigned to the Landlord and the customary services furnished in connection with such warranties and guarantees are to be obtained at Landlord's expense.

Section 9.4. Disclaimer of Warranties. THE PROJECT IS LEASED TO TENANT HEREUNDER AS IS, AND LANDLORD MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY TENANT OF THE PROJECT, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROJECT.

ARTICLE X

PREPAYMENT

Section 10.1. When Available. Tenant shall have the option to purchase Landlord's interest in the Project on December 15, 2029, and any date thereafter, for a Purchase Option Price equal to the principal amount of the Bonds outstanding and accrued interest to the next day on which they may be called for redemption, plus past due Rental Payments, and only in the manner provided in this Article.

Section 10.2. Exercise of Purchase Option. Tenant shall give notice to Landlord and Trustee of its intention to exercise its purchase option not less than forty-five days prior to the date on which the option is to be exercised and shall deposit with the Trustee on the date of exercise an amount equal to all Rental Payments and any other amounts then due or past due and the applicable Purchase Option Price. The purchase shall be on the date on which the option is to be exercised at the office of Landlord.

Section 10.3. Release of Landlord's Interest. Upon exercise by Tenant of its option to purchase Landlord's interest in the Project and payment of the Purchase Option Price, this Lease and the Ground Lease shall terminate and Tenant thereupon shall become entitled to the Project AS IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY TENANT, except that the Project shall not be subject to any lien or encumbrance created by or arising through Landlord other than Permitted Encumbrances. To evidence the foregoing, Landlord and Trustee, as agent for and on behalf of the Bondholders, shall, at the request and expense of Tenant, execute such documents as Tenant reasonably determines are required to convey and release to Tenant, any and all of their remaining right, title and/or interest in and to the Project.

Section 10.4. Defeasance. Tenant shall have the option to provide for the payment of the Rental Payments (and, if applicable, the Purchase Option Price) by the deposit with the Trustee in escrow on behalf of the holders of the Bonds of cash or securities for which the full faith and credit of the United States are pledged for the payment of principal and interest or which are guaranteed as to payment of principal and interest by the United States, in an amount sufficient (together with interest earnings thereon) to provide for payment of said Rental Payments (and, if applicable, the Purchase Option Price) prior to their respective Payment Dates as provided in Section 5.1 through their final maturity date, or such earlier date upon which an option to purchase would have been exercisable by Tenant; provided that such earlier date is designated by Tenant as the date on which the applicable Purchase Option Price shall be paid; and provided further that Tenant files with Landlord and Trustee an opinion of Bond Counsel stating in effect that such defeasance will not impair the tax exempt status of the Bonds. Upon exercise by Tenant of this option, this Lease and the Ground Lease shall terminate and, at the request and expense of Tenant, Landlord and Trustee shall convey and release their interest in the Project as provided in Section 10.3. For purposes of executing such release both the Landlord and Trustee may in good faith conclusively rely upon a report of an independent certified public accountant stating in effect that the sums held in escrow satisfy the payment requirement set forth in this section.

Section 10.5. Partial Prepayment or Defeasance. Tenant shall have the option to prepay on December 15, 2029, or any date thereafter a portion of any Rental Payment selected by the Tenant and scheduled to become due under this Lease. The Tenant shall also have the option to provide for the payment or prepayment, in increments, of a portion of Rental Payments scheduled to become due under this Lease by depositing in escrow with the Trustee sufficient funds for that purpose, in the manner and subject to the conditions set forth in Section 10.4 as if (a) those Rental Payments to be paid or prepaid were the only Rental Payments then scheduled to become due under this Lease and (b) any of the Rental Payments to be prepaid were the Purchase Option Price.

Section 10.6. Exercise of Partial Prepayment or Defeasance Option. Tenant shall give notice to Landlord and Trustee of its intention to exercise its option to partially prepay Rental Payments or defease its Rental Payment obligations, in whole or part, as provided in Sections 10.4 and 10.5. Tenant shall give such notice not less than forty-five days prior to the date on which a portion of any Rental Payments are to be prepaid, in whole or part, or the Purchase Option Price is to be paid, and shall deposit with Trustee on the date of exercise the sum required to effect such prepayment or defeasance.

Section 10.7. Credit for Partial Prepayment or Defeasance. If Tenant partially prepays or defeases any Rental Payments under Section 10.5 and thereafter elects to acquire the Project as provided in this article, the Tenant shall be entitled to credit against the applicable Purchase Option Price an amount equal to a portion of the Rental Payments scheduled to come due after the date as of which the applicable Purchase Option Price is calculated and taken into account at the time such partial prepayment or defeasance occurred.

ARTICLE XI

ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 11.1. Assignment by Landlord. Except for Landlord's assignment of this Lease to the Trustee pursuant to the Indenture, Landlord shall not assign this Lease, in whole or in part, and no such purported assignment thereof shall be effective. The Landlord's sole obligation is to provide to the Tenant quiet enjoyment of the Project. Subject to the provisions of the Indenture, any and all of Landlord's rights, title and/or interest in and to this Lease, the Rental Payments and other amounts due hereunder and the Project may only be assigned and reassigned in whole to the Trustee without the consent of the Tenant.

Section 11.2. Assignment and Subleasing by Tenant. Neither this Lease nor Tenant's interest in the Project may be assigned or subleased by Tenant without the written consent of Landlord, and the Trustee and any such assignment or sublease shall not relieve Tenant from its obligations hereunder, including without limitation the obligation to make the Rental Payments hereunder; provided that Landlord's consent to any other sublease shall not be required if (1) the sublease provides that the sublessee will not take any action in derogation of Tenant's obligations hereunder, (2) a copy of the sublease is filed with Landlord and the Trustee, (3) the term of the sublease coincides with the term of this Lease, and (4) either (A) the sublease is to a Governmental Unit or (B) an opinion of Bond Counsel is first filed with the Landlord and the Trustee stating in effect that the sublease will not impair the tax-exempt status of the Bonds.

Section 11.3. Restriction on Mortgage or Sale of Project by Tenant. Tenant will not sell, transfer or convey its interest in the Project or any portion thereof during the Term of this Lease without the written consent of Landlord.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default Defined. The following shall be "events of default" under this Lease and the terms "events of default" and "default" shall mean, whenever they are used in this Lease, with respect to the Project, any one or more of the following events:

(i) Failure by Tenant to pay any Rental Payment or other payment required to be paid under this Lease at the time specified herein and, except in the case of a failure to pay when due any Rental Payment, the continuation of said failure for a period of seven days.

(i) Failure by Tenant to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (i) of this section, for a period of thirty days after written notice specifying such failure and requesting that it be remedied has been given to Tenant by Landlord, unless Landlord shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Landlord will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Tenant within the applicable period and diligently pursued until the default is corrected.

(i) The filing by Tenant of a voluntary petition in bankruptcy; or failure by Tenant promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Tenant to carry on its governmental or proprietary function; or adjudication of Tenant as a bankrupt; or assignment by Tenant for the benefit of creditors, or the entry by Tenant into an agreement of composition with creditors; or the approval by a court of competent jurisdiction of a petition applicable to Tenant in any proceedings instituted under the provisions of federal bankruptcy laws, or any similar acts which may hereafter be enacted.

(i) The vacation or abandonment by the Tenant of the Project for a period of ninety consecutive days.

The provisions of this section and Section 12.2 are subject to the following limitation: if by reason of force majeure Tenant is unable in whole or in part to carry out its obligations under this Lease with respect to the Project, other than its obligation to pay Rental Payments with respect thereto, which shall be paid when due notwithstanding the provisions of this paragraph, Tenant shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of nature; strikes, lockouts or other labor disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the State or their respective departments, agencies or officials, or any civil or military authority; insurrections; riots, landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Tenant and not resulting from its negligence. Tenant agrees, however, to remedy with all

reasonable dispatch the cause or causes preventing Tenant from carrying out its obligations under this Lease; provided that the settlement of strikes, lockouts and other labor disturbances shall be entirely within the discretion of Tenant and Tenant shall not be required to make settlement of strikes, lockouts and other labor disturbances by acceding to the demands of the opposing party or parties when such course is, in the reasonable judgment of Tenant, unfavorable to Tenant.

Section 12.2. Remedies on Default. Whenever any event of default referred to in Section 12.1 shall have happened and be continuing with respect to the Project, the Landlord, shall have the right, at its option and without any further demand or notice, to take one or any combination of the following remedial steps:

(i) Landlord, with or without terminating this Lease, may declare all Rental Payments due or to become due during the Term of the Lease to be immediately due and payable by Tenant, whereupon such Rental Payments shall be immediately due and payable. If Landlord has not terminated the Lease and has not declared all Rental Payments immediately due and payable and if Tenant has cured the event of default and has paid the late charge provided in Section 12.6, if applicable, the Tenant shall be restored to its former position before the event of default occurred.

(i) Landlord, with or without terminating this Lease, may repossess the Project or any portion thereof by giving Tenant written notice to vacate the Project, whereupon Tenant shall do so in the manner provided in Section 12.3; or in the event Tenant fails to do so within ten days after receipt of such notice, Landlord may enter upon the Project and take possession of the Project and charge Tenant for costs incurred in repossessing such portion of the Project, including reasonable attorneys' fees. Tenant hereby expressly waives any damages occasioned by such repossession.

(i) If the Landlord terminates this Lease and takes possession of the Project or any portion thereof, Landlord shall have the right to lease or sell the Landlord's interests in the Project or any portion thereof, subject to Tenant's fee simple title interest therein, in a commercially reasonable manner at public or private sale in accordance with applicable State laws, and the Tenant agrees to use its best efforts to assist the Landlord in so doing. Landlord shall apply the proceeds of such sale to pay the following items in the following order; (a) all costs incurred in securing possession of the Project and prepayment of the Bonds; (b) all expenses incurred in completing the sale; and (c) the balance of any accrued Rental Payments owed by Tenant.

(i) Landlord may take any other remedy available at law or in equity to require Tenant to perform any of its obligations hereunder.

In no event, however, shall the Tenant be liable under this Article XII for Rental Payments (or the equivalent thereof) in excess of the moneys appropriated by it on a yearly basis (other than for any additional Rental Payments due if the Tenant occupies the Project after termination of this Lease pursuant to Section 4.3).

