

**RESOLUTION NO. 17-1283**

**GENERAL BOND RESOLUTION AUTHORIZING THE ISSUANCE OF  
PARKING ENTERPRISE REVENUE BONDS**

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE  
CITY OF SAINT PAUL, MINNESOTA**

**Adopted: August 23, 2017**

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## GENERAL BOND RESOLUTION

BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, as follows:

### ARTICLE ONE

#### DEFINITIONS, LEGAL AUTHORIZATION AND FINDINGS

##### Section 1.1 DEFINITIONS.

The following terms, unless the context or use thereof shall clearly require otherwise, shall have the following meanings:

Act: Minnesota Statutes, Sections 469.001 to 469.047, as amended;

Accreted Value: with respect to a Capital Appreciation Bond on any date, the present value thereof on the immediately preceding date specified in such Revenue Bond (or if such date is the specified date, then on such date), determined by computing the present worth of all payments of principal and interest remaining to be paid thereon using a discount factor equal to the yield at which such Capital Appreciation Bond was initially offered to the public, as further specified in a table of Accreted Values contained in the Capital Appreciation Bond and in the related Supplemental Resolution;

Additional Parking Facility: a parking facility not included in the list of Parking Facilities in Exhibit A to the Pledge Agreement, as of the date of issuance of the Series 2017 Bonds, but added to the list of Parking Facilities by an amendment or supplement to Exhibit A to the Pledge Agreement;

Additional Revenue Bonds: any Revenue Bonds, other than the Series 2017A Bonds and Series 2017B Bonds;

Authority: the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, or any successor to its functions;

Average Annual Debt Service: the average amount of principal and interest (excluding any Subordinated Interest) to become due in the Fiscal Years during which any Revenue Bonds will remain Outstanding, provided that, if applicable, the calculation of Average Annual Debt Service shall be made in accordance with the provisions of Section 2.12 hereof;

Bond Closing: the date on which there is delivery and payment to the Authority for any Revenue Bonds;

Bond Counsel: the firm of Kennedy & Graven, Chartered, of St. Paul and Minneapolis, Minnesota, or any other firm of nationally recognized bond counsel selected by the Authority;

Bondholder: a Holder of a Revenue Bond;

Bond Registrar: the person designated with respect to any series of Revenue Bonds in the applicable Supplemental Resolution to perform the functions of Registrar under Section 2.6 hereof;

Bond Year: for each series of Revenue Bonds, a twelve-month calendar period ending on July 31 of each year, provided that the first Bond Year shall begin on the date of Bond Closing and shall end on July 31 of the subsequent year;

Business Day any day other than (a) a Saturday or Sunday or legal holiday or a day on which banking institutions in the City or the city in which the office at which drawings under the Credit Facility must be presented are located are authorized by law or executive order to close, or (b) a day on which The New York Stock Exchange is closed;

Capital Account: the account by that name within the Parking Enterprise Fund created and established by Section 5.2(A) hereof;

Capital Appreciation Bonds: any Revenue Bonds issued on the basis that interest thereon shall be accrued and compounded periodically, and that payment of interest thereon shall only be made at maturity or at a specified time or times prior to maturity or upon earlier redemption, by sinking fund installment or otherwise;

City: the City of Saint Paul, a home rule city and political subdivision of the State of Minnesota, or any successor to its functions;

Code: the Internal Revenue Code of 1986, as amended, or any successor code, and all regulations, rulings and decisions thereunder;

Credit Agreement: any reimbursement agreement or similar instrument between the Authority and a Credit Provider with respect to a Credit Facility;

Credit Facility: a letter of credit, surety bond, insurance policy or comparable instrument furnished by a Credit Provider with respect to one or more series of Revenue Bonds to satisfy in whole or in part the Authority's obligation to maintain the Reserve Requirement with respect to a series of Revenue Bonds, or to secure (a) the payment of debt service (which may include the premium due on payment of a Revenue Bond) on Revenue Bonds of a specified series, (b) the payment of the purchase price (which may include accrued interest to the date of purchase) of Variable Rate Revenue Bonds of a specified series on the applicable purchase date or tender dates, or (c) both the payment of debt service on a specified series of Revenue Bonds and the payment of the purchase price of Revenue Bonds of a specified series;

Credit Provider: the bank, insurance company, financial institution or other entity, with a long-term-debt or claims-paying rating in one of the two highest categories of S&P or Moody's, providing a Credit Facility pursuant to a Credit Agreement;

Collection Costs of Fine and Meter Revenue: the reasonable and necessary costs of administering, operating, maintaining, repairing, and insuring Fine Revenue facilities and

Meter Revenue facilities including, but not limited to, salaries, wages, costs of materials and supplies, legal, engineering and auditing services relating to the Fine Revenue facilities and Meter Revenue facilities, including internal staff time of the City allocable to such costs, and all other items which, by generally accepted governmental accounting practices constitute normal, reasonable and current costs of operation and maintenance of the Fine Revenue facilities and Meter Revenue facilities, but excluding any allowance for depreciation or debt service;

Current Expenses: the reasonable and necessary third party costs of administering, operating, maintaining, repairing and insuring the Parking Facilities, reasonable and necessary salaries, wages, costs of materials and supplies, legal, engineering and auditing services related to the Parking Facilities, and all other items which, by generally accepted governmental accounting practices constitute normal, reasonable and current costs of operation and maintenance of the Parking Facilities, but excluding any allowance for depreciation, extraordinary repairs, the Authority's internal administrative expenses, and payments into the Debt Service Account, Reserve Account and Repair and Replacement Account and excluding all Collection Costs of Fine and Meter Revenue;

Debt Service Account: the account by that name created within the Parking Enterprise Fund in accordance with the terms of Section 5.2(B) hereof;

Excess Earnings: the amount of investment earnings on moneys held in the Parking Enterprise Fund or any account therein, or in any other fund or account, that is treated as rebatable arbitrage under Section 148 of the Code, as earnings on "gross proceeds" in excess of the "yield" on any series of Tax-Exempt Bonds;

Excess Investment Earnings Account: the account by that name created within the Parking Enterprise Fund in accordance with the terms of Section 5.2(D) hereof;

Fiduciary: any bank or other organization acting in a fiduciary capacity with respect to any Revenue Bonds, whether as a paying agent, Bond Registrar, trustee, tender agent, or escrow agent, or in a similar function;

Fine Revenue: all parking fines received by the City in an amount not to exceed \$1,500,000 in any Fiscal Year, or such other amount as may be established by the terms of the Pledge Agreement;

First Supplemental Bond Resolution: Resolution No. 17-1284, adopted by the Board of Commissioners of the Authority on August 23, 2017, as from time to time amended or supplemented;

Fiscal Year: the twelve (12) month period beginning on January 1 of each year and ending on December 31 of the same year;

Fixed Rate Revenue Bond: any Revenue Bond that is not a Variable Rate Revenue Bond;

General Account: the account by that name created within the Parking Enterprise Fund in accordance with the terms of Section 5.2(G) hereof;

General Bond Resolution: this General Bond Resolution, adopted by the Board of Commissioners of the Authority on August 23, 2017, as from time to time amended or supplemented;

Holder: the person or entity in whose name a Revenue Bond is registered on the books of the Bond Registrar;

Improvements: any expansion, construction, reconstruction, equipping, modification or other betterment of a capital nature to the Parking Facilities, including any Additional Parking Facility, or any equipment or other tangible property which generates Parking Facility Gross Revenue, Fine Revenue or Meter Revenue;

Interest Payment Date: any date on which an installment of interest is scheduled to become due on any series of Revenue Bonds as set forth in a Supplemental Resolution; in the case of Capital Appreciation Bonds, the Interest Payment Date shall be the earliest of (1) the stated maturity date, (2) any redemption date, or (3) the dates on which interest is to be paid after conversion of such Capital Appreciation Bonds to a Revenue Bond on which interest is paid periodically;

Management Agreement: any agreement entered into by the Authority with a third party pursuant to which such third party manages any of the Parking Facilities;

Maximum Annual Debt Service: the maximum amount of principal and interest (excluding any Subordinated Interest) to become due in any Fiscal Year on all Revenue Bonds, provided that, if applicable, the calculation of Maximum Annual Debt Service shall be made in accordance with the provisions of Section 2.12 hereof;

Meter Revenue: all parking meter revenues collected by the City from the City's parking meters in an amount not to exceed \$1,500,000 in any Fiscal Year, or such other amount as may be established by the terms of the Pledge Agreement;

Moody's: Moody's Investor's Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority;

Net Proceeds: (i) with respect to any insurance payment or condemnation award, the amount (including earnings thereon) remaining after deduction of all expenses reasonably incurred by the Authority in the collection thereof, including but not limited to reasonable attorneys' fees, witness fees and any extraordinary expenses of the Authority in connection therewith, and (ii) with respect to any sale or other disposition, the amount (including earnings thereon) remaining after deduction of all expenses reasonably incurred by the Authority in connection with the transaction, including but not limited to reasonable attorneys' fees, recording fees or charges, title fees or charges and any extraordinary expenses of the Authority in connection therewith;

Net Sale Proceeds: any amounts described in clause (ii) of the definition of Net Proceeds;

Other Parking Facilities: parking facilities owned by the Authority that are not Parking Facilities or Additional Parking Facilities;

Outstanding: as of the date of determination, all Revenue Bonds theretofore issued and delivered under this General Bond Resolution except:

(A) Revenue Bonds theretofore cancelled by the Bond Registrar or Paying Agent or delivered to the Bond Registrar or Paying Agent cancelled or for cancellation;

(B) Revenue Bonds for which payment or redemption money or securities (as provided in Article Seven hereof) shall have been theretofore deposited with the Paying Agent in trust for the Holders of such Revenue Bonds; provided, however, that if such Revenue Bonds are to be redeemed, notice of such redemption shall have been duly given pursuant to this General Bond Resolution and the applicable Supplemental Resolution or irrevocable action shall have been taken to call such Revenue Bonds for redemption at a stated redemption date; and

