

RESOLUTION NO. 2017-015

A RESOLUTION OF THE CITY OF POLSON, RELATING TO THE AUTHORIZATION AND THE ISSUANCE OF \$951,300 PRINCIPAL AMOUNT OF CITY OF POLSON MUNICIPAL GOLF COURSE REVENUE BOND, SERIES 2017; DESCRIBING SAID BOND; PROVIDING FOR THE REGISTRATION OF SAID BOND; PROVIDING FOR THE COLLECTION, HANDLING AND DISPOSITION OF REVENUE GENERATED FROM THE OPERATION OF SAID GOLF COURSE; PLEDGING NET REVENUES FOR THE PAYMENT OF SAID BOND; PROVIDING CERTAIN COVENANTS WITH RESPECT TO FEDERAL TAX LAW; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

CITY OF POLSON LAKE COUNTY
MUNICIPAL GOLF COURSE REVENUE BOND, SERIES 2017
IN THE PRINCIPAL AMOUNT OF \$951,300

The City Commission of the City of Polson does hereby Resolve:

WHEREAS, the City owned Golf Course is in need of improvements to the irrigation system for the original nine holes, a remodel of the restaurant and the purchase of maintenance equipment (the "Improvements") and, after the redemption of the City's Golf Course Revenue Bonds in April 2017, the Golf Course Fund will have money available to pay future bonds issued to pay for the improvements; and

WHEREAS, the City has advertised for bids for the Improvements and such bids have been accepted within the estimate of costs of the Improvements; and

WHEREAS, the City is authorized to conduct the proceedings to issue revenue bonds pursuant to the terms and provisions of Title 7, Chapter 7, Parts 44, M.C.A., to finance the costs of the Improvements; and

WHEREAS, pursuant to such authority the City intends to issue its \$951,300 Series 2017 Golf Course Revenue Bond (the "Series 2017 Bond") to finance the costs of the Improvements; and

WHEREAS, the City Manager and Finance Officer have negotiated with various local financial institutions for the purchase of the Series 2017 Bond and they have received the best offer from Valley Bank of Ronan at the price and according to the terms set forth herein; and

NOW, THEREFORE, IT IS HEREBY FURTHER RESOLVED as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions.

As used in this Resolution, the following terms have the meanings provided in this Section. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words imparting the singular number shall include the plural number and vice-versa unless

the context shall otherwise indicate.

Act shall mean Title 7, Chapter 7, Parts 44 and 45 of the Montana Code Annotated as they may be amended from time to time.

Additional Bonds shall mean any bonds that the City may hereafter issue pursuant to Article X hereof having a lien upon the Net Revenues for the payment of the principal thereof, premium, if any, and interest thereon equal to the lien upon the Net Revenues in favor of the Series 2017 Bond.

Annual Budget shall mean the Golf Course budget for a Fiscal Year, as adopted or amended by the City in accordance with Section 8.10 hereof.

Annual Debt Service shall mean the amount required in a given calendar year for the payment of the principal of and interest on the Series 2017 Bond and any Additional Bonds, except interest to be paid from the proceeds of the Series 2017 Bond and/or such Additional Bonds.

Authorized Officer of the City shall mean the Mayor, City Clerk or any officer or employee of the City authorized to perform specific acts or duties pursuant to a resolution duly adopted by the City Commission.

Bond Counsel shall mean an attorney or firm of attorneys with experience and nationally recognized expertise in the area of municipal finance as may be appointed by the City from time - to - time.

Bond Resolution shall mean this Resolution No. 2017-015 adopted by the City Commission on June 5, 2017, authorizing the issuance, sale and delivery of Series 2017 Bond, as the same may be supplemented or amended.

Bond Register shall mean the registration records of the City, maintained by the Bond Registrar, on which shall appear the names and addresses of the Registered Owners of the Series 2017 Bond.

Bond Registrar or Registrar shall mean the City Finance Officer or its successors in functions, as now or hereafter designated.

Business Day shall mean a day on which banks located in the State of Montana are open for the purpose of conducting commercial banking business.

City shall mean the City of Polson organized and existing under and by virtue of the Constitution and laws of the State of Montana.

City Commission shall mean the governing body of the City.

City Finance Officer shall mean the Finance Officer or other officer of the City in charge of the City's finance.

Clerk shall mean the City Clerk or other officer of the City who is the custodian of the records of the proceedings of the Commission, or the successor in functions, if any.

Code shall mean the Internal Revenue Code of 1986, as amended, and any Treasury Regulations

promulgated thereunder or applicable thereto.

Commission shall mean the City Commission of the City as the same shall be duly and regularly constituted from time to time.

Construction Account shall mean the account of that name existing in the Golf Course Fund described in Article VII hereof.

Construction Contract shall mean the contract with O & J Golf Construction, Inc. of Moreno Valley, California, or other contractors for the construction of the Project.

Consultant shall mean Baer Design Group, LLC, of Eagle, Idaho, with respect to Golf Course irrigation.

Costs of the Project shall mean, with respect to any part of the Project, the City's costs, expenses and liabilities paid or incurred or to be paid or incurred in connection with the planning, designing, acquiring, constructing, installing, financing of such part of the Golf Course and the obtaining of all governmental approvals, certificates, permits and licenses with respect thereto, including, without limitation, any eminent domain or condemnation expenses incurred in connection with the condemnation or acquisition of the Golf Course by the City, and debt service on any evidence of indebtedness of the City issued to finance any of the foregoing, together with ancillary costs, attorney fees, bond costs, incidental costs and costs related to the sale and issuance of Series 2017 Bond, permits, utilities, accounting costs, and any other expenses or consultant fees incidental thereto.

Event of Default shall mean any of the events defined as Events of Default by Section 9.01 of this Bond Resolution.

Fiscal Year shall mean July 1 through June 30 of the succeeding calendar year.

Golf Course shall mean the City's Municipal Golf Course and any replacement, expansion and improvement thereof.

Golf Course Fund shall mean the enterprise fund of the City in which all of the Revenues and Operating Expenses of the City's Golf Course are accounted for as described in Article VII hereof.

Governmental Obligations shall mean direct obligations of the United States or obligations the principal of and interest on which is unconditionally guaranteed by the United States.

Gross Revenues shall mean all revenues and receipts from rates, fees, charges and rentals imposed for the availability, benefit and use of the City's municipal golf course as now constituted and of all replacements and improvements thereof and additions thereto, and from penalties and interest thereon, and from any sales of property acquired for the Course and all income received from the investment of such gross revenue.

Maximum Annual Debt Service shall mean an amount equal to the greatest Annual Debt Service with respect to the Series 2017 Bond and any Additional Bonds for the fiscal year such calculation is made or for any future calendar year.

Monthly Apportionment shall mean the allocation and transfer of money between the accounts described in Article VII of this Resolution in the order of priority described herein.

Net Proceeds, when used with reference to the Series 2017 Bond, shall mean the face amount of the Series 2017 Bond, less costs of issuance and proceeds, if any, deposited into the Reserve Account.

Net Revenues shall mean Gross Revenues minus Operating Expenses attributable to the Golf Course.

Operating Account shall mean the account of that name created within the Golf Course Fund and described in Article VII hereof.

Operating Expense shall mean the current expenses, paid or accrued, of operation, maintenance and current repair of the Golf Course and its facilities, excluding depreciation, as calculated in accordance with sound accounting practice, and shall include, without limitation, administrative expenses of the City relating solely to the Golf Course, premiums for insurance on the properties thereof, labor and the cost of materials and supplies used for current operation and for maintenance, and charges for the accumulation of appropriate reserves for current expenses which are not recurrent monthly but may reasonably be expected to be incurred in accordance with sound accounting practices.

Outstanding, when used with reference to any Series 2017 Bond or Additional Bonds, as of any particular date, shall mean the Series 2017 Bond or Additional Bonds which have been issued, executed, authenticated and delivered under this Bond Resolution or under any resolution authorizing the issuance of Additional Bonds, except (i) any portion of the Series 2017 Bond or Additional Bonds canceled because of payment or redemption prior to their stated dates of maturity, and (ii) the Series 2017 Bond or Additional Bonds (or portion thereof) deemed to have been paid within the meaning of Article V hereof.

Project shall mean the improvements to the irrigation system for the original nine holes, a remodel of the restaurant and the purchase of maintenance equipment. The Project does not include any improvements to the clubhouse.

Permitted Investments shall mean, investments authorized for cities under Montana law.

Purchaser shall mean Valley Bank of Ronan, the original purchaser of the Series 2017 Bond and its assigners, if any.

Rate Covenant shall mean the covenant of the City set forth in Section 8.13 hereof.