Section 12.3. Return of Project. Upon the termination of this Lease prior to the payment of all Rental Payments in accordance with Exhibit B, Tenant, shall vacate the Project in the condition, repair, appearance and working order required in Section 7.2, reasonable wear and tear, damage by the elements and insured damage excepted in the following manner as may be specified by Landlord; (i) by executing such documents as Landlord reasonably deems necessary to transfer all of Tenant's right, title and interest under this Lease in and to the Project to Landlord and (ii) by paying all reasonable costs and expenses whether incurred by the Landlord or Trustee (including attorneys fees) with respect to such transfer of the Property; provided that nothing herein shall limit the rights of the City as fee owner of the Land subject to the rights of the Landlord under the Ground Lease. If Tenant refuses to return the Project in the manner designated, Landlord may repossess the Project and charge to Tenant the costs of such repossession or pursue any remedy described in Section 12.2.

Section 12.4. No Remedy Exclusive. No remedy conferred upon or reserved to Landlord by this Article is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease. No delay or omission to exercise any right or power accruing upon any 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 by Landlord or the Trustee.

Section 12.5. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease should default under any of the provisions hereof and the non-defaulting party or Trustee should employ attorneys and/or incur other expenses for the collection of moneys or for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the non-defaulting party or Trustee, as the case may be, the reasonable fees and expenses of such attorneys and/or such other reasonable expenses so incurred by the non-defaulting party or Trustee.

Section 12.6. Late Charge. Whenever any event of default referred to in Section 12.1, clause (i), hereof shall have happened and be continuing with respect to the Project, Landlord shall have the right, at its option and without any further demand or notice, to require a late payment charge equal to four percent of the delinquent amount or such lesser amount as may be permitted by Minnesota law if four percent exceeds the applicable limit under Minnesota law, and Tenant shall be obligated to pay the same immediately upon receipt of Landlord's written invoice therefor; provided, however, that this section shall not be applicable if or to the extent that the application thereof would affect the validity of this Lease.

Section 12.7. Effect of Waiver. In the event any agreement contained in this 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.

ARTICLE XIII

ADMINISTRATIVE PROVISIONS

Section 13.1. Notices. All notices, certificates, legal opinions or other communications hereunder shall be sufficiently given and shall be deemed given if personally delivered or if telecopied or delivered by overnight express mail, with a copy to be sent by first class U.S. mail, postage prepaid, to the addresses specified in Section 13.07 of the Indenture; provided that Landlord and Tenant, by notice given hereunder, may designate different addresses to which subsequent notices, certificates, legal opinions or other communications will be sent.

Section 13.2. Financial Information. Tenant shall annually provide Landlord with current financial statements and budgets, and such other financial information relating to the ability of Tenant to continue this Lease as may be requested by Landlord.

Section 13.3. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon Landlord and Tenant and their respective successors and assigns.

Section 13.4. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.5. Amendments, Changes and Modifications. This Lease may be amended or any of its terms modified only by written document duly authorized, executed and delivered by Landlord and Tenant.

Section 13.6. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision, Article, Section or Clause of this Lease.

Section 13.7. Further Assurances and Corrective Instruments. Landlord and Tenant agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Lease.

Section 13.8. Execution In Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.9. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, Landlord and Tenant have respectively caused this Lease to be duly executed in their names and on their behalf by their duly authorized representatives.

ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF ISANTI, MINNESOTA
Landlord

By _____
Its President

By _____
Its Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF ISANTI)

The foregoing instrument was acknowledged before me on _____, 2021, by _____ and _____, the President and the Secretary, respectively, of the Economic Development Authority of the City of Isanti, Minnesota, a public body corporate and politic of the State of Minnesota, on behalf of said Authority.

Notary Public

Signature and Notary page to Lease Agreement.

CITY OF ISANTI, MINNESOTA, Tenant

By _____
Its Mayor

By _____
Its Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ISANTI)

The foregoing instrument was acknowledged before me on _____, 2021, by Jeff Johnson and Josi Wood, the Mayor and Administrator, respectively, of the City of Isanti, a municipal corporation and political subdivision of the State of Minnesota, on behalf of said City.

Notary Public

Signature and Notary page to Lease Agreement.

EXHIBIT A

DESCRIPTION OF LAND, PROJECT IMPROVEMENTS AND PROJECT EQUIPMENT

Part I Land

All that part of the Northwest Quarter of the Southeast Quarter of Section 29, Township 35, Range 23, described as follows: Beginning at the Southwest corner of the Northwest Quarter of the Southeast Quarter; thence North along the West line of said Northwest Quarter of Southeast Quarter a distance of 375 feet; thence South 89 degrees 57 minutes 50 seconds East 580.8 feet; thence South 1 degree 16 minutes 15 seconds East 375 feet and to the South line of said Northwest Quarter of Southeast Quarter; thence West along said South line 580.8 feet, more or less, and to the Southwest corner of said Northwest Quarter of said Southeast Quarter, being the point of beginning and there to terminate.

Together with a nonexclusive easement for ingress, egress and utility purposes over and across the South 295 feet of the Northeast Quarter of the Southwest Quarter of Section 29, Township 35, Range 23 (as measured at right angles to the South line of said Northeast Quarter of Southeast Quarter), lying easterly of the easterly right-of-way line of State Trunk Highway No. 65 and westerly of a line drawn parallel with and distant 66 feet easterly of said easterly right-of-way line of State Trunk Highway No. 65 (as measured at right angles to said easterly right-of-way line).

And also including a nonexclusive easement for ingress, egress and utility purposes over and across the South 66 feet of that part of the Northeast Quarter of the Southwest Quarter of Section 29, Township 35, Range 23, lying easterly of the East right-of-way line of State Trunk Highway No. 65, as measured at right angles to the South line of said Northeast Quarter of Southwest Quarter, Isanti County, Minnesota.

Part II Project Improvements

All buildings, structures, improvements and fixtures located on or to be purchased, constructed, renovated, bettered, enlarged, and otherwise improved on the Land (more specifically defined in Section 1.1 of this Lease).

Part III Project Equipment

All items of machinery, equipment and other personal property installed or to be acquired for installation in the Project (more specifically defined in Section 1.1 of this Lease).

EXHIBIT B

SCHEDULE OF RENTAL PAYMENTS

Economic Development Authority of the City of Isanti, Minnesota
\$3,280,000 Public Project Lease Revenue Bonds, Series 2021A

[illegible]

EXHIBIT C

DRAW REQUEST CERTIFICATE

I, _____ of the Economic Development Authority of the City of Isanti, Minnesota (the "Authority") hereby requisition from the Construction Fund created by a Indenture of Trust (the "Indenture"), dated as of June 1, 2021, between the Authority and U.S. Bank National Association, as Trustee, relating to the issuance by the Authority of \$3,280,000 Public Project Lease Revenue Bonds, Series 2021A (City of Isanti, Minnesota, Lease With Option to Purchase Project) and in accordance with Section 3.3 of the Lease Agreement dated June 1, 2021 between the Authority and the City of Isanti, Minnesota (the "Lease"), the sums indicated in Exhibit A to be paid to the parties listed therein in payment and/or reimbursement for payment for the work described therein. A copy of each bill setting forth each item of Project Cost to be paid or reimbursed (and in the case of reimbursement evidence of payment of such item of Cost) as herein provided is attached hereto and incorporated herein by reference.

I HEREBY CERTIFY THAT:

(a) each item of Project Cost for which payment or reimbursement is herein requested was necessary in connection with the Project and has not formed the basis for any previous payment from the Construction Fund;

(b) with respect to all Project Cost items incurred under any construction contract providing for the retention of a portion of the contract price, the total amount certified for payment or reimbursement of such Project Costs does not exceed the net contract price after deducting any portion to be withheld.

Landlord Representative

EXHIBIT A

Schedule of Amounts Due and Payable From Construction Fund Directly to Named Payees:

Name and Address
of Payee

Payment
Requested

Work Done
by Payee

Schedule of Amounts Due and Payable To Authority From Construction Fund as Reimbursement
for Payment by Authority:

Name and Address
of Payee Paid
By City

Reimbursement
Requested

Work Done
By Payee of
City

INDENTURE OF TRUST

BETWEEN

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI, MINNESOTA,
as Issuer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of June 1, 2021

This Instrument Drafted By:
Taft Stettinius & Hollister LLP (MLI)
2200 IDS Center
80 South 8th Street
Minneapolis, Minnesota 55402

TABLE OF CONTENTS

	PAGE
ARTICLE I DEFINITIONS AND INTERPRETATION.....	4
Section 1.01 Definitions.....	4
Section 1.02 Additional Provisions as to Interpretation	9
ARTICLE II FORM, EXECUTION AND REGISTRATION OF BONDS	11
Section 2.01 Form, Maturities and Denomination of Series 2021A Bonds.....	11
Section 2.02 Execution of Bonds.....	11
Section 2.03 Authentication of Bonds	12
Section 2.04 Registration, Transfers and Exchange	12
Section 2.05 Payment of Interest on Series 2021A Bonds; Interest Rights Preserved.....	13
Section 2.06 Ownership of Bonds	14
Section 2.07 Replacement of Mutilated, Destroyed, Stolen or Lost Bonds	14
Section 2.08 Conditions for Authentication of Series 2021A Bonds	14
Section 2.09 Book-Entry Only System.....	15
Section 2.10 Termination of Book-Entry Only System.....	15
Section 2.11 Issuance of Additional Bonds	16
ARTICLE III REDEMPTION OF BONDS.....	18
Section 3.01 Redemption of Series 2021A Bonds.....	18
Section 3.02 Written Notice to Trustee.....	19
Section 3.03 Mailing of Notice	19
Section 3.04 Deposit for Redemption.....	19
Section 3.05 Payment of Redeemed Bonds	19
Section 3.06 Cancellation of Redeemed Bonds.....	20
Section 3.07 Partial Redemption of Bonds	20
Section 3.08 Conditional Redemption of Bonds.....	21
ARTICLE IV BOND PROCEEDS; CONSTRUCTION FUND	22
Section 4.01 Deposit of Series 2021A Bond Proceeds.....	22
Section 4.02 Establishment of Construction Fund.....	22
Section 4.03 Project Costs Defined	22
Section 4.04 Payments from Construction Fund	22
Section 4.05 Deposit and Investment of Excess Moneys	23
Section 4.06 Application of Balance in Construction Fund	23
ARTICLE V DISPOSITION OF TRUST MONEYS.....	24
Section 5.01 "Trust Moneys" Defined	24
Section 5.02 Bond Fund.....	24
Section 5.03 Reserve Fund	25
Section 5.04 Investment of Funds.....	25
Section 5.05 Return on Investments	26
Section 5.06 Computation of Balances in Trust Fund	27
ARTICLE VI PARTICULAR COVENANTS OF THE ISSUER	28
Section 6.01 Payment of Bonds	28

