

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Great Falls, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 9534, entitled: "RESOLUTION RELATING TO \$1,500,000 GENERAL FUND OBLIGATION NOTE , SERIES 2005 (TAXABLE); AWARDED THE SALE, DETERMINING THE FORM AND DETAILS AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF AND MAKING CERTAIN COVENANTS RELATED TO THE PAYMENT THEREOF AND SECURITY THEREFOR" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission of the City at a regular meeting on December 6, 2005, and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commission Members voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this ____ day of December 6, 2005.

(SEAL)

City Clerk

RESOLUTION NO. 9534

RESOLUTION RELATING TO \$1,500,000 GENERAL FUND OBLIGATION NOTE, SERIES 2005 (TAXABLE); AWARDING THE SALE, DETERMINING THE FORM AND DETAILS AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF AND MAKING CERTAIN COVENANTS RELATED TO THE PAYMENT THEREOF AND SECURITY THEREFOR

BE IT RESOLVED by the City Commission (the “Commission”) of the City of Great Falls, Montana (the “City”), as follows:

Section 1. Recitals.

1.01. The electors of the City on July 1, 1986 adopted a home rule charter with plenary self governing powers (“Self-Government Charter”). The Montana Attorney General has issued an opinion that a local government with a Self-Government Charter has the authority to acquire and operate electric and natural gas utility within the boundaries of the local government unit.

1.02. Pursuant to Ordinance No. 2861, the City created Electric City Power to market and provide electric services to customers within the City in an effort to assure its business and residents of a steady supply of electrical energy and service, at as cost effective and efficient rates as possible. Pursuant to Resolution No. 2925, the City has recently approved the creation and organization of a non profit corporation, Electric City Power, Inc. (“Electric City Power”), to operate the City’s electrical utility.

1.03. Since August, 2003, the City has been a member of Southern Montana Electric Generation and Transmission Co-Op (“SME G&T”), and has participated with SME G&T in independent consultant studies to determine the economic feasibility of constructing a ‘clean coal’ technology electric generation resource in Montana near the City. The intent is to build a 250 MW electric generation plant using the most environmentally compliant coal fired electric generation facility technology currently available (the “Plant”). The electricity from this plant will be used to replace existing long-term federal power supply contracts which will terminate beginning in 2008 and to enable the City to provide stable, reliable prices to businesses, public facilities, and residents, particularly low to moderate income residents of the City, in place of the current default supply of electricity currently available to the City and its residents.

1.04. The City has determined that not only will the Plant enable it to provide electrical power at a reasonable costs, the construction of the Plant at an estimated cost of \$300,000,000 will result in substantial economic development and activity in the area and will substantially increase the local tax base.

1.05. It is estimated that the City’s share of the costs of design, engineering, feasibility and environmental review costs of the Plant (the ‘ Initial Development Costs ‘) will be \$2,841,544. At this time, it is necessary the City borrow money in the amount of \$1,500,000. to pay a portion of the Initial Development Costs.

Section 2. Authorization, Award of Sale, and Satisfaction of Conditions.

2.01. Authorization. Pursuant to Montana Code Annotated, Section 7-7-4101, as amended (the “Act”), a municipality is authorized to incur an obligation that constitutes a general obligation of the municipality but is not secured by its taxing power, without approval of the electors upon the satisfaction of certain conditions. Pursuant to such authority and Resolution No.9533, this Commission authorized the issuance and sale of \$1,500,000 principal amount of taxable general fund note of the City for the purpose of paying its share of the costs associated with the design, engineering, feasibility analysis, environmental review, and other development costs (the “Initial Development Costs”) of the Highwood Generating Plant (the “Project”).

2.02. Award of Sale. This Commission hereby finds, determines, and declares that it is in the best interests of the City for the City to borrow \$1,500,000 (One Million Five Hundred Thousand Dollars) from First Interstate Bank Montana, of Great Falls, Montana (the “Bank”), pursuant to Montana Code Annotated, Section 7-7-4104(2), and evidence such loan by a general fund obligation note issued in the amount of \$1,500,000 on the terms and conditions set forth in this resolution (the “Note”).

2.03. Satisfaction of Conditions. Pursuant to the Act, a municipality is authorized to issue general obligations of the municipality not secured by its taxing power without submitting the question of incurring the indebtedness to the electors, upon the satisfaction of certain conditions: (1) the principal amount of the obligations may not exceed 10% of the general fund budget of the municipality in each of the two preceding fiscal years; (2) at the time the obligations are issued, the debt service in the current or any future fiscal year on the obligations and any other outstanding obligations issued pursuant to the Act do not exceed 2% of the revenues deposited in the general fund of the municipality in each of the two immediately preceding years; and (3) the term of the obligations does not exceed 20 years. The City represents that it meets the conditions of the Act as follows:

(1) The \$1,500,000 principal amount of the Note does not exceed 10% of general fund budget of the City for the immediately two preceding fiscal years, i.e., \$1,666,537 for fiscal year ended June 30, 2004, or \$1,798,235 for the fiscal year ended June 30, 2005.