Rebate Amount shall mean the amount calculated pursuant to Section 8.12(b) hereof, representing excess investment earnings which must be rebated to the United States.

Registered Owner shall mean the person whose name and address shall appear on the Bond Register as the owner of the Series 2017 Bond; provided further, that when used with regard to any Additional Bonds, the term also shall mean the registered owners of such bonds.

Repair, Replacement and Depreciation Account shall mean the account of that name in the Golf Course Fund described in Article VII hereof.

Reserve Account shall mean the account of that name in the Golf Course Fund described in Article VII hereof.

Reserve Requirement shall mean an amount equal to the lesser of (i) 10% of the proceeds of any Additional Bonds or (ii) the Maximum Annual Debt Service on any Additional Bonds.

Revenue Bond Account shall mean the account of that name in the Golf Course Fund described in Article VII hereof.

Series 2017 Bond shall mean the herein authorized "City of Polson Municipal Golf Course Revenue Bond, Series 2017" in the aggregate principal amount of \$951,300.

Surplus Account shall mean the account of that name in the Golf Course Fund described in Article VII hereof.

Treasurer shall mean the Treasurer of the City of Polson.

United States shall mean the United States of America.

Section 1.02. Interpretation.

For all purposes of this Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

A. All references in this Bond Resolution to designated "Articles," "Sections," and other subdivisions are to the designated articles, sections and other subdivisions of this Bond Resolution. The words "herein," "hereof:" "hereto," "hereby," and "hereunder" and other words of similar import refer to this Bond Resolution as a whole and not to any particular article, section or other subdivision.

B. The terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular, and words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

C. Any headings preceding the texts of the several Articles and Sections of this Bond Resolution, and any table of contents, shall be solely for convenience of reference and shall not constitute a part of this Bond Resolution, nor shall they affect its meaning, construction or effect.

D. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

E. Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "Consent" or similar action hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by an Authorized Officer of the City.

F. All approvals, consents, agreements and acceptances required to be given or made by any person or party hereunder shall not be unreasonably withheld or unduly delayed.

G. In the computation of a period of time from a specific date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

ARTICLE II

THE PURPOSE OF THE ISSUE AND COST OF THE PROJECT

Section 2.01. Purpose of the Issue.

The Series 2017 Bond shall be issued for the purpose of constructing, acquiring and financing the Improvements.

Section 2.02. Costs of the Project.

The Costs of the Project are estimated to be as follows:

<u>Sources of Funds</u>	
Bond Proceeds	\$951,300
TOTAL SOURCES OF FUNDS	\$951,300
<u>Uses of Funds</u>	
Construction Contract	\$518,412
Irrigation construction materials	229,539
Other Improvements and Equipment	118,000
Construction Contingency	44,894
Design and Inspection	33,455
Costs of Issuance	7,000
TOTAL USES OF FUNDS	\$951,300

The costs of the Project are to be paid from the issuance and sale of the Series 2017 Bond authorized herein and from money in the existing Golf Course Fund which is hereby appropriated and made available therefor. Reimbursement of prior expenses will be in accordance with the provisions of City Resolution No. 2017-Res006.

ARTICLE III

THE SERIES 2017 BOND

Section 3.01. Description of Series 2017 Bond.

The Series 2017 Bond is hereby authorized to be issued, designated “City of Polson, Lake County, Montana, Municipal Golf Course Revenue Bond, Series 2017.”

The Series 2017 Bond shall be issued as a fully amortized Bond payable over a term of 18 and one-third years with interest on the unpaid balance at the rate of 2.750% per annum until October 1, 2022 and thereafter with interest at the rate of 3.375% per annum. The Series 2017 Bond shall be subject to prepayment as set forth in Article IV hereof, shall be dated as of June 30, 2017, shall be in the aggregate

principal sum of \$951,300, and shall be in a single denomination.

The Series 2017 Bond shall be registered as to both principal and interest, shall bear interest from its date payable commencing on April 1, 2018, and semiannually thereafter on each October 1 and April 1, until paid in full and shall be numbered R-1 in the manner and with any additional designation as the Bond Registrar shall deem necessary for purposes of identification. Interest will be calculated on the basis of a 365/365 U.S. Rule Convention. If any action required hereunder occurs on a weekend or a national holiday, said action shall be taken on the next Business Day.

The Series 2017 Bond shall be substantially in the form set forth in Exhibit A attached hereto and hereby made a part hereof.

The Series 2017 Bond shall mature on October 1, 2035.

Section 3.02. Place and Manner of Payment.

Principal of and interest on the Series 2017 Bond is payable in lawful money of the United States of America to the Registered Owner thereof according to the amortization schedule attached hereto as Exhibit B.

Section 3.03. Special Limited Obligations.

The Series 2017 Bond and any Additional Bonds issued hereunder shall be special, limited obligations of the City, payable by the City solely out of the Net Revenues derived from the operation of the City's Golf Course. The Series 2017 Bond is not a general obligation of and does not constitute a debt of the City within the meaning of any constitutional or statutory limit or provision and is not a charge against the general credit or taxing powers of the City.

Section 3.04. Prepayment.

The Series 2017 Bond may only be prepaid, in whole or in part without penalty or premium upon thirty (30) days advance written notice, by first class mail given to the Registered owner at the address shown on the Bond Register. The result of the prepayment of principal will be a shortening of the term of the Series 2017 Bond.

Section 3.05. Execution and Authentication of the Series 2017 Bond

The City shall cause the Series 2017 Bond to be prepared, executed and delivered to the Bond Purchaser. The Series 2017 Bond shall be executed on behalf of the City by the manual signature of the Mayor and shall be attested by the manual signature of the Clerk. The Series 2017 Bond shall then be delivered to the Registrar for authentication. The Series 2017 Bond shall be numbered R-1.

Section 3.06. Registrar.

The City Finance Officer is hereby appointed as Registrar, authenticating agent, paying agent and transfer agent with respect to the Series 2017 Bond, subject to the following terms and conditions:

- A. *Bond Register.* The Registrar shall keep, or cause to be kept at the City offices a book for

the registration and transfer of the Series 2017 Bond.

B. *Fees and Costs.* If the City desires to change Registrars as provided in Subsection E hereof, the City shall pay to the Successor Registrar from time to time reasonable compensation for all services rendered under this Resolution, together with disbursements, including those of its attorneys, agents, employees, incurred to good faith in and about the performance of their powers and duties under this Resolution.

C. *Representations.* The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Series 2017 Bond.

D. *Registration System.* The City hereby specifies and adopts the system of registration for the Series 2017 Bond authorized by Section 17-5-1101 through 17-5-1123, MCA (as amended), except to the extent that such system is inconsistent with the terms of this Resolution in which event the terms of this Resolution shall prevail. The system of registration shall be certificated public obligations.

E. *Successor Registrar.* The City may appoint a Successor Registrar upon resignation of the existing Registrar. Any successor Registrar appointed pursuant to this Section 2.06 shall be a trust company or bank in good standing located in or incorporated under the laws of the State of Montana, duly authorized to exercise trust powers and subject to examination by federal or state authorities, having a reported capital and surplus of not less than \$1,000,000.

Section 3.07. Certificated Bond.

The Series 2017 Bond shall be a certificated Bond. If the Registered Owner desires to amend this Resolution to provide for a book-entry system of uncertificated Bond, the Registered owner may do so, but all the expenses of such conversion to uncertificated Bond shall be borne by the Registered Owner.

Section 3.08. Place and Manner of Payment.

Both principal of and interest on the Series 2017 Bond are payable in lawful money of the United States to the Registered Owner.

Payment of each installment of principal and interest shall be made to the Registered Owner whose name appears on the Bond Register at the close of business on the fifteenth day of the calendar month preceding the interest payment date. Each installment shall be paid by check or draft of the City mailed to such Registered Owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar or installments may be paid by wire transfer or preauthorized deposit to the Registered Owner if a written request of such Registered Owner is submitted to the Registrar by at least the fifteenth day of the calendar month preceding the payment date.

The City and the Registrar may deem and treat a Registered Owner of a Series 2017 Bond as the absolute owner of such Bond for the purpose of receiving payments of principal and interest due on such Bond and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

Section 3.09. Transfer or Exchange of the Series 2017 Bond

The Series 2017 Bond shall be transferable by the Registered Owner thereof in person, or by their attorney duly authorized in writing, upon due completion of the assignment form appearing thereon and upon surrender of the Series 2017 Bond at the office of the Registrar for cancellation and issuance of a new Series 2017 Bond registered in the name of the transferee, in exchange therefore.

The Series 2017 Bond shall be exchangeable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, for other Series 2017 Bond which in the aggregate, do not exceed the Outstanding principal balance of the Bond being surrendered in the exchange and which are in denominations of not less than \$100,000.