Section 6.02	Extensions of Payments of Bonds.....	28
Section 6.03	Authority of the Issuer	28
Section 6.04	Concerning the Lease.....	29
Section 6.05	To Observe All Covenants and Terms; Limitations on Issuer's Obligations	29
Section 6.06	Liens.....	29
Section 6.07	Rebate	29
ARTICLE VII EVENTS OF DEFAULT; REMEDIES		30
Section 7.01	Events of Default	30
Section 7.02	Enforcement of Covenants and Conditions	30
Section 7.03	Trustee May File Proofs of Claims.....	32
Section 7.04	Application of Moneys	32
Section 7.05	Right of Trustee to Act Without Possession of Bonds	33
Section 7.06	Control by Bondholders.....	34
Section 7.07	Limitation on Suits by Bondholders	34
Section 7.08	Waiver by Bondholders	35
Section 7.09	Remedies Cumulative, Delay Not To Constitute Waiver	35
Section 7.10	Restoration of Rights Upon Discontinuance of Proceedings.....	35
Section 7.11	Suits to Protect the Trust Estate and Other Property	35
ARTICLE VIII CONCERNING THE TRUSTEE.....		37
Section 8.01	Acceptance of Trust and Prudent Performance Thereof.....	37
Section 8.02	Trustee May Rely Upon Certain Documents and Opinions	38
Section 8.03	Trustee Not Responsible for Indenture Statements, Validity	39
Section 8.04	Limits on Duties and Liabilities of Trustee	39
Section 8.05	Money Held in Trust.....	39
Section 8.06	Obligation of Trustee	40
Section 8.07	Notice to Bondholders	40
Section 8.08	Intervention in Judicial Proceedings.....	40
Section 8.09	Further Investigation by Trustee.....	40
Section 8.10	Trustee to Retain Financial Records.....	41
Section 8.11	Compensation of Trustee	41
Section 8.12	Trustee May Hold Bonds	41
Section 8.13	Appointment of Trustee	41
Section 8.14	Merger of Trustee	41
Section 8.15	Resignation or Removal of Trustee	42
Section 8.16	Appointment of Successor Trustee	42
Section 8.17	Transfer of Rights and Property to Successor Trustee.....	42
Section 8.18	Co-Trustee.....	43
Section 8.19	Appointment of Successor or Alternate Paying Agents	45
ARTICLE IX CONCERNING THE BONDHOLDERS		46
Section 9.01	Execution of Instruments by Bondholders.....	46
Section 9.02	Waiver of Notice.....	46
Section 9.03	Determination of Bondholder Concurrence.....	46
Section 9.04	Bondholders' Meeting	46
Section 9.05	Revocation by Bondholders.....	48

ARTICLE X	PAYMENT, DEFEASANCE AND RELEASE.....	49
Section 10.01	Payment and Discharge of Indenture	49
Section 10.02	Bonds Deemed Not Outstanding After Deposits	50
Section 10.03	Unclaimed Money to be Returned	50
ARTICLE XI	SUPPLEMENTAL INDENTURES	51
Section 11.01	Purposes for Which Supplemental Indentures May be Executed	51
Section 11.02	Execution of Supplemental Indenture.....	52
Section 11.03	Rights of Trustee.....	52
Section 11.04	Modification of Indenture with Consent of Bondholders	52
Section 11.05	Supplemental Indentures to be Part of Indenture.....	53
Section 11.06	Rights of City Unaffected	53
Section 11.07	Rights of Issuer	53
ARTICLE XII	AMENDMENTS TO THE LEASE OR OTHER COLLATERAL DOCUMENT	54
Section 12.01	Amendments to the Lease or Ground Lease Not Requiring Consent of Bondholders.....	54
Section 12.02	Amendments to Lease or Ground Lease Requiring Consent of Bondholders	54
Section 12.03	No Amendment May Reduce Rental Payments.....	54
Section 12.04	Rights of Issuer and City.....	54
ARTICLE XIII	MISCELLANEOUS.....	55
Section 13.01	Covenants of Issuer Bind Successors and Assigns	55
Section 13.02	Immunity of Officers	55
Section 13.03	No Benefits to Outside Parties.....	55
Section 13.04	Separability of Indenture Provisions.....	55
Section 13.05	Execution of Indenture in Counterparts.....	55
Section 13.06	Headings Not Controlling	55
Section 13.07	Notices etc., to Trustee, Issuer and City	55
EXHIBIT A -	LEGAL DESCRIPTION OF LAND	A-1
EXHIBIT B -	FORM OF BOND.....	B-1

TRUST INDENTURE

THIS TRUST INDENTURE, dated as of June 1, 2021, is by and between the Economic Development Authority of the City of Isanti, Minnesota, a public body corporate and politic of the State of Minnesota (herein sometimes called the "Issuer"), and U.S. Bank National Association, a national banking association having its main corporate office and principal place of business in St. Paul, Minnesota (herein sometimes called the "Trustee"):

WITNESSETH:

WHEREAS, the Issuer is authorized under the laws of Minnesota, including Minnesota Statutes, Sections 469.090 through 469.1082, and the powers conferred on the Issuer therein (collectively, the "Issuer Powers Act") to issue revenue bonds in aid of certain projects; and

WHEREAS, the City of Isanti, Minnesota (the "City") is authorized under Minnesota Statutes, Section 465.71 and 469.041 as amended (the "City Powers Act"), to acquire the interest in real and personal property pursuant to a Lease Agreement, dated as of June 1, 2021 (the "Lease"), and

WHEREAS, the Issuer has agreed to issue its \$3,280,000 Public Project Lease Revenue Bonds, Series 2021A (City of Isanti, Minnesota, Lease with Option to Purchase Project), dated as of the Date of Original Issuance as hereinafter defined (the "Series 2021A Bonds"), the proceeds of which will be used to finance the cost of construction of a municipal liquor store (the "Project") in the City under the Issuer Powers Act; and

WHEREAS, the Issuer has deemed it advisable to enter into this Indenture and has duly authorized the issuance of the Series 2021A Bonds as provided herein; and

WHEREAS, the proceeds of the Series 2021A Bonds, together with any other required funds, will be used for the specific authorized purpose of providing funds to pay Project Costs; and

WHEREAS, the Lease requires that, from and after the date hereof, the City make Rental Payments thereunder in amounts and at times sufficient to pay the principal of, premium, if any, and interest on the Series 2021A Bonds, when due; and

WHEREAS, the execution and delivery of this Indenture and the Lease and the issuance of the Series 2021A Bonds have been authorized by the Board of Commissioners, the governing body, of the Issuer pursuant to a resolution adopted by the Board of Commissioners on May 18, 2021 (the "Bond Resolution"); and

WHEREAS, the Project is essential to the operations of the Issuer and the City; and

WHEREAS, the form of the Series 2021A Bonds, is in substantially the form attached hereto as Exhibit B; and

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

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

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

I.

All of the rights, title and interests and privileges of the Issuer in, to and under the (i) Lease except for the rights of the Issuer under Sections 5.3(c), 6.5, 12.5 and 12.6 of the Lease, and (ii) the Ground Lease.

II.

A first lien on and pledge of (i) the moneys and investments in the Bond Fund and Reserve Fund covenanted to be created and maintained under this Indenture and (ii) moneys and investments in the Construction Fund not used to pay Project Costs.

III.

The option and any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, assigned or transferred, or in which a security interest is granted, by the Issuer or the City or by anyone on behalf of them or with their written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same to the terms hereof, and all insurance proceeds and condemnation awards or other moneys represented by "Trust Moneys" (as defined in Section 5.01).

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

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

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

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

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: collectively the Issuer Powers Act and the City Powers Act, as amended from time to time.

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

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

Beneficial Owner: means the person for which a DTC Participant holds an interest in the Bonds as shown on the books and records of the DTC Participant.

Board: the Board of Commissioners, the governing body, of the Issuer.

Bond Counsel: means Taft Stettinius & Hollister LLP or any other attorney or firm of attorneys nationally recognized as experienced in matters relating to the tax-exempt financing of projects within the City and acceptable to the City and the Issuer.

Bond Fund: the Bond Fund created under Section 5.02.

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

Bond Resolution: the resolution adopted by the Board on May 18, 2021, authorizing the issuance and sale of the Series 2021A Bonds, as the same may be amended, modified or supplemented.

Bonds: the Series 2021A Bonds and any Additional Bonds.

Cede & Co.: means, 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 Lease or the Indenture, signed and delivered to the Trustee or other proper person or persons.

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

City: the City of Isanti, Minnesota, a municipal corporation and political subdivision of the State of Minnesota.

City Powers Act: Minnesota Statutes, Sections 465.71 and 469.041, as from time to time amended.

City Representative: the City Administrator, or any other person at any time designated in writing by the City to act in such capacity as evidenced by a written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed for the City by the Mayor.

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

Collateral Document: collectively, the Lease, the Ground Lease and any other security instruments now or hereafter given to the Trustee by the Issuer or the City to secure the Bonds.

Completion Date: the date certified as provided in Section 3.5 of the Lease.

Construction Fund: the Construction Fund created under Section 4.02.

Construction Period: the period between the beginning of construction of the Project or the date on which the Series 2021A Bonds are first delivered to the purchaser thereof, whichever is earlier, and the Completion Date.

Date of Original Issuance: June 16, 2021.

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.

DTC: means 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.

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

Financial Newspaper: The *Isanti-Chicago County Star* or any other newspaper or journal of general circulation in the English language in Isanti, Minnesota.

Fiscal Year: the fiscal year of the City, currently being the 12-month period commencing on January 1 in each year and ending on December 31, of the same year.

Funds: the Bond Fund, the Reserve Fund, and the Construction 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.

Ground Lease: the Ground Lease Agreement, dated as of June 1, 2021 between the City as lessor, and the Issuer as lessee, whereby the City leases the Land to the Issuer.

Holder, Bondholder or Owner: the person or persons in whose name any Bond shall be registered.

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

Independent: any person who is not an officer or a full-time employee of the Issuer or the City.

Independent Counsel: an Independent attorney duly admitted to practice law before the highest court of any state.

Independent Engineer: an Independent engineer or engineering firm or an Independent architect or architectural firm qualified to practice the profession of engineering or architecture under the laws of the State of Minnesota.