(2) Given the Maximum Interest Rate on the Note, (7.21%) the maximum amount of debt service on the Note in the current or any future fiscal year of the City (\$153,479) does not exceed 2% of the revenue deposited in the general fund of the City in each of the two immediately preceding fiscal years, i.e., \$346,827 and \$347,390, respectively, there being no other obligations outstanding that the City has issued under the Act; and

(3) The final stated maturity of the Note is January 1, 2026, a date not more than 20 years from the date of issuance of the Note.

2.04. Recitals. All acts, conditions and things required by the Constitution and laws of the State of Montana, including the Act, in order to make the Note valid and binding general obligations in accordance with their terms and in accordance with the terms of this resolution

have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

Section 3. Note Terms, Execution and Delivery.

3.01. Term of Note, Interest Rate, and Payment Dates. The Note shall be designated “City of Great Falls General Fund Obligation Note, Series 2005 (Taxable).” The Note shall be issued as a fully registered note of a single stated maturity, and shall bear interest from the date of original issue until paid or duly called for redemption at a Variable Rate (as hereafter defined) as such may be adjusted from time to time as hereinafter provided. The Variable Rate shall be equal to the constant rate of the Five Year US Treasury Index as of the as reported in the Wall Street Journal on the Adjustment Date or, if the Adjustment Date is not a Business Day (as hereinafter defined), the immediately preceding Business Day, plus 2.3% per annum but in no event to exceed seven and twenty-one hundredths percent (7.21%) per annum (the “Maximum Rate of Interest”). The Initial Interest Rate shall be the Variable Rate in effect on the day of Closing. As used herein, “Adjustment Date” means each 5th year anniversary date of the Closing on the Note, during the term of the Series 2005 Note, and “Adjustment Period” means the five year period beginning on an Adjustment Date and ending on the day immediately preceding the next succeeding Adjustment Date or the final stated maturity of this Note, whichever is earlier; provided that if this Note is not paid at its final stated maturity, the final Adjustment Period shall extend until all principal installments hereof are paid or provision has been duly made for their payment. As used herein, “Business Day” means any day other than (i) a Saturday or Sunday, or (ii) a legal holiday in the State of Montana. Interest shall be calculated on the basis of a year of 365 days. Closing shall mean the day of execution and delivery of the Note and receipt of the purchase price thereof.

The Note shall be payable over a term not to exceed 20 years. Interest only on the Note shall be paid semiannually on July 1 and January 1, commencing July 1, 2006 through January 1, 2008. Commencing July 1, 2008, semiannual payments of principal and interest shall be paid on each July 1 and January 1 through January 1, 2026 in the amounts as set forth on the debt service schedule (the “Debt Service Schedule”) provided to the City by the Bank and attached to the Note. The initial Debt Service Schedule for the Note is attached to the Note as Schedule I in Exhibit A. Upon each Adjustment Date, the Bank will provide and the City will attach to the Note an adjusted Debt Service Schedule.

3.02. Registered Form; Payment. The Note shall be issuable only in fully registered form, and the ownership of the Note shall be transferred only upon the Note Register of the City hereinafter described. Principal of and interest on the Note is payable in lawful money of the United States of America. Principal and premium, if any, shall be payable by check or draft drawn on the Registrar hereinafter described upon presentation and surrender of the Note at maturity or upon redemption at the principal office of the Registrar; provided, however, the Holder shall not be required to surrender the Note upon partial payment or redemption of the Note, but only upon final maturity. Interest on the Note shall be payable on January 1 and July 1 in each year, commencing January 1, 2006, by check or draft of the Registrar mailed to the owners of record thereof as such appear in the Note Register as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

3.03. Dating of Note. The Note shall be originally dated as of the date of its original issuance and delivery, and upon authentication of the Note the Registrar (as hereinafter defined) shall indicate thereon the date of such authentication.

3.04. Registration. The City shall appoint, and shall maintain, a note registrar, transfer agent and paying agent (the “Registrar”). The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal office a Note Register in which the Registrar shall provide for the registration of ownership of the Note and the registration of transfers and exchanges of the Note entitled to be registered, transferred or exchanged.