(C) Revenue Bonds in exchange for or in lieu of which other Revenue Bonds shall have been issued and delivered pursuant to this General Bond Resolution and the applicable Supplemental Resolution;

provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Revenue Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Revenue Bonds owned by the Authority shall be disregarded and deemed not to be Outstanding;

Parking Enterprise Fund: the fund by that name created in accordance with the terms of Section 5.2 hereof;

Parking Facilities: the parking ramps and lots described on Exhibit A attached to the Pledge Agreement and any Additional Parking Facility subsequently added by a supplement or amendment to Exhibit A to the Pledge Agreement;

Parking Facility Excess Net Revenues: shall have the meaning given such term in the Pledge Agreement;

Parking Facility Net Revenue: Parking Facility Gross Revenue less Current Expenses;

Parking Facility Gross Revenue: all amounts received by the Authority from the parking operations of the Parking Facilities, including (a) all parking fees, and (b) any amounts paid to the Authority under any Management Agreement for any of the Parking Facilities;

Parking Meter Collection and Fines Fund: the fund by that name heretofore created and maintained by the City;



Paying Agent: the Bond Registrar;

Pledge Agreement: the Pledge Agreement, dated on or after September 1, 2017, by and between the Authority and the City, as from time to time amended and supplemented;

Pledged Funds: sums held in the Capital Account, the Debt Service Account, the Reserve Account and the Repair and Replacement Account in the Parking Enterprise Fund and the Pledged Fine Account and the Pledged Meter Account of the Parking Meter Collection and Fines Fund;

Pledged Revenues: any and all Parking Facility Net Revenues and the Fine Revenue and Meter Revenue; provided, however, that under no circumstances shall the revenues of Other Parking Facilities ever constitute Pledged Revenues;

Principal Payment Date: any date on which an installment of principal is scheduled to become due on Revenue Bonds, whether by scheduled maturity or scheduled mandatory redemption or otherwise;

Property Insurance and Award Account: the account by that name created within the Parking Enterprise Fund in accordance with the terms of Section 5.2(F) hereof;

Purchaser: the person or entity which purchases a series of Revenue Bonds from the Authority at Bond Closing;

Qualified Investments: any investments authorized under Minnesota Statutes, Section 118A, as amended;

Rebate Amount: the amount required to be paid to the United States Treasury pursuant to Section 148 of the Code as rebate of investment earnings to the extent such investment earnings are in excess of the yield on any series of Tax-Exempt Bonds and are subject to rebate;

Repair and Replacement Account: the account by that name created within the Parking Enterprise Fund in accordance with the terms of Section 5.2(E) hereof;

Reserve Account: the account by that name created within the Parking Enterprise Fund in accordance with the terms of Section 5.2(C) hereof;

Reserve Requirement: initially, with respect to the Series 2017 Bonds, approximately \$2,217,193 (the definitive amount to be established by the Pricing Committee created by the terms of the First Supplemental Bond Resolution), of which a portion derived from the proceeds of the Series 2017A Bonds in the amount of approximately \$2,014,335 (the definitive amount to be established by the Pricing Committee) shall be deposited in the Series 2017A Subaccount (as established by the First Supplemental Bond Resolution) of the Reserve Account, and of which a portion derived from the proceeds of the Series 2017B Bonds in the amount of approximately \$202,858 (the definitive amount to be established by the Pricing Committee) shall be deposited in the Series 2017B Subaccount (as established by the First Supplemental Bond Resolution) of the Reserve Account, and upon the issuance of any

Additional Revenue Bonds, an amount equal to the lesser of (i) ten percent (10%) of the original principal amount of all Revenue Bonds, or (ii) Maximum Annual Debt Service, or (iii) 125 percent of Average Annual Debt Service;

Revenue Bonds: any revenue bonds from time to time issued on a parity of lien pursuant to this General Bond Resolution and any Supplemental Resolution;

Series 2017 Bonds: the Series 2017A Bonds and the Series 2017B Bonds;

Series 2017A Bonds: the Parking Enterprise Revenue Refunding Bonds, Series 2017A, issued by the Authority under the terms and conditions of the First Supplemental Bond Resolution;

Series 2017B Bonds: the Taxable Parking Enterprise Revenue Refunding Bonds, Series 2017B, issued by the Authority under the terms and conditions of the First Supplemental Bond Resolution;

S&P: S&P Global Ratings, a corporation organized and existing under the laws of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority;

Subordinated Interest: the portion of interest on any Revenue Bonds, the payment of which is subordinate to the payment of principal and the remaining interest on Revenue Bonds;

Supplemental Resolution: any resolution adopted by the Authority which supplements or amends this General Bond Resolution and pursuant to which one or more series of Revenue Bonds are issued;

Taxable Bonds: any Revenue Bonds issued pursuant to this General Resolution and a Supplemental Resolution which are not Tax-Exempt Bonds on their date of original issue;

Tax-Exempt Bonds: any Revenue Bonds issued pursuant to this General Resolution and a Supplemental Resolution for which the Authority receives, on the date of their original issuance, an opinion of Bond Counsel to the effect that interest on such Revenue Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code;

Treasurer: the Treasurer of the City of Saint Paul, or any successor to his or her functions;

Variable Rate Revenue Bonds: any Revenue Bond, the interest rate on which is not established at a single numerical rate for the entire term of such Revenue Bond.

## Section 1.2 LEGAL AUTHORIZATION.

The Authority is a body corporate and politic organized and existing under the Act, and is authorized under the Act to own, operate and maintain public parking facilities in

connection with any of its projects, and to issue and sell revenue bonds for such purposes, in the manner, and upon the terms and conditions set forth in the Act, in order to accomplish the purposes and objectives of the Act.

### Section 1.3 RULES OF CONSTRUCTION.

(1) This General Bond Resolution shall be interpreted in accordance with and governed by the laws of the State of Minnesota.

(2) The words “herein” and “hereof” and “hereunder” and words of similar import, without reference to any particular section or subdivision, refer to this General Bond Resolution as a whole rather than to any particular section or subdivision of this General Bond Resolution.

(3) References in this General Bond Resolution to any particular article, section or subdivision hereof are to the designated article, section or subdivision of this General Bond Resolution as originally adopted.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted governmental accounting principles; and all computations provided for herein shall be made in accordance with generally accepted governmental accounting principles consistently applied and applied on the same basis as in prior years.

(5) The Table of Contents and titles of articles and sections herein are for convenience only and are not a part of this General Bond Resolution.

(6) Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa and the masculine shall include the feminine and vice versa.

(7) Articles, sections, subsections, paragraphs and clauses mentioned by number only are those so numbered which are contained in this General Bond Resolution.

(8) Whenever an opinion of counsel is required by this General Bond Resolution, such opinion shall be a written opinion signed by such counsel.

(9) All references herein to “principal amount” or “outstanding principal amount” shall, in the case of Capital Appreciation Bonds, be deemed to be a reference to the accreted value of the Capital Appreciation Bonds at the applicable time.

(10) In the event there is a conflict between any provision of this General Bond Resolution or any Supplemental Resolution and the Pledge Agreement, the provision of the Pledge Agreement shall control and supersede the provision in this General Bond Resolution or any Supplemental Resolution to the extent of the inconsistency; provided that with respect to any disposition of Net Proceeds, the terms of this General Bond Resolution shall control.

## ARTICLE TWO

### REVENUE BONDS

#### Section 2.1 GENERAL AUTHORIZATION TO ISSUE REVENUE BONDS.

The Authority may from time to time issue Revenue Bonds payable from such sources and in such form as the Authority deems appropriate, all as provided in this General Bond Resolution and any Supplemental Resolution thereto. Each series of Revenue Bonds shall be authorized by a Supplemental Resolution and shall be secured solely in the manner set forth in this General Bond Resolution and the Supplemental Resolution providing for their issuance.

#### Section 2.2 ISSUANCE AND EXECUTION OF REVENUE BONDS AND RESTRICTIONS ON ISSUANCE.

The Authority may from time to time, upon the conditions stated in Section 2.9 or Section 2.10 hereof, agree upon and approve the issuance and delivery of Revenue Bonds, including Revenue Bonds issued to refund, in whole or in part, any Outstanding Revenue Bonds. Every such series of Revenue Bonds shall be authorized by a Supplemental Resolution, establishing the terms thereof and, in the case of any Additional Revenue Bonds, providing for the pledge of Pledged Revenues which, if collected in full and when due, shall be sufficient to pay the interest when due and to pay and redeem such Revenue Bonds at maturity or when required by the provisions of such Supplemental Resolution or which otherwise satisfy the provisions in Section 2.9 or Section 2.10 hereof. Each series of Revenue Bonds shall be secured, executed, authenticated and delivered as provided in this General Bond Resolution and such Supplemental Resolution, and prior to the delivery thereof there shall be filed with the Secretary of the Authority an opinion of Bond Counsel approving the legality of such series of Revenue Bonds and, if such Revenue Bonds are issued as Tax-Exempt Bonds, an opinion of Bond Counsel that interest on the Revenue Bonds is excluded from gross income under Section 103 of the Code, and such other applicable documents and opinions as are reasonably required by Bond Counsel.

#### Section 2.3 MUTILATED, LOST OR DESTROYED REVENUE BONDS.

In case any Revenue Bond issued hereunder shall become mutilated or be destroyed or lost, the Authority shall, if not then prohibited by law, cause to be executed, and the Bond Registrar shall authenticate and deliver, a new Revenue Bond of like amount, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Revenue Bond, or in lieu of and in substitution for any such Revenue Bond destroyed or lost, upon the Holder's paying the reasonable expenses and charges of the Bond Registrar and Authority and, in the case of a Revenue Bond destroyed or lost, his filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Revenue Bond was destroyed or lost, and of his ownership thereof, and furnishing the Authority and the Bond Registrar with indemnity satisfactory to them. If the mutilated, destroyed or lost Revenue Bond has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Revenue Bond prior to payment.