Interest Payment Date: for the Series 2021A Bonds, each December 15 and June 15 commencing June 15, 2022.

Internal Revenue Code: the Internal Revenue Code of 1986, as amended from time to time.

Issuer: the Economic Development Authority of the City of Isanti, Minnesota.

Issuer Powers Act: Minnesota Statutes, Sections 469.090 to 469.1082 and all powers referenced therein as from time to time amended.

Issuer Representative: the President or the Secretary of the Issuer and any other person or persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Trustee, containing the specimen signature of such person and signed on behalf of the Issuer by its President or Secretary.

Land: the real property leased to the Issuer under the Ground Lease and described in Exhibit A hereto.

Lease: the Lease Agreement, dated as of June 1, 2021, by and between the Issuer, as Landlord, and the City, as Tenant.

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

Outstanding: used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.03 pertaining to Bonds held by the Issuer or the City) 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.

Project Costs: the costs defined in the Lease.

Purchaser: Northland Securities, Inc., Minneapolis, Minnesota.

Qualified Investments: obligations in which the Issuer is authorized by law to invest, subject to the further limitation that they also constitute one of the following:

- A. governmental bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress;
- B. any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;
- C. any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- D. a general obligation of the Minnesota housing finance agency which is a moral obligation of the state of Minnesota and is rated "A" or better by a national bond rating agency;
- E. commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less;
- F. time deposits that are fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United States banks;
- G. agreements or contracts for guaranteed investment contracts if issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries, the credit quality of short- and long-term unsecured debt of the issuer's or guarantor's of which must be rated in one of the two highest categories by a nationally recognized rating agency; and should

the issuer's or guarantor's credit quality be downgraded below "A", the government entity must have withdrawal rights;

H. agreements or contracts for shares of a Minnesota joint powers investment trust whose investments are restricted to securities described in Minnesota Statutes, Sections 118A.04 and 118A.05;

I. agreements or contracts for units of a short-term investment fund established and administered pursuant to Regulation 9 of the Office of the Comptroller of the Currency, in which investments are restricted to securities described in Minnesota Statutes, Sections 118A.04 and 118A.05;

J. agreements or contracts for shares of an investment company which is registered under the Federal Investment Company Act of 1940 and which holds itself out as a money market fund meeting the conditions of Rule 2a-7 of the Securities and Exchange Commission and is rated in one of the two highest rating categories for money market funds by at least one nationally recognized statistical rating organization; or

K. agreements or contracts for shares of an investment company which is registered under the Federal Investment Company Act of 1940, and whose shares are registered under the Federal Securities Act of 1933, as long as the investment company's fund receives the highest credit rating and is rated in one of the two highest risk rating categories by at least one nationally recognized statistical rating organization and is invested in financial instruments with a final maturity no longer than 13 months.

Ratings of Qualified Investments referred to herein shall be determined at the time of purchase of such Qualified Investments and the Trustee shall have no duty or obligation to monitor the ratings of Qualified Investments after the initial purchase of such Qualified Investments including at the time of reinvestment of earnings thereof.

Rebate Expert: Bond Counsel or any other person experienced in matters relating to compliance with the rebate requirements under Section 148(f) of the Code, selected by the Issuer.

Rebate Fund: any "Rebate Fund" created by the Trustee under Section 6.07.

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

Rental Payments: rental payments payable by the City under Article V of the Lease.

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.

Reserve Fund: the Reserve Fund created under Section 5.03.

Reserve Requirement: the amount(s) required pursuant to Section 5.03 as the Reserve Requirement to secure payment of the Series 2021A Bonds.

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

Series 2021A Bonds: the \$3,280,000 Public Project Lease Revenue Bonds, Series 2021A (City of Isanti, Minnesota, Lease with Option to Purchase Project), dated the Date of Original Issuance, of the Issuer authorized by this Indenture and the Bond Resolution and described in Section 2.01.

Special Record Date: has the meaning set forth in Section 2.05.

Trustee: U.S. Bank 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.

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 CITY) DO SPECIFICALLY AGREE THAT THE CITY 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 ISSUER AND THE CITY.

ARTICLE II

FORM, EXECUTION AND REGISTRATION OF BONDS

Section 2.01 Form, Maturities and Denomination of Series 2021A Bonds. The Series 2021A Bonds shall be designated "Economic Development Authority of the City of Isanti, Minnesota, \$3,280,000 Public Project Lease Revenue Bonds, Series 2021A (City of Isanti, Minnesota, Lease With Option to Purchase Project)". The form of the Series 2021A Bonds shall be substantially in the form set forth in Exhibit B. The Series 2021A Bonds shall be in printed form in the denomination of \$5,000, or any integral multiple thereof, initially numbered R-1 and upwards or in such other manner as the Trustee may determine, and shall be dated the Date of Original Issuance. The Series 2021A Bonds issued in exchange for or transfer of other Series 2021A Bonds shall bear interest from the date to which interest has been paid on the Series 2021A Bonds being surrendered for exchange on transfer. The Series 2021A Bonds shall bear interest payable semiannually on December 15 and June 15 of each year, commencing June 15, 2022 (each and "Interest Payment Date"). The principal or redemption price (if applicable) of the Series 2021A 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 Series 2021A 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 Series 2021A 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 Series 2021A Bonds payable on any Interest Payment Date shall be the first day (whether or not a Business Day) of the calendar month of such Interest Payment Date. The Series 2021A Bonds shall be in the aggregate principal amount of \$3,280,000, shall mature on December 15 in the years and amounts and shall bear interest at the rates per annum, according to years of maturity, as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2022	\$	%	2030	\$	%
2023			2031		
2024			2032		
2025			2033		
2026			2034		
2027			2035		
2028			2036		
2029					

Section 2.02 Execution of Bonds. The Bonds shall be executed in the name of the Issuer by the manual or facsimile signatures of the President and Secretary of the Issuer, and each Bond 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, issued by the Issuer, 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, the Issuer shall execute and deliver the Series 2021A Bonds to the Trustee for authentication.

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 hereto. Such Trustee's certificate upon any Bond executed on behalf of the Issuer shall be conclusive evidence that the Bond so authenticated has been duly issued under this Indenture and that the Holder thereof is entitled to the benefits of this Indenture.

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.

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. 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. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Issuer or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the City pursuant to the Lease. 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. Neither the Trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by the Depository.

Section 2.05 Payment of Interest on Series 2021A 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 first day (whether or not a Business Day) of the month of 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:

The Issuer may elect to make payment of any Defaulted Interest on Bonds to 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, which shall be fixed in the following manner. The Issuer shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the Issuer shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided and not otherwise to be deemed part of the Trust Estate. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest, which shall be not more than fifteen or less than ten days prior to the date of the proposed payment and not less than ten days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Holder of a Bond affected thereby at the Holder's address, as it appears in the registration books, not less than ten days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor

having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the affected Bonds are registered on such Special Record Date.

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 Issuer and the Trustee and their respective successors may deem and treat the person in whose name any Bond shall be registered as the absolute owner thereof for all purposes, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. Payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the registered owner thereof (subject to the provisions hereof respecting the Regular Record Date and, if applicable, any Special Record Date), but such registration may be changed as above provided.

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 paying such reasonable expenses as the Trustee and the Issuer may incur in connection therewith. In the event any such Bond shall have matured, instead of issuing a new Bond, the Issuer may pay the same without surrender thereof.

Section 2.08 Conditions for Authentication of Series 2021A Bonds. The Trustee shall not authenticate and deliver the Series 2021A 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 2021A Bonds and the execution and delivery by the Issuer of this Indenture, the Lease and the Ground Lease.

(b) Executed counterparts of this Indenture, the Lease, the Continuing Disclosure Undertaking and the Ground Lease.

(c) A certified copy of the resolution of the City Council of the City authorizing the execution and delivery of the Lease and the Ground Lease, and approving the terms of this Indenture.

(d) The manually signed approving opinion of Taft Stettinius & Hollister LLP, Minneapolis, Minnesota, as Bond Counsel for the Issuer, concerning the validity and legality of the Series 2021A Bonds and exemption of interest thereon from federal income taxation under the Internal Revenue Code and exemption from State of Minnesota income taxation under Minnesota Statutes.

(e) Such further certifications, documents and Opinions of Counsel as the Issuer, the 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 (d) 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 Issuer's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions in Section 2.04, 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.

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 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 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 Issuer, 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 Series 2021A Bonds, the Issuer and the Tenant may from time to time, upon the conditions stated in this section, agree upon and approve the issuance and delivery of 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, but bearing such date or dates and interest rate or rates and with such maturities and redemption dates and premiums as may be agreed upon. Every series of such Additional Bonds shall be authorized by an amendment to the Lease and a supplement to this Indenture, establishing the terms thereof, providing for any additional facilities to be financed by the Additional Bonds as part of the Project, and providing for Additional Rental Payments sufficient to pay the interest when due for such Additional Bonds, and to pay and redeem all such Additional Bonds at or before maturity as provided in such supplement to this Indenture. Each series of Additional Bonds shall be executed, authenticated and delivered as provided in this Article Two upon filing with the Issuer original executed counterparts of the supplement to the Indenture and the amendment to the Lease, 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 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 supplement to the Lease providing for additional Rental Payments sufficient to pay the principal of and interest on the Additional Bonds when due; and

(d) There shall have been furnished to the Issuer a certificate of a Tenant Representative to the effect that the proceeds of the Additional Bonds, together with any additional funds supplied or to be supplied by the Tenant 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; and

(e) Funds are deposited in the Reserve Fund to bring the sums on deposit in the Reserve Fund to the Reserve Requirement.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01 Redemption of Series 2021A Bonds.

(a) Optional Redemption. The Series 2021A Bonds maturing on December 15, 2030, and thereafter, are subject to prior redemption at the option of the Issuer, upon direction of the City, on December 15, 2029, and on any date thereafter, at a redemption price equal to par plus accrued interest to date of redemption. Redemption may be in whole or in part, and if in part, the Issuer shall determine the amount of Bonds of each maturity to be prepaid; and if only part of the Bonds having a common maturity date are called for prepayment, the Bonds of that maturity shall be chosen by lot by the Trustee.

(b) Mandatory Redemption. Bonds maturing on December 15, 20____ and 20____, (the "Term Bonds") shall be redeemed by lot on December 15 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

December 15, 20____ Term Bond (inclusive)

Year

Principal Amount

\$

(maturity)

Mandatory Redemption Schedule

December 15, 20____ Term Bond (inclusive)

Year

Principal Amount

\$

(maturity)

or, if less than such amount is then outstanding, an amount equal to the aggregate principal amount of the Bonds then outstanding.