(b) Transfer of Note. Upon surrender to the Registrar for transfer of the Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of a like aggregate principal amount and maturity, as the case may be, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer of the Note within the 15 days the Note is being selected for redemption or of any Note or portion thereof selected for redemption.

(c) Exchange of Note. Whenever the Note is surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Notes of a like aggregate principal amount, interest rate and maturity, as requested by the registered owner or the owner’s attorney in writing.

(d) Cancellation. All Notes surrendered upon any transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Note or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name the Note is at any time registered in the Note Register as the absolute owner of such Note, whether such Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note and for all other purposes, and all such payments so made to any such registered owner or upon the owner’s order shall be valid and effectual to satisfy and discharge the liability of the City upon such Note to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Notes (except an exchange upon a partial redemption), the Registrar may impose a charge upon the owner

thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Notes. In case the Note shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Note of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Note or in lieu of and in substitution for any such Note lost, stolen or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Note lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Note was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate note or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. The Note so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Note has already matured or such Note has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

3.05. Appointment of Initial Registrar. The City hereby appoints the Fiscal Services Director of the City of Great Falls, at its address at 2 Park Drive South, Great Falls, Montana, to act as initial Registrar. The City reserves the right to appoint a bank, trust company or other financial institution as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed.

3.06. Prepayment. The principal of the Note is subject to prepayment at the option of the City, in whole or in part on any Business Day at a price equal to the principal amount thereof to be prepaid plus interest accrued to the redemption date, without premium. Notice of prepayment will be mailed, at least ten days before said redemption date, to the registered owner thereof, by first-class mail postage prepaid. Upon partial prepayment of the Note, the outstanding principal amount thereof will be reamortized at the then-existing interest rate. The Fiscal Services Director, at least ten days prior to the designated redemption date, shall give the Bank notice of the date and amount of any prepayment portions thereof shall cease to bear interest.

3.07. Execution and Delivery. The Note shall be forthwith prepared for execution under the direction of the Fiscal Services Director, and shall be executed on behalf of the City by the signatures of the Mayor, the City Manager and the Fiscal Services Director; provided that said signatures may be printed, engraved or lithographed facsimiles thereof. The seal of the City need not be affixed to or imprinted on any Note. In case any officer whose signature or a facsimile of whose signature shall appear on the Note shall cease to be such officer before the delivery thereof, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless and until a certificate of authentication on such Note has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Notes need not be signed by the same representative. The executed certificate of authentication on each Note shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Note has been fully executed

and authenticated, it shall be delivered by the Fiscal Services Director to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

Section 4. Form of Note. The Note shall be in substantially the form set forth in Exhibit A hereto (which is hereby incorporated herein and made a part hereof) if issued in the form of a single Note, with such appropriate variations, omissions and insertions as are permitted or required by this resolution.

Section 5. Security Provisions.

5.01. Acquisition and Construction Account; Use of Proceeds. There is hereby created a special account to be designated as the “2005 Acquisition and Construction Account” (the “Acquisition and Construction Account”), to be held and administered by the Fiscal Services Director separate and apart from all other funds of the City. The City appropriates to the Acquisition and Construction Account: (a) all proceeds of the sale of the Note and (b) all income derived from the investment of amounts on hand in the Acquisition and Construction Account. The Acquisition and Construction Account shall be used solely to defray expenses of the Project, including but not limited to the transfer to the Debt Service Account described in Section 4.02 of amounts sufficient for the payment of interest and principal, if any, due upon the Note prior to the completion and payment of all costs of the Project. Upon completion and payment of all costs of the Project, any remaining proceeds of the Note in the Acquisition and Construction Account shall be credited and paid to the Debt Service Account.

5.02. Debt Service Account. So long as the Note is outstanding and any principal thereof or interest thereon unpaid, the Fiscal Services Director shall maintain a separate and special 2005 Debt Service Account (the “Debt Service Account”) to be used for no purpose other than the payment of the principal of and interest on the Note. The City irrevocably appropriates to the Debt Service Account: (a) all funds to be credited and paid thereto in accordance with the provisions of Section 5.01, (b) all amounts appropriated or transferred in accordance with Section 5.03 of this resolution, (c) all income derived from the investment of amounts on hand in the Debt Service Account, and (d) such other money as shall be received and appropriated to the Debt Service Account from time to time.

