

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. 10343, entitled: "RESOLUTION RELATING TO \$3,200,000 TAX INCREMENT URBAN RENEWAL REVENUE AND REFUNDING BONDS (WEST BANK URBAN RENEWAL DISTRICT), SERIES 2020; AUTHORIZING THE SALE AND PRESCRIBING THE FORMS AND TERMS THEREOF AND THE 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 April 21, 2020, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 officially this ____ day of April, 2020.

(SEAL)

City Clerk

RESOLUTION NO. 10343

RESOLUTION RELATING TO \$3,200,000 TAX INCREMENT
URBAN RENEWAL REVENUE AND REFUNDING BONDS
(WEST BANK URBAN RENEWAL DISTRICT), SERIES 2020;
AUTHORIZING THE SALE AND PRESCRIBING THE FORMS
AND TERMS THEREOF AND THE SECURITY THEREFOR

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

Section 1. Authorizations and Recitals.

1.01. Authorization. Under the provisions of Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), the City is authorized to create urban renewal areas, prepare and adopt an urban renewal plan therefor and amendments thereto, undertake urban renewal projects therein, provide for the segregation and collection of tax increment with respect to property taxes collected in such areas, issue its bonds to pay the costs of such projects and to refund bonds previously issued under the Act and pledge to the repayment of the bonds the tax increment and other revenues derived from projects undertaken within the urban renewal area.

1.02. The District and the Urban Renewal Plan. Pursuant to the Act and Ordinance No. 2967 adopted on March 20, 2007, as amended by Ordinance No. 3027 adopted on December 16, 2008, Ordinance No. 3145 adopted on August 2, 2016 and Ordinance No. 3209 adopted on November 5, 2019 (the “Ordinance”), the City created the City of Great Falls West Bank Urban Renewal District (the “District”) as an urban renewal area and approved the West Bank Urban Renewal Plan for the District (the “Urban Renewal Plan”). The Urban Renewal Plan provides for the segregation and collection of tax increment with respect to the District. The District and the Urban Renewal Plan have been duly and validly created and adopted in accordance with the Act and are in full force and effect.

1.03. The West Bank Landing Project. Pursuant to the Act and the Ordinance, the City (i) designated and approved the West Bank Landing Project as an urban renewal project, consisting of a 12.5 acre, multi-phase, mixed-use commercial development in the District, including construction of a four story 127-room hotel and future sites for restaurants, office buildings, retail shops and residential condominiums, to be located at the West Bank Landing generally on the east side of 3rd Street NW, along and to the northeast of 4th Avenue NW (the “West Bank Landing Project”) and (ii) authorized the use of Tax Increment to pay or reimburse West Bank LLC (the “West Bank Developer”) for the costs of certain qualified improvements associated with the West Bank Landing Project, consisting of environmental remediation, removal of existing buildings, design, engineering and relocation of overhead power and telecom utilities, and design, engineering, construction and installation and extension of water, sanitary sewer and storm sewer utilities (collectively, the “Infrastructure Improvements”).

The City and the West Bank Developer entered into a Development Agreement, dated as of August 2, 2016, as amended and supplemented by Amendment No. 1 to Development Agreement dated as of October 1, 2018, Amendment No. 2 to Development Agreement dated as

of October 15, 2019, and Amendment No. 3 to the Development Agreement dated as of February 19, 2020 (collectively, the “West Bank Landing Development Agreement”), with respect to the West Bank Landing Project and the Infrastructure Improvements. The West Bank Developer has represented to the City that it has satisfied all preconditions for payment by the City of the costs of the Infrastructure Improvements. The City has heretofore paid the West Bank Developer for a portion of the costs of the Infrastructure Improvements out of Tax Increment funds on hand. The City Commission has determined that it is in the best interests of the City to finance the remaining portion of the costs of the Infrastructure Improvements in the amount of \$1,592,614.

1.04. Refunding of the Series 2009A Bonds. Pursuant to the Act and Resolution No. 9815 adopted by the Commission on October 20, 2009 (the “Original Resolution”), the City issued its \$2,000,000 Tax Increment Revenue Bonds, Series 2009A (Federal Courthouse/4th Avenue NW Project) (the “Series 2009A Bonds”), payable from Tax Increment, of which \$1,505,000 aggregate principal amount remains outstanding. Proceeds of the Series 2009A Bonds were used to undertake a survey of the historical and cultural resources in the District to assure preservation and enhancements in the redevelopment of the District; various improvements to the City’s West Bank Park including improved access, parking lot, fire protection, landscaping, and rehabilitation of facilities; the 4th Avenue NW Reconstruction Project consisting of a track crossing and rail signals, realignment and reconstruction of 4th Avenue NW, including land acquisition; improvements to the intersection with 3rd Street NW; the extension and looping of the City’s water main to connect 3rd Street NW to Central Avenue West and the Federal Courthouse; relocation of existing utilities; and cleanup as necessary of contaminated soils (collectively, the “2009 Project”). The Series 2009A Bonds with stated maturities on or after July 1, 2021 (the “Refunded Bonds”) are subject to redemption on and after July 1, 2020. The City Commission has determined that it is in the best interests of the City to refund the Series 2009A Bonds in order to achieve debt service savings with respect to the 2009 Project.

1.05. Authorization and Sale of Series 2020 Bonds. Pursuant to Resolution No. 10331 adopted February 18, 2020 (the “Parameters Resolution”), this Commission determined that it is in the best interests of the City to issue its Tax Increment Urban Renewal Revenue and Refunding Bonds (West Bank Urban Renewal District), Series 2020 (the “Series 2020 Bonds”), as authorized by Section 7-15-4301(1)(a) of the Act and the Resolution, for the purpose of financing the remaining costs of the Infrastructure Improvements, refunding the Refunded Bonds, funding a deposit to the Reserve Account and paying costs of issuance of the Series 2020 Bonds. The City has reserved the right under Sections 4.01, 4.02 and 4.03 of the Original Resolution to issue Additional Bonds for the purpose of providing funds to pay the costs of one or more Projects and refunding outstanding Bonds, which Additional Bonds shall be payable and secured ratably and equally and on a parity with Outstanding Bonds, upon compliance with the provisions of Section 4.01, 4.02 and 4.03 of the Original Resolution, as applicable.

Pursuant to the Parameters Resolution, this Commission authorized the negotiated sale of the Series 2020 Bonds to D.A. Davidson & Co., Great Falls, Montana (the “Original Purchaser”) and authorized the City Manager and the Fiscal Services Director to enter into the Bond Purchase Agreement, dated as of April 7, 2020, with the Original Purchaser (the “Bond Purchase Agreement”), pursuant to which the Original Purchaser agreed to purchase the Series 2020 Bonds at the aggregate purchase price of \$3,215,685.10 (representing the par amount of the

Series 2020 Bonds, less underwriter’s compensation of \$32,000.00 and plus a net original issue premium of \$47,685.10), in each case, subject to the terms and conditions of the Bond Purchase Agreement and the Resolution. The true interest cost of the Series 2020 Bonds is 3.838800%. The sale of the Series 2020 Bonds to the Original Purchaser is hereby ratified and confirmed.