The Issuer may, at its option to be exercised on or before the thirtieth day next preceding any date specified in the Mandatory Redemption Schedule above, deliver to the Bond Registrar written notice, which shall (i) specify a principal amount of such Term Bonds previously redeemed (otherwise than pursuant to the above Mandatory Redemption Schedule) or purchased

and cancelled by the Bond Registrar and not theretofore applied as a credit against any redemption of Bonds pursuant to the above Mandatory Redemption Schedule, and (ii) instruct the Bond Registrar to apply the principal amount of such Term Bonds so delivered or previously redeemed or purchased and cancelled for credit against the principal installments to be prepaid pursuant to the Mandatory Redemption Schedule and selected by the Issuer. Each such Term Bond so delivered or previously redeemed or purchased and cancelled shall be credited by the Bond Registrar against the principal installments to be prepaid pursuant to the Mandatory Redemption Schedule and selected by the Issuer.

(c) Calamity Redemption. All Bonds, in whole but not in part, are subject to redemption and prior payment at the option of the Issuer, at the principal amount thereof plus accrued interest on any date in the event of damage to or destruction of the Project or any part thereof to the extent provided in Section 6.6 of the Lease.

(d) 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. If the Bonds are to be redeemed pursuant to Section 3.01, and notice of an election to redeem Bonds shall have been given by the Issuer to the Trustee, at least forty-five to sixty days prior to the redemption date, the Trustee shall prepare a notice in the name of the Issuer describing the outstanding Bonds to be redeemed, the date of redemption, the redemption price and such additional information as the Trustee or the Issuer shall deem appropriate.

Section 3.03 Mailing of Notice. Notice of redemption shall be mailed by the Trustee, not less than thirty days and not more than sixty 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.

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 draw interest after the redemption date, and such Bonds shall not be deemed to be Outstanding hereunder for any purpose, except that the Holders thereof, on presentation, as herein provided, shall be entitled to receive payment of the redemption price 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. If less than all of the Bonds of a particular maturity at the time Outstanding are to be called for prior redemption, the amount of Bonds or portions thereof of such maturity to be redeemed shall be selected by the Issuer at the direction of the City, provided that within any particular maturity, the Bonds to be redeemed shall be selected by the Trustee by lot. The Trustee shall call for redemption in accordance with the foregoing provisions as many Bonds or portions thereof as will, as nearly as practicable, exhaust the moneys available therefor. Particular Bonds or portions thereof shall be redeemed only in integral multiples of principal amount of \$5,000.

In the case of Bonds of denominations greater than \$5,000, if less than all of such Bonds of a given stated maturity then Outstanding are to be called for redemption, then for all purposes in connection with redemption each \$5,000 of principal amount of such Bonds shall be treated as though it were a separate Bond of the denomination of \$5,000 bearing one of the numbers borne by such Bond. If it is determined that one or more, but not all of the \$5,000 units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Holder of such Bond shall surrender such Bond to the Trustee (1) for payment of the redemption price (including the redemption premium, if any, and interest to date fixed for redemption) of the \$5,000 unit or units of principal amount called for redemption and (2) exchange for a new Bond or Bonds of the aggregate principal amount of the unredeemed balance of the principal amount of such Bond, which shall be executed, authenticated and delivered to the Holder thereof without charge therefor. If the Holder of any such Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the \$5,000 unit or units of principal amount called for redemption (and to that extent only). Interest shall cease to accrue on the portion of the principal amount of such Bond represented by such \$5,000 unit or units of principal amount on and after the date fixed for redemption, provided that funds sufficient for the payment of the redemption price shall have been deposited with the Trustee and shall be available for the redemption of said \$5,000 unit or units on the date fixed for redemption, and in such event, such Bond shall not be entitled to the benefit or security of this Indenture to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption and applicable premium, if any) represented by such \$5,000 unit or units of principal amount.

Section 3.08 Conditional Redemption of Bonds. Notwithstanding any provisions in this article to the contrary, the Issuer may condition redemption of Bonds on receipt of sufficient monies no later than the Business Day next preceding the redemption date. This condition shall be stated in the notice of redemption, and if for any reason the monies are not received by such Business Day, 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.

ARTICLE IV

BOND PROCEEDS; CONSTRUCTION FUND

Section 4.01 Deposit of Series 2021A Bond Proceeds. The Issuer shall deposit, or shall direct the Purchaser to deposit, the net proceeds of the sale of the Series 2021A Bonds:

(a) with the Trustee to the credit of the Bond Fund from the net proceeds of the sale of the Series 2021A Bonds, the sum of \$ _____; and

(b) with the Trustee to the credit of the Reserve Fund from the net proceeds of the sale of the Series 2021A Bonds, the sum of \$ _____; and

(c) with the Trustee to the credit of the Construction Fund the sum of \$ _____, being the balance of the net proceeds of the Series 2021A Bonds.

Section 4.02 Establishment of Construction Fund. The Issuer hereby establishes a trust account with the Trustee designated the Construction Fund and there shall be deposited with the Trustee to the credit of the Construction Fund those proceeds of the Series 2021A 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 Issuer has no obligation hereunder or under the Act to deposit any moneys in the Construction Fund or apply moneys to Project Costs except proceeds of Bonds or funds made available therefor by the City.

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 Lease, 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 or Reserve 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.

Section 4.03 Project Costs Defined. For the purposes of this article, the 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 Lease and as further described in Section 3.3 of the Lease.

Section 4.04 Payments from Construction Fund. Payments shall be made by the Trustee from the Construction Fund to the Issuer or its order, as the case may be, upon receipt of the statements set forth in Section 3.3 of the Lease and the Draw Request Certificate attached to the Lease as Exhibit C, which may be submitted by fax or 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 statement, and the Trustee shall not be required to see to the application of any payments made from the Construction Fund. Such written requests shall be submitted no more often than twice a month.

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 Draw Request Certificate of the Issuer. 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 4.05 Deposit and Investment of Excess Moneys. The Trustee shall invest the moneys on deposit in the Construction Fund, at the written direction of the Issuer, in Qualified Investments. In the absence of written direction delivered to the Trustee from the Issuer, 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 Draw Request Certificate at the direction of the Issuer, 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. Any interest or profit derived from investments shall be credited to the Construction Fund, for application thereunder. 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 Issuer 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 Issuer 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 Qualified Investments.

Section 4.06 Application of Balance in Construction Fund. When a Certificate of the Issuer Representative prepared pursuant to Section 3.5 of the Lease shall have been furnished to the Trustee, any balance in the Construction Fund (after reserving such amount as the Issuer Representative shall deem necessary for the payment of any remaining amounts due or to become due for Project Costs, and after returning to the Issuer any contingent funds which may have been deposited by the Issuer 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 Rental Payments due under the Lease.

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 Series 2021A Bonds, or
- (f) as Rental Payments, or as otherwise payable under the Lease,

(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 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 Bond Fund. The Issuer hereby establishes with the Trustee and shall maintain, so long as any of the Bonds are Outstanding, with the Trustee a separate trust account to be designated "Public Project Lease Revenue Bond Fund" (the "Bond Fund") into which the following deposits shall be made:

- (a) All payments by the City as Rental Payments under Section 5.1 of the Lease.
- (b) All other moneys received by the Trustee from the City when accompanied by directions of the City that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used. If the City so directs, such monies shall be credited against Rental Payments due or to become due.
- (c) All other moneys required to be deposited in the Bond Fund pursuant to any provision of this Indenture or the Lease.

The moneys and investments in the Bond Fund are irrevocably pledged to and shall be used by the Trustee, from time to time, to the extent required, for the payment of principal of, and interest on the Bonds, as and when such principal and interest shall become due and payable.

Section 5.03 Reserve Fund.

(a) The Issuer hereby establishes with the Trustee a separate trust account to be designated "Public Project Lease Revenue Bond Reserve Fund" (the "Reserve Fund"), into which \$_____ of proceeds of the Series 2021A Bonds shall be deposited.

(b) The Reserve Fund shall be maintained at the "Reserve Requirement" which is defined as the lesser of (i) ten percent of the principal amount of the Bonds, (ii) one hundred twenty five percent of the average annual debt service requirements of the Bonds, or (iii) the maximum annual debt service on the Bonds. The Reserve Requirement shall be \$_____ for the Series 2021A Bonds. The Trustee shall calculate the balance in the Reserve Fund on an annual basis as provided in section 5.06, and upon making such calculation the Trustee shall transfer to the Bond Fund any sums held in the Reserve Fund in excess of the Reserve Requirement.

(c) Subject to the provisions of section 7.04, amounts on hand in the Reserve Fund shall be transferred by the trustee to the Bond Fund if, on any Interest Payment Date, the amount then on hand in the Bond Fund is not sufficient to pay the principal, if any, and interest then due on the Bonds.

(d) If on any date the amount in the Reserve Fund is less than the Reserve Requirement, as a result of either (i) a revaluation in accordance with Section 5.06, or (ii) a transfer of sums to the Bond Fund under subsection (c) above; the Trustee shall notify the Issuer of the amount of such deficiency and request that the Issuer immediately deposit from legally available funds an amount equal to the amount of such deficiency.

(e) Earnings on sums in the Reserve Fund shall, upon receipt, be credited to the Bond Fund, if and to the extent that, after giving effect to the transfer, the Reserve Fund Requirement is maintained. Investments should be valued at fair market value and marked to market at least twice per year. Investments may not have maturities extending beyond ten years.

(f) At such time, if any, as the amounts on hand in the Reserve Fund equal or exceed the total amount of principal, interest and premium (if any) remaining to be paid on all Outstanding Bonds, the Trustee shall transfer such amounts from the Reserve Fund to the Bond Fund and use the same for such debt service purposes, as and when due.

(g) If any rebate of arbitrage is required under Section 6.07 and Issuer fails to satisfy that requirement, Trustee may disburse funds from the Reserve Fund for that purpose.