Notwithstanding the foregoing sentence, the Registrar shall not be obligated to exchange or transfer any Series 2017 Bond during the 15 days preceding any payment date.

The Registrar shall require the payment by the Registered Owner requesting such transfer or exchange of any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

Section 3.10. Mutilated, Lost, Stolen or Destroyed Bond

A. *Issuance of Substitute Series 2017 Bond.* If a Series 2017 Bond shall become mutilated, lost, stolen or destroyed, the affected Registered Owner shall be entitled to the issuance of a substitute Series 2017 Bond only as follows:

(1) in the case of a lost, stolen or destroyed Series 2017 Bond, the Registered Owner shall: (a) provide notice of the loss, theft or destruction to the City and the Registrar within a reasonable time after the Registered Owner receives notice of the loss, theft or destruction; (b) request the issuance of a substitute Series 2017 Bond; (c) provide evidence, satisfactory to the City and the Registrar, of the ownership and the loss, theft or destruction of the affected Bond; and (d) file in the offices of the Registrar a written affidavit specifically alleging on oath that said Registered Owner is the proper owner, payee or legal representative of such owner or payee of the Bond that has been lost, stolen or destroyed, giving the date the Bond was issued and the number, principal amount and series of such Bond; and stating that the Bond has been lost, stolen or destroyed, and has not been paid and has not been received by such Registered Owner;

(2) in the case of a mutilated Bond, the Registered Owner shall surrender the Bond to the Registrar for cancellation; and

(3) in all cases, the Registered Owner shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of a substitute Series 2017 Bond pursuant to this Section 3.10 is satisfactory to the City and the Registrar.

Upon compliance with the foregoing, a new Series 2017 Bond of like tenor and denomination, bearing the same number as the mutilated, destroyed, lost or stolen Series 2017 Bond, and with the word "DUPLICATE" stamped or printed plainly on its face, shall be executed by the City, authenticated by the Registrar and delivered to the Registered Owner, all at the expense of the Registered Owner to whom the substitute Series 2017 Bond is delivered.

B. *Notation on Bond Register.* Upon the issuance and authentication of any substitute Series

2017 Bond under the provisions of this Section 3.10, the Registrar shall enter upon the Bond Register a notation that the original Series 2017 Bond was canceled and a substitute Series 2017 Bond was issued therefore.

Section 3.11. Costs of Issuance.

The costs of issuance of the Series 2017 Bond are estimated to be \$7,000 for Bond Counsel costs and fees and will be paid from proceeds of the Series 2017 Bond.

ARTICLE IV

SECURITY FOR THE SERIES 2017 BOND

Section 4.01. Pledge of Revenues.

There are hereby irrevocably pledged and appropriated to the Golf Course Fund, for the equal and ratable benefit of the Registered Owners from time to time of the Series 2017 Bond and Additional Bonds, as security for the payment of the principal of and interest on the Series 2017 Bond and Additional Bonds, the following:

A. All Gross Revenues and all rights of the City to receive Gross Revenues; and

B. All money and securities held in the Construction Account, Revenue Bond Account, Operating Account, Repair, Replacement and Depreciation Account, and Surplus Account established hereunder (except for any Rebate Amount); subject to the provisions of this Bond Resolution permitting the application of amounts held hereunder to the purposes set forth herein.

Section 4.02. Application and Use of Revenues.

All Gross Revenues shall be deposited into the Golf Course Fund as collected and shall be held separate and apart from all other funds and accounts of the City. Gross Revenues deposited therein shall be used only for the following purposes and in the following order of priority, having due regard for payments relating to the Golf Course which shall become due:

First, the amount of Series 2017 Bond proceeds to be deposited to the Construction Account as indicated in Section 5.02;

Second, to the Operating Account pursuant to Section 5.06 on each monthly apportionment, the Gross Revenues necessary to pay the Operating Expenses;

Third, to make all transfers required to be made into the Revenue Bond Account pursuant to Section 5.04 hereof or pursuant to any other resolution under which Additional Bonds are issued;

Fourth, to make all transfers required to be made into the Repair, Replacement and Depreciation Account pursuant to Section 5.07 hereof;

Fifth, to make all transfers required to be made into the Surplus Account pursuant to Section 5.08 hereof.

ARTICLE V

FUND AND ACCOUNTS

Section 5.01. Golf Course Fund and Accounts.

The City has created the Golf Course Fund, within which are the following accounts with respect to the Series 2017 Bond, which shall be maintained by the City:

- A. a Construction Account;
- B. a Revenue Bond Account;
- C. an Operating Account;
- D. a Repair, Replacement and Depreciation Account; and
- E. a Surplus Account.

The City may create within such accounts such additional accounts as it may deem necessary or desirable in order to account for the sources and uses of any particular Gross Revenues. The City Finance Officer may charge a reasonable fee for making, accounting for and managing the investments in each such fund or account, and said charges shall be an Operating Expense.

Section 5.02. Application of Series 2017 Bond Proceeds.

Upon receipt of the proceeds of the Series 2017 Bond, the City shall pay the Costs of Issuance and the City shall then deposit the Net Proceeds into the Construction Account.

Section 5.03. Construction Account.

There shall be deposited in the Construction Account any and all amounts required to be deposited therein pursuant to Section 5.02 hereof. The net income, interest or gain received and collected from investments in the Construction Account shall be transferred to the Revenue Bond Account.

Amounts in the Construction Account shall be used to pay for Costs of the Project. Request for payment shall be approved by a consulting architect. Any amounts remaining in the Construction Account after the completion of the Project and not needed to pay Costs of the Project payable from such account, shall be deposited in the Revenue Bond Account.

Section 5.04. Revenue Bond Account.

As long as any of the Series 2017 Bond remains Outstanding, the City irrevocably obligates, pledges and binds itself to set aside and pay on each Monthly Apportionment from the Operating Account into the Revenue Bond Account an amount equal to no less than one-sixth (1/6) of the total interest to become due in the next succeeding six months, and one-sixth (1/6) of the principal to become due in the next succeeding six months which, together with such other funds as are on hand and available in the Revenue Bond Account, will make all payments required to be made therefrom. Provided, however, that

because the Series 2017 Bond is dated June 30, 2018, and having principal and interest payment on April 1, 2018, the allocation to the Revenue Bond Account shall be correlate to the monthly amounts required for the principal and interest payments on April 1, 2018. In the event that amounts in the Revenue Bond Account are insufficient for such purpose, the City shall transfer from the Repair, Replacement and Depreciation Account, or the Surplus Account as the City shall determine, to the Revenue Bond Account the amount of the deficiency, to the extent available therein.

Any resolution authorizing Additional Bonds shall require that payments be made to the Revenue Bond Account in respect of such Additional Bonds on the same basis as payments are required to be made into the Revenue Bond Account with respect to the Series 2017 Bond.

Section 5.05 Reserve Account

The Series 2017 Bond does not require a Reserve Account.

The City hereby covenants and agrees that in the event it issues any Additional Bonds it will provide in the resolution authorizing the issuance of the same that it will pay into the Reserve Account out of the Proceeds of such Additional Bonds (or, at the option of the City, out of any other funds on hand legally available for such purpose) so that there will have been paid into the Reserve Account an amount which will be equal to the Reserve Requirement taking into consideration in the calculation the issuance of the Additional Bonds.

Section 5.06. Operating Account.

The Operating Account shall be utilized for the payment of Operating Expenses. There shall be deposited in the Operating Account all Gross Revenues remaining after the Monthly Apportionments required to be made to the Revenue Bond Account sufficient to pay the Operating Expenses which are due or expected to become due before the allocation of the next Monthly Apportionment, including amounts necessary to meet contingencies arising in the operation of the Golf Course. An operating reserve within the Operating Account is to be accumulated and maintained in an amount equal to the average monthly operating expense (the "Operating Reserve"), which sum shall be maintained by additional transfers upon each monthly apportionment, or from the Surplus Account if determined by the City to be appropriate to meet contingencies.

Section 5.07. Repair, Replacement and Depreciation Account.

There shall be deposited into this Account all net proceeds of insurance relating to damage or destruction of property of the Golf Course. There shall be set aside and credited, upon each Monthly Apportionment, to the Repair, Replacement and Depreciation Account such portion of the Gross Revenues in excess of the current requirement of the Revenue Bond Account, the Reserve Account and the Operating Account (which portion of the net revenues is referred to herein as "surplus net revenues"), as the Commission shall determine to be required for the accumulation of a reasonable allowance for depreciation of the Golf Course and for replacement or renewal of worn out, obsolete or damaged properties and equipment thereof. In the event construction and installation of additional improvements or additions to the Golf Course are financed other than from proceeds of Bonds payable from the Revenue Bond Account, surplus net revenues from time to time received may be segregated and paid into one or more separate and additional accounts for the repayment of such indebtedness and interest thereon, in advance of payments

required to be made into the Repair, Replacement and Depreciation Account.