1.06. Application of Series 2020 Bond Proceeds. Proceeds of the Series 2020 Bonds will be applied as follows:

| | |
|---|----------------|
| Costs of Infrastructure Improvements | \$1,592,614.00 |
| Escrow Account to Redeem Series 2009A Bonds | 1,355,375.00 |
| Deposit to Reserve Account | 204,290.00 |
| Costs of Issuance | 63,406.10 |
| Underwriter’s Discount | 32,000.00 |
| <hr/> | <hr/> |
| Total: | \$3,247,685.10 |

1.07. Estimate of Available Tax Increment. In 2012, the City issued its Tax Increment Urban Renewal Refunding Revenue Bonds, Series 2012 (West Bank Urban Renewal District) (the “Series 2012 Bonds”) in the aggregate principal amount of \$855,000. Upon the issuance of the Series 2020 Bonds, the payment to the West Bank Developer of the remaining costs of the Infrastructure Improvements and the refunding of the Series 2009A Bonds, there are no other obligations of the City in respect of the Tax Increment, other than the Series 2012 Bonds, the Series 2020 Bonds and amounts due pursuant to the Buffalo Crossing Development Agreement described below. Based on Tax Increment of \$574,686 received in Fiscal Year 2019 and projected Tax Increment of \$778,818 in Fiscal Year 2020, the City estimates that the Tax Increment to be received from the District will be at least \$780,000 per year. Accordingly, the estimated Tax Increment to be received from the District is expected to be sufficient to pay the maximum aggregate annual debt service on the Series 2012 Bonds, the Series 2020 Bonds and amounts due pursuant to the Buffalo Crossing Development Agreement.

Exhibit A hereto reflects the debt service payments on the Series 2012 Bonds and Series 2020 Bonds. The maximum aggregate annual debt service on the Series 2012 Bonds and the Series 2020 Bonds is \$263,925. Accordingly, the Tax Increment received in 2019 (\$574,686) was equal to at least 140% of the maximum Principal and Interest Requirements for any future calendar year (\$369,495) with respect to the Series 2012 Bonds and the Series 2020 Bonds.

The Tax Increment received by the City in Fiscal Year 2019 (\$574,686) and the Tax Increment estimated to be received in the next succeeding three Fiscal Years (\$780,000), is estimated to be equal to at least 140% of the maximum Principal and Interest Requirements for any future calendar year with respect to the Series 2012 Bonds and the Series 2020 Bonds. In estimating the Tax Increment to be received from the District in any future Fiscal Year, the City has assumed that, in accordance with the requirements of the Original Resolution: (1) 90% of the Taxes levied in the District will be collected in any Fiscal Year, (2) no Taxes delinquent in a prior Fiscal Year will be collected in any subsequent Fiscal Year, and (3) there will be no increase in the Tax Increment to be received in any future Fiscal Year resulting from projected inflation in property values or projected increases in Taxes.

On the date hereof, \$59,635 is on hand in the Reserve Account with respect to the Series 2012 Bonds. On the closing date, \$204,290 in proceeds of the Series 2020 Bonds will be deposited in the Reserve Account with respect to the Series 2020 Bonds. Following such deposit, the amount on hand in the Reserve Account (\$263,925) will be equal to the Reserve Requirement, taking into account the refunding of the Refunded Bonds and the issuance of the Series 2020 Bonds, as required by Section 4.01 of the Original Resolution.

Pursuant to a Development Agreement (the “Buffalo Crossing Development Agreement”) between the City and Ken Holman and Paula Gundermann, doing business as Holman Grain (“Holman Grain”), the City has agreed to reimburse Holman Grain for the costs of certain public improvements in connection with the development of a 3.19 acre mixed-use commercial development in the District. Such reimbursement obligation is payable in two phases and in an aggregate amount not to exceed \$350,600. Based on conversations with Holman Grain and pursuant to the Buffalo Crossing Development Agreement, the City expects to reimburse Holman Grain \$242,000 during Fiscal Year 2020 and \$108,600 during Fiscal Year 2021, in each case on a subordinate basis to the Series 2012 Bonds and Series 2020 Bonds.

1.08. Findings and Determinations. It is hereby found, determined and declared by this Commission as follows:

- (a) no persons were displaced from their housing by the 2009 Project or the Infrastructure Improvements;
- (b) the Plan, the 2009 Project and the Infrastructure Improvements conform to the comprehensive plan or parts thereof of the City as a whole;
- (c) the Plan, the 2009 Project and the Infrastructure Improvements afford maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment in the District by private enterprise;
- (d) a sound and adequate financial program exists for the financing of the Infrastructure Improvements and the refinancing of the Series 2009A Bonds, which program includes the City’s use of the proceeds of the Series 2020 Bonds;
- (e) the financing of the Infrastructure Improvements and the refinancing of the Series 2009A Bonds are in the best interests of the City;
- (f) the 2009 Project and the Infrastructure Improvements are authorized under the Plan and constitute and urban renewal projects within the meaning of the Act;
- (g) the estimated Tax Increment to be received by the City, as set forth in Section 1.07, and pledged to the payment of the Series 2020 Bonds will be sufficient to pay when due the Principal and Interest Requirements thereon and amounts due pursuant to the Buffalo Crossing Development Agreement;
- (h) it is in the best interests of the City to issue and sell the Series 2020 Bonds to finance the remaining costs of the Infrastructure Improvements and refinance the Series 2009A Bonds as provided in the Resolution; and

(i) the findings and determinations made by this Commission in the Ordinance are hereby ratified and confirmed.

All acts, conditions and things required by the Constitution and laws of the State, including the Act, in order to pledge the Tax Increment to the payment of the Series 2020 Bonds, to make the Series 2020 Bonds valid and binding special, limited obligations of the City in accordance with their terms and in accordance with the terms of the Resolution have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

1.09. Defined Terms. Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Original Resolution. The Original Resolution, as amended and supplemented by Resolution No. 9843 adopted by the Commission on October 20, 2009, Resolution No. 9960 adopted by the Commission on February 21, 2012 and this Supplemental Resolution, are together referred to herein as the “Resolution.”

Section 2. Bond Terms, Execution and Delivery.

2.01. Term of Series 2020 Bonds. The Series 2020 Bonds are issued under Sections 4.01, 4.02 and 4.03 of the Original Resolution and shall be designated “Tax Increment Urban Renewal Revenue and Refunding Bonds (West Bank Urban Renewal District), Series 2020.” The Series 2020 Bonds shall be in denominations of \$5,000 or any integral multiple thereof of single maturities. The Series 2020 Bonds shall mature, subject to redemption as hereinafter provided, on July 1 in the years and amounts listed below, and the Series 2020 Bonds maturing in such years and amounts shall bear interest from date of original issue until paid or duly called for redemption (including mandatory sinking fund redemption as to the term bonds maturing in 2035 and 2040) at the rates shown opposite such years and amounts, as follows:

| Year | Amount | Interest Rate | Year | Amount | Interest Rate |
|------|-----------|---------------|-------|------------|---------------|
| 2020 | \$180,000 | 3.000% | 2027 | \$ 110,000 | 3.000% |
| 2021 | 85,000 | 3.000 | 2028 | 110,000 | 4.000 |
| 2022 | 90,000 | 3.000 | 2029 | 115,000 | 3.750 |
| 2023 | 95,000 | 3.000 | 2030 | 115,000 | 3.750 |
| 2024 | 95,000 | 3.000 | 2035* | 840,000 | 4.000 |
| 2025 | 100,000 | 3.000 | 2040* | 1,160,000 | 4.000 |
| 2026 | 105,000 | 3.000 | | | |

*Term Bonds subject to mandatory sinking fund redemption as set forth in Section 2.07 below.

Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

2.02. Registered Form, Interest Payment Dates. The Series 2020 Bonds shall be issuable only in fully registered form, and the ownership of the Series 2020 Bonds shall be transferred

only upon the Bond Register. The interest on the Series 2020 Bonds shall be payable on January 1 and July 1 in each year, commencing July 1, 2020. Interest on the Series 2020 Bonds shall be payable to the Owners thereof as of the close of business on the 15th day of the month immediately preceding each Interest Payment Date, whether or not such day is a Business Day. Interest on and, upon presentation and surrender thereof, principal of each Series 2020 Bond shall be payable by check or draft issued by the Registrar described herein.

2.03. Dated Date. Each Series 2020 Bond shall be dated, as originally issued, as of April 28, 2020, and upon authentication of any Series 2020 Bond the Registrar shall indicate thereon the date of such authentication.

2.04. Registration. The City shall appoint, and shall maintain, a bond registrar, transfer agent and paying agent (the “Registrar”). This Section 2.04 shall establish a system of registration for the Series 2020 Bonds as defined in the Model Public Obligations Registration Act of Montana. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Bond Register. The Registrar shall keep at its principal office a Bond Register in which the Registrar shall provide for the registration of ownership of Series 2020 Bonds and the registration of transfers and exchanges of Series 2020 Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Series 2020 Bonds. Upon surrender to the Registrar for transfer of any Series 2020 Bond duly endorsed by the Owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the Owner thereof or by an attorney duly authorized by the Owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2020 Bonds of the same series and a like aggregate principal amount, interest rate and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of transfer of any Series 2020 Bond or portion thereof selected or called for redemption.

(c) Exchange of Series 2020 Bonds. Whenever any Series 2020 Bond is surrendered by the Owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2020 Bonds of the same series and a like aggregate principal amount, interest rate and maturity, as requested by the Owner or the Owner’s attorney in writing.

(d) Cancellation. All Series 2020 Bonds 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 Series 2020 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Series 2020 Bond 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 any Series 2020 Bond is at any time registered in the Bond Register as the absolute

owner of such Series 2020 Bond, whether such Series 2020 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Series 2020 Bond 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 Series 2020 Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Series 2020 Bonds (except for an exchange upon a partial redemption of a Series 2020 Bond), 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 Series 2020 Bonds. In case any Series 2020 Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Series 2020 Bond of the same series and a like aggregate principal amount, interest rate and maturity in exchange and substitution for and upon cancellation of any such mutilated Series 2020 Bond or in lieu of and in substitution for any such Series 2020 Bond 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 Series 2020 Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Series 2020 Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Series 2020 Bonds so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Series 2020 Bond has already matured or such Series 2020 Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Series 2020 Bond prior to payment.

2.05. Appointment of Initial Registrar. The City hereby appoints U.S. Bank National Association, of Salt Lake City, Utah, to act as the Registrar. The City reserves the right to appoint a successor Registrar, but the City agrees to pay the reasonable and customary charges of the Registrar for the services performed. Upon merger or consolidation of a bank or trust company that is acting as the Registrar, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The City reserves the right to remove any Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Series 2020 Bonds in its possession as Registrar to the successor Registrar and shall deliver the Bond Register to the successor Registrar.

2.06. Redemption.

(a) Optional Redemption. The Series 2020 Bonds with Stated Maturities in the years 2020 through 2030 are not subject to redemption prior to their Stated Maturities. The Series 2020 Bonds with Stated Maturities on or after July 1, 2035 are subject to redemption on July 1, 2030 and any date thereafter, at the option of the City, in whole or in part, and if in part from such Stated Maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities) and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner as directed by the City,

at a Redemption Price equal to the principal amount thereof and interest accrued to the Redemption Date, without premium.

The Redemption Date and the principal amount of the Series 2020 Bonds to be redeemed pursuant to this Section 2.07 shall be fixed by the Fiscal Services Director who shall give notice thereof to the Registrar at least 35 days prior to the Redemption Date or such lesser period as the Registrar accepts. The Registrar, at least 30 days prior to the designated Redemption Date, shall cause notice of redemption to be given, by first class mail or by other means required by the securities depository, to the Owners of each Series 2020 Bond to be redeemed at their addresses as they appear on the Bond Register, but no defect in or failure to give such notice shall affect the validity of proceedings for the redemption of any Series 2020 Bond not affected by such defect or failure. The notice of redemption shall specify the Redemption Date, Redemption Price, the numbers, interest rates, CUSIP numbers and maturity dates of the Series 2020 Bonds to be redeemed and the place at which the Series 2020 Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2020 Bonds or portions thereof to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and, from and after such date (unless the City shall default in the payment of the Redemption Price), such Series 2020 Bonds or portions thereof shall cease to bear interest.

2.07. Mandatory Sinking Fund Redemption. The Series 2020 Bonds having Stated Maturities in 2035 and 2040 are subject to mandatory sinking fund redemption on July 1 in the respective years and the respective principal amounts set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date:

| 2035 Term Bond | | 2040 Term Bond | |
|----------------|----------------------|----------------|----------------------|
| | Sinking Fund Payment | | Sinking Fund Payment |
| July 1 | Amount | July 1 | Amount |
| 2031 | \$120,000 | 2036 | \$215,000 |
| 2032 | 125,000 | 2037 | 225,000 |
| 2033 | 190,000 | 2038 | 230,000 |
| 2034 | 200,000 | 2039 | 240,000 |
| 2035* | 205,000 | 2040* | 250,000 |

*Stated Maturity.

If the Term Bonds having Stated Maturities in 2035 and 2040 are not previously purchased by the City in the open market or prepaid, \$205,000 in principal amount of such Term Bonds would remain to mature in 2035 and \$250,000 in principal amount of such Term Bonds would remain to mature in 2040, respectively. The principal amount of such Term Bonds required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of such Term Bonds theretofore redeemed at the option of the City and as to which the City has not previously applied amounts to reduce the principal amount of such Term Bonds on a Sinking Fund Payment Date.

2.08. Execution and Delivery. The Series 2020 Bonds shall be forthwith prepared for execution under the direction of the City Manager and the Fiscal Services Director and shall be executed on behalf of the City by the signatures of the Mayor, the City Manager, the Fiscal Services Director and the City Clerk, provided that said signatures may be printed, engraved or lithographed facsimiles thereof. The seal of the City need not be imprinted on or affixed to any Series 2020 Bond. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2020 Bonds 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 Series 2020 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under the Resolution unless and until a certificate of authentication on such Series 2020 Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2020 Bonds need not be signed by the same representative. The executed certificate of authentication on each Series 2020 Bond shall be conclusive evidence that it has been authenticated and delivered under the Resolution. When the Series 2020 Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Original Purchaser upon payment of the purchase price in accordance with the Bond Purchase Agreement, and the Original Purchaser shall not be obligated to see to the application of the purchase price.

2.09. Securities Depository for the Series 2020 Bonds.

(a) For purposes of this Section 2.09, the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Series 2020 Bond of which DTC (as hereinafter defined) or its nominee is the Owner, the Person (or subrogee of the Person) recorded as the beneficial owner of such Series 2020 Bond on the records of the Participant (as hereinafter defined) in whose name DTC holds such Series 2020 Bond.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2020 Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Series 2020 Bonds as securities depository.