Section 2.4 TEMPORARY REVENUE BONDS.

(1) The Authority may execute and deliver, one or more temporary Revenue Bonds which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the printed Revenue Bonds in lieu of which they are issued, in registered form, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the Authority executing such Revenue Bonds may determine, as evidenced by their signing of such Revenue Bonds.

(2) If temporary Revenue Bonds are issued, the Authority will cause definitive Revenue Bonds to be prepared or otherwise without unreasonable delay. After the preparation of definitive Revenue Bonds, the temporary Revenue Bonds shall be exchangeable for definitive Revenue Bonds upon surrender of the temporary Revenue Bonds at the principal office of the Authority or any other place mutually agreed upon by the Authority and the Holder, all without charge to the Holder. All temporary Revenue Bonds shall be surrendered to the Authority for cancellation, and the Authority shall execute and deliver in exchange therefor a like principal amount of definitive Revenue Bonds of authorized denominations and forthwith cause the temporary Revenue Bonds to be cancelled. Until so exchanged the temporary Revenue Bonds shall in all respects be entitled to the security and benefits under this General Bond Resolution and the applicable Supplemental Resolution.

Section 2.5 OWNERSHIP OF REVENUE BONDS.

The Authority, Bond Registrar and the Paying Agent may deem and treat the Holder of any Revenue Bond as the absolute owner of such Revenue Bond for the purpose of receiving payment thereof and for all other purposes whatsoever (except as may otherwise be provided with respect to a series of Revenue Bonds under a Supplemental Resolution relating thereto) and the Authority, Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

Section 2.6 REGISTRATION, TRANSFER AND EXCHANGE OF REVENUE BONDS.

Unless and to the extent otherwise provided in the applicable Supplemental Resolution, with respect to each series of Revenue Bonds:

(1) The Authority shall cause to be kept at the office of the Bond Registrar a Bond Register in which the Bond Registrar shall provide for the registration of Revenue Bonds and the registration of transfers of Revenue Bonds. The Bond Register shall contain a record of every Revenue Bond at any time authenticated hereunder, together with the name and address of the Holder thereof, the date of authentication, the date of transfer or payment, and such other matters as are appropriate for the Bond Register in the estimation of the Authority.

(2) Upon surrender for transfer of any Revenue Bond at the office of the Bond Registrar office of the Bond Registrar, the Authority shall execute (if necessary), and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees (but not registered in blank or to “bearer” or a similar designation), one or more new Revenue

Bonds of any authorized denomination or denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor.

(3) At the option of the Holder, Revenue Bonds may be exchanged for other Revenue Bonds of the same series of any authorized denomination or denominations of a like aggregate principal amount and stated maturity, upon surrender of the Revenue Bonds to be exchanged at the office of the Bond Registrar, and upon payment, if the Authority shall so require, of the taxes, if any, hereinafter referred to. Whenever any Revenue Bonds are so surrendered for exchange, the Authority shall execute, and the Bond Registrar shall authenticate and deliver, the Revenue Bonds which the holder making the exchange is entitled to receive.

(4) All Revenue Bonds surrendered upon any exchange or transfer provided for in this General Bond Resolution shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the Authority.

(5) All Revenue Bonds delivered in exchange for or upon transfer of Revenue Bonds shall be valid special obligations of the Authority evidencing the same debt, and entitled to the same benefits under this General Bond Resolution, as the Revenue Bonds surrendered for such exchange or transfer.

(6) Transfer of a Revenue Bond may be made on the Bond Registrar's books by the registered owner in person or by the registered owner's attorney duly authorized in writing. Every Revenue Bond presented or surrendered for transfer or exchange shall (if so required by the Authority or the Bond Registrar) be duly endorsed or be accompanied by a written instrument or instruments of transfer, in the form printed on the Revenue Bond or in another form satisfactory to the Bond Registrar, duly executed and with guaranty of signature of the Holder thereof or his attorney duly authorized in writing and shall include written instructions as to the details of the transfer of the Revenue Bond.

(7) No service charge shall be made to the Holder for any registration, transfer or exchange, but the Bond Registrar may require payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in connection with any transfer or exchange of Revenue Bonds, other than exchanges expressly provided in this General Bond Resolution or any Supplemental Resolution to be made without expense or without charge to Bondholders.

(8) Subject to the provisions of subsection (9) below, the Bond Registrar shall endeavor to comply with rules applicable to transfer agents registered with the Securities and Exchange Commission as to the 72-hour "turnaround" standard established for the transfer of registered corporate securities.

(9) The Bond Registrar shall not be required (i) to transfer or exchange any Revenue Bond during a period beginning at the opening of business ten (10) days before the day of a notice of redemption of Revenue Bonds under this General Bond Resolution and ending at the close of business on the day of such publication or mailing, or (ii) to transfer or exchange any Revenue Bond so selected for redemption in whole or in part.

Section 2.7 INTEREST RIGHTS PRESERVED; DATING OF REVENUE BONDS.

Except and to the extent otherwise provided in any Supplemental Resolution:

(1) Each Revenue Bond delivered upon transfer of any other Revenue Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Revenue Bond, and each such Revenue Bond shall be so dated, that neither gain nor loss in interest shall result from such transfer.

(2) Each Revenue Bond delivered pursuant to Section 2.6 shall be dated by the Bond Registrar as of the last Interest Payment Date preceding the date of authentication to which interest on the Revenue Bond has been paid or made available for payment, unless the date of authentication is an Interest Payment Date to which interest has been paid or made available for payment, in which case the Revenue Bond shall be dated as of the date of authentication.

Section 2.8 DESTRUCTION OF REVENUE BONDS.

Whenever any Outstanding Revenue Bond shall be delivered to Bond Registrar for cancellation pursuant to this General Bond Resolution, upon payment of the principal amount and interest represented thereby or for replacement pursuant to Section 2.3 or transfer pursuant to Section 2.6, such Revenue Bond shall be cancelled and destroyed by the Bond Registrar.

Section 2.9 REQUIREMENTS FOR THE ISSUANCE OF ADDITIONAL REVENUE BONDS.

(1) Except as permitted by this Section 2.9 and by Section 2.10, no obligations payable from the Debt Service Account or Reserve Account of the Parking Enterprise Fund or Pledged Revenues shall be hereafter issued, unless the lien on Pledged Revenues securing such obligations is expressly made junior and subordinate to the lien of Outstanding Revenue Bonds upon the Parking Enterprise Fund and Pledged Revenues by limiting the lien to Parking Facility Excess Net Revenues, provided that Additional Revenue Bonds may be issued pursuant to this General Bond Resolution and a Supplemental Resolution if the following conditions are met:

(A) Except as otherwise provided in Section 2.10, no Additional Revenue Bonds payable from the Pledged Revenues and the Parking Enterprise Fund on a parity of lien with the then Outstanding Revenue Bonds shall be issued unless:

(i) the payment of principal and interest, excluding any Subordinated Interest, on all Outstanding Revenue Bonds is secured by a Credit Facility, the prior written consent of the Credit Enhancer to the issuance of Additional Revenue Bonds is required under the terms of Credit Facility, and the consent of the Credit Enhancer is obtained; or

(ii) (a) if no Additional Parking Facility will be financed in connection with the issuance of Additional Revenue Bonds, the average of the annual Pledged Revenues for the two completed Fiscal Years (for which financial statements are available) immediately preceding the issuance of such Additional Revenue Bonds shall have been at least 1.50 times the Maximum Annual Debt Service, excluding

any Subordinated Interest, coming due hereafter on all Outstanding Revenue Bonds, including the Additional Revenue Bonds to be issued; or

(b) if an Additional Parking Facility will be financed with such Additional Revenue Bonds and the Additional Parking Facility will generate Pledged Revenues, the average of the annual Pledged Revenues for the two completed Fiscal Years (for which financial statements are available) immediately preceding the issuance of such Additional Revenue Bonds, including the average revenues from the Additional Parking Facility for the two completed Fiscal Years (for which financial statements are available) during which there were full operations for such Additional Parking Facility and that would have constituted Pledged Revenues if the Additional Parking Facility had been a Parking Facility during such two Fiscal Years, shall have been at least 1.50 times the Maximum Annual Debt Service, excluding any Subordinated Interest, coming due hereafter on all Outstanding Revenue Bonds, including the Additional Revenue Bonds to be issued; and

(B) In addition to the requirements of subsection (A) above, the following additional conditions shall be met with respect to issuance of Additional Revenue Bonds:

(i) all payments or deposits required to be made into the various funds and accounts required by this General Bond Resolution, any Supplemental Resolution, and the Pledge Agreement have been made;

(ii) the Supplemental Resolution authorizing such Additional Revenue Bonds provides for the pledge and payment into the Reserve Account on or before the issuance of the Additional Revenue Bonds of a Credit Facility or Qualified Investments in the amount necessary to fund the Reserve Requirement with respect to the Additional Revenue Bonds and the other Outstanding Revenue Bonds;

(iii) an amendment or supplement to the Pledge Agreement is entered into to provide for (a) the pledge of Pledged Revenues sufficient to cover the debt service requirements of the Additional Revenue Bonds and all Outstanding Revenue Bonds and to maintain the Reserve Account at the Reserve Requirement for the Additional Revenue Bonds and all other Outstanding Revenue Bonds, and (b) if the Additional Revenue Bonds will finance an Additional Parking Facility, Exhibit A of the Pledge Agreement is amended or supplemented to include such Additional Parking Facility;

(iv) the Additional Revenue Bonds mature on August 1;

(v) the proceeds of such Additional Revenue Bonds shall be used only for the purpose of (a) paying the costs of constructing Improvements or constructing any Additional Parking Facilities which will generate Pledged Revenues if an amendment to the Pledge Agreement is adopted to include such Additional Parking Facilities within the definition of Parking Facilities, (b) refunding any Outstanding Revenue Bonds or other revenue bonds issued for the purposes described in clause (a) or to refund such bonds, in whole or part, or (c) to pay costs of issuance with respect to such Additional Revenue



Bonds, pay a portion of the interest on the Additional Revenue Bonds, fund the Reserve Account to the Reserve Requirement after the issuance of the Additional Revenue Bonds;

(2) The conversion of Variable Rate Revenue Bonds to Fixed Rate Revenue Bonds shall not be treated as the issuance of Additional Revenue Bonds subject to the requirements of this Section 2.9 unless (a) the interest rate to be borne by such Revenue Bonds from and after the date of conversion will exceed (i) with respect to Tax-Exempt Bonds, a rate per annum equal to the yield on the Bond Buyer Revenue Bond Index as most recently published in the Bond Buyer by Thomson Reuters (or if such index is no longer published then such comparable index as determined by the municipal advisor of the Authority), or (ii) with respect to Taxable Bonds, a rate per annum equal to the Moody's Seasoned Baa Corporate Bond Yield as most recently published by the Federal Reserve at <http://www.federalreserve.gov/Releases/H15/update> (or if such index is no longer published then such comparable index as determined by the municipal advisor of the Authority), or unless (b) the conversion results in a change in the maturity schedule for such Revenue Bonds.