Any amounts in the Repair, Replacement and Depreciation Account which, in the judgment of the City, (as evidenced by City Resolution), are not, and will not, be reasonably required for the purposes of the Repair, Replacement and Depreciation Account, shall be deposited first into the Revenue Bond Account to make up any deficiencies therein, and then shall be deposited in the Surplus Account.

Section 5.08. Surplus Account.

Any amount of the surplus Net Revenues from time to time remaining after the above required applications thereof shall be credited to the Surplus Account (or such other account in the Golf Course Fund as the City may establish for bookkeeping purposes to account for surplus money in accordance with the purposes of this Resolution), and the moneys from time to time in that account when not required to restore a current deficiency in the Revenue Bond Account, or Operating Reserve may be used for any of the following purposes and not otherwise:

(a) To redeem Series 2017 Bond or other bonds payable from the Net Revenues when and as such become prepayable according to their terms; or

(b) To purchase Series 2017 Bond on the open market, whether or not the Series 2017 Bond or other bonds may then be prepayable according to their terms; or

(c) To pay for repairs of or for the construction and installation of improvements or additions to the Golf Course; or

(d) To restore the balances in the Revenue Bond Account, or the Operating Account or increase the same when determined to be necessary by the City.

No money shall at any time be transferred from the Surplus Account or any other account of the Golf Course Fund to any other fund of the City.

Section 5.09. Investment of Funds and Accounts.

Amounts in the funds and accounts established hereunder shall, if and to the extent then permitted by law, be deposited and invested by the City in accordance with the provisions of Title 7, Chapter 6, Part 2, or Section 17-6-204, the Montana Code Annotated. Such investments shall mature in such amounts and at such times as may be necessary to provide funds when needed to make payments from such funds or accounts, and any such investments shall, subject to the provisions hereof, at all times be deemed to be a part of the fund or account from which the investment was made.

Interest earnings on the funds and accounts created hereunder shall be transferred or paid as follows:

(1) Series 2017 Construction Account shall be transferred to the Revenue Bond Account;

(2) Revenue Bond Account - to be deposited in that account until the terms of Section 5.04 have been met and thereafter to the Surplus Account;

(3) Repair, Replacement and Depreciation Account to be deposited into the Surplus Account except for net insurance proceeds which are retained in the Repair, Replacement and Depreciation Account;

(4) Surplus Account to be deposited therein; and

(5) Operating Account shall be deposited in the Surplus Account.

ARTICLE VI

COVENANTS

Section 6.01. Authority of City; Validity of Bond Resolution.

The City hereby represents that it is duly authorized under the Constitution and laws of the State of Montana to issue the Series 2017 Bond authorized hereby, to adopt this Bond Resolution and to pledge the Revenues and other amounts pledged hereunder in the manner and to the extent herein set forth; that all action on its part for the issuance of the Series 2017 Bond authorized hereby and the adoption of this Bond Resolution has been duly and effectively taken; and that such Series 2017 Bond in the hands of the Registered Owner thereof is and will be a valid and enforceable special, limited obligation of the City according to the import thereat: except as enforcement of such obligations may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights.

Section 6.02. Payment of Principal, Premium, if any, and Interest.

The City covenants that it will promptly pay the debt service payments with respect to every Series 2017 Bond and Additional Bond, at the place, on the dates and in the manner provided herein, in said Series 2017 Bond and in any Additional Bonds issued in accordance herewith payable from Revenues.

Section 6.03. Performance of Covenants.

The City covenants that it will faithfully observe and perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be observed or performed contained in this Bond Resolution, and the Series 2017 Bond delivered hereunder. All covenants and agreements on the part of the City hereunder shall be for the benefit of the Registered Owners from time to time of the Series 2017 Bond Outstanding and may be enforced in the manner provided by Article VII hereof on behalf of such Registered Owners.

Section 6.04. List of Registered Owner.

The Bond Registrar shall maintain on file at its office a list of the name and address of the Registered Owners of the Series 2017 Bond which from time to time may be registered on the Bond Register.

Section 6.05. Operation and Maintenance of the Golf Course.

The City shall at all times operate the Golf Course, or cause the Golf Course to be operated, properly and in a sound and economical manner and shall maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof, in

good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted. Until the Series 2017 Bond is fully discharged as provided herein, the City will continue to hold, maintain and operate the Golf Course as a public facility free from all liens thereon or on the income therefrom other than the liens herein granted and will not incur a further lien on the Gross Revenues except as provided herein.

Section 6.06. Additional Bonds to Complete Project.

The City shall use its best efforts to issue Additional Bonds or to arrange other financing to finance the completion of the Project in the event that the proceeds from the Series 2017 Bond, together with other funds legally available to the City, are not sufficient for such purpose.

Section 6.07. Rules, Regulations and Other Details.

The City shall establish and enforce reasonable rules and regulations governing the operation, use and services of the Golf Course. The City shall diligently proceed to obtain and thereafter to maintain all required or permits, approvals or consents for the improvements and additions to and operation of the Golf Course, and shall observe, perform and comply with all applicable federal, state, tribal, county and municipal laws, ordinances, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body to the extent that same are applicable to the Golf Course or to the City.

Section 6.08. Payment of Lawful Charges and Compliance with Law.

The City shall pay, or shall cause to be paid, all taxes and assessments or other municipal or governmental charges, if any, which are lawfully levied or assessed upon it for or with respect to the Golf Course, or upon any part thereof or upon any Revenues derived therefrom, when the same shall become due. The City shall duly observe and comply with, and shall cause all of its contractors, subcontractors, employees and agents to observe and comply with, all valid federal, state, county, city and local laws, regulations, rules and orders relating or applicable to the City and the Golf Course.

The City agrees, however, that any allocation of indirect cost to the Golf Course Fund for general City administration shall not exceed \$30,000 per year.

Section 6.09. Powers as to Golf Course and as to Collection of Revenues.

The City has, and will have, as long as the Series 2017 Bond remains Outstanding, good right and lawful authority to improve and add to the Golf Course and to maintain, operate, improve and reconstruct the Golf Course or to provide for the maintenance, operation, improvement and reconstruction of the Golf Course. The City has the power and covenants to prescribe and from time to time charge and collect rates to be charged for use of the Golf Course and to demand and to collect all Gross Revenues which are due or which are becoming due to it for the use of the Golf Course, all in accordance with the Section 6.13 hereof and in accordance with then existing authority under the Act.

The City shall so operate and maintain the Golf Course or cause the Golf Course to be so operated and maintained as to entitle it at all times to make, impose and collect Gross Revenues with respect to the Golf Course and will deposit Gross Revenues in the appropriate account of the Golf Course Fund

immediately upon receipt. The City shall not release or modify the obligations of any user of the Golf Course that would in any way limit any such user's obligation to make payment of such rents, rates, fees or other charges imposed by the City for such use of the Golf Course. The City shall take all reasonable measures permitted by law to enforce payment to it of all Gross Revenues, and shall at all times, to the extent permitted by law, defend, preserve and protect the rights, benefits and privileges of the City and of the Registered Owners under or with respect to the Bond Resolution.

Section 6.10. Annual Budget.

The City shall prepare, file and adopt an Annual Budget for the Golf Course for each Fiscal Year. The City covenants to amend the Annual Budget as necessary, and to adjust its rates as required pursuant to Section 6.13 hereof, in the event that the amounts set forth in the Annual Budget are insufficient to provide for operating the Golf Course or for payments to be made from the Revenue Bond Account.

Section 6.11. Qualified Tax-Exempt Obligations.

Pursuant to Section 265(b)(3)(B)(iii) of the Code, the City hereby delegates to the Mayor and City Finance Officer the authority at closing to designate the Series 2017 Bond as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. The City will have designated its \$7,737,000 Wastewater System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program) Series 2017 Bond in 2017 as a "qualified tax-exempt obligation" and the City also represents that it does not anticipate issuing more than \$10,000,000 of tax-exempt obligations in 2017 as defined in the Code.

Section 6.12. Arbitrage Rebate Exemption.

The arbitrage rebate provisions of Section 148(f) of the Code apply to the Series 2017 Bond and the City hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f) of the Code.

Section 6.13. Rate Covenant.