Section 5.04 Investment of Funds. Any moneys held as a part of the Construction Fund, Bond Fund or Reserve Fund shall be invested or reinvested by the Trustee upon the written request and direction of the Issuer Representative in any Qualified Investment, subject to the restrictions for investment of money held in the Reserve Fund set forth in Section 5.03 (e). In the

absence of written direction delivered to the Trustee from the Issuer, the Trustee shall hold such amounts uninvested. The type, amount and maturity of Qualified Investments shall conform to the instructions, if any, in the request of the Issuer 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 or Bond Fund, or Reserve Fund, 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 the Construction Fund, or Bond Fund or Reserve Fund, as the case may be. Any interest accruing on and any profit realized from such investment shall be credited to the Bond Fund from which the investment has been made (except as otherwise provided in Section 5.03(f)). 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, including the Construction Fund, 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 City as to the legality and the suitability of such directed investment and such written direction shall be deemed to be a certification that such directed investments constitute Qualified Investments. The Trustee shall have no responsibility whatsoever to determine whether any investments made pursuant to this Indenture are or continue to be Qualified Investments. The Issuer acknowledges that regulations of the Comptroller of the Currency grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur. The Issuer specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

Section 5.05 Return on Investments.

(a) In directing investments pursuant to Section 3.8 of the Lease and this Indenture, the Issuer Representative 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 Issuer, in order to restrict yield on investments, may direct investment in SLGS. 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 Issuer with respect to whether the acquisition of any securities or obligations would have the effect prohibited by this section.

(b) The Issuer 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 moneys in all Trust Funds exceed, (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 Issuer pursuant to Section 3.8 of the Lease in Qualified 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 Issuer and shall only make investments as so directed.

Section 5.06 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, other than in the Reserve Fund, shall be valued at par value, or at the redemption price thereof, if then redeemable at the option of the holder. Investments held in the Reserve Fund shall be valued at market value which shall be calculated annually as of June 15, commencing June 15, 2022.

ARTICLE VI

PARTICULAR COVENANTS OF THE ISSUER

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

Section 6.01 Payment of Bonds. The Issuer will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture and the Bond Resolution and in each and every Bond executed, authenticated and delivered hereunder; will pay or cause to be paid, from payments of Rental Payments by the City and other amounts received in respect of the Project or available under this Indenture, the principal of, premium (if any) on and interest on every Bond issued hereunder on the dates, at the places and in the manner prescribed in the Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and other than as provided in Section 3.04, will cause such amounts received to be deposited with the Trustee fifteen days prior to the due date of each installment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such installment, to the end that the Trustee may cause to be placed in any other bank the payment specified herein and in the Bonds, on time, money required for payment of principal and interest; provided, however, that the principal of and interest on any Bond is not and shall not be deemed to represent a debt or pledge the full faith or credit of the Issuer or the City or grant to the Holder of any Bond any right to have the Issuer or the City levy any taxes or appropriate any funds to the payment of principal of or interest on the Bonds, such payment to be made solely and only out of the moneys received pursuant to the Lease and this Indenture, including the funds and accounts established and maintained with the Trustee pursuant to the requirements of this Indenture and appropriated to the payment of the Bonds by the Indenture.

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

Section 6.03 Authority of the Issuer. The Issuer is duly authorized under the Constitution and laws of the State of Minnesota to issue the Bonds, to finance the acquisition and betterment of the Project, to execute this Indenture and assign and pledge to the Trustee the Trust Estate, including the Project and the Rental Payments, and to make the covenants as herein provided.

Section 6.04 Concerning the Lease. The Issuer will cause and permit the Trustee to take such action as may be necessary or advisable to enforce the covenants, terms and conditions of the Lease if such action shall, in the Trustee's discretion and upon consultation with counsel as provided in Section 8.02 hereof, be deemed to be in the best interest of the Bondholders. The Issuer shall do or cause to be done all things on its part to be performed under the Lease so that the obligations of the City thereunder shall not be impaired or excused.

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

Section 6.06 Liens. Other than conveyances allowed by the provisions of Sections 8.6 and 8.7 of the Lease, the Issuer agrees it will not mortgage, sell or otherwise encumber its interests in the Project during the term of the Lease, except as such liens may constitute Permitted Encumbrances (as defined in the Lease).

Section 6.07 Rebate. The Issuer shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000. For purposes of qualifying the Bonds for the small issuer exception to the federal arbitrage rebate requirements, the Issuer hereby finds, determines and declares that (i) pursuant to Section 148(f)(4)(D)(iv) of the Code and a certain resolution adopted by the City of Isanti City Council allocating to the Issuer \$3,280,000 of the City's \$5,000,000 "small issuer" amount for calendar year 2021, the Bonds are treated as issued by a governmental unit with general taxing powers, (ii) the Bonds are not private activity bonds, (iii) ninety-five percent (95%) or more of the net proceeds of the Bonds are to be used for local governmental activities and essential public purposes and functions of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer), and (iv) the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued by the Issuer (and all entities subordinate to, or treated as one issuer with, the Issuer) during the 2021 calendar year is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

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 the Issuer should default in the performance, or breach, any covenant or warranty of the Issuer contained in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this section specifically dealt with), and continuance of such default or breach (i) for a period of thirty days after there has been given, by registered or certified mail, to the Issuer by the Trustee, or to the Issuer 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 to remedy such default within such thirty (30) day period shall not constitute an event of default hereunder if the Issuer 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) if an event of default shall occur under Section 12.1 of the Lease; 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, 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 the Lease, the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Issuer 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:

(c) proceed to protect and enforce its rights 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 Lease 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;

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

(e) exercise any remedies available to the Trustee under the Lease or any other Collateral Document.

In the event of a sale under this Lease, 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.

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 Issuer or the City or the property of the Issuer or the City, 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 Issuer and/or the City 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 Collateral Document, shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys, including any proceedings undertaken by the Issuer, and of the fees, 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 Collateral 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 have been paid, any balance remaining shall be paid to the persons entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the City.

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

proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Holders of the Bonds hereby secured, and any recovery of judgment shall be for the equal benefit of the Holders of the Outstanding Bonds, subject to the provisions of Section 6.02 with respect to extended Bonds and claims for interest.

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 Collateral 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 Collateral 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 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 or the Lease, 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 City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee and the Bondholders shall continue as if no such proceedings had been taken.

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 Lease or any other Collateral 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.

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 a Responsible Officer of the Trustee shall be specifically notified in writing of such Default by the City, 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 designated corporate trust 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 investigation 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 City shall be sufficiently evidenced by an instrument signed by an Issuer Representative or a City 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 City) and the advice or 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 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 shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions 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 the Issuer 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. 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 that such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer 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 Lease 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 or the City except as herein set forth, but the Trustee may require of the Issuer and the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and of the condition of the physical property included in the Trust Estate. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder.

The Trustee shall not be responsible for and makes not 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 misconduct. 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.

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

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 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 City, 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 or the City is a party and which in the opinion of the Trustee has a substantial bearing on the interest of owners of Bonds issued hereunder, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the owners of at least 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 Issuer from funds provided by the City, 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 Issuer from funds provided by the City or from the Trust Estate.

Section 8.10 Trustee to Retain Financial Records. The Trustee shall retain all financial statements furnished by the Issuer or the City in accordance with this Indenture so long as any of the Bonds shall be Outstanding. The Trustee shall have no duty to review or analyze any such financial records. 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. All advances, counsel fees and other expenses reasonably made or incurred by the Trustee in and about the execution of the trust hereby created and reasonable compensation to the Trustee for its services in the premises shall be paid by the Issuer, from funds provided by the City. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of trustees of an express trust. If not paid by the Issuer from funds provided by the City, the Trustee shall have a first lien on moneys in its possession (other than money used to discharge Bonds under Article X), with right of payment prior to payment on account of interest or principal of any Bond issued hereunder, for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and exercise and performance of the powers and duties of the Trustee hereunder and the cost and expense incurred in defending against any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the gross negligence or willful default of the Trustee).

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

Section 8.13 Appointment of Trustee. There shall at all times be a trustee hereunder which shall be 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 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 and 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 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 predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer or of its successor execute and

deliver an instrument transferring to such successor all the estate, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and 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 City, be forthwith filed and/or recorded by the successor Trustee in each recording office where the Indenture shall have been filed and/or recorded.

Section 8.18 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.

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

Section 9.04 Bondholders' Meeting. A meeting of the Bondholders 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 City, 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 or in the city where the Trustee has its principal office as the Trustee or, in case of its failure to act, the City 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 case at any time the Issuer, pursuant to a Certified Resolution, or 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 Issuer or 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 or, in case of its failure to act, the Issuer or Bondholders calling or requesting the meeting, may make such reasonable regulations as it may deem advisable for any meeting of Bondholders in regard to proof of the holding of Bonds and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and

examination of proxies, certificates and other evidence of the right to vote, 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 and the City 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 City, the Trustee and the Holders of all the Outstanding Bonds.

ARTICLE X

PAYMENT, DEFEASANCE AND RELEASE

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

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

(b) provide for the payment of principal and premium, if any, of the Bonds and interest thereon by depositing with the Trustee at or at any time before maturity amounts sufficient either in cash or in direct obligations of or obligations the principal of and interest on which is fully guaranteed by the United States of America the principal and interest on which when due and payable (or redeemable at the option of the Holder thereof) and without consideration of any reinvestment thereof shall be sufficient to pay the entire amount due or to become due thereon for principal and premium, if any, and interest to maturity of all the Bonds Outstanding, or

(c) deliver to the Trustee (1) proof satisfactory to the Trustee that notice of redemption of all of the Outstanding callable Bonds not surrendered or to be surrendered to it for cancellation has been given or waived as provided in Article III, or that arrangements satisfactory to the Trustee have been made insuring that such notice will be given or waived, or (2) a written instrument executed by the Issuer under its official seal (if required by law) and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the Issuer, or (3) file with the Trustee a waiver of such notice of redemption signed by the Holders of all of such Outstanding Bonds, and in any such case, deposit with the Trustee before the date on which such Bonds are to be redeemed, as provided in Article III, the entire amount of the redemption price, including accrued interest, and premium, if any, either in cash or direct obligations of or obligations the principal of and interest on which is fully guaranteed by the United States of America (which do not permit the redemption thereof at the option of the issuer) in such aggregate face amount, bearing interest at such rates and maturing at such dates as shall be sufficient to provide for the payment of such redemption price on the date such Bonds are to be redeemed, and on such prior dates when principal of and interest on the Outstanding callable Bonds is due and payable, or

(d) surrender to the Trustee for cancellation all Bonds for which payment is not so provided, and shall also pay all other sums due and payable hereunder by the Issuer, then and in that case, the Trustee shall deliver to the Issuer or the City such release from the lien of the Indenture as the Issuer or City may reasonably request, and all the Trust Estate shall revert to the Issuer and the City as their interests may appear, and the entire estate, right, title and interest of the Trustee and of the owners of the Bonds shall thereupon cease, determine and become void and the Trustee in such case, upon the cancellation of all Bonds for the payment of which cash or securities shall not have been deposited in accordance with the provisions of this Indenture, shall, upon receipt of a written request of the Issuer and of a Certificate of the Issuer and an Opinion of Counsel as to compliance with conditions precedent, and at City's cost and expense, execute to the Issuer, or its order, proper instruments acknowledging satisfaction of this Indenture and

surrender to the Issuer and the City, as their interests appear, all cash and deposited securities, if any (other than cash or securities for the payment of the Bonds and interest thereon), which shall then be held hereunder as a part of the Trust Estate.

