

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF
THE CITY OF SUNFISH LAKE, MINNESOTA

HELD: June 3, 2014

Pursuant to due call and notice thereof, a regular meeting of the City Council of City of Sunfish Lake, Minnesota, was duly called and held at the City Hall in the City on Tuesday, the 3rd day of June, 2014, at 7:30 o'clock P.M.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of a proposal which had been received for the purchase of the City's General Obligation Improvement Bonds, Series 2014A, to be issued in the aggregate principal amount of \$330,000.

The City Administrator-Clerk presented the proposal which had been submitted pursuant to City Council direction.

After due consideration of the proposal, Member _____ then introduced the following written resolution, the reading of which was dispensed with by unanimous consent, and moved its adoption:

RESOLUTION NO. 2014-__

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF
\$330,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2014A

BE IT RESOLVED By the City Council of the City of Sunfish Lake, Dakota County, Minnesota (the "City") as follows:

Section 1. Sale of Bonds.

1.01 Authorization. It is hereby determined that it is necessary and expedient for the City to issue \$330,000 General Obligation Improvement Bonds, Series 2014A (the "Bonds") pursuant to Minnesota Statutes, Chapters 429 (the "Act") to provide financing for various public street improvements in the City (the "Improvements"). The City is authorized by Minnesota Statutes, Section 475.60, subdivision 2(9) to negotiate the sale of the Bonds if the City has retained an independent financial adviser in connection with such sale. The City has retained Ehlers and Associates, Inc. as an independent financial consultant in connection with the sale of the Bonds.

1.02. Award to the Purchaser and Interest Rates. The proposal of _____ (the “Purchaser”) to purchase the Bonds is found and determined to be a reasonable offer and is accepted, the proposal being to purchase the Bonds at a price of \$330,000, plus accrued interest to date of delivery, if any, for Bonds bearing interest as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2016	%	2021	%
2017		2022	
2018		2023	
2019		2024	
2020		2025	

1.03. Purchase Contract. The Mayor and City Administrator-Clerk are hereby authorized and directed to execute a Purchase Contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to Minnesota Statutes, Chapters 429 and 475 (the “Act”), in the total principal amount of \$330,000, originally dated July 1, 2014, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2016	\$	2021	\$
2017		2022	
2018		2023	
2019		2024	
2020		2025	

1.05. Optional Redemption. The City may elect on February 1, 2022, and on any day thereafter to prepay Bonds due on or after February 1, 2023. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. [If less than all Bonds of a maturity are called for redemption, the City will notify [DTC (as defined in Section 7 hereof)] [the Purchaser] of the particular amount of such maturity to be prepaid. [DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed.] Prepayments will be at a price of par plus accrued interest.

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2015, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the “Registrar”). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner’s attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine

and that the requested transfer is legally authorized. The Registrar will 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 a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes and payments so made to registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for a Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, 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 and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints _____, as the initial Registrar. The Mayor and the City Administrator-Clerk are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Council, the City Treasurer must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Treasurer and executed on behalf of the City by the signatures of the Mayor and the City Administrator-Clerk, provided that those signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of a Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Treasurer will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in Section 3 with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the following form:

No. R-_____ \$_____

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF DAKOTA
CITY OF SUNFISH LAKE

GENERAL OBLIGATION IMPROVEMENT BOND, SERIES 2014A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	July 1, 2014	

Registered Owner: [Cede & Co.]

The City of Sunfish Lake, Minnesota, a duly organized and existing municipal corporation in Dakota County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum set forth above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing August 1, 2015, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by _____, _____, Minnesota, as Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2022, and on any day thereafter to prepay Bonds due on or after February 1, 2023. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify Depository Trust Company ("DTC") [the Registered Owner] of the particular amount of such maturity to be prepaid. [DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.]