The City agrees to fix, maintain and collect fees and other similar charges necessary for the operation of the Golf Course which fees shall be fair and nondiscriminatory for the same class of service, and shall adjust such fees and charges from time to time so that the Net Revenues will equal at least 1.25 times the Maximum Annual Debt Service due in the current or any future Fiscal Year on the Series 2017 Bond and any Additional Bonds during such Fiscal Years.

Section 6.14. Obtaining and Enforcement of Performance and Payment Bonds.

The City hereby covenants that it will obtain performance and payment bonds as required by Title 18, Chapter 2, Part 2 and will take all legally available action to cause any surety on a performance bond issued pursuant to the Construction Contract to fully perform all its duties and acts and to fully comply with its covenants under each performance bond issued for the Project. All money obtained from the surety under each performance bond relating to construction shall be deposited in the Construction Account.

Section 6.15. Restriction on Encumbrance or Disposal of Golf Course.

The City will not mortgage, lease, sell or otherwise dispose of any property of the Golf Course unless: (a) prior to or simultaneous with such mortgage, lease, sale or other disposition, all Series 2017 Bond issued and outstanding under this Bond Resolution shall be discharged, (b) the properties to be mortgaged, leased, sold or otherwise disposed of are unserviceable, inadequate, obsolete or no longer required for use in connection with the Golf Course, (c) the mortgage, lease, sale or other disposition will not prevent the City from complying with the provisions of the Bond Resolution, and (d) in any event referred to in clauses (b) or (c) above, all proceeds of the mortgages, lease, sale or other disposition of such properties are deposited into the Golf Course Fund

Section 6.16. Insurance.

The City shall continuously maintain (or cause to be maintained), with qualified and experienced insurers having a reputation for insuring facilities of like character as those which make up the Golf Course and which insurers are authorized to do business in the State of Montana or in such other manner as may be required or permitted by law all insurance as is customarily maintained with respect to facilities of like character as the facilities comprising the Golf Course.

If any useful portion of the Golf Course shall be damaged or destroyed, the City shall, as expeditiously as practicable, continuously and diligently pursue the repair, reconstruction or replacement thereof. However, no such repair, reconstruction or replacement shall be undertaken if the City shall reasonably determine, as evidenced by a certificate of the City Engineer and the Parks and Recreation Director, that not to do so would not materially adversely affect the operation of the Golf Course.

The proceeds of any use or occupancy insurance or any business interruption insurance received by the City shall be deposited in the Surplus Account.

Section 6.17. Books of Account.

The City shall keep proper books of account for the Golf Course Fund which shall be kept in accordance with any applicable rules, regulations and statutes prescribed by the State of Montana. The City shall prepare, and any Registered Owner of a Series 2017 Bond (at its expense) may obtain copies of such statements showing in reasonable detail the financial condition of the Municipal Golf Course Fund as of the close of each year, and the income and expenses of such year. The City will have its books audited pursuant to the Montana Single Audit Act. Specifically, with respect to the Golf Course Fund, within 180 days after the close of each fiscal year, a report shall be prepared at the direction of the City Finance Officer in accordance with applicable generally accepted accounting principles and, in addition to whatever matters may be thought proper by the City Finance Officer to be included therein, shall include the following:

- (a) A statement in detail of the income and expenditures of the Golf Course for the fiscal year, identifying capital expenditures and separating them from operating expenditures;
- (b) A balance sheet as of the end of the fiscal year;
- (c) The amount on hand in each account of the Golf Course Fund at the end of the fiscal year;
- (d) A list of the insurance policies and fidelity bonds in force at the end of the fiscal

year, setting out as to each the amount thereat: the risks covered thereby, the name of the insurer or surety and the expiration date of the policy or bond; and

(e) A determination that the report shows full compliance by the City with the provisions of this Resolution during the fiscal year covered thereby, including proper segregation of the capital expenditures from operating expenses and receipt of Gross Revenues during each fiscal year as herein required, or, if the report should reveal that the Gross Revenues have been insufficient for compliance with this Resolution, or that the methods used in accounting for such revenues were contrary to any provision of this Resolution, the report shall include a full explanation thereof; together with recommendations for such change in rates or accounting practices or in the operation of the Golf Course as may be required.

Section 6.18. Tax Covenants.

The City shall comply with the provisions of this Section unless, in the written opinion of nationally recognized Bond Counsel such compliance is not required in order to maintain the exemption of the interest on the Series 2017 Bond from federal income taxation.

A. The City covenants to comply with each requirement of the Code necessary to maintain the exclusion of interest on the Series 2017 Bond from gross income for federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the City covenants to comply with the provision of the Arbitrage and Tax Regulatory certificate (the "Tax Certificate") executed by the City on the date of initial issuance and delivery of the Series 2017 Bond, as such Tax Certificate may be amended from time to time.

B. The City covenants to make any and all payments required to be made to the United States Department of the Treasury in connection with the Series 2017 Bond pursuant to Section 148(f) of the Code.

C. Notwithstanding any other provisions of this Bond Resolution to the contrary, (1) upon the City's failure to observe or refusal to comply with the above covenants, the Registered Owners, or any trustee acting on their behalf: shall be entitled to the rights and remedies provided to the Registered Owners under this Bond Resolution, other than the right to declare the principal of all Series 2017 Bond then Outstanding, and the interest accrued thereon, to be due and payable and (2) neither the holder of bonds of any series other than the Series 2017 Bond, nor any trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Registered Owners under this Bond Resolution based upon the City's failure to observe, or refusal to comply with, the above covenants.

D. The City covenants that any management contracts for operation or supervision of any part of the Golf Course built with proceeds of the Series 2017 Bond will be made in compliance with Section 141(b)(1) of the Code and the applicable regulations thereunder and with Revenue Procedure 97-13 so as to keep the Series 2017 Bond from being deemed to be a "private activity bond".

Section 6.19. Amendments and Waiver.

The City hereby covenants that it will not amend or waive any portion of this Bond Resolution except as provided in Article IX hereof.

Section 6.20. No Other Facilities.

The City hereby covenants so far as it is permitted by law not to establish an alternate Golf Course within the City unless such alternate facility is a part of the Golf Course.

Section 6.21. No Continuing Disclosure or Official Statement.

No official statement is required to be prepared or delivered to the Bond Purchaser by the City upon the issuance of the Series 2017 Bond, nor is any continuing disclosure required due to exemptions under 15 U.S.C. 77(d)(2) and 17 CFR 240-15c2-12(d).

ARTICLE VII

EVENTS OF DEFAULT; REMEDIES

Section 7.01. Events of Default.

A The following shall constitute Events of Default hereunder:

(1) A default shall be made in the due and punctual payment of the principal of any Series 2017 Bond or Additional Bond when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise;

(2) A default shall be made in the due and punctual payment of any installment of interest on the Series 2017 Bond or Additional Bond, when and as such interest installment shall become due and payable;

(3) A default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Bond Resolution or in the Series 2017 Bond or any Additional Bonds contained, and such default shall continue for a period of sixty (60) days after written notice thereof to the City by the Registered Owners of not less than ten percent (10%) in principal amount of the Series 2017 Bond and Additional Bonds then Outstanding, unless the City is diligently working to cure said default;

(4) A judgment for the payment of money shall be rendered against the City, payable from Revenues, and any such judgment shall not be discharged within one hundred twenty (120) days of the entry thereat: or an Appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof;

(5) There shall occur dissolution or liquidation of the City or the filing by the City of a voluntary petition in bankruptcy for the City or the Golf Course Fund, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for its reorganization instituted under the provisions of the federal bankruptcy act, as amended, or under any similar act in any jurisdiction which may now be in effect or which may hereafter be enacted; or

(6) An order or decree shall be entered, with the consent or acquiescence of the City,

appointing a receiver or receivers of the Golf Course, or any part thereof, or of the rents, fees, charges, or other revenues therefrom, or if such order or decree, having been entered without the consent and acquiescence of the City, shall not be vacated or discharged or stayed within ninety (90) days after the entry thereof

B. Upon the occurrence of an Event of Default, and so long as such Event of Default shall not have been remedied, unless the principal of all the Series 2017 Bond and Additional Bonds shall have become due and payable, the City shall (a) upon the direction of the Registered Owners of not less than twenty-five (25%) in principal amount of the Series 2017 Bond and Additional Bonds Outstanding or any default trustee appointed by such Registered Owners to represent their interests (by notice in writing to the City) (the "Default Trustee") declare the principal of all the Series 2017 Bond and Additional Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this Bond Resolution or in any of the Series 2017 Bond or Additional Bonds contained to the contrary notwithstanding. The right of the Registered Owners of not less than twenty-five percent (25%) in principal amount of the Series 2017 Bond and Additional Bonds Outstanding to make any such declaration as aforesaid, however, is subject to the condition that at any time after such declaration, but before the Series 2017 Bond and Additional Bonds shall have matured by their terms, all overdue installments of interest upon the Series 2017 Bond and Additional Bonds, together with interest on such overdue installments of interest to the extent permitted by law and all other sums then payable by the City under this Bond Resolution (except the principal of, and interest accrued since the next preceding interest date on the Series 2017 Bond and Additional Bonds due and payable solely by virtue of such declaration) shall either be paid by or for the account of the City or provision satisfactory to the Default Trustee shall be made for such payment, and all defaults under the Series 2017 Bond and Additional Bonds or under this Bond Resolution (other than the payment of principal and interest due and payable, solely by reason of such declaration) shall be made good or be secured to the satisfaction of the legal representative of the Registered Owners or provision deemed by such legal representative to be adequate shall be made therefor, then and in every such case the Registered Owners of fifty-one percent (51%) in principal amount of the Series 2017 Bond and Additional Bonds Outstanding, by written notice to the City, may rescind such declaration and annul such default in its entirety, but no such rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

Section 7.02. Accounting and Examination of Records After Default.