“Representation Letter” shall mean the Blanket Issuer Letter of Representations pursuant to which the City agrees to comply with DTC’s Operational Arrangements.

(b) The Series 2020 Bonds shall be initially issued as separately authenticated fully registered Series 2020 Bonds, and one Series 2020 Bond shall be issued in the principal amount of each Stated Maturity of the Series 2020 Bonds. Upon initial issuance, the ownership of all Series 2020 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. The Registrar and the City may treat DTC (or its nominee) as the sole and exclusive Owner of the Series 2020 Bonds registered in its name for the purposes of payment of

the principal of or interest on the Series 2020 Bonds, selecting the Series 2020 Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to Owners of Series 2020 Bonds under the Resolution, registering the transfer of Series 2020 Bonds, and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Series 2020 Bonds under or through DTC or any Participant, or any other Person which is not shown on the Bond Register as being an Owner, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Series 2020 Bonds, with respect to any notice which is permitted or required to be given to Owners under the Resolution, with respect to the selection by DTC or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2020 Bonds, or with respect to any consent given or other action taken by DTC as Owner of the Series 2020 Bonds. So long as any Series 2020 Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Series 2020 Bond, and shall give all notices with respect to such Series 2020 Bond, only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Series 2020 Bonds to the extent of the sum or sums so paid. Unless the services of DTC as securities depository with respect to the Series 2020 Bonds are terminated as provided in subsection (c) hereof, no Person other than DTC shall receive an authenticated Series 2020 Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series 2020 Bonds will be transferable to such new nominee in accordance with subsection (e) hereof.

(c) In the event the City determines to discontinue the book-entry-only system for the Series 2020 Bonds, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Series 2020 Bonds in the form of certificates. In such event, the Series 2020 Bonds will be transferable in accordance with subsection (e) hereof. DTC may determine to discontinue providing its services with respect to the Series 2020 Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Series 2020 Bonds will be transferable in accordance with subsection (e) hereof.

(d) The Representation Letter sets forth certain matters with respect to, among other things, notices, consents and approvals by Owners and Beneficial Owners and payments on the Series 2020 Bonds. The Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under the Resolution.

(e) In the event that any transfer or exchange of Series 2020 Bonds is permitted under subsection (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Series 2020 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of the Resolution. In the event Series 2020 Bonds in the form of certificates are issued to Owners other than Cede & Co., its successor as nominee for DTC as Owner of all the Series 2020 Bonds, or another securities

depository as Owner of all the Series 2020 Bonds, the provisions of the Resolution shall also apply to all matters relating thereto, including, without limitation, the preparation of such Series 2020 Bonds in the form of Series 2020 Bond certificates and the method of payment of principal of and interest on such Series 2020 Bonds in the form of Series 2020 Bond certificates.

2.10. Form of Series 2020 Bonds. The Series 2020 Bonds shall be prepared in substantially the form set forth in Exhibit B attached hereto and by this reference made a part hereof.

2.11. Application of Proceeds of Series 2020 Bonds. Simultaneously with the delivery of the Series 2020 Bonds, the Fiscal Services Director shall cause the proceeds of the Series 2020 Bonds to be deposited as follows:

(i) Deposit \$1,355,375.00 in the Escrow Account for the redemption and prepayment of the Refunded Bonds as set forth in the Escrow Agreement;

(ii) Deposit \$204,290.00 in the Reserve Account in order to cause the balance therein to equal the Reserve Requirement giving effect to the issuance of the Series 2020 Bonds. As described in Section 1.07 hereof, on the closing date, the amount on deposit in the Reserve Account will equal the Reserve Requirement with respect to the Series 2020 Bonds and the outstanding Series 2012 Bonds; and

(iii) Deposit \$1,656,020.10 in the Construction Account to be used to pay the remaining costs of the Infrastructure Improvements (\$1,592,614.00) and costs of issuance of the Series 2020 Bonds (\$63,406.10).

2.12. Redemption of the Refunded Bonds. Simultaneously with the delivery of the Series 2020 Bonds, the Fiscal Services Director shall cause to be deposited in the Escrow Account established with the Escrow Agent under the Escrow Agreement, \$1,546,905.00 (representing a sum equal to amounts on hand in the City's debt service account for the Series 2009A Bonds (\$35,000.00), amounts on hand in the City's debt service reserve account for the Series 2009A Bonds (\$156,530.00) and proceeds of the Series 2020 Bonds (\$1,355,375.00)), for the redemption and prepayment of the Refunded Bonds, all as set forth in the Escrow Agreement between the City and U.S. Bank National Association (the "Escrow Agreement"). The Fiscal Services Director shall cause the amount so deposited to be invested in general obligations of the United States or securities of United States agencies which are authorized by law to be so deposited, maturing on the dates and bearing interest at the rates required to provide funds together with the beginning cash balance sufficient to refund the Refunded Bonds. The Escrow Account and all investments thereof shall be held in safekeeping by said Escrow Agent, and said account and all income therefrom are irrevocably appropriated for the purposes stated in this Section 2.13. The City Manager and the Fiscal Services Director are hereby authorized to enter into the Escrow Agreement substantially in the form which has been presented to this Commission attached hereto as Exhibit C, with such additions thereto or deletions therefrom as are necessary or appropriate. The Refunded Bonds are hereby called for redemption on July 1, 2020.

Section 3. Continuing Disclosure. The Commission hereby approves the Continuing Disclosure Undertaking of the City substantially in the form of the attached Exhibit D and authorizes the City Manager and the Fiscal Services Director, or in the absence or unavailability of either, the Deputy City Manager, to execute and deliver on behalf of the City contemporaneously with the date of issuance and delivery of the Series 2020 Bonds the Continuing Disclosure Undertaking, with such changes as may be necessary or appropriate. The signatures of any two authorized officials of the City are adequate to cause the Continuing Disclosure Undertaking to be binding and enforceable on the City.

Section 4. Tax Covenants and Certifications.

4.01. Use of 2009 Project and Infrastructure Improvements. The City shall not enter into any lease, use or other agreement or arrangement with any non-governmental Person relating to the use of the 2009 Project or the Infrastructure Improvements or security for the payment of the Series 2020 Bonds which might cause the Series 2020 Bonds to be considered “private activity bonds” or “private loan bonds” within the meaning of Section 141 the Code. No “impermissible agreement” as defined in Section 1.141-4(e)(4)(ii) of the Regulations, has been or will be entered into by the City in respect of the Tax Increment or otherwise to secure the Series 2020 Bonds.

4.02. General Covenant. The City covenants and agrees with the Owners from time to time of the Series 2020 Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Series 2020 Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Regulations, and covenants to take any and all actions within its powers to ensure that the interest on the Series 2020 Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

4.03. Arbitrage Certification. The Mayor, City Manager, Fiscal Services Director and City Clerk, being the officers of the City charged with the responsibility for issuing the Series 2020 Bonds pursuant to the Resolution, are authorized and directed to execute and deliver to the Original Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Series 2020 Bonds, it is reasonably expected that the proceeds of the Series 2020 Bonds will not be used in a manner that would cause the Series 2020 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and the Regulations.