5.03. General Obligations; Pledge of General Credit; Covenant To Make Appropriations. (a) The Note is a general obligation of the City, but is not secured by a pledge of the taxing power of the City. The general credit (but not the taxing power) of the City shall be and is hereby irrevocably pledged to the prompt and full payment of the principal of and interest on the Note when due. The principal of and interest on the Note are payable from any funds of the City legally available for the payment thereof, including funds on hand in the General Fund of the City. If on any date that the payment of principal of or interest on the Note is due and the amount on hand in the Debt Service Account is insufficient for the payment thereof, this Commission shall forthwith appropriate to the Debt Service Account sufficient legally available money of the City to make good the deficiency.

(b) As security for the Note, the City hereby covenants and agrees to appropriate each fiscal year during the term of the Bonds from its General Fund an amount sufficient for the

payment of the principal of and interest on the Note due in such fiscal year. Such appropriated funds shall be credited to the Debt Service Account. It is acknowledged and agreed that the City has not granted a lien on any revenues or funds in its General Fund or otherwise provided for the segregation of such revenues or funds as security for the payment of the Notes, and that any ad valorem taxes the City may in its discretion levy to pay principal of and interest on the Note are subject to applicable limits now or hereafter imposed by law on the amount of taxes that may be levied by the City.

Section 6. Defeasance.

6.01. General. When the liability of the City on the Note issued under and secured by this Resolution and all interest thereon has been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of the Note shall cease.

6.02. Maturity. The City may discharge its liability with reference to all Notes and principal installments thereof and interest thereon which are due on any date by depositing with the Registrar for such Notes on or before the date a sum sufficient for the payment thereof in full; or if any Note or principal installment thereof or interest thereon shall not be paid when due, the City may nevertheless discharge its liability with reference thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

6.03. Redemption. The City may also discharge its liability with reference to any Notes or principal installments thereof which are called for redemption on any date in accordance with their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due thereon, provided that notice of such redemption has been duly given as provided in this Resolution.

6.04. Escrow. The City may also at any time discharge its liability in its entirety with reference to any Notes or principal installments thereof subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose (including, if so qualified, the Registrar), cash or securities which are general obligations of the United States or securities of United States agencies which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to provide funds sufficient to pay all principal, interest and redemption premiums, if any, to become due on such Notes or principal installments at their stated maturities or, if notice of redemption thereof has been given or irrevocably provided for, to such earlier redemption date.

6.05. Irrevocable Deposits. If an officer of the City is the Registrar, any deposit made under this Section 6 with the Registrar shall be irrevocable and held for the benefit of the holders of Notes in respect of which such deposits have been made.

PASSED by the City Commission of the City of Great Falls, Montana, this 6th day of December, 2005.

Mayor

Attest:

City Clerk

Attest as to Legal Content:

City Attorney

EXHIBIT A

FORM OF NOTE

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF CASCADE

CITY OF GREAT FALLS

GENERAL FUND OBLIGATION NOTE, SERIES 2005 (TAXABLE)

No. 1

\$1,500,000

REGISTERED OWNER: FIRST INTERSTATE BANK MONTANA

FOR VALUE RECEIVED, THE CITY OF GREAT FALLS, CASCADE COUNTY, STATE OF MONTANA (the "City"), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, the principal amount specified above, and to pay interest on said principal amount to the registered owner hereof from the date of original issue at an interest rate equal to the Variable Rate as hereafter defined or from such later date to which interest has been paid or duly provided for until this Note has been paid. Principal of this Note is payable upon presentation and surrender hereof to the office of the Fiscal Services Director of Great Falls, as Note Registrar, Transfer Agent and Paying Agent, at its address at 2 Park South, Great Falls, Montana, or its successor designated under the Resolution described herein (the "Registrar"). Interest only on the Note shall be paid semiannually on July 1 and January 1, commencing July 1, 2006 through January 1, 2008. Commencing July 1, 2008, semiannual payments of principal and interest shall be paid on each July 1 and January 1, through January 1, 2026, by check or draft mailed by the Registrar to the person in whose name this Note is registered as of the close of business on the 15th day (whether or not a Business Day) of the immediately preceding month, at her address as it appears on the Note Register maintained by the Registrar. "Business Day" means any day other than a Saturday, Sunday or legal holiday of the State of Montana. The principal of and interest on this Note are payable in lawful money of the United States of America.

THE PRINCIPAL OF AND INTEREST ON THE NOTE IS PAYABLE FROM ANY FUNDS OF THE CITY LEGALLY AVAILABLE FOR THE PAYMENT THEREOF, INCLUDING FUNDS IN ITS GENERAL FUND. THE NOTES ARE NOT SECURED BY A PLEDGE OF THE CITY'S TAXING POWER.