#### Section 2.10 REVENUE REFUNDING BONDS.

(1) The Authority also reserves the right and privilege, but not the obligation, of issuing Additional Revenue Bonds if and to the extent needed to refund any Outstanding Revenue Bonds if Pledged Revenues are insufficient to pay the same at maturity, which refunding Additional Revenue Bonds may be on a parity with other Revenue Bonds as to interest payments, but shall mature subsequent to all the Revenue Bonds which are payable from the Pledged Revenues and which are Outstanding upon issuance of the refunding Additional Revenue Bonds.

(2) The Authority further reserves the right and privilege, but not the obligation, of issuing Additional Revenue Bonds payable from Pledged Revenues to refund or advance refund all or any portion of any Outstanding Revenue Bonds if the aggregate principal and interest (excluding any Subordinated Interest) to become due in any Fiscal Year after the issuance of such refunding or advance refunding Additional Revenue Bonds will not be more than the principal and interest (excluding any Subordinated Interest) which would have been due in any future Fiscal Year if such refunding or advance refunding Additional Revenue Bonds had not been issued.

#### Section 2.11 OTHER PROVISIONS WITH RESPECT TO ADDITIONAL REVENUE BONDS.

(1) The Authority may obtain a Credit Facility for the sole and exclusive benefit of the holders of any series of Additional Revenue Bonds, provided that, in the event the Credit Facility is used to fund the Reserve Requirement, it shall benefit the holders of all Outstanding Revenue Bonds.

(2) Any series of Additional Revenue Bonds may be subject to mandatory purchase by the Authority on a specified date or dates, or may be subject to purchase upon tender thereof by the holders on a specific date or dates, provided that in no event may Pledged Revenues be a source of payment of the purchase price of the Additional Revenue Bonds, unless under

Section 2.9 hereof such payments are treated as if they were for principal payments made on the Additional Revenue Bonds but are segregated in the Debt Service Account to pay said purchase price if not required to pay principal due within twelve (12) months of their deposit into the Debt Service Account. Any money held or accumulated by the Authority to fulfill its obligations to purchase such Additional Revenue Bonds shall, upon expiration of said twelve-month period, be held for the sole and exclusive benefit of the holders of such Additional Revenue Bonds.

#### Section 2.12 CALCULATION OF DEBT SERVICE.

The calculation of Maximum Annual Debt Service and Average Annual Debt Service for future periods required to be made under the provisions of this General Resolution shall be made as follows:

(1) if the Revenue Bonds are Variable Rate Revenue Bonds in determining interest on such Variable Rate Revenue Bonds for any future period, interest on such Variable Rate Revenue Bonds for any period of calculation (the "Determination Period") shall assume that the rate of interest applicable for the Determination Period is equal to (i) with respect to Tax-Exempt Bonds, a rate per annum equal to the yield on the Bond Buyer Revenue Bond Index as most recently published in the Bond Buyer by Thomson Reuters or (ii) with respect to taxable Revenue Bonds, a rate per annum equal to the Moody's Seasoned Baa Corporate Bond Yield as most recently published by the Federal Reserve at <http://www.federalreserve.gov/Releases/H15/update>;

(2) with respect to Balloon Indebtedness, the interest rate on such Balloon Indebtedness shall be assumed to be the interest rate at which the Authority on the date of computation of Average Annual Debt Service for the Balloon Indebtedness (which date shall not be more than sixty (60) days prior to the issuance of any Additional Revenue Bonds) could reasonably expect to borrow by issuing Additional Revenue Bonds as Fixed Rate Revenue Bonds with a term of thirty (30) years (as certified by an authorized officer of the Authority and confirmed by a municipal advisor, commercial bank, or investment bank), and such Balloon Indebtedness shall, at the election of the Authority, be (a) treated as Balloon Indebtedness with substantially level debt service over a period of thirty (30) years from the date of issuance of such Balloon Indebtedness, or (b) treated as Balloon Indebtedness with annual debt service which, when combined with the then existing annual debt service for Outstanding Revenue Bonds, results in substantially level debt service over a period of thirty (30) years from the date of issuance of such Balloon Indebtedness; and

(3) a higher interest rate may be assumed if necessary to obtain an unenhanced investment grade credit rating for any Additional Revenue Bonds or to maintain the unenhanced credit rating(s) then in effect for any Outstanding Revenue Bonds.

For purposes of this General Bond Resolution, the term "Balloon Indebtedness" means Revenue Bonds twenty-five percent (25%) or more of the original principal amount of which (i) is due in any 12-month period, or (ii) may, at the option of the holder thereof, be required to be redeemed, prepaid, or purchased directly or indirectly by the Authority or otherwise paid in any twelve-month period; provided, that, in calculating the principal amount of such Balloon Indebtedness due or required to be redeemed, prepaid, purchased, or otherwise paid in any

twelve-month period, such principal amount shall be reduced to the extent that all or any portion of such amount is required to be paid prior to such twelve-month period. Balloon Indebtedness shall not include Revenue Bonds with substantially equal annual installments of principal or substantially equal annual installments of principal and interest.

For purposes of this General Bond Resolution, the term “Mandatory Tender Date” means any Interest Payment Date on which any Balloon Indebtedness is subject to mandatory tender pursuant to any Supplemental Resolution for such Additional Revenue Bonds.

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## ARTICLE THREE

### REDEMPTION OF REVENUE BONDS BEFORE MATURITY

#### Section 3.1 REDEMPTION OF REVENUE BONDS.

The Revenue Bonds are subject to redemption and prepayment prior to their maturity in accordance with the terms and conditions of the Supplemental Resolution providing for the issuance of such Revenue Bonds.

#### Section 3.2 NOTICE OF REDEMPTION.

To effect the redemption of the Revenue Bonds under Section 3.1, the Bond Registrar shall promptly give notice within the time, in the manner and with the effect provided by this Section 3.2. Notice of redemption shall be mailed by the Bond Registrar to the Paying Agent and the Holders of Revenue Bonds to be redeemed in accordance with the Supplemental Resolution. No defect in or failure to give mailed notice to any Bondholder shall affect the validity of the proceedings for redemption of any other Revenue Bonds for which proper notice was given. Unless all Outstanding Revenue Bonds are to be redeemed, each such notice shall refer to the Revenue Bonds to be redeemed by their maturities and the date on which and the place where they shall be presented for redemption. The Bond Registrar may provide a conditional notice of redemption upon the direction of the Authority. If a conditional notice of redemption has been provided and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered.

#### Section 3.3 EFFECT OF REDEMPTION.

Notice of redemption having been given in the manner provided in this Article Three and if either there were no conditions to such redemption or the conditions have been satisfied, Revenue Bonds so called for prepayment and redemption shall (a) cease to bear interest on the specified redemption date upon deposit of sufficient funds with the Paying Agent to effect such discharge, and (b) from and after the redemption date, no longer be considered outstanding under this General Bond Resolution and the applicable Supplemental Resolution.

#### Section 3.4 METHOD OF PARTIAL REDEMPTION.

Unless and to the extent that the applicable Supplemental Resolution provides otherwise, Revenue Bonds shall be redeemed in amounts and maturities selected by the Authority in its sole discretion. To effect the partial redemption of Revenue Bonds within any single maturity, the Bond Registrar, prior to giving notice of redemption, shall assign to each Revenue Bond then outstanding in such maturity a distinctive number for each \$5,000 of the principal amount. The Bond Registrar shall then select, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Revenue Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Revenue Bonds to be redeemed from that maturity. The Revenue Bonds to be redeemed shall be the Revenue Bonds to which were assigned numbers so selected. Provided, however, that only so much of the

principal amount of each such Revenue Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Revenue Bond may be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Bond Registrar or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Bond Registrar and Bond Registrar duly executed by the Holder thereof or his attorney duly authorized in writing) and the Bond Registrar shall execute and the Bond Registrar shall authenticate and deliver to the Holder of such Revenue Bond, without service charge, a new Revenue Bond or Revenue Bonds of the same series, of any authorized denomination or denominations, as requested by such Holder, having the same stated maturity and interest rate of any authorized denomination in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Revenue Bond so surrendered.

Section 3.5 CANCELLATION.

All Revenue Bonds which have been redeemed shall be cancelled and shall not be reissued. All unpaid interest due and payable at the time of redemption of Revenue Bonds shall continue to be payable until the presentation and surrender of such Revenue Bonds.

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## ARTICLE FOUR

### COVENANTS AND PLEDGE

#### Section 4.1 GENERAL COVENANTS.

Each and all of the terms and provisions of this Section 4.1 shall be and constitute a covenant on the part of the Authority to and with each and every Holder from time to time of the Revenue Bonds issued hereunder.