4.04. Arbitrage Rebate. The City acknowledges that the Series 2020 Bonds are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2020 Bonds from gross income for federal income tax purposes, unless the Series 2020 Bonds qualify for the exception from the rebate requirement under Section 148(f)(4)(B) of the Code and no “gross proceeds” of the Series 2020 Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof. In furtherance of the foregoing, the Fiscal Services Director is hereby authorized and directed to execute a Rebate Certificate, substantially in the form to be

prepared by Bond Counsel, and the City hereby covenants and agrees to observe and perform the covenants and agreements contained therein, unless amended or terminated in accordance with the provisions thereof.

4.05. Information Reporting. The City shall file with the Secretary of the Treasury, not later than August 15, 2020, a statement concerning the Series 2020 Bonds containing the information required by Section 149(e) of the Code.

4.06. “Qualified Tax-Exempt Obligations.” Pursuant to Section 265(b)(3)(B)(ii) of the Code, the City hereby designates the Series 2020 Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code. The City has not designated any obligations in 2020, other than the Series 2020 Bonds, under Section 265(b)(3). The City hereby represents that it does not anticipate that obligations bearing interest not includable in gross income for purposes of federal income taxation under Section 103 of the Code (including refunding obligations as provided in Section 265(b)(3) of the Code and including “qualified 501(c)(3) bonds” but excluding other “private activity bonds,” as defined in Sections 141(a) and 145(a) of the Code) will be issued by or on behalf of the City and all “subordinate entities” of the City in 2020 in an amount greater than \$10,000,000.

Section 5. Repeals and Effective Date.

5.01. Repeal. All provisions of other resolutions and other actions and proceedings of the City and this Commission that are in any way inconsistent with the terms and provisions of the Resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of the Resolution.

5.02. Effective Date. This Resolution shall take effect immediately upon its passage and adoption by this Commission.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana,
this 21st day of April, 2020.

Bob Kelly, Mayor

Attest:

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

EXHIBIT A

Aggregate Debt Service Schedule

AGGREGATE DEBT SERVICE

**CITY OF GREAT FALLS, MONTANA
TAX INCREMENT URBAN RENEWAL REVENUE AND REFUNDING BONDS, SERIES 2020
(WEST BANK URBAN RENEWAL DISTRICT)
Current Refunding of Outstanding 2009A Bonds & New Money
Assumes Non-Rated, BQ, 2040 Maturity, 7/1/30 Par Call
FINAL PRICING**

| Period Ending | 2009A Current Refunding | New Money | 2012 Bonds | Aggregate Debt Service |
|--------------------------|------------------------------------|------------------|-------------------|-----------------------------------|
| 07/01/2020 | 89,550.63 | 111,243.75 | 62,355.00 | 263,149.38 |
| 07/01/2021 | 92,175.00 | 106,250.00 | 61,235.00 | 259,660.00 |
| 07/01/2022 | 95,975.00 | 104,900.00 | 60,035.00 | 260,910.00 |
| 07/01/2023 | 94,625.00 | 108,550.00 | 58,755.00 | 261,930.00 |
| 07/01/2024 | 93,275.00 | 107,050.00 | 62,415.00 | 262,740.00 |
| 07/01/2025 | 91,925.00 | 110,550.00 | 60,862.50 | 263,337.50 |
| 07/01/2026 | 90,575.00 | 113,900.00 | 59,265.00 | 263,740.00 |
| 07/01/2027 | 94,225.00 | 112,100.00 | 57,600.00 | 263,925.00 |
| 07/01/2028 | 92,725.00 | 110,300.00 | 60,800.00 | 263,825.00 |
| 07/01/2029 | 95,725.00 | 107,900.00 | 58,800.00 | 262,425.00 |
| 07/01/2030 | 93,662.50 | 105,650.00 | 61,800.00 | 261,112.50 |
| 07/01/2031 | 91,600.00 | 108,400.00 | 59,600.00 | 259,600.00 |
| 07/01/2032 | 89,400.00 | 110,800.00 | 62,400.00 | 262,600.00 |
| 07/01/2033 | 122,200.00 | 138,000.00 | | 260,200.00 |
| 07/01/2034 | 118,600.00 | 144,000.00 | | 262,600.00 |
| 07/01/2035 | 120,000.00 | 139,600.00 | | 259,600.00 |
| 07/01/2036 | 121,200.00 | 140,200.00 | | 261,400.00 |
| 07/01/2037 | 117,200.00 | 145,600.00 | | 262,800.00 |
| 07/01/2038 | 118,200.00 | 140,600.00 | | 258,800.00 |
| 07/01/2039 | 119,000.00 | 140,600.00 | | 259,600.00 |
| 07/01/2040 | 119,600.00 | 140,400.00 | | 260,000.00 |
| | 2,161,438.13 | 2,546,593.75 | 785,922.50 | 5,493,954.38 |

EXHIBIT B

[Form of Series 2020 Bond]

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF CASCADE

CITY OF GREAT FALLS, MONTANA

TAX INCREMENT URBAN RENEWAL REVENUE AND REFUNDING BONDS
(WEST BANK URBAN RENEWAL DISTRICT), SERIES 2020

No. _____ \$ _____

| <u>Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|-------------|----------------------|-------------------------------|--------------|
| % | July 1, | April 28, 2020 | 390466 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS AND NO/100

FOR VALUE RECEIVED, THE CITY OF GREAT FALLS, CASCADE COUNTY, STATE OF MONTANA (the "City"), acknowledges itself to be specially indebted and hereby promises to pay to the registered owner named above or registered assigns the principal amount specified above on the maturity date specified above or, if this Bond is prepayable as stated below, on an earlier date on which this Bond shall have been duly called for redemption, with interest hereon from the date of original issue hereof, or such later date to which interest hereon has been paid or duly provided for, until the principal amount is paid or until this Bond, if redeemable, has been duly called for redemption, at the annual rate specified above. Principal of this Bond is payable upon presentation and surrender hereof to U.S. Bank National Association, Salt Lake City, Utah, as registrar, transfer agent and paying agent (the "Registrar") at its operations center in St. Paul, Minnesota. The interest on this Bond shall be payable on January 1 and July 1 in each year, commencing July 1, 2020. Interest on the Series 2020 Bonds shall be payable to the owners of record thereof as such appear on the Bond Register as of the close of business on the 15th day of the month immediately preceding each interest payment date, whether or not such day is a Business Day. Interest on, and upon presentation and surrender thereof, the principal of each Bond shall be payable by check or draft issued by the Registrar.

The principal of and interest on this Bond are payable in lawful money of the United States of America. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the City.