A. The City covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the City and all other records relating to the Golf Course shall at all reasonable times be subject to the inspection and use of the Registered Owners and of their agents and attorneys.

B. The City covenants that if an Event of Default shall happen and shall not have been remedied, the City, upon demand of any Default Trustee appointed by Registered Owners pursuant to Section 7.04 hereof will account for all money, securities and funds pledged or held under this Bond Resolution for such period as shall be stated in such demand.

Section 7.03. Application of Funds and Money After Default.

A. The City covenants that if an Event of Default shall happen and shall not have been remedied, the City, upon demand of any Default Trustee appointed by Registered Owners pursuant to Section 7.04 hereof: shall pay over or cause to be paid over to said Default Trustee (i) forthwith, all money, securities and funds then held by the City in any fund under this Bond Resolution, and (ii) all Revenues as promptly as practicable after receipt thereof.

B. During the continuance of an Event of Default, the City or, if a Default Trustee has been appointed, such Default Trustee, shall apply all money, securities, funds and revenues received by the City or any Default Trustee pursuant to any right given or action taken under the provisions of this Article VII as follows and in the following order:

(1) Expenses of any Default Trustee and Fiscal Agent - To the payment of the reasonable and proper charges, expenses and liabilities of any fiduciaries.

(2) Principal and Interest- To the payment of the interest and principal then due on the Series 2017 Bond and Additional Bonds as follows:

a) unless the principal of all of the Series 2017 Bond and Additional Bonds shall have become or have been declared due and payable, First: Interest - To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, together with accrued and unpaid interest on the Series 2017 Bond and Additional Bonds theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference.

Second: Principal - To the payment to the persons entitled thereto of the unpaid principal of any Series 2017 Bond and Additional Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Series 2017 Bond and Additional Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or redemption due on such date, to the persons entitled thereto, without any discrimination or preference;

(b) if the principal of all of the Series 2017 Bond and Additional Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Series 2017 Bond and Additional Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2017 Bond or Additional Bond over any other Series 2017 Bond or Additional Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2017 Bond and Additional Bonds.

(3) Operating Expenses - To the payment of the amounts required for reasonable and necessary Operating Expenses, reasonable and necessary costs for the management, maintenance and upkeep of the Golf Course and costs for the reasonable renewals, repairs and replacements of

the Golf Course, all as are necessary, in the judgment of the Default Trustee, to prevent deterioration of the Golf Course or loss of Revenues therefrom. For this purpose the books of record and accounts of the City relating to the Golf Course shall at all times be subject to the inspection of the Default Trustee and its representatives and agents during the continuance of such Event of Default.

C. If and whenever all overdue installments of interest on the Series 2017 Bond and Additional Bonds, together with the reasonable and proper charges, expenses and liabilities of the Default Trustee, and all other sums payable by the City under this Bond Resolution, including the principal and redemption price of and accrued unpaid interest on all Series 2017 Bond and Additional Bonds which shall then be payable by declaration or otherwise, shall either be paid by or for the account of the City, or provision satisfactory to the Default Trustee shall be made for such payment, and all defaults under this Bond Resolution, the Series 2017 Bond, or any Additional Bonds shall be made good or secured to the satisfaction of the Default Trustee or provision deemed by the Default Trustee to be adequate shall be made therefor, the City shall be restored to its former position and rights under this Bond Resolution. No such restoration of the City to its former position and rights shall extend to or affect any subsequent default under this Bond Resolution or impair any right consequent thereon.

Section 7.04. Proceedings Brought by Registered Owner

A. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Registered Owners of not less than twenty-five percent (25%) in principal amount of the Series 2017 Bond and Additional Bonds Outstanding may proceed, by their agents and attorneys, to protect and enforce their rights under this Bond Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the City as if the City were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the legal representative of the Registered Owners shall deem most effectual to enforce any of their rights, and such Registered Owners may appoint a Default Trustee to represent their interests.

B. All rights of action under this Bond Resolution may be enforced by any Default Trustee without the possession of any of the Series 2017 Bond and Additional Bonds or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Default trustee shall be brought in its name.

C. The Registered Owners of not less than a majority in principal amount of the Series 2017 Bond and Additional Bonds at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to them, provided that the Default Trustee shall have the right to decline to follow any such direction if the Default Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Default Trustee in good faith shall determine that the action or proceeding so directed would involve the Default Trustee in personal liability or be unjustly prejudicial to the Registered Owners of the Series 2017 Bond and Additional Bonds not parties to such direction.

D. Regardless of the happening of an Event of Default, the Default Trustee shall have power to institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to

prevent any impairment of the security under this Bond Resolution by any acts which may be unlawful or in violation of this Bond Resolution, and such suits and proceedings as the Default Trustee may be advised shall be necessary or expedient to preserve or protect the interests of the Registered Owners.

Section 7.05. Restriction on Action of Registered Owners.

A. Except as otherwise provided in Section 9.04, no Registered Owner of any Series 2017 Bond or Additional Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Bond Resolution or for any remedy under this Bond Resolution, unless such Registered Owner shall have previously given to the City written notice of the happening of an Event of Default, as provided in this Article VII, and shall have offered it reasonable opportunity, either to exercise the powers granted in this Bond Resolution or by the laws of Montana or to institute such action, suit or proceeding in its own name, it being understood and intended that no one or more Registered Owners of Series 2017 Bond or Additional Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Bond Resolution, or to enforce any right under this Bond Resolution, except in the manner herein provided; and that all proceedings at law or in equity to enforce any provision of this Bond Resolution shall be instituted, had and maintained in the manner provided in this Bond Resolution and for the equal benefit of all Registered Owners of the Series 2017 Bond and Additional Bonds Outstanding.

B. Nothing in this Bond Resolution, in the Series 2017 Bond or in any Additional Bonds shall affect or impair the obligation of the City to pay at the respective dates of maturity and places therein expressed the principal of (and premium, if any) and interest on the Series 2017 Bond and Additional Bonds to the respective Registered Owners thereof, or affect or impair the right of action of any Registered Owner to enforce such payment of this Series 2017 Bond or Additional Bond.

Section 7.06. Remedies Not Exclusive.

No remedy by the terms of this Bond Resolution conferred upon or reserved to the Registered Owners of the Series 2017 Bond and Additional Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Bond Resolution or existing at law or in equity or by statute on or after the date of adoption of this Bond Resolution.

Section 7.07. Effect of Waiver and Other Circumstances.

A. No delay or omission of any Registered Owner to exercise any right or power arising upon the happening of an event of default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein and every power and remedy given by this Article IX to the Registered Owners may be exercised from time to time and as often as may be deemed expedient by the Registered Owners.

B. Prior to the declaration of maturity of the Series 2017 Bond or Additional Bonds as provided in Section 9.01, the Registered Owners of not less than sixty-six and two-thirds percent (66 2/3%) in principal amount of the Series 2017 Bond and Additional Bonds at the time Outstanding, or their attorneys-in-fact duly authorized, may on behalf of the Registered Owners of all of the Series 2017 Bond and Additional Bonds waive any past default under this Bond Resolution and its consequences, except a

default in the payment of interest on, principal of, or premium (if any) on any of the Series 2017 Bond and Additional Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 7.08. Notice of Default.

The City shall promptly mail to the Registered Owners of Series 2017 Bond and Additional Bonds Outstanding written notice of the occurrence of any uncured Event of Default.

ARTICLE VIII

ADDITIONAL BONDS

Section 8.01. Issuance of Additional Bonds.