This Note comprises this issue of the General Fund Obligation Note, Series 2005 (Taxable) of the City and is issued in the total principal amount of \$1,500,000 (the "Note"), authorized by the City in accordance with Montana Code Annotated, Section 7-7-4104, as amended, for the purpose of paying its share of the costs associated with the design, engineering, feasibility analysis, environmental review, and other development costs for its share of the

proposed Highwood Generating Plant (the "Project"), and obtaining financing for the Project, and paying costs associated with the sale and issuance of the Note, all pursuant to resolution duly adopted by the City Commission of the City, including a resolution adopted on December 6, 2005 (the "Resolution"), and in full conformity with the Constitution and laws of the State of Montana thereunto enabling. The Note is issuable as a fully registered Note.

Outstanding principal of this Note shall bear interest from its date of delivery until paid at the Variable Rate (as hereinafter defined), as such may be adjusted from time to time as hereinafter provided. The Variable Rate shall be equal to the rate on the constant Five Year US Treasury as reported in the Wall Street Journal on the Adjustment Date or, if the Adjustment Date is not a Business Day (as hereinafter defined), the immediately preceding Business Day, plus 2.3 % per annum but in no event to exceed seven and twenty-one hundredths percent (7.21%) per annum (the "Maximum Rate of Interest"). The Initial Interest Rate shall be the Variable Rate in effect on the day of Closing. As used herein, "Adjustment Date" means each 5th year anniversary date of the Closing on the Note, during the term of the Series 2005 Note, and "Adjustment Period" means the five year period beginning on an Adjustment Date and ending on the day immediately preceding the next succeeding Adjustment Date or the final stated maturity of this Note, whichever is earlier; provided that if this Note is not paid at its final stated maturity, the final Adjustment Period shall extend until all principal installments hereof are paid or provision has been duly made for their payment. As used herein, "Business Day" means any day other than (i) a Saturday or Sunday, or (ii) a legal holiday in the State of Montana. Interest shall be calculated on the basis of a year of 365 days. Closing shall mean the day of execution and delivery of the Note and receipt of the purchase price thereof.

The principal of the Note is subject to prepayment at the option of the City, in whole or in part on any Business Day at a price equal to the principal amount thereof to be prepaid plus interest accrued to the redemption date, without premium. Notice of prepayment will be mailed, at least ten days before said redemption date, to the registered owner thereof, by first-class mail postage prepaid. Upon partial prepayment of the Note, the outstanding principal amount thereof will be reamortized at the then-existing interest rate.

As provided in the Resolution and subject to certain limitations set forth therein, this Note is transferable upon the books of the City at the principal office of the Registrar in Great Falls, Montana, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or his attorney, and may also be surrendered in exchange for Notes of other authorized denominations. Upon any such transfer or exchange, the City will cause a new Note to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Note is registered as the absolute owner hereof, whether this Note is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Montana to be done, to exist, to happen and to be performed precedent to and in the issuance of this Note, in order to make it a valid and binding general obligation of the City according to its terms, have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; that the general credit (but not the taxing power) of the City has been irrevocably pledged to the prompt and full payment of the principal of and interest on the Notes when due; that the City has covenanted in the Resolution to appropriate each fiscal year during the term of the Note from its General Fund an amount sufficient for the payment of the principal of and interest on the Note due in such fiscal year; that the principal of and interest on the Note are payable from any funds of the City legally available for the payment thereof, including funds in its General Fund, and that if on any date that the payment of principal of or interest on the Note is due and the amount on hand in the Debt Service Account for the Note is insufficient for the payment thereof, and the City Council of the City has covenanted in the Resolution forthwith to appropriate to the Debt Service Account sufficient legally available money of the City to make good the deficiency; that the issuance of the Note does not cause the indebtedness of the City to exceed any constitutional or statutory limitation.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Great Falls, Cascade County, State of Montana, by its City Commission, has caused this Note to be executed by the facsimile signatures of the Mayor, the City Manager and the Fiscal Services Director.

(Facsimile Signature)

Mayor

(Facsimile Signature)

Fiscal Services Director

(Facsimile Signature)

City Manager

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

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

Fiscal Services Director,
as Bond Registrar, Transfer Agent,
and Paying Agent

By _____
Coleen Balzarini

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	UTMAas Custodian for (Cust) (Minor)
TEN ENT -- as tenants by entireties	under Uniform Transfers to Minors Act (State)
JT TEN -- as joint tenants with right of survivorship and not as tenants in common	

Additional abbreviations may also be used.

ASSIGNMENT

FOR VALUED RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE:

/ _____ /

NOTICE: The signature to this Agreement must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEE:

Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Registrar, which requirements include membership or participation in the Securities Transfer Association Medallion Program (STAMP) or such other “signature guaranty program” determined to be acceptable by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.