This Bond is one of a duly authorized issue of Bonds of the City designated as “Tax Increment Urban Renewal Revenue and Refunding Bonds (West Bank Urban Renewal District), Series 2020” (collectively, the “Bonds”), issued and to be issued in one or more series under, and all equally and ratably secured by Resolution No. 9815, adopted by the Commission on October 20, 2009 (the “Original Resolution”), as amended by Resolution Nos. 9843, 9960 and 10343, adopted by the Commission on October 20, 2009, February 21, 2012 and April 21, 2020, respectively (as amended or supplemented in accordance with the provisions thereof, the “Resolution”), to which Resolution, copies of which are on file with the City, reference is hereby made for a description of the nature and extent of the security, the respective rights thereunder of the Owners of the Bonds and the City and the terms upon which the Bonds are to be issued and delivered. This Bond is one of the series specified in its title, issued in the aggregate principal amount of \$3,200,000 (the “Series 2020 Bonds”), all of like date of original issue and tenor except as to serial number, denomination, date, interest rate, maturity date and redemption privilege. The Series 2020 Bonds are issued by the City to (i) finance a portion of the costs of an urban renewal project (as defined in the Act) within the City’s West Bank Urban Renewal District (the “District”), (ii) refund the Tax Increment Urban Renewal Revenue Bonds, Series 2009A maturing on and after July 1, 2020, (iii) fund a deposit to the Reserve Account for the Series 2020 Bonds and (iv) pay costs of issuance of the Series 2020 Bonds. The Series 2020 Bonds are payable and secured ratably and equally and on a parity with the City’s Tax Increment Urban Renewal Refunding Revenue Bonds, Series 2012 (West Bank Urban Renewal District) (the “Series 2012 Bonds”) and any Additional Bonds hereafter issued pursuant to the Resolution. Capitalized terms used herein but not otherwise defined shall have the respective meanings given such terms in the Resolution.

The Series 2020 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Montana, particularly Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), and pursuant to the Resolution. The Bonds are payable solely and ratably from Tax Increment received by the City resulting from the extension of ad valorem taxes levied by certain Taxing Bodies against the incremental taxable value of taxable property within the District pursuant to the Act, except that under certain conditions as described in the Resolution, the Bonds may be payable from replacement revenues, if any, provided in the event of the abolition or substantial elimination of property taxation in Montana.

The Bonds are not general obligations of the City and the City’s general credit and taxing powers are not pledged to the payment of the Bonds or the interest thereon. The Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitations.

The Series 2020 Bonds with Stated Maturities in the years 2020 through 2030 are not subject to redemption prior to their Stated Maturities. The Series 2020 Bonds with Stated Maturities in 2035 and thereafter are subject to redemption on July 1, 2030 and any date thereafter,

at the option of the City, in whole or in part, and if in part from such Stated Maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner it deems fair), at a Redemption Price equal to the principal amount thereof and interest accrued to the Redemption Date, without premium.

The Series 2020 Bonds having Stated Maturities in 2035 and 2040 are subject to mandatory sinking fund redemption on July 1 in the respective years and the respective principal amounts set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date:

| 2035 Term Bond | | 2040 Term Bond | |
|----------------|----------------------|----------------|----------------------|
| | Sinking Fund Payment | | Sinking Fund Payment |
| July 1 | Amount | July 1 | Amount |
| 2031 | \$120,000 | 2036 | \$215,000 |
| 2032 | 125,000 | 2037 | 225,000 |
| 2033 | 190,000 | 2038 | 230,000 |
| 2034 | 200,000 | 2039 | 240,000 |
| 2035* | 205,000 | 2040* | 250,000 |

*Stated Maturity.

If the Term Bonds having Stated Maturities in 2035 and 2040 are not previously purchased by the City in the open market or prepaid, \$205,000 in principal amount of such Term Bonds would remain to mature in 2035 and \$250,000 in principal amount of such Term Bonds would remain to mature in 2040, respectively. The principal amount of such Term Bonds required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of such Term Bonds theretofore redeemed at the option of the City and as to which the City has not previously applied amounts to reduce the principal amount of such Term Bonds on a Sinking Fund Payment Date.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2020 Bond is transferable upon the books of the City at the principal office of the Registrar, 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 Series 2020 Bonds of other authorized denominations. Upon any such transfer or exchange, the City will cause a new Series 2020 Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the Person in whose name this Bond is registered as the absolute owner hereof, whether this Bond 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.

The Series 2020 Bonds have been designated by City as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Montana and ordinances and resolutions of the City to be done, to exist, to happen and to be performed in order to make this Series 2020 Bond a valid and binding special, limited obligation of the City in accordance with its terms have been done, do exist, have happened and have been performed as so required; that this Series 2020 Bond has been issued by the City in connection with an urban renewal project (as defined in the Act); that the City, in and by the Resolution, has validly made and entered into covenants and agreements with and for the benefit of the Owners from time to time of all Bonds issued thereunder, including covenants that it will pledge, appropriate and credit the Tax Increment to the Tax Increment Debt Service Account of the City; that Additional Bonds may be issued and made payable from the Tax Increment Debt Service Account on a parity with the Series 2012 Bonds and the Series 2020 Bonds upon certain conditions set forth in the Resolution, but no obligation will be otherwise incurred and made payable from the Tax Increment, unless the lien thereof shall be expressly made subordinate to the lien of the Series 2012 Bonds and the Series 2020 Bonds on the Tax Increment; that all provisions for the security of the Owners of the Bonds as set forth in the Resolution will be punctually and faithfully performed as therein stipulated; and that the issuance of the Series 2020 Bonds does not cause the obligations of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond 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, Montana, by its City Commission, has caused this Bond to be executed by the facsimile signatures of the Mayor, the City Manager, the Fiscal Services Director and the City Clerk, and by a printed facsimile of the official seal of the City.

CITY OF GREAT FALLS, MONTANA

(Facsimile Signature)
MAYOR

(Facsimile Signature)
CITY MANAGER

(Facsimile Seal)

(Facsimile Signature)
FISCAL SERVICES DIRECTOR

(Facsimile Signature)
CITY CLERK

Dated:

CERTIFICATE OF AUTHENTICATION

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

U.S. BANK NATIONAL ASSOCIATION,
as Registrar, Transfer Agent, and
Paying Agent

By _____
Authorized Signature

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

UTMA.....Custodian.....
(Cust) (Minor)

TEN ENT -- as tenants
by the entireties

under Uniform Gifts to

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

Minor Act.....
(State)

_____ abbreviations may also be used.

ASSIGNMENT

FOR VALUE 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.

Dated: _____

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE:

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

SIGNATURE GUARANTEED

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT C

FORM OF ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “Agreement”) is made and executed between the City of Great Falls, Montana (the “City”), and U.S. Bank National Association, in Salt Lake City, Utah (the “Agent”). The parties hereto recite and, in consideration of the mutual covenants and payments referred to and contained herein, covenant and agree as follows:

1. The City, in accordance with a resolution of its City Commission adopted on April 21, 2020 (the “Bond Resolution”), sold its Tax Increment Urban Renewal Revenue and Refunding Bonds (West Bank Urban Renewal District), Series 2020, dated, as originally issued, as of the date hereof, in the aggregate principal amount of \$3,200,000 (the “Series 2020 Bonds”) and has directed that (\$1,355,375 of the net proceeds of the Series 2020 Bonds be deposited in the Escrow Account for the purpose of providing funds for the refunding, paying and redeeming of the City’s Tax Increment Urban Renewal Revenue Bonds, Series 2009A (West Bank Urban Renewal District), dated, as originally issued, as of July 30, 2009 (the “Series 2009A Bonds”), with stated maturities in 2021 and thereafter, and outstanding in the aggregate principal amount of \$1,505,000 (the “Refunded Bonds”). In addition, the City has appropriated \$35,000 of the funds in the debt service account for the Series 2009A Bonds and \$156,530 of the funds in the debt service reserve account for the Series 2009A Bonds for deposit to the Escrow Account.