This Bond is one of an issue in the aggregate principal amount of \$330,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council on June 3, 2014 (the

“Resolution”), for the purpose of providing money to finance the construction of various public improvements pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapters 429 and 475, and the principal hereof and interest hereon are payable from special assessments levied against property specially benefited by local improvements and from ad valorem taxes as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy ad valorem taxes on all taxable property in the City, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this 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 the owner’s 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 the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or 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, 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.

This Bond has been designated by the Issuer as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

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 will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota, to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Sunfish Lake, Dakota County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile signatures of the Mayor and City Administrator-Clerk and has caused this Bond to be dated as of the date set forth below.

Dated: _____, 2014

CITY OF SUNFISH LAKE, MINNESOTA

(Facsimile)
City Administrator-Clerk

(Facsimile)
Mayor

CERTIFICATE OF AUTHENTICATION

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

By _____
Authorized Representative

TEN COM -- as tenants in common	UNIF GIFT MIN ACT _____ Custodian _____ (Cust) (Minor)
TEN ENT -- as tenants by entireties	under Uniform Gifts or Transfers to Minors
JT TEN -- as joint tenants with right of survivorship and not as tenants in common	Act (State)

ASSIGNMENT

Dated: _____

Signature Guaranteed:

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

Name and Address: _____

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

Please insert social security or other
identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

Date of Registration

Registered Owner

Signature
of Registrar

[Cede & Co.
Federal ID #13-2555119]

Section 3. Payment; Security; Pledges and Covenants.

3.01 Debt Service Fund. (a) The Bonds are payable from the General Obligation Improvement Bonds, Series 2014A Debt Service Fund (the “Debt Service Fund”) hereby created, and the proceeds of general taxes hereinafter levied (the “Taxes”), and special assessments (the “Assessments”) levied or to be levied for the Improvements are hereby pledged to the Debt Service Fund. If a payment of principal or interest on the Bonds becomes due when there is not sufficient money in the Debt Service Fund to pay the same, the City Treasurer is directed to pay such principal or interest from other funds of the City, and such fund will be reimbursed for those advances out of the proceeds of Assessments and Taxes when collected. There is appropriated to the Debt Service Fund (i) any rounding amount and (ii) any capitalized interest financed from Bond proceeds, if any.

(b) Construction Fund. The proceeds of the Bonds, less the appropriations made in paragraph (a), together with any other funds appropriated for the Improvements and Assessments collected during the construction of the Improvements will be deposited in a separate construction fund (the “Construction Fund”) to be used solely to defray expenses of the Improvements and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Improvement. Any balance remaining in the Construction Fund after completion of the Improvements may be used to pay the cost in whole or in part of any other improvement instituted under the Act. When the Improvements are completed and the cost thereof paid, the Construction Fund is to be closed and subsequent collections of Assessments for the Improvements are to be deposited in the Debt Service Fund.

3.02. City Covenants. The City hereby covenants with the holders from time to time of the Bonds as follows:

(a) It is hereby determined that the Improvements will directly and indirectly benefit abutting property, and that at least 20% of the costs of the Improvements to the City will be paid by Assessments. The City has caused or will cause the Assessments for the Improvements to be promptly levied so that the first installment will be collectible not later than 2015 and will take all steps necessary to assure prompt collection, and the levy of the Assessments is hereby authorized. The City Council will cause to be taken with due diligence all further actions that are required for the construction of each Improvement financed wholly or partly from the proceeds of the Bonds, and will take all further actions necessary for the final and valid levy of the Assessments and the appropriation of any other funds needed to pay the Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in Assessments and Taxes, the City Council will levy ad valorem taxes in the amount of the current or anticipated deficiency.

(c) The City will keep complete and accurate books and records showing: receipts and disbursements in connection with the Improvements, Assessments and Taxes levied therefor and other funds appropriated for their payment, collections thereof and disbursements therefrom, monies on hand and, the balance of unpaid Assessments.

(d) The City will cause its books and records to be audited at least annually and will furnish copies of such audit reports to any interested person upon request.