(A) Payment. The Authority covenants that it shall promptly pay or cause to be paid the principal of and interest on every Revenue Bond issued under this General Bond Resolution and the applicable Supplemental Resolution at the place, on the dates and in the manner provided in such Supplemental Resolution, this General Bond Resolution and in said Revenue Bonds, according to the terms thereof. The principal of, premium, if any, and interest on the Revenue Bonds are payable exclusively from the Pledged Funds and Pledged Revenues which are hereby specifically assigned and pledged to the payment thereof in the manner and to the extent specified in Article Five hereof and which are specifically assigned and pledged to the payment of the principal of, premium, if any, and interest on the Revenue Bonds in the manner and to the extent specified in the Pledge Agreement.

(B) Operation. The Authority shall at all times adequately maintain and efficiently operate the Parking Facilities and shall enforce all provisions of the Management Agreements. It shall from time to time make all needful and proper repairs, replacements, additions and betterments to the equipment and facilities of the Parking Facilities so that they may at all times be operated properly and advantageously, and whenever any equipment of the Parking Facilities shall have been worn out, destroyed or otherwise become insufficient for proper use, it shall be promptly replaced or repaired so that the value and efficiency of the Parking Facilities shall be at all times fully maintained and the Parking Facility Net Revenues unencumbered by reason thereof.

The Management Agreements with each ramp operator shall require the establishment, in the name of the Authority, of a separate bank account for each Parking Facility.

(C) Rates. The Authority shall establish, maintain and collect such charges and rates as will produce Parking Facility Net Revenue which, together with Fine Revenue and Meter Revenue, will produce Pledged Revenues in each Fiscal Year in an amount not less than 1.50 times Maximum Annual Debt Service. This rate covenant shall be complied with on or before December 31 of each year, within the annual budget adopted by the City for the then next Fiscal Year. The Authority shall review the schedule of rates and charges for the Parking Facilities and its compliance with this rate covenant on or before December 31 of each year, commencing with the year 2017.

If the audited financial statements of the Authority and the City for any Fiscal Year indicate the Authority has not complied with the foregoing rate covenant, then the Board of Commissioners of the Authority shall, within thirty (30) days of receipt of the audited financial statements cause to be undertaken on its behalf a review of the reasons for the failure to comply

with the rate covenant and within sixty (60) days of receipt of the audited financial statements make such revisions to its rates, rentals and other charges or methods of operation as deemed necessary to comply with the rate covenant and, within sixty (60) days after receipt of the audited financial statements, the Executive Director shall file with the Board of Commissioners recommendations for curing the rate covenant deficiencies, which report shall state the revised schedule of rates, rentals and other charges, and changes in methods of operation necessary to comply with the rate covenant and which revisions should be immediately effectuated.

If the audited financial statements of the Authority and the City for any two successive Fiscal Years indicate that the Authority did not comply with the rate covenant of this Section 4.1(C), then the Authority shall, within thirty (30) days following receipt of the audited financial statements for the second of such Fiscal Years, employ an independent parking consultant to review and analyze the financial status and the administration and operation of the Parking Facilities and to submit to the Authority within sixty (60) days thereafter a written report including the action which the independent parking consultant recommends should be taken by the Authority with respect to the revision of rates, rentals and other charges and changes in its methods of operation or the taking of other action that the independent parking consultant projects will result in compliance with the rate covenant in the following twelve-month period.

Within thirty (30) days upon its receipt of the independent parking consultant's recommendations, the Authority shall, after giving due consideration of the recommendations, revise its rates, fees and charges and alter its methods of operation, which revisions or alterations need not comply exactly with the independent parking consultant's recommendations, but which the Authority projects will cause it to comply with the rate covenant of this Section 4.1(C).

As long as the Authority is in compliance with the rate covenant herein, nothing in this Section 4.1(C) shall be construed to limit the discretion of the Authority to enter into, or later modify, amend or terminate, any Management Agreements or other contracts related to the Parking Facilities.

(D) Parking Facilities. The Authority shall cause any Parking Facilities the construction of which shall be financed in whole or in part from proceeds of Revenue Bonds to be fully acquired, erected, furnished, equipped and paid for with the proceeds of the applicable Revenue Bonds and other money appropriated and legally available for that purpose; will cause all such construction to be done under contracts awarded in accordance with applicable law and accompanied by completion bonds in sums equal to the full amounts of the respective contracts; and will cause each contract to be performed under the direction of an architect or engineer designated by the Authority, who shall give continual supervision while the contract is being performed.

(E) Sale of Parking Facilities. The Authority may sell, lease, mortgage, transfer, convey, assign or dispose of all or a portion of the Parking Facilities or property of any nature relating thereto if the Authority finds by resolution that such transaction will not cause either of the following to occur: (1) reduce the Pledged Revenues below the amount necessary to satisfy the rate covenant of Section 4.1(C) hereof; or (2) reduce the Parking Facility Net Revenue below 1.00 times Maximum Annual Debt Service. If for purposes of satisfying the requirements of this paragraph, all or any part of the Net Sale Proceeds are to be applied towards discharge of

Revenue Bonds, then such Net Sale Proceeds shall be immediately applied towards effecting such discharge. Net Sale Proceeds of any sale, transfer or other disposition of Parking Facilities not required to discharge Revenue Bonds to satisfy the requirements of this paragraph may nevertheless be applied for that purpose. Any remaining Net Proceeds shall be deposited in the General Account of the Parking Enterprise Fund.

(F) Books and Records. It shall cause to be kept proper books, records and accounts adapted to the Parking Facilities separate from other accounts of the Authority. The Purchasers of the Revenue Bonds and the Holders thereof, or their duly appointed representatives, shall have the right, from time to time, at all reasonable times, to inspect the Parking Facilities and to inspect and copy the books, records, accounts and data relating thereto. The Authority agrees to furnish copies of such books, records, accounts and data relating thereto, without cost, to any Holder or Holders of the Revenue Bonds at their request within a reasonable time after the end of each Fiscal Year.

(G) Insurance and Condemnation. The Authority shall procure and keep in force at all times insurance on all buildings, structures, improvements, and equipment constituting at any time a part of the Parking Facilities, exclusive of foundations and excavations, against all perils covered under “all risk” insurance in such amounts as like properties are customarily insured for prudent owners thereof, and shall maintain public liability insurance at all times in amounts not less than the amounts in excess of which the Authority is immune from tort liability under the laws of the State of Minnesota, for all acts and omissions of its officers and employees concerned with the operation and maintenance of the Parking Facilities, and will procure and keep in force surety company bonds covering all officers and employees handling Parking Revenues, in amounts sufficient to cover at all times the funds in their hands. In the event of loss or damage compensated by any such insurance or bonds, or by a condemnation award, the Net Proceeds thereof shall, at the option of the Authority, be deposited in the Property Insurance and Award Account and used to repair and restore the damage compensated, or be used to pay and redeem or discharge Revenue Bonds.

#### Section 4.2 PLEDGE AND APPROPRIATION OF REVENUES.

Pledged Revenues, including any earnings on the Debt Service Account, are hereby pledged to the payment of principal of and interest on the Revenue Bonds and shall be credited and are hereby irrevocably appropriated to the Bond Fund in the amount and the manner and for the purposes set forth in Section 4.2 and any Supplemental Resolution. The pledge made under this section and any Supplemental Resolution shall constitute a first and prior lien on all Pledged Revenues, including earnings thereon. The pledge shall attach to the Pledged Revenues upon receipt thereof by the Authority.

#### Section 4.3 NATURE OF SECURITY.

The Revenue Bonds are not payable from, nor shall they be a charge upon, any funds of the Authority or the City other than the Pledged Revenues, Pledged Funds and other sums pledged to the payment thereof by this General Bond Resolution, any Supplemental Resolution and the Pledge Agreement, nor shall the Authority or the City be subject to any liability thereon, nor shall the Revenue Bonds otherwise constitute or give rise to a pecuniary



liability of the Authority or the City or, to the extent permitted by law, any of their respective officers, employees and agents. No Holder or Holders of the Revenue Bonds shall ever have the right to compel any exercise of the taxing power of the Authority or the City to pay any Revenue Bonds or the interest thereon, or to enforce payment thereof against any property of the Authority or the City other than the Pledged Revenues, Pledged Funds, or other sums that may be pledged to the payment thereof. The Revenue Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Authority or the City other than the Pledged Revenues, Pledged Funds, and other sums pledged to the payment thereof, and no Revenue Bond shall constitute a debt of the Authority or the City within the meaning of any constitutional or statutory limitation, or a charge against the general credit or taxing powers of the Authority or the City; but nothing in the Act impairs the covenants made for the security thereof as provided in this General Bond Resolution and in the Act, and by authority of the Act the Authority has made the covenants and agreements herein for the equal and proportionate benefit of all Holders of the Revenue Bonds in the manner and to the extent herein provided.

Section 4.4 PERFORMANCE OF AND AUTHORITY FOR COVENANTS.

The Authority covenants that it shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this General Bond Resolution, in any and every Revenue Bond executed, authenticated and delivered hereunder and in all proceedings of its governing body pertaining thereto; that it is duly authorized under the Constitution and laws of the State of Minnesota including particularly and without limitation the Act, to issue the Revenue Bonds and to pledge the Pledged Revenues in the manner and to the extent herein set forth and in the Pledge Agreement; that all action on its part for the issuance of Revenue Bonds and for the execution and delivery of each series thereof will be duly and effectively taken; and that such Revenue Bonds in the hands of the Holders and owners thereof will be valid and enforceable obligations of the Authority according to the terms thereof.

Section 4.5 ESTABLISHMENT AND MAINTENANCE OF FUNDS.