2. The Agent acknowledges receipt of the cash described in Section 1 hereof and agrees that it will invest such cash in certificates of deposit meeting the requirements of Section 1.148-5(d)(6)(ii) of the Treasury Regulations (*i.e.*, such certificates of deposit will have a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, and the yield on such certificates of deposit will not be less than the yield on reasonably comparable direct obligations of the United States and will not be less than the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public) and maturing no later than June 30, 2020. Such cash and certificates of deposit shall be held in a special segregated escrow account in the name of the City (the “Escrow Account”). The Escrow Agent will collect and receive on behalf of the City all payments of principal and interest on certificates of deposit and will remit from the Escrow Account to the paying agent of the Series 2009 Bonds the funds required for the payment of principal of and interest on the Refunded Bonds as shown on the attached Exhibit A (which is hereby incorporated herein and made a part hereof).

The Agent shall, not less than 30 days prior to July 1, 2020, provide notice of the redemption of the Refunded Bonds with stated maturities in the year 2021 and thereafter (in the form of Exhibit B hereto (which is incorporated herein and made a part hereof)), by first class mail, or by other means required by The Depository Trust Company, of New York, New York (“DTC”), to the registered owners of such Refunded Bonds at their addresses as they appear on the Bond Register.

After provision for payment of all Refunded Bonds with interest accrued thereon, the Agent will remit any remaining funds in the Escrow Account to the City, which will hold said cash in the Tax Increment Debt Service Account for the Series 2020 Bonds.

3. The City represents, based on a certification from D.A. Davidson & Co., the underwriter for the Series 2020 Bonds, that the amount to be deposited by the City pursuant to this Agreement into the Escrow Account (i.e., \$1,546,905), is sufficient to pay the redemption price of the Refunded Bonds on July 1, 2020, as described in Exhibit A hereto, including all interest accrued thereon.

4. The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of the security transactions as they occur. The City specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements from the Agent which will detail all investment transactions.

5. In order to ensure continuing compliance with Section 148 of the Code and applicable Treasury Regulations, the Agent agrees that it will not reinvest any cash received upon maturity of the certificates of deposit held in the Escrow Account without the City's prior written consent following consultation with bond counsel.

6. The Agent also acknowledges receipt of a sum described in a letter agreement between the City and the Agent, as and for full compensation for all services to be performed by it as Agent under this Agreement, and the Agent expressly waives any lien upon or claim against the moneys and investments in the Escrow Account.

7. If at any time it shall appear to the Agent that the money in the Escrow Account will not be sufficient to make any payment due to the owners of any of the Refunded Bonds, the Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Agent for deposit in the Escrow Account from moneys on hand and legally available therefor, such additional moneys as may be required to make any such payment.

8. On August 1, 2020, the Agent shall submit to the City a report covering all money it shall have received and all payments it shall have made or caused to be made hereunder. Such report shall also list the amount of money existing in the Escrow Account, if any, on such date.

9. It is recognized that title to the certificates of deposit and moneys held in the Escrow Account from time to time shall remain vested in the City but subject always to the prior charge and lien thereon of this Agreement and the use thereof required to be made by the provisions of this Agreement. The Agent shall hold all such certificates of deposit and moneys in the Escrow Account as a special trust fund and account separate and wholly segregated from all other funds and investments of the Agent on deposit therein and shall never commingle such certificates of deposits and moneys with other money or investments. It is understood and agreed that the responsibility of the Agent under this Agreement is limited to the safekeeping and segregation of the certificates of deposit and moneys deposited with it in the Escrow Account and the collection of and accounting for the principal and interest payable with respect thereto.

10. This Agreement is made by the City for the benefit of the owners of the Refunded Bonds and is not revocable by the City, and the initial funds deposited in the Escrow Account by the City have been irrevocably appropriated for the payment and redemption of the Refunded Bonds and interest thereon, in accordance with this Agreement.

11. This Agreement shall be binding upon and shall inure to the benefit of the City and the Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third-party beneficiary contract for the benefit of the owners of the Refunded Bonds. Said third-party beneficiaries shall be entitled to enforce performance and observance by the City and the Agent of the respective agreements and covenants herein contained as fully and completely as if said third-party beneficiaries were parties hereto. Any bank or trust company into which the Agent may be merged or with which it may be consolidated or any bank or trust company resulting from any merger or consolidation to which it shall be a party or any bank or trust company to which it may sell or transfer all or substantially all of its corporate trust business shall, if the City approves, be the successor agent hereunder without the execution of any additional document or the performance of any further act.

12. This Agreement may not be amended except to sever any clause herein deemed to be illegal or cure any ambiguity or correct or supplement any provision herein which may be inconsistent with any other provision; provided that the Agent shall determine that any such amendment shall not adversely affect the owners of the Refunded Bonds.

IN WITNESS WHEREOF the parties hereto have caused this Escrow Agreement to be duly executed by their duly authorized officers, as of the 28th day of April, 2020.

CITY OF GREAT FALLS, MONTANA

City Manager

Fiscal Services Director

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent

By _____
Its Vice President

(Signature page to Escrow Agreement, dated April 28, 2020,
with the City of Great Falls, Montana)

EXHIBIT A

\$3,200,000

Tax Increment Urban Renewal Revenue and Refunding Bonds
(West Bank Urban Renewal District), Series 2020
City of Great Falls, Montana

DEBT SERVICE SCHEDULE FOR
REFUNDED SERIES 2009A BONDS

| <u>Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|------------------|-----------------|----------------|
| 07/01/2020 | \$1,505,000.00 | \$41,905.00 | \$1,546,905.00 |

EXHIBIT B

NOTICE OF REDEMPTION

Tax Increment Urban Renewal Revenue Bonds, Series 2009A
(West Bank Urban Renewal District)
City of Great Falls, Montana

NOTICE IS HEREBY GIVEN that the City of Great Falls, Montana (the “City”), has called for redemption all of its Tax Increment Urban Renewal Revenue Bonds, Series 2009A (West Bank Urban Renewal District), dated, as originally issued, as of July 30, 2009, maturing on July 1 in the years and amounts and bearing interest and CUSIP numbers as set forth below:

| <u>Maturity (July 1)</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>CUSIP Number</u> |
|------------------------------|-----------------------------|--------------------------|-------------------------|
| 2024* | \$310,000 | 5.20% | 390466EF3 |
| 2029* | 480,000 | 5.55 | 390466EL0 |
| 2034* | 645,000 | 5.80 | 390466ER7 |

* *Term Bonds.*

Such bonds have been called for redemption on July 1, 2020, and interest thereon will cease to accrue from and after said date. The redemption price is equal to the principal amount of the bonds plus interest accrued to the redemption date, without premium.

Holders of such bonds maturing in said years should surrender their bonds for payment to U.S. Bank National Association, of Salt Lake City, Utah, as paying agent, for payment on July 1, 2020 at its operations center at 60 Livingston Avenue - Bond Drop Window, St. Paul, Minnesota 55107 or if by mail to P.O. Box 64111, St. Paul, Minnesota 55164-0111.

Important Notice:

We are required by law to withhold an applicable portion of the principal amount of your holdings redeemed unless we are provided with your social security number or federal employer identification number, properly certified. Accordingly, you are instructed to submit at the time of surrender of your bonds a W-9 Form which may be obtained at a bank or other financial institution.

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment is made if the tax identification number is not properly certified.