3.03. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Bonds, there is levied a direct annual irrevocable ad valorem tax (the "Taxes") upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The taxes will be credited to the Debt Service Fund above provided and will be in the years and amounts as follows (year stated being year of collection):

<u>Year</u>	<u>Levy</u>
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(See EXHIBIT A)

It is hereby determined that the estimated collections of Assessments and the foregoing Taxes will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bonds.

3.04. Certification to County Auditor as to Debt Service Fund Amount. The tax levy herein provided is irrevocable until all of the Bonds are paid, provided that at the time the City makes its annual tax levy the City Administrator-Clerk may certify to the County Auditor of Dakota County the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

3.05. County Auditor's Certificate as to Registration and Tax Levy. The City Administrator-Clerk is authorized and directed to file a certified copy of this resolution with the County Auditor of Dakota County and to obtain their certificates required by Minnesota Statutes, Section 475.63, that the Bonds have been entered in their register and the tax levy required by law has been made.

Section 4. Authentication of Transcript.

4.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

4.02 Certification as to Offering Memorandum. The Mayor and City Administrator-Clerk are authorized and directed to certify that they have examined the Offering Memorandum prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Offering Memorandum is a complete and accurate representation of the facts and representations made therein as of the date of the Offering Memorandum.

4.03. Payment of Costs of Issuance. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota on the closing date for further distribution as directed by the City's financial adviser, Ehlers & Associates, Inc.

4.04. Other Certificates. The Mayor and City Administrator-Clerk are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor and the City Administrator-Clerk shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the City Administrator shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

Section 5. Tax Covenant.

5.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the 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 Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

5.02. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or facilities financed by the Bonds or to cause or permit them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

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

(a) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

(b) the City designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2014 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the City during calendar year 2014 have been designated for purposes of Section 265(b)(3) of the Code.

5.04 No Rebate Required. For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the City hereby finds, determines, and declares that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities of the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

[Section 6. Book-Entry System; Limited Obligation of City.

6.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

6.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar,) of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of

Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator-Clerk of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.,” will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator-Clerk will promptly deliver a copy of the same to the Registrar and Paying Agent.

6.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

6.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

6.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and notices with respect to the Bond will be made and given, respectively in the manner provided in DTC’s Operational Arrangements, as set forth in the Representation Letter.]

Section 7. No Continuing Disclosure. Participating underwriters need not comply with the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”), because the offering is in a principal amount less than \$1,000,000. Consequently, the City will not enter into any undertaking to provide continuing disclosure of any kind with respect to the Bonds.

Section 8. Defeasance. When all Bonds and all interest thereon, have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

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

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted this 3rd day of June, 2014.

By _____
Its Mayor

Attest:

Its City Administrator-Clerk

EXHIBIT A

TAX LEVY SCHEDULE

<u>Collection Year</u>	<u>Levy Amount</u>
2014	
2015	
2016	
2017	
2018	
2019	
2020	
2021	
2022	
2023	

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) SS.
)
CITY OF SUNFISH LAKE)

I, the undersigned, being the duly qualified and acting City Administrator-Clerk of the City of Sunfish Lake, Dakota County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on June 3, 2014 with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of \$330,000 General Obligation Improvement Bonds, Series 2014A of the City.

WITNESS my hand officially as such City Administrator-Clerk this _____ day of _____, 2014.

City Administrator-Clerk

STATE OF MINNESOTA
COUNTY OF DAKOTA

COUNTY AUDITOR'S
CERTIFICATE AS TO
TAX LEVY AND REGISTRATION

I, the undersigned County Auditor of Dakota County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of the City of Sunfish Lake, Minnesota, on June 3, 2014, levying taxes for the payment of \$330,000 General Obligation Improvement Bonds, Series 2014A, of said City dated July 1, 2014, has been filed in my office and said bonds have been entered on the register of obligations in my office and that the taxes specified in the Resolution have been levied as required by law.

WITNESS my hand this ____ day of _____, 2014.

County Auditor
Dakota County, Minnesota