The funds and accounts described in this Article Four and Article Five and not already established shall be established on or before the delivery of the Revenue Bonds pertaining thereto, and shall be maintained and administered by the Authority separate and apart from all other funds and accounts of the Authority, in the manner and for the purposes set forth in this General Bond Resolution; and the Authority covenants that it will cause all Pledged Revenues and other funds pledged to the payment of the Revenue Bonds to be accounted for and expended only as prescribed in this General Bond Resolution, the Supplemental Resolutions, and the Pledge Agreement, and will at all times maintain complete and accurate books of record and account showing all receipts and expenditures thereof and the segregation of such revenues and other sums in the funds herein provided, and will at no time loan, invest, use or apply such funds in any manner or for any purpose other than as specifically prescribed and permitted in this General Bond Resolution.

Section 4.6 EVENTS OF DEFAULT.

If any of the following events should occur, it is hereby defined as and declared to be and to constitute an Event of Default:

- (1) default in the due and punctual payment of any interest on any Revenue Bond; or
- (2) default in the due and punctual payment of the principal of any Revenue Bond, whether at the stated maturity thereof or any date fixed for redemption; or
- (3) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Authority contained in this General Bond Resolution if such default shall have continued for a period of thirty (30) days after written notice thereof specifying such default shall have been given to the Authority by the Holders of not less than ten percent (10%) in aggregate principal amount of the Revenue Bonds at the time Outstanding; or
- (4) the Authority shall become insolvent or admit in writing its inability to pay its debts as they mature or shall declare a moratorium on the payment of its debts or apply for, consent to or acquiesce in the appointment of a trustee or receiver for itself or any part of its property, or shall take any action to authorize or effect any of the foregoing; or in the absence of any such application, consent or acquiescence, a trustee or receiver shall be appointed for it or for a substantial part of its property or revenues; or all, or any substantial part, of the property of the Authority shall be condemned, seized or otherwise appropriated, or any bankruptcy, reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the Authority (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and if such proceeding is instituted against the Authority is not controverted and dismissed within 120 days.

#### Section 4.7 ENFORCEMENT OF REVENUE BOND COVENANTS.

Upon the occurrence and continuance of an Event of Default, no Holder of any Revenue Bond shall have the right to institute any proceeding, judicial or otherwise, for the enforcement of the covenants herein contained (including any amendment or supplement thereto), except with the written concurrence of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Revenue Bonds which are then Outstanding; but the Holders of this principal amount of Revenue Bonds may, either at law or in equity, by suit, action, mandamus, application for appointment of a receiver or other proceeding, protect and enforce the rights of all Holders of such then Outstanding Revenue Bonds, and may enforce the performance of all covenants and duties of the Authority and its officials as set forth in this General Bond Resolution, including but not limited to the collection and proper segregation and application of all Parking Facility Gross Revenues and Fine Revenue and Meter Revenue. The Holders of fifty-one percent (51%) in principal amount of such then Outstanding Revenue Bonds shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Holders of the Outstanding Revenue Bonds and for the exercise of any power conferred on them, and the right to waive a default in the performance of any such covenant, and its consequences, as it relates to such Revenue Bonds, except a default in the payment of the principal of or interest on any such Revenue Bond when due or required to be redeemed. However, nothing herein shall impair the absolute and unconditional right of the Holder of each Revenue Bond to receive payment of the principal thereof and interest thereon at the times provided in any Supplemental Resolution of the Authority, and to institute suit for the enforcement of any such payment.

## ARTICLE FIVE

### FUNDS AND ACCOUNTS

#### Section 5.1 FUNDS PLEDGED AND ASSIGNED.

The proceeds of the Revenue Bonds and all Pledged Revenues and all other Pledged Funds hereinafter described are to be credited to the funds described in this Article Five to the extent, in the manner, and for the purposes set forth in this General Bond Resolution, the Pledge Agreement and, to the extent not inconsistent, in all Supplemental Resolutions, and are hereby irrevocably appropriated and pledged as a first and prior lien in the manner and for the purposes specified in this General Bond Resolution, the Pledge Agreement and any Supplemental Resolution. For that purpose, Pledged Funds shall not be subject to any lien or attachment by any creditor of the Authority, other than the Bondholders.

#### Section 5.2 PARKING ENTERPRISE FUND.

There is hereby created and established as a separate fund of the Authority until all of the Revenue Bonds are fully paid and retired, a Parking Enterprise Fund, with the accounts herein created and established by this Section 5.2; provided that any Supplemental Resolution may establish separate subaccounts in any of the accounts herein solely for the purposes of establishing compliance with yield restrictions and rebate compliance; provided further that any Supplemental Resolution may also establish an Escrow Account in connection with the refunding of Revenue Bonds.

(A) Capital Account. There is hereby created and established a Capital Account within the Parking Enterprise Fund, into which there shall be paid the proceeds from the sale of any Revenue Bonds to be used to finance the construction of Improvements, less the sum of (1) any accrued interest paid by the Purchaser upon delivery, and (2) any Revenue Bond proceeds to be deposited in the Reserve Account; and (3) any capitalized interest for any Revenue Bonds if required by a Supplemental Resolution to be deposited in the Debt Service Account established in subparagraph (B) hereof; and (4) any amounts deposited in an Escrow Account or in the Debt Service Account in connection with the refunding of Revenue Bonds.

The Authority shall disburse money in the Capital Account to pay all reasonable and necessary costs of Improvements, including legal, engineering, financing and other such expenses incidental thereto, and the costs of issuing the Revenue Bonds.

Except as otherwise provided in any Supplemental Resolution, any excess money remaining in the Capital Account upon completion of the Improvements, shall be transferred to the Debt Service Account established in subparagraph (B) hereof.

Sums in the Capital Account shall be transferred to the Debt Service Account if on any Interest Payment Date the sums in the Debt Service Account, Reserve Account, General Account, and Repair and Replacement Account are insufficient to pay the principal and interest (excluding any Subordinated Interest) then due on the Revenue Bonds.

Except as provided in any Supplemental Resolution, earnings on amounts held from time to time in the Capital Account shall be retained therein, provided that all Excess Earnings shall be transferred from the Capital Account at such times and in such amounts as may be required to maintain compliance with any covenants made in any Supplemental Resolution authorizing the issuance of Tax-Exempt Bonds.

(B) Debt Service Account. There is hereby created and established a Debt Service Account within the Parking Enterprise Fund, into which the Authority shall deposit at Bond Closing, any accrued interest paid by the Purchaser of the Revenue Bonds, and any capitalized interest. Thereafter, Pledged Revenues and sums held in the General Account in the Parking Enterprise Fund in the amounts and at the times required by the Pledge Agreement shall be deposited by the Authority in the Debt Service Account.

Except as provided below, money held in the Debt Service Account shall be used exclusively to pay principal, premium, if any, and interest (excluding any Subordinated Interest) on the Revenue Bonds, including the prepayment of Revenue Bonds on their redemption date, and is hereby irrevocably pledged and appropriated for that purpose. Any Supplemental Resolution may provide that amounts deposited for the prepayment of any Revenue Bonds may be held in a debt service subaccount held by the Authority as a separate and special account within the Parking Enterprise Fund. Any such debt service subaccount shall, for purposes of this General Bond Resolution, be treated as a part of the Debt Service Account herein established within the Parking Enterprise Fund.

Except as provided in any Supplemental Resolution, earnings on amounts from time to time held in the Debt Service Account shall be retained therein, provided that any Excess Earnings on the Debt Service Account shall be transferred from the Debt Service Account to the Excess Investment Earnings Fund at such times and in such amounts as may be required to maintain compliance with the covenants made in any Supplemental Resolution authorizing the issuance of Tax-Exempt Bonds.

(C) Reserve Account. There is hereby created and established a Reserve Account within the Parking Enterprise Fund. Any Supplemental Resolution may provide that the Reserve Requirement for any Revenue Bonds may be held in a reserve subaccount held by the Authority as a separate and special account within the Parking Enterprise Fund. Any such reserve subaccount shall, for purposes of this General Bond Resolution, be treated as a part of the Reserve Account herein established within the Parking Enterprise Fund.

At Bond Closing, funds shall be deposited in the Reserve Account in an amount equal to the Reserve Requirement. Subject to any restrictions on the use of such amount set forth in a Supplemental Resolution, sums in the Reserve Account shall be transferred to the Debt Service Account if on the fourth Business Day preceding any Interest Payment Date the sums on deposit therein are not sufficient to pay any sums due on the Revenue Bonds on such Interest Payment Date and are hereby pledged and appropriated solely to pay when due the principal of and interest (excluding any Subordinated Interest) and premium, if any, on Revenue Bonds if and to the extent available sums in the Debt Service Account are insufficient therefor. Any sums in the Reserve Account allocable to a series of Revenue Bonds may be used to pay last installments of principal due on such series of Revenue Bonds then Outstanding and interest and any call

premium thereof; provided that the amount remaining on deposit in the Reserve Account may not be less than the Reserve Requirement after giving effect to the payment or redemption of Revenue Bonds for which the withdrawal is made.

Except as provided in any Supplemental Resolution, all earnings on sums in the Reserve Account, excluding any Excess Earnings, to the extent not needed to maintain the Reserve Account at the Reserve Requirement shall be transferred to the Debt Service Account.

All Excess Earnings on money in the Reserve Account shall be transferred from the Reserve Account to the Excess Investment Earnings Account at such times and in such amounts as may be required to maintain compliance with the covenants made by the Authority in any Supplemental Resolution.

(D) Excess Investment Earnings Account. There is hereby created an Excess Investment Earnings Account. The Authority shall deposit in the Excess Investment Earnings Account, within thirty (30) days after the last day of each fifth Bond Year, all Excess Earnings; and for purposes of making such deposits the Authority shall transfer from the Capital Account, Debt Service Account, and Reserve Account to the Excess Investment Earnings Account a sum equal to the Excess Earnings attributable to sums held in each such other account as “gross proceeds” of any Tax-Exempt Bonds, as defined in and under Section 148 of the Code.