The paying agent shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Redemption Notice. It is included solely for the convenience of the holders.

Interest on the bonds shall cease to accrue on July 1, 2020 and the holders thereof shall have no further rights with respect thereto except to receive the redemption price so deposited.

Dated: April 28, 2020.

BY ORDER OF THE CITY COMMISSION
OF THE CITY OF GREAT FALLS,
MONTANA

/s/Melissa Kinzler
City Fiscal Services Director

U.S. BANK NATIONAL ASSOCIATION

By _____
Its _____

EXHIBIT D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING is made by the CITY OF GREAT FALLS, MONTANA (the “City”) in connection with the issuance and delivery by the City of its \$3,200,000 Tax Increment Urban Renewal Revenue and Refunding Bonds (West Bank Urban Renewal District), Series 2020 (the “Series 2020 Bonds”), as of this 28th day of April, 2020.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Series 2020 Bonds and the security therefor and to permit the Original Purchaser and other participating underwriters in the primary offering of the Series 2020 Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”), the City hereby makes the following covenants and agrees, for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Series 2020 Bonds, to provide annual reports of specified information and notice of the occurrence of certain events to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access system website (“EMMA”), as hereinafter described. The City is the only “obligated person” in respect of the Series 2020 Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made.

If the City fails to comply with this Continuing Disclosure Undertaking, any Person aggrieved thereby, including the Owners of the outstanding Series 2020 Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of the Continuing Disclosure Undertaking, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder. Notwithstanding anything to the contrary contained in this Continuing Disclosure Undertaking, in no event shall a default under this Continuing Disclosure Undertaking constitute a default under the Series 2020 Bonds or under any other provision of the Resolution.

As used in this Continuing Disclosure Undertaking, “Owner” means, in respect of a Series 2020 Bond, the registered owner or owners thereof appearing in the Bond Register or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used in this Continuing Disclosure Undertaking, “Beneficial Owner” means, in respect of a Series 2020 Bond, any Person that (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Series 2020 Bond (including Persons holding Series 2020 Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Series 2020 Bond for federal income tax purposes.

(b) Information To Be Disclosed. The City will provide, in the manner set forth in paragraph (c) hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

(i) On or before 270 days after the end of each fiscal year of the City, commencing with the fiscal year ending June 30, 2020, the following financial information and operating data in respect of the City (the “Disclosure Information”):

(A) audited financial statements of the City for the then most recent completed fiscal year or, if unavailable by the date specified, the City shall provide on or before such date unaudited financial statements as part of the Disclosure Information and, within 10 days after the receipt of thereof, the City shall provide the audited financial statements. The audited financial statements are to be prepared in accordance with generally accepted accounting principles or as otherwise provided under State law, as such principles may be changed from time to time as permitted by State law. If and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, the discrepancies will be noted; and

(B) updated information for the City for the then most recent completed fiscal year compiled by the City and publicly available under applicable data privacy or other law to include:

(1) Principal amount of Bonds outstanding in the District;

(2) Information of the District similar to what is presented in the table in the Official Statement under the heading “WEST BANK URBAN RENEWAL DISTRICT—Trends in Value and Tax Increment,” to include:

- a. Base Value;
- b. Incremental Value;
- c. Total Taxable Value;
- d. Tax Increment Revenue;
- e. Entitlement Share Revenue; and
- f. Total Tax Increment; and

(3) Debt service coverage for the then most recent completed fiscal year.

The Disclosure Information will be provided to the MSRB and may be provided in a single document or multiple documents, and may be incorporated by specific reference to documents available to the public on the internet website of the MSRB or filed with the SEC. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been filed with the SEC or have

been made available to the public on EMMA. The City shall clearly identify in the Disclosure Information each document so incorporated by reference.

If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other City operations in respect of which data is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be material (as hereinafter defined), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations.

If the Disclosure Information is changed or the Continuing Disclosure Undertaking is amended as permitted by paragraph (d) hereof, then the City shall include in the next Disclosure Information to be delivered pursuant to this Continuing Disclosure Undertaking, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(ii) In a timely manner not in excess of ten (10) business days, the City will provide notice of the occurrence of any of the following events:

- (A) principal and interest payment delinquencies;
- (B) non-payment related defaults, if material;
- (C) unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) substitution of credit or liquidity providers, or their failure to perform;
- (F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Series 2020 Bonds or other material events affecting the tax status of the Series 2020 Bonds;
- (G) modifications to rights of holders of the Series 2020 Bonds, if material;
- (H) bond calls, if material, and tender offers;
- (I) defeasances;

(J) release, substitution or sale of property securing repayment of the Series 2020 Bonds, if material;

(K) rating changes;

(L) bankruptcy, insolvency, receivership, or similar event of the City;

(M) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(N) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(O) incurrence of a financial obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or obligated person, any of which affect security holders, if material; and

(P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City or obligated person, any of which reflect financial difficulties.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Series 2020 Bond or, if not disclosed, would materially alter the total mix of information otherwise available to an investor from the Official Statement or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Series 2020 Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For purposes of paragraphs (O) and (P) above, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of either (i) or (ii). A “financial obligation” does not include municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

(iii) In a timely manner, the City will provide notice of the occurrence of any of the following events or conditions:

(A) the failure of the City to provide the Disclosure Information described under paragraph (b)(i) hereof at the time specified thereunder;

(B) the amendment or supplementing of the Continuing Disclosure Undertaking pursuant to paragraph (d) hereof, together with a copy of such amendment or supplement and any explanation provided by the City; and

(C) any change in the fiscal year of the City.

(c) Manner of Disclosure. The City agrees to make available the information described in paragraph (b) hereof:

(i) to the MSRB through EMMA in an electronic format as prescribed by the MSRB;

(ii) to any rating agency then maintaining a rating of the 2020 Bonds and, at the expense of such Bondowner, to any Bondowner who requests in writing such information at the time of the transmission under clause (i) above as the case may be, or, if such information is transmitted with a subsequent time of release, at the time such information is to be release; and

(iii) all documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(d) Term; Amendments; Interpretation.

(i) The Continuing Disclosure Undertaking shall remain in effect until all Series 2020 Bonds have been paid or defeased under the Resolution.

(ii) Notwithstanding paragraph (d)(i) hereof, the Continuing Disclosure Undertaking (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided under paragraph (b)(iii) hereof), or the consent of the Owners of any Series 2020 Bonds, by a resolution or ordinance of the City filed in the office of the recording officer of the City accompanied by an opinion of Bond Counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule, assuming that such provisions apply to the 2020 Bonds. If the Continuing Disclosure Undertaking (and the form and requirements of the Disclosure Information) are so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(iii) The Continuing Disclosure Undertaking is entered into as a continuing disclosure undertaking to provide continuing disclosure identical to that required by the continuing disclosure provisions of the Rule and should be construed so the Continuing

Disclosure Undertaking would satisfy the requirements of paragraph (b)(5) of the Rule, assuming it was otherwise applicable to the Series 2020 Bonds.

(e) Further Limitation of Liability of City. None of the agreements or obligations of the City contained in this Continuing Disclosure Undertaking shall be construed to constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions whatsoever or constitute a pledge of the general credit or taxing powers of the City.

CITY OF GREAT FALLS, MONTANA

By _____
City Manager

By _____
Fiscal Services Director