In case of any discharge of the lien of the Indenture pursuant to paragraphs (b) or (c) there shall be submitted to the Trustee an Opinion of Counsel, which opinion may be based upon a ruling or rulings of the Internal Revenue Service, to the effect that the interest on the Bonds being discharged will not be subject to federal income taxation under Section 103 of the Internal Revenue Code, notwithstanding the discharge of the Indenture.

Some but not all Outstanding Bonds may be discharged by any of the methods set forth in clauses (a), (b), (c) or (d) as if such Bonds constituted the entire series of Outstanding Bonds.

Section 10.02 Bonds Deemed Not Outstanding After Deposits. When there shall have been deposited at any time with the Trustee in trust for the purpose of discharging the Bonds as provided in Section 10.01, cash or direct obligations of or obligations fully guaranteed by the United States of America the principal and interest on which shall be sufficient to pay the principal of any Bonds (and premium, if any) when the same become due, either at maturity or otherwise, or at the date fixed for the redemption thereof and to pay all interest with respect thereto at the due dates for such interest or to the date fixed for redemption, for the use and benefit of the Holders thereof, then upon such deposit all Bonds shall cease to be entitled to any lien, benefit or security of this Indenture except the right to receive the funds so deposited, and Bonds shall be deemed not to be Outstanding hereunder; and it shall be the duty of the Trustee to hold the cash and securities so deposited for the benefit of the Holders of the Bonds, and from and after such date, redemption date or maturity, interest on Bonds thereof called for redemption shall cease to accrue.

Section 10.03 Unclaimed Money to be Returned. Any moneys deposited with the Trustee pursuant to the terms of this Indenture, for the payment or redemption of Bonds which remain unclaimed by the Holders of the Bonds for a period of two years and eleven months after the due date or the date fixed for redemption of the same, as the case may be, shall, upon the written request of the City, and if the Issuer or any successor to the obligations of the Issuer under the Indenture and the Bonds shall not at the time, to the knowledge of the Trustee, be in default with respect to any of the terms and conditions contained in the Indenture or in the Bonds, be paid to the City, and the Holders of the Bonds shall thereafter look only to the City for payment and then only to the extent of the amounts so received without interest thereon; provided, however, that within thirty days prior to the expiration of said period, the Trustee, before being required to make any such repayment, may, at the expense of the City, cause to be published in a suitable Financial Newspaper, a notice that after a date named therein said moneys will be returned to the City.

ARTICLE XI

SUPPLEMENTAL INDENTURES

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

- (a) To correct or amplify the description of the Trust Estate, or to assign, convey, pledge or transfer and set over unto the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties for the equal and proportional benefit and security of the Holders and owners of all Bonds at any time issued and Outstanding under this Indenture;
- (b) To add to the covenants and agreements of the Issuer in this Indenture contained other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Issuer or to or upon any successor;
- (c) To evidence the succession or successive successions of any other department, agency, body or corporation to the Issuer and the assumption by such successor of the covenants, agreements and obligations of the Issuer in the Bonds hereby secured and in this Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee or paying agent hereunder;
- (d) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture or any supplemental indenture as the Issuer may deem necessary or desirable and which shall not be inconsistent with the provisions of this Indenture or any supplemental indenture and which shall not impair the security of the same;
- (e) To modify, eliminate and/or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar Federal statute hereafter enacted, and to add to this Indenture such other provisions as may be expressly permitted by said Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939;
- (f) To make any other change which in the good faith judgment of the Trustee is not materially prejudicial to the Holders of any Bonds affected thereby;
- (g) To permit the issuance of Additional Bonds as provided in Section 2.11;
- (h) To revise the legal description of the Land in connection with an easement, utility access, or release of unimproved Land permitted under Sections 8.6 and 8.7 of the Lease.

The Trustee may conclusively rely on an opinion of Bond Counsel or Independent Counsel regarding whether a supplemental indenture under this Section 11.01 is permissible hereunder or does not materially prejudice the Holders of the Bonds.

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

Section 11.03 Rights of Trustee. In executing any amendment or supplemental indenture, the Trustee shall receive and will be fully protected in conclusively relying upon a certificate and an opinion of counsel stating that the execution of such amendment or supplemental indenture is authorized and permitted by this Indenture and is the legal, valid and binding obligation of the Issuer enforceable against it in accordance with its terms. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the trustee's own rights, duties or immunities under this indenture or otherwise.

Section 11.04 Modification of Indenture with Consent of Bondholders. Subject to the terms and provisions contained in this section and in Section 11.01, the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the Issuer and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Issuer 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; provided, however, that, notwithstanding any other provision of this Indenture, nothing herein contained shall permit or be construed as permitting, without the consent of the Holders of all Outstanding Bonds, (a) an extension of the maturity of any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) other than Additional Bonds authorized under Section 2.11 hereof, the creation of a lien upon or a pledge of revenues ranking prior to or on a parity with the lien or pledge created by this Indenture, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required to consent to supplemental indentures or amendments to the Lease or any other Collateral Document, or (f) a reduction in the aggregate principal amount of the Bonds required to waive an Event of Default.

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

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of such supplemental indenture shall have consented to

and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to the execution of such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

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

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

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

ARTICLE XII

AMENDMENTS TO THE LEASE OR OTHER COLLATERAL DOCUMENT

Section 12.01 Amendments to the Lease or Ground Lease Not Requiring Consent of Bondholders. The Issuer and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Lease or other Collateral Document as may be required (i) by the provisions of the Collateral Document and this Indenture, (ii) in connection with the financing of any additions or expansions of the Project so long as such amendments do not affect the obligation of the City to make Rental Payments, as they become due and payable thereunder or otherwise materially adversely affect the rights of the existing Bondholders, (iii) for the purpose of curing any ambiguity or formal defect or omission, (iv) for the issuance of Additional Bonds as provided in Section 2.11, (v) to revise the legal description of the Land in connection with an easement, utility access, or release of unimproved Land permitted under Sections 8.6 and 8.7 of the Lease or (vi) in connection with any other change therein which, in the good faith judgment of the Trustee, is not to the material prejudice of the Holders of the Bonds. The Trustee may rely on an opinion of Bond Counsel or Independent Counsel regarding whether an amendment to the Lease or other Collateral Documents under this Section 12.01 is permissible hereunder or does not materially prejudice the Holders of the Bonds.

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

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

Section 12.04 Rights of Issuer and City. The Issuer has no duty or obligation to consent to any proposed amendment to the Lease and may, at the expense of the City request and receive an opinion of such counsel as the Issuer may select in connection with any matter relating to a proposed amendment to the Lease. Any consents required of the City hereunder shall be of no further force and effect if the Lease is not in full force and effect.

ARTICLE XIII

MISCELLANEOUS

Section 13.01 Covenants of Issuer Bind Successors and Assigns. All the covenants, stipulations, promises and agreements in this Indenture contained, by or in behalf of the Issuer, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 13.02 Immunity of Officers. No recourse for the payment of any part of the principal of or interest on any Bond or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds shall be had against any officer, member or agent of the Issuer or its Board, the City or its governing body, as such, all such liability being hereby expressly released and waived as a condition of and as a part of the consideration for the execution of this Indenture and the issuance of the Bonds.

Section 13.03 No Benefits to Outside Parties. Nothing in this Indenture, express or implied, is intended or shall be construed to confer upon or to give to any person or corporation, other than the City, the parties hereto and the Holders of the Bonds issued hereunder, any right, remedy or claim under or by reason of this Indenture or covenant, condition or stipulation thereof; and the covenants, stipulations and agreements in this Indenture contained are and shall be for sole and exclusive benefit of the City, the parties hereto, their successors and assigns, and the Holders of the Bonds.

Section 13.04 Separability of Indenture Provisions. In case any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture, but this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 13.05 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 etc., to Trustee, Issuer and City. Any request, demand, authorization, direction, notice, consent of Bondholders or other document provided or permitted by this Indenture shall be sufficient for any purpose under this Indenture or the 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) 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: Economic Development Authority of the City of Isanti
110 1st Ave NW
Isanti, Minnesota 55040-7372

To the Trustee: U.S. Bank National Association
60 Livingston Avenue
St. Paul, Minnesota 55107
Attn: Corporate Trust Department

To the City: City of Isanti
110 1st Ave NW
Isanti, Minnesota 55040-7372

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF ISANTI, MINNESOTA

By _____
Secretary

The foregoing instrument was acknowledged before me on _____, 2021, by _____ and _____, the President and the Secretary, respectively, of the Economic Development Authority of the City of Isanti, Minnesota, a public body corporate and politic of the State of Minnesota, on behalf of said Authority.

13239183v2

U.S. BANK NATIONAL ASSOCIATION
Trustee

By _____
Its Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me on _____, 2021, by _____, of U.S. Bank National Association, on behalf of said Association.

Notary Public

Signature and Notary page to Indenture of Trust

EXHIBIT A

LEGAL DESCRIPTION OF LAND

All that part of the Northwest Quarter of the Southeast Quarter of Section 29, Township 35, Range 23, described as follows: Beginning at the Southwest corner of the Northwest Quarter of the Southeast Quarter; thence North along the West line of said Northwest Quarter of Southeast Quarter a distance of 375 feet; thence South 89 degrees 57 minutes 50 seconds East 580.8 feet; thence South 1 degree 16 minutes 15 seconds East 375 feet and to the South line of said Northwest Quarter of Southeast Quarter; thence West along said South line 580.8 feet, more or less, and to the Southwest corner of said Northwest Quarter of said Southeast Quarter, being the point of beginning and there to terminate.

Together with a nonexclusive easement for ingress, egress and utility purposes over and across the South 295 feet of the Northeast Quarter of the Southwest Quarter of Section 29, Township 35, Range 23 (as measured at right angles to the South line of said Northeast Quarter of Southeast Quarter), lying easterly of the easterly right-of-way line of State Trunk Highway No. 65 and westerly of a line drawn parallel with and distant 66 feet easterly of said easterly right-of-way line of State Trunk Highway No. 65 (as measured at right angles to said easterly right-of-way line).