The City hereby further covenants and agrees with the Registered Owners of the Series 2017 Bond and Additional Bonds, for as long as any of the same remain Outstanding, that the City will not issue any bonds having a greater or equal priority of lien upon the Net Revenues or other funds pledged under the Bond Resolution to pay and secure the payment of the principal of and interest on such bonds than the priority of lien created on such Net Revenues and funds to pay and secure the payment of the principal of and interest on the Series 2017 Bond and Additional Bonds except as set forth in this Section.

The City hereby further reserves the right to pledge that payments will be made out of the Revenue Bond Account and the Reserve Account, if required, to pay and secure the payment of the principal of and interest on such Additional Bonds on a parity with the payments required herein to be made out of such Revenues into such accounts to pay and secure the payment of the principal of and interest on any Series 2017 Bond and Additional Bonds then Outstanding.

Such Additional Bonds shall not be issued unless the following conditions are satisfied:

(1) At the time of the issuance of any Additional Bonds there is no deficiency in the Revenue Bond Account or the Reserve Account.

(2) The principal of and interest on the Additional Bonds shall be payable out of the Revenue Bond Account and the Reserve Requirement for Additional Bonds shall be met.

(3) Prior to the delivery of any Additional Bonds, no Event of Default as described in Article IX hereof has occurred and the City shall have on file a certificate of the City's Golf Course Consultant setting forth his estimate that the Net Revenues of the Golf Course Fund for the last complete Fiscal Year preceding the issuance of Additional Bonds have equaled at least 125% of the greatest amount of principal and interest due in the then current or any future Fiscal Year on all Bonds payable from the Golf Course Fund including the additional bonds proposed to be issued. For purposes of determining if Net Revenues are sufficient for the issuance of Additional Bonds, any change in the rates and charges since the beginning of the last completed fiscal year shall be applied at the new rate to the quantities of service actually rendered during the preceding fiscal year to ascertain Gross Revenues. Net Revenues are then computed by deducting from Gross Revenues the actual operation and maintenance costs, excluding depreciation, plus any additional annual costs

of operations and maintenance estimated by the City Golf Course Consultant to be incurred as a result of the improvements or additions to the Golf Course.

(4) The resolution authorizing such Additional Bonds shall contain the provisions for payment, security and deposits as set forth herein.

Nothing herein contained shall prevent the City from issuing revenue bonds or other obligations which are a charge upon the Net Revenues junior or inferior to the payments required by this Bond Resolution.

ARTICLE IX

AMENDMENTS TO THE BOND RESOLUTION

Section 9.01. Amendments to Bond Resolution Without Consent of Registered Owner.

The City Commission may adopt at any time, without the consent of the Registered Owners, a resolution supplemental hereto, which resolution thereafter shall become a part of this Bond Resolution, for any one or more of all of the following purposes:

A. To add to the covenants and agreements of the City in this Bond Resolution, other covenants and agreements thereafter to be observed, which shall not adversely affect the interests of the Registered Owners of the Series 2017 Bond and Additional Bonds.

B. To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this Bond Resolution or any resolution authorizing Additional Bonds in regard to matters or questions arising under such ordinances as the Commission may deem necessary or desirable and not inconsistent with such ordinances.

C. Any other change which, in the judgment of the City, shall not adversely affect, in any material respect, the interests of the Registered Owners of the Series 2017 Bond or Additional Bonds.

Any such supplemental resolution may be adopted without the consent of the Registered Owners of any Series 2017 Bond and Additional Bonds at any time Outstanding, notwithstanding any of the provisions of Section 9.02 hereof.

Section 9.02. Amendments to Bond Resolution Requiring Consent of Registered Owner.

With the consent of the Registered Owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Series 2017 Bond and Additional Bonds at the time Outstanding, the City Commission may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner, or eliminating any of the provisions of this Bond Resolution or of any supplemental resolution; provided however, that no such supplemental resolution shall:

A. Extend the fixed maturity of any Series 2017 Bond or Additional Bonds, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereat: or reduce any premium payable on the redemption thereat: without the consent of the

Registered Owner of each Series 2017 Bond and Additional Bond so affected; or

B. Reduce the aforesaid percentage of Registered Owners of Series 2017 Bond and Additional Bonds required to approve any such supplemental resolution, without the consent of the Registered Owners of all of the Series 2017 Bond and Additional Bonds then Outstanding.

It shall not be necessary for the consent of Registered Owners of Series 2017 Bond and Additional Bonds under this Section to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent shall approve the substance thereof.

Section 9.03. Effect of Supplemental Resolution.

Upon the adoption of any supplemental resolution pursuant to the provisions of this Article, this Bond Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this Bond Resolution and all Registered Owners of Series 2017 Bond and Additional Bonds Outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all terms and conditions of any such supplemental resolution shall be deemed to be part of the terms and conditions of this Bond Resolution for any and all purposes.

ARTICLE X

MISCELLANEOUS

Section 10.01. City's Authority.

The City through its Mayor, City Clerk and City Finance Officer is hereby authorized and directed to take all actions necessary or appropriate to proceed with the Project and issuance of the Series 2017 Bond.

Section 10.02. Ratification.

All actions (not inconsistent with the provisions of this Bond Resolution) heretofore taken by the City Commission, and its employees, with respect to the acquisition, construction and installation of the Golf Course, including the Project, and the issuance, sale and delivery of the Series 2017 Bond, are hereby in all respects ratified, approved, and confirmed.

Section 10.03. Contract; Severability.

The covenants contained in this Bond Resolution and in the Series 2017 Bond shall constitute a contract between the City and the Registered Owner of each and every Series 2017 Bond. All the covenants, promises and agreements in this Bond Resolution contained by or on behalf of the City, or by or on behalf of the Bond Registrar, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

If any one or more of the covenants or agreements of the City provided in this Bond Resolution shall be declared by any court of competent jurisdiction after final appeal (if any appeal be taken), to be contrary to law, then such covenant or agreement shall be null and void and shall be deemed separable from

the remaining covenants and agreements in this Bond Resolution, and shall in no way affect the validity of the other provisions of this Bond Resolution or of the Series 2017 Bond.

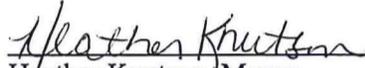
Section 10.04. Repealer.

All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

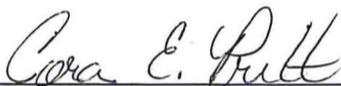
Section 10.05. Effective Date.

This Bond Resolution shall be effective immediately upon its adoption and approval.

ADOPTED by the City Commission at a regular meeting thereof: held this 5th day of June, 2017.


Heather Knutson, Mayor

ATTEST:


Cora E. Pritt, City Clerk

Commissioner Siler moved to adopt the foregoing Resolution No.2017-015 and Commissioner Southerland seconded the motion. The Commission voted as follows:

	Yea	Nay	Abstain	Absent
Todd Coutts	X			
Ian Donovan				X
Heather Knutson	X			
Lou Marchello	X			
Ken Siler	X			
Jill Southerland	X			
Steven Turner				X

EXHIBIT A

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF LAKE
CITY OF POLSON

MUNICIPAL GOLF REVENUE BOND
SERIES 2017

Interest at the rate per annum specified below
Payable April 1, 2018, and semiannually thereafter
on the 1st day of April and the 1st day of October
in each year.

No. R-____

Principal Amount \$951,300

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
2.75% FOR 5 YEARS			
3.375 THEREAFTER	October 1, 2035	June 30, 2017	None

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: **NINE HUNDRED FIFTY ONE THOUSAND THREE HUNDRED DOLLARS**

The City of Polson, Montana (the "City"), a duly organized political subdivision and city of the State of Montana, acknowledges itself to be specifically indebted and, for value received, hereby promises to pay to the registered owner identified above, or registered assigns, on or before the maturity date specified above the principal amount specified above plus interest at the rate specified above solely from the Gross Revenues received by the City from the operation of its Municipal Golf Course hereinafter specified, as authorized by Resolution No. _____ adopted _____ (the "Bond Resolution"), all subject to the provisions hereinafter described relating to the redemption of all, or a portion, of this Bond before maturity. This Bond bears interest on a fully amortized basis at the rate per annum specified above from the date of registration of this Bond, as expressed herein, or from such later date to which interest hereon has been paid or duly provided for, until the maturity date specified above or an earlier date on which this Bond, or a principal portion thereof, shall have been duly called for redemption. Interest on this bond is payable semiannually, commencing April 1, 2018, and on the first day of April and first day of October in each year thereafter, to the owner of record of this Bond appearing as such in the bond register as of the close of business on the 1st day (whether or not such is a business day) of the immediately preceding month. Interest on and the principal of this Bond is payable by check of the City or electronically or other preauthorized method of payment. The principal of and interest on this Bond are payable in lawful money of the United States of America.