The Authority shall, within sixty (60) days after the last day of each fifth Bond Year and the final Bond Year for any Tax-Exempt Bonds, prepare and file a report with respect to the Capital Account, Reserve Account, Debt Service Account, and any other account created by a Supplemental Resolution or otherwise which is subject to rebate setting forth the total amount invested during the preceding Bond Year, the investments made with the money in the Capital Account, Reserve Account and Debt Service Account investment earnings (and losses) resulting from such investments. Such records shall be retained for the period required by Section 148 of the Code.

The Authority shall remit sums in the Excess Investment Earnings Account to the United States Treasury as payment of rebatable arbitrage as required by Section 148 of the Code together with any additional amount then held in any account in the Parking Enterprise Fund required to bring the total amount of such remittance to the correct Rebate Amount.

The Authority may at any time transfer to any account any amount held in the Excess Investment Earnings Account which the Authority determines is in excess of Rebate Amount required to be paid to the United States Treasury.

(E) Repair and Replacement Account. The Repair and Replacement Account is hereby established within the Parking Enterprise Fund to be held by the Authority as a separate and special bookkeeping account within the Parking Enterprise Fund.

Any sums required under the Pledge Agreement or any Supplemental Resolution for deposit in the Repair and Replacement Account shall be deposited in the Repair and Replacement Account. Money in this account shall be disbursed upon written request of the Executive Director of the Authority solely to pay the costs of repair and capital improvements to the Parking Facilities, including repairs, expansion, construction, reconstruction, equipping,

modification or other improvements of a capital nature or any other equipment or other capital expense; provided that money in the Repair and Replacement Account shall be transferred to the Debt Service Account if, on any Interest Payment Date, sums in the Debt Service Account or Reserve Account are not sufficient to pay the principal or interest due on the Revenue Bonds.

Except as provided in any Supplemental Resolution or the Pledge Agreement, any earnings on the Repair and Replacement Account may be used for any proper purpose of the Authority.

(F) Property Insurance and Award Account. In the event the Authority elects under Section 4.1(G) hereof to repair or restore the Parking Facilities in the event of loss, damage or condemnation, the Net Proceeds arising therefrom shall be deposited in the Property Insurance and Award Account hereby established within the Parking Enterprise Fund, and shall be used and withdrawn only for the purposes and upon the conditions stated in this Section 5.2(F).

The Authority shall disburse sums in this account to pay the costs of repair or restoration provided that the following items shall be obtained by the Authority before any disbursement is made from the Property Insurance and Award Account to pay such cost:

(a) plans and specifications for restoration of the Parking Facilities which the Authority is required to effect; and

(b) a contract or contracts for the furnishing of work and materials required for restoration in accordance with the plans and specifications, with a payment and performance bond or bonds in aggregate amount equal to the total cost of restoration under the contract or contracts conditioned for the completion thereof in accordance with the plans and specifications and for the payment of all claims for labor and materials to be incorporated in the Parking Facilities in the course of restoration.

Any Net Proceeds from damage, destruction or condemnation not used for restoration of the Parking Facility pursuant to Section 4.1(G) hereof shall be credited to the Debt Service Account and applied to the payment of principal on any Revenue Bonds.

(G) General Account. There is hereby created and established a General Account as a separate and special account within the Parking Enterprise Fund. Any Parking Facility Gross Revenue not otherwise required to be held in one of the foregoing accounts or subaccounts of the Parking Enterprise Fund shall be deposited by the Authority in the General Account of the Parking Enterprise Fund.

### Section 5.3 DEPOSIT OF FUNDS WITH PAYING AGENT.

The Authority shall transfer and remit sums from the Debt Service Account to the appropriate Paying Agent on the fifth Business Day preceding each Interest Payment Date or Principal Payment Date from the balance then on hand in the Debt Service Account, sufficient to pay all principal, interest and redemption premiums then due on the Revenue Bonds. The Paying

Agent shall hold in trust for the Holders of such Revenue Bonds all sums so transferred to it until paid to such Holders or otherwise disposed of as herein provided.

Section 5.4 PRIORITY OF PAYMENT.

All Revenue Bonds shall be equally and ratably secured by and payable from the Parking Enterprise Fund, without priority of one such Revenue Bond over any other, provided that nothing herein shall preclude the Authority from using any available sums to purchase, prepay or discharge any Revenue Bonds it deems appropriate. In the event that the balance in the Debt Service Account or Reserve Account of the Parking Enterprise Fund is at any time insufficient to pay all principal and interest (excluding any Subordinated Interest) then due on Revenue Bonds, the Authority shall apply the balance first to pay pro rata the interest (excluding any Subordinated Interest) then due on all such Revenue Bonds, second to pay pro rata any interest due on unpaid interest and third, after all accrued interest (excluding any Subordinated Interest) has been paid, the Authority shall apply any remaining balance pro rata toward the payment of principal of the then matured Revenue Bonds, which includes principal due under any mandatory sinking fund redemption provisions.

Section 5.5 MAINTENANCE OF FUNDS.

The funds, accounts, and subaccounts described in this Article Five shall be maintained and administered by the Authority as trust funds separate and apart from all other funds of the Authority, in the manner and for the purposes set forth in this General Bond Resolution; and the Authority covenants that it shall cause all money held in such funds, accounts, and subaccounts to be accounted for and expended only as prescribed in this General Bond Resolution, and shall at all times maintain complete and accurate books of record and account showing all receipts and expenditures thereof and the segregation of such revenues and other sums in the Funds, and shall at no time loan, invest, use or apply such funds in any manner or for any purpose other than as specifically prescribed and permitted in this General Bond Resolution.

Section 5.6 CREDIT FACILITY TO FUND RESERVE REQUIREMENT.

The Authority may deposit a Credit Facility in the Reserve Account in lieu of cash, Qualified Investments, or an existing Credit Facility held in the Reserve Account, either at the time a series of Additional Revenue Bonds is originally issued, or at any other time, subject to the following conditions:

- (1) The proceeds of such Credit Facility must be available for the purposes and at the times required for the purposes of the Reserve Account;
- (2) In calculating whether the amount then held in the Reserve Account is equal to the Reserve Requirement, each Credit Facility held therein shall be valued at its stated amount, or, if less, the amount which remains available thereunder;
- (3) The substitution of the Credit Facility for cash, or an existing Credit Facility held in the Reserve Account, must not result in a lowering of the unenhanced rating(s) then in effect for the Revenue Bonds then Outstanding; and

- (4) The Authority (or any Fiduciary holding the Credit Facility for the benefit of all Outstanding Revenue Bonds) shall be entitled and obligated to draw upon the Credit Facility at least fifteen (15) days prior to its expiration or termination date if (i) as a result of such expiration or termination the amount remaining in the Reserve Account would be less than the Reserve Requirement and (ii) the Credit Facility is a letter of credit and after such expiration or termination date any Revenue Bonds all remain outstanding.

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## ARTICLE SIX

### INVESTMENTS

#### Section 6.1 INVESTMENTS BY AUTHORITY.

All sums held in the Parking Enterprise Fund shall, to the extent permitted by law, be deposited as received with a bank or banks duly designated and qualified as a depository of funds of the Authority, and shall be guaranteed by the pledge of securities to the extent and in the manner required by law. Unless and to the extent otherwise provided in the applicable Supplemental Resolution, the Parking Enterprise Fund may be invested as permitted by applicable law in Qualified Investments maturing before the times and in the amounts estimated to be required to pay expenses payable therefrom. Nothing herein shall prevent the commingling of funds in bank deposit accounts or in investment accounts, to the extent determined by the Authority to be necessary or desirable; provided, however, that accurate records shall be kept at all times showing the proportion of the income from investments properly attributable to each fund, account, and subaccount, and such income shall be credited on the books of the Authority to the fund, account, or subaccount from which the investment was made. At the time of the Bond Closing the City Treasurer shall be responsible for investing the Parking Enterprise Fund.

Except as otherwise provided in an applicable Supplemental Resolution, money held from time to time in the Debt Service Account or Reserve Account of the Parking Enterprise Fund may be invested by the Authority in any Qualified Investment then permitted by Minnesota law, and, to the extent applicable, by federal law. The investments shall be valued as follows:

- (1) Investments maturing within one (1) year or less shall be valued at par;
- (2) Investment agreements or similar instruments which may be liquidated at par shall be valued at par regardless of maturity;
- (3) Except as otherwise provided in clause (2) above, investments maturing after one (1) year shall be marked to market; and

provided, that for the purposes of calculating Excess Earnings and Rebate Amounts and amounts held or deposited in the Reserve Account attributable to Tax-Exempt Bonds, investments shall be valued as required by Section 148 of the Code.

Amounts held for the credit of each account or subaccount shall be invested to mature at such time or times as may be necessary to assure that the amounts so invested shall be available for the purposes of such account or subaccount, when needed; provided that amounts held in the Reserve Account may be invested for a term not exceeding three (3) years unless the investment may be called at any time at the option of the Authority.

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## ARTICLE SEVEN

### DISCHARGE OF OBLIGATIONS TO BONDHOLDERS

#### Section 7.1 DISCHARGE OF REVENUE BONDS.

Unless and to the extent otherwise provided in the Supplemental Resolution, when all of a series of Revenue Bonds have been discharged as provided in this Article (1) all pledges, covenants and other rights granted by this General Bond Resolution shall cease as to the Holders of such series of Revenue Bonds; (2) such series of Revenue Bonds shall no longer be considered Outstanding under this Resolution and the applicable Supplemental Resolution; (3) any money then held in the Reserve Account allocable to such series of Revenue Bonds shall be released from the lien thereon created hereunder and may be used to pay the outstanding principal of and interest and any call premium due on such series of Revenue Bonds, provided that the amount remaining on deposit in the Reserve Account may not be less than the Reserve Requirement for all Revenue Bonds which remain Outstanding after giving effect to the payment or redemption of Revenue Bonds for which the release is made; and (4) any lien or other security created upon any Pledged Revenues shall terminate with respect to the Holders of the series of Revenue Bonds so discharged.