And also including a nonexclusive easement for ingress, egress and utility purposes over and across the South 66 feet of that part of the Northeast Quarter of the Southwest Quarter of Section 29, Township 35, Range 23, lying easterly of the East right-of-way line of State Trunk Highway No. 65, as measured at right angles to the South line of said Northeast Quarter of Southwest Quarter, Isanti County, Minnesota.

EXHIBIT B

(Form of Series 2021A Bond)

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ISANTI

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI, MINNESOTA

No. R-_____ \$ _____

PUBLIC PROJECT LEASE REVENUE BOND, SERIES 2021A
(CITY OF ISANTI, MINNESOTA, LEASE WITH OPTION TO PURCHASE PROJECT)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
____%	December 15,	June 16, 2021	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ISANTI, MINNESOTA, a public body politic and corporate of the State of Minnesota (the "Issuer"), for value received, hereby promises to pay from its Public Project Lease Revenue Bond Fund to the registered owner named above, or registered assigns, the principal sum stated above on the maturity date specified above (unless subject to and duly called for earlier redemption) upon the presentation and surrender hereof and to pay to the registered owner hereof interest on such principal sum, until paid, from such Fund at the interest rate specified above from the Date of Original Issue specified above, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as specified below, semiannually on each December 15 and June 15 commencing June 15, 2022 (each, an "Interest Payment Date"). Principal and interest are payable in lawful money of the United States of America by U.S. Bank National Association, in St. Paul, Minnesota, or its successor as Trustee under the Indenture hereinafter described. Interest shall be based on a 360-day year consisting of twelve months of thirty days each and shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder") at the close of business on the first day (whether or not a Business Day) of the calendar month of such Interest Payment Date at the address set forth on the registration books maintained by the Trustee, as registrar for the Bonds. Any such interest not punctually paid or provided for will cease to be payable on such regular record dates and such defaulted interest shall be paid to the person in whose name this Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest established by the Trustee pursuant to the Indenture. Each capitalized term which is used but not otherwise defined in this Bond shall have the meaning given to that term pursuant to the Indenture or the Lease.

So long as this Bond is immobilized in global book-entry form registered in the name of the nominee of DTC, as defined in the Indenture, payments of principal of, premium, if any, and interest on this Bond shall be made as provided in the Representation Letter, as defined in the Indenture, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond or for optional or mandatory purchases of this Bond or portions thereof. Until termination of the book-entry only system pursuant to the Indenture, Bonds may be registered only in the name of DTC or its nominee, and notwithstanding express provisions of this Bond providing other or contrary results, the Representation Letter (which includes the applicable practices and procedures of DTC) shall apply to this Bond.

This Bond is issued pursuant to Minnesota Statutes, Sections 469.090 through 469.1082 and in conformity with the provisions, restrictions and limitations thereof, in aid of financing a certain project thereunder. This Bond does not constitute an indebtedness of the Issuer, within the meaning of any constitutional or statutory limitation, does not give rise to a charge against the general credit, properties or taxing powers of the Issuer or the City of Isanti, Minnesota (the "City") and does not grant to the Holder any right to have the Issuer or the City levy any taxes or appropriate any funds for the payment of the principal hereof or interest hereon. This Bond is payable solely from the moneys received under the Lease hereinafter described, or held by the Trustee in a Fund appropriated to the payment of the Bonds under the Indenture, including payments of Rental Payments to be made by the City under the Lease.

This Bond is one of an issue in the aggregate principal amount of \$3,280,000, each in the denomination of \$5,000, or an integral multiple thereof, and numbered from R-1 upwards, all of like tenor, except as to number, denomination, interest rate, maturity and redemption privilege, and all issued for the purpose of financing the costs of the construction of a municipal liquor store (the "Project"). The land on which the Project is located is to be ground leased to the Issuer under a Ground Lease Agreement from the City (the "Ground Lease"). The Project is to be leased to the City by the Issuer pursuant to a Lease Agreement, dated as of June 1, 2021 (the "Lease"). Pursuant to an Indenture of Trust, dated as of June 1, 2021 (the "Indenture"), executed and delivered by the Issuer and the Trustee, the Issuer has assigned to the Trustee its rights and interests in the Lease, including its rights to rental payments from the City but excluding certain rights to payment of expenses and indemnification. Reference is made to the Lease, the Ground Lease and the Indenture, copies of which are on file with the Trustee, for a complete description of the agreements and covenants contained therein.

The Bonds are issued pursuant to a resolution ("the Bond Resolution") adopted by the governing body of the Issuer on May 18, 2021, and the Indenture. The Bonds are equally and ratably secured by the Lease, the Indenture, and the Bond Resolution. The obligation of the City under the Lease to make Rental Payments sufficient to pay the principal of and interest on the Bonds, when due, is a limited obligation of the City which can be terminated, by non-appropriation, at the end of any fiscal year of the City. More specifically, the City has the right to cancel and terminate the Lease at the end of any fiscal year of the City if the City Council, the governing body of the City, determines not to appropriate moneys sufficient to pay the Rental Payments coming due in the next fiscal year.

All the Bonds maturing on December 15, 2030, and thereafter, are subject to prior redemption at the option of the Issuer, upon direction of the City, on December 15, 2029, and on

any date thereafter, at a redemption price equal to par plus accrued interest to date of redemption. Redemption may be in whole or in part, and if in part, the Issuer shall determine the amount of Bonds of each maturity to be prepaid; and if only part of the Bonds having a common maturity date are called for prepayment, the Bonds of that maturity shall be chosen by lot by the Trustee.

Bonds maturing on December 15, 20____ and 20____, (the "Term Bonds") shall be redeemed by lot on December 15 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

December 15, 20____ Term Bond (inclusive)

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

\$

(maturity)

Mandatory Redemption Schedule

December 15, 20____ Term Bond (inclusive)

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

\$

(maturity)

or, if less than such amount is then outstanding, an amount equal to the aggregate principal amount of the Bonds then outstanding.

The Issuer may, at its option to be exercised on or before the thirtieth day next preceding any date specified in the Mandatory Redemption Schedule above, deliver to the Bond Registrar written notice, which shall (i) specify a principal amount of such Term Bonds previously redeemed (otherwise than pursuant to the above Mandatory Redemption Schedule) or purchased and cancelled by the Bond Registrar and not theretofore applied as a credit against any redemption of Bonds pursuant to the above Mandatory Redemption Schedule, and (ii) instruct the Bond Registrar to apply the principal amount of such Term Bonds so delivered or previously redeemed or purchased and cancelled for credit against the principal installments to be prepaid pursuant to the Mandatory Redemption Schedule and selected by the Issuer. Each such Term Bond so delivered or previously redeemed or purchased and cancelled shall be credited by the Bond Registrar against the principal installments to be prepaid pursuant to the Mandatory Redemption Schedule and selected by the Issuer.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Notice of any such redemption shall be given to the Holder of each Bond called by first class mail, addressed to the Holder at the Holder's address as it appears on the registration books maintained by the Trustee, not earlier than sixty days and not later than thirty days prior to the date fixed for redemption. Prior to the date fixed for redemption, there are required to be deposited with the Trustee sufficient funds to pay the Bonds to be redeemed. Upon the happening of the above conditions, Bonds thus called for redemption shall not bear interest after the call date and, except for the purpose of payment from the funds so deposited, shall no longer be protected by the Indenture.

To effect a partial redemption of Bonds having a common maturity date, the Trustee shall select, using such method of selection set forth in the Indenture, an amount equal the principal amount of such Bonds to be redeemed. If a Bond is to be redeemed only in part, it shall be surrendered to the Trustee (with, if the Trustee so requires, a written instrument of transfer in form satisfactory to the Trustee duly executed by the Holder thereof or by the Holder's attorney, duly authorized in writing) and the Issuer shall execute (if necessary) and the Trustee shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same series having the same stated maturity and interest rate and of any authorized denomination or denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

This Bond is transferable, as provided in the Indenture, only upon books of the Issuer kept at the office of the Trustee by the Holder hereof in person or by the Holder's duly authorized attorney, upon surrender of this Bond for transfer at the office of the Trustee, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the Holder hereof 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, one or more fully registered Bonds of the same principal amount and interest rate will be issued to the designated transferee or transferees.

The Bonds may become subject to acceleration and prepayment upon the occurrence of an Event of Default or upon the occurrence of a Non-appropriation resulting in a termination of the Lease.

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

The Bonds have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

It is hereby certified and recited that the issuance of the Bonds and the acquisition and construction of the Project will promote the public welfare and carry out the purposes of the Issuer Powers 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 a debt of the Issuer or the City within the meaning of any constitutional or statutory limitation, except insofar as this Bond shall be payable from revenues derived from the Lease or as may otherwise be available for such purposes pursuant to the Indenture.

This Bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the manual execution of the Trustee's Certificate of Authentication.

IN WITNESS WHEREOF, the Economic Development Authority of the City of Isanti, Minnesota, by its Board of Commissioners, has caused this Bond to be executed in its name by the facsimile signatures of its President and Secretary, the seal of the Issuer having been intentionally omitted as permitted by law, all as of the Date of Original Issue specified above.

Date of Registration

Registrable by: U.S. BANK NATIONAL
ASSOCIATION

Payable at: U.S. BANK NATIONAL
ASSOCIATION

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF ISANTI, MINNESOTA

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

U.S. BANK NATIONAL ASSOCIATION
St. Paul, Minnesota, Trustee

/s/ (Facsimile)
President

By _____
Authorized Signature

/s/ (Facsimile)
Secretary

ABBREVIATIONS

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

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____

(Cust) _____ (Minor)
under the _____ Uniform Transfers to Minors Act
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within
Bond and does hereby irrevocably constitute and appoint _____ as attorney to
transfer the Bond on the books kept for the registration thereof, with full power of substitution in
the premises.

Dated: _____

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

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company, by a brokerage firm having
a membership in one of the major stock exchanges, by any other "Eligible Guarantor Institution"
as defined in 17 CFR 240.17 Ad-15(a)(2), or in such other manner as shall be reasonably
required by or acceptable to the Trustee, including signatures guaranteed by a member of the
Medallion Signature Program.

The Trustee will not effect transfer of this Bond unless the information concerning the
transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners
if the Bond is held by joint account.)