The Bond is in the aggregate principal amount of \$951,300 and payable with interest at the rate of 2.275% per annum in fully amortized semi-annual payments calculated on the basis of a 365 day year of actual days elapsed according to the attached schedule (the "Bond") for the first five years. The bond will then be payable with interest at the rate of 3.375% per annum in fully amortized semi-annual payments calculated on the basis of a 365 day year of actual days elapsed according to the attached schedule (the "Bond").

The Series 2017 Bond is issued pursuant to and in full conformity with the Constitution and laws of the State of Montana particularly Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended, and pursuant to the Resolution. The Bond is payable solely, from rates, fees, charges and rentals imposed for the availability, benefit and use of the City's Municipal Golf Course as now constituted and any improvements thereto (the Course). Upon receipt of the proceeds of the Bond, the City shall deposit the proceeds into the Construction Account to pay for expenses of the Project.

The Bond is payable from revenues generated at the City of Polson Municipal Golf Course, in an aggregate principal amount of not less than \$951,300. The Bond is not a general obligation of the City.

The Bond is subject to redemption at the option of the City from other sources of funds available therefore on any interest payment date. The redemption price is equal to the amount of the principal of the Bond to be redeemed plus interest accrued thereon to the date of redemption. The date of redemption shall be fixed by the City through the Registrar and Paying Agent who shall give notice by first class mail, postage prepaid, to the owner or owners of such Bond at their addresses shown on the bond register, of the amount of principal of the Bond to be redeemed and the date on which payment will be made, which date shall not be less than thirty days after the date of mailing of notice, on which date so fixed interest shall cease. On the date so fixed, interest on the principal amount of the Bond thereof so redeemed shall cease to accrue. Upon partial redemption of the Bond, a new Bond will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

As provided in the Bond Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the 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 a Bond of other authorized denominations. Upon such transfer to exchange, the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount the outstanding 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 Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether the Bond is overdue or not, for the purpose of received 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 things required to be done precedent to the issuance of the Bond have been properly done, happened and been performed in the manner prescribed by the laws of the State of Montana and the resolutions of City of Polson, Montana, relating to the issuance thereof.

The Bond shall not be valid or become obligatory for any purpose or be entitled in any security or benefit under the Bond Resolution until the Certification of Authentication and Registration herein shall have been executed by the manual signature of the Registrar.

IN WITNESS WHEREOF, City of Polson, State of Montana, by its City Commission, has caused this Bond and the certification hereof to be executed by the signatures of the Mayor and the City Clerk and by the official seal of the City.

CITY OF POLSON, MONTANA

Mayor

City Clerk

(SEAL)

Dated at Polson, Montana, this ____ day of June, 2017

This is the Bond delivered pursuant to the Resolution mentioned hereinafter

CERTIFICATION OF AUTHENTICATION AND REGISTRATION
At the Office of the City Finance Officer of Polson, Montana
As Bond Register, Transfer Agent and Paying Agent.

This ____ day of June, 2017

City Finance Officer

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

TEN COM: as tenants in common
TEN ENT: as tenants by the entireties
JT TEN as joint tenants with right of survivorship and not as tenants in common.
(State) UTMA under Uniform Transfers to Minors Act
(Cust)
(Minor)

Additional 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 GUARANTEE:

Signature(s) must be guaranteed
By a commercial bank or trust
Company or by a brokerage firm
Having a membership in one of
the major stock exchanges.

AMORTIZATION SCHEDULE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$951,300.00	06-30-2017	10-01-2035		RC4 / 60		WPM	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "****" has been omitted due to text length limitations.

Borrower: City of Polson
106 1st St East
Polson, MT 59860

Lender: Valley Bank of Ronan
Valley Bank of Polson
49430 US Hwy 93
Polson, MT 59860

Disbursement Date: June 30, 2017

Repayment Schedule: Irregular
Calculation Method: 365/365 U.S. Rule

Payment Number	Payment Date	Interest Rate	Payment Amount	Interest Paid	Principal Paid	Balance
1	04-01-2018	2.750	33,647.23	19,710.15	13,937.08	937,362.92
2	10-01-2018	2.750	33,647.23	12,924.05	20,723.18	916,639.74
2018 TOTALS:			67,294.46	32,634.20	34,660.26	
3	04-01-2019	2.750	33,647.23	12,569.27	21,077.96	895,561.78
4	10-01-2019	2.750	33,647.23	12,347.71	21,299.52	874,262.26
2019 TOTALS:			67,294.46	24,916.98	42,377.48	
5	04-01-2020	2.750	33,647.23	12,037.66	21,609.57	852,652.69
6	10-01-2020	2.750	33,647.23	11,723.97	21,923.26	830,729.43
2020 TOTALS:			67,294.46	23,761.63	43,532.83	
7	04-01-2021	2.750	33,647.23	11,375.50	22,271.73	808,457.70
8	10-01-2021	2.750	33,647.23	11,146.75	22,500.48	785,957.22
2021 TOTALS:			67,294.46	22,522.25	44,772.21	
9	04-01-2022	2.750	33,647.23	10,777.30	22,869.93	763,087.29
10	10-01-2022	2.750	33,647.23	10,521.20	23,126.03	739,961.26
2022 TOTALS:			67,294.46	21,298.50	45,995.96	
11	04-01-2023	3.375	35,506.25	12,452.64	23,053.61	716,907.65
12	10-01-2023	3.375	35,506.25	12,130.96	23,375.29	693,532.36
2023 TOTALS:			71,012.50	24,583.60	46,428.90	
13	04-01-2024	3.375	35,506.25	11,719.48	23,786.77	669,745.59
14	10-01-2024	3.375	35,506.25	11,301.96	24,204.29	645,541.30
2024 TOTALS:			71,012.50	23,021.44	47,991.06	
15	04-01-2025	3.375	35,506.25	10,848.66	24,657.59	620,883.71
16	10-01-2025	3.375	35,506.25	10,506.12	25,000.13	595,883.58
2025 TOTALS:			71,012.50	21,354.78	49,657.72	
17	04-01-2026	3.375	35,506.25	10,027.99	25,478.26	570,405.32
18	10-01-2026	3.375	35,506.25	9,651.96	25,854.29	544,551.03
2026 TOTALS:			71,012.50	19,679.95	51,332.55	
19	04-01-2027	3.375	35,506.25	9,164.12	26,342.13	518,208.90
20	10-01-2027	3.375	35,506.25	8,768.73	26,737.52	491,471.38
2027 TOTALS:			71,012.50	17,932.85	53,079.65	
21	04-01-2028	3.375	35,506.25	8,305.00	27,201.25	464,270.13
22	10-01-2028	3.375	35,506.25	7,834.56	27,671.69	436,598.44
2028 TOTALS:			71,012.50	16,139.56	54,872.94	
23	04-01-2029	3.375	35,506.25	7,337.27	28,168.98	408,429.46
24	10-01-2029	3.375	35,506.25	6,911.13	28,595.12	379,834.34
2029 TOTALS:			71,012.50	14,248.40	56,764.10	
25	04-01-2030	3.375	35,506.25	6,392.14	29,114.11	350,720.23
26	10-01-2030	3.375	35,506.25	5,934.62	29,571.63	321,148.60
2030 TOTALS:			71,012.50	12,326.76	58,685.74	
27	04-01-2031	3.375	35,506.25	5,404.54	30,101.71	291,046.89
28	10-01-2031	3.375	35,506.25	4,924.87	30,581.38	260,465.51

**AMORTIZATION SCHEDULE
(Continued)**

2031 TOTALS:			71,012.50	10,329.41	60,683.09	
29	04-01-2032	3.375	35,506.25	4,401.41	31,104.84	229,360.67
30	10-01-2032	3.375	35,506.25	3,870.46	31,635.79	197,724.88
2032 TOTALS:			71,012.50	8,271.87	62,740.63	
31	04-01-2033	3.375	35,506.25	3,322.87	32,183.38	165,541.50
32	10-01-2033	3.375	35,506.25	2,801.17	32,705.08	132,836.42
2033 TOTALS:			71,012.50	6,124.04	64,888.46	
33	04-01-2034	3.375	35,506.25	2,235.47	33,270.78	99,565.64
34	10-01-2034	3.375	35,506.25	1,684.77	33,821.48	65,744.16
2034 TOTALS:			71,012.50	3,920.24	67,092.26	
35	04-01-2035	3.375	35,506.25	1,106.39	34,399.86	31,344.30
36	10-01-2035	3.375	31,874.68	530.38	31,344.30	0.00
2035 TOTALS:			67,380.93	1,636.77	65,744.16	
TOTALS:			1,256,003.23	304,703.23	951,300.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

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