#### Section 7.2 PAYMENT OF REVENUE BONDS.

The Authority may discharge Revenue Bonds on any date by depositing with the Paying Agent (or a separate Fiduciary if the Treasurer is the Paying Agent) on or before that date a sum sufficient for the payment in full of the principal and interest due on such Revenue Bonds for the remaining term thereof (taking account of any redemption prior to maturity to occur with respect thereto); and if any Revenue Bond or interest thereon should not be paid when due, the same may nevertheless be discharged by depositing with the Paying Agent (or with a separate Fiduciary if the Treasurer is the Paying Agent) a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit.

#### Section 7.3 PREPAYMENT OF REVENUE BONDS.

The Authority may discharge all prepayable Revenue Bonds which are called for redemption on any date when they are prepayable according to their terms and Article Three of this General Bond Resolution by depositing with the Paying Agent (or with a separate Fiduciary if the Treasurer is the Paying Agent) on or before that date a sum sufficient for the payment thereof in full, including payment of accrued interest and of any redemption premium, provided that notice of the redemption thereof has been duly published in accordance with the terms of the Revenue Bonds.

#### Section 7.4 DEPOSIT FOR DISCHARGE.

Unless and to the extent the applicable Supplemental Resolution provides otherwise, the Authority may discharge any series of Revenue Bonds at any time, when authorized by law, by irrevocably setting aside in an escrow account maintained by a suitable banking institution, as defined in Minnesota Statutes, Section 475.67, as amended, a sum of cash and securities in such aggregate face amount bearing interest at such rates and maturing or

callable at the option of the holders thereof on such dates as shall be required to pay all redemption premiums, if any, and all principal and interest due on such Revenue Bonds to their stated maturity dates or, at the election of the Authority, any earlier date upon which they may be redeemed prior to maturity in accordance with their terms; provided that notice of such redemption shall have been duly given in accordance with the terms of the Revenue Bonds. The securities to be so deposited shall be limited to securities permitted under Minnesota Statutes, Section 475.67, subdivision 8(1), and any laws amendatory thereof or supplemental thereto, and may be further limited by the applicable Supplemental Resolution, but shall not otherwise be limited by the provisions of this General Bond Resolution.

Contemporaneous with the discharge of any series of Revenue Bonds in accordance with the terms of this Section 7.4, the Authority shall obtain (i) the report of a verification agent with experience in such matters verifying that the cash and investments proposed to be set aside in an escrow account to discharge the Revenue Bonds will be sufficient to pay the principal and premium of and interest on the Revenue Bonds so discharged when due, and (ii) if the Revenue Bonds were issued as Tax-Exempt Bonds, the opinion of nationally-recognized bond counsel to the effect that the discharge of the Revenue Bonds in accordance with the terms of this Article Seven will not cause interest on the Revenue Bonds to become includable in gross income for federal income tax purposes.

#### Section 7.5 USE OF DEPOSITED FUNDS.

Any money or securities which at any time shall be deposited by or on behalf of the Authority with the Paying Agent or any other banking institution for the purpose of paying and discharging any Revenue Bonds on behalf of the Authority shall be held in trust for the respective Holders of such Revenue Bonds and are hereby irrevocably appropriated for such payment and discharge.

#### Section 7.6 UNCLAIMED MONEY.

Unless and to the extent otherwise provided by law or the applicable Supplemental Resolution, notwithstanding any other provision of this General Bond Resolution, any money held by any Paying Agent for the payment and discharge of any Revenue Bond on behalf of the Authority, which money remains unclaimed after the date when the Revenue Bond has become due and payable, or which remains unclaimed after the date of deposit of money for the payment and discharge of a Revenue Bond not paid when due, for a period of two (2) years after such due date or deposit date, shall be free from such trust and shall promptly thereafter be transferred to the Authority by such Paying Agent, and the Paying Agent shall be released and discharged with respect thereto, and the Holders of Revenue Bonds payable from any such money shall look only to the Authority for the payment thereof.

#### Section 7.7 CANCELLATION OF SURRENDERED REVENUE BONDS.

The Authority may at any time surrender to the Paying Agent or Bond Registrar for cancellation by it any Revenue Bonds previously authenticated and delivered hereunder, which the Authority acquired in any manner whatsoever (other than when acquired and held for purchase or otherwise in trust for the Bondholder) and such Revenue Bonds, upon such surrender

and cancellation, shall be deemed to be paid and retired. If the Authority is the Paying Agent or Bond Registrar, the Authority may itself cancel such Revenue Bonds, whereupon they shall be deemed to be paid and retired.

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## ARTICLE EIGHT

### AMENDMENT OF GENERAL BOND RESOLUTION

#### Section 8.1 AMENDMENTS NOT REQUIRING CONSENT.

The Authority reserves the right to amend this General Bond Resolution at any time, without notice to or consent of any Bondholders, for the purpose of curing any ambiguity or formal defect or omission in this General Bond Resolution or in any amending or Supplemental Resolution, or granting for the benefit of the Holders of Revenue Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted, or making any other change which is not to the material prejudice of any Holders of Revenue Bonds. The Authority shall not amend this General Bond Resolution in any other manner except upon consent of the Bondholders as hereinafter provided.

#### Section 8.2 AMENDMENT WITH BONDHOLDER OR ORIGINAL PURCHASER CONSENT.

Subject to the provisions of Section 8.1, the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Revenue Bonds shall have the right to consent to and approve the amendment of this General Bond Resolution (excluding any Supplemental Resolution authorizing the issuance of Additional Revenue Bonds) by the Authority, for the purpose of authorizing any modification, alteration, amendment or rescission of or any addition to this General Bond Resolution, except that nothing herein shall permit a reduction in the aggregate principal amount of the Revenue Bonds required for consent to any such amendment, nor a reduction in the principal amount, or in the rate of interest, nor an extension of the maturity of the principal of or interest on any Revenue Bond not held by a consenting Holder, nor grant a privilege or priority of any Revenue Bond over any other Revenue Bond not held by a consenting Bondholder with respect to Pledged Revenues except as provided for herein, and in the applicable Supplemental Resolution, without the consent of the Holders of all Outstanding Revenue Bonds. Any written consent to such an amendment may be embodied in and evidenced by one or any number of concurrent written instruments of substantially similar tenor signed by such Bondholders in person or by an agent duly appointed in writing, and such consent shall become effective when such instrument or instruments are delivered to the Secretary of the Authority.

#### Section 8.3 PROOF OF CONSENT TO AMENDMENT.

Proof of the execution of any such agreement or of a writing appointing any such agent, or of the holding by any person of Revenue Bonds which are transferable by delivery, shall be sufficient for any purpose and shall be conclusive in favor of the Authority if made in the following manner: the fact and date of the execution by any person of any such consent may be proved by the affidavit of any witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the person signing such consent acknowledged to him the execution thereof. The amount of a Revenue Bond transferable by delivery held by any person executing any such consent as a Bondholder, and the distinguishing number of such Revenue Bonds, and the date of his holding

the same, may be proved by a certificate executed by any trust company, bank or other depository, wherever situated, if such certificate shall be deemed satisfactory by the Authority, showing that at the date therein mentioned such person had on deposit with such depository, or exhibited to it, the Revenue Bonds therein described; or such facts may be proved by the certificate or affidavit of the person executing such consent as a Bondholder, if such certificate or affidavit shall be deemed satisfactory by the Authority. The Authority may conclusively assume that such ownership continues until written notice to the contrary is served upon it. The fact and date of execution of any such consent, and the amount and distinguishing numbers of Revenue Bonds held by the persons executing the same may also be proved in any other manner which the Authority may deem sufficient; but the Authority may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. Any consent by the Holder of any Revenue Bond shall bind any future Holder of the same Revenue Bond with respect to any amendment adopted by the Authority pursuant to such consent.

#### Section 8.4 NOTICE OF AMENDMENT.

At least five (5) days before adopting any amendment to this General Bond Resolution which requires the consent of the Holders of Outstanding Revenue Bonds, the Authority shall file a copy of the proposed amendment in its office and at the office of each bank at which such Revenue Bonds are payable, and shall mail a notice to all owners of such Revenue Bonds then Outstanding who shall have filed their names and addresses with the Authority or who are registered owners of the Revenue Bonds and will cause such notice to be published in a financial journal of general circulation in the State of Minnesota; provided that such requirement need not be met if the consent of the Holders of all Outstanding Revenue Bonds is secured. Such notice shall briefly state the nature of the proposed amendment, and that a copy is on file at the office of the Authority for inspection by all Bondholders. The Authority shall not, however, be subject to any liability to any Holder by reason of its failure to publish such notice, and any such failure shall not affect the validity of such amendment when consented to and approved as herein provided. If the Original Purchasers or Holders of not less than the requisite percentage in aggregate principal amount of Revenue Bonds outstanding at the time have consented to and approved the adoption thereof as provided herein, no Holders of any Revenue Bonds shall have any right to object to any of the terms and provisions contained therein, or the operation thereof or in any manner question the propriety of the adoption thereof, or to enjoin or restrain the Authority from adopting or executing the same or from taking any action pursuant to the provisions thereof.

#### Section 8.5 AMENDMENT OF SUPPLEMENTAL RESOLUTION.

In addition to the purposes set forth in Section 8.1, the Authority may amend any Supplemental Resolution authorizing the issuance of Revenue Bonds for any purpose, in any manner and subject to any conditions set forth in the Supplemental Resolution, provided that no such amendment may be inconsistent with the terms and conditions of this General Bond Resolution.

## ARTICLE NINE

### MISCELLANEOUS

#### Section 9.1 SEVERABILITY.

If any provision of this General Bond Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provisions or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or paragraphs in this General Bond Resolution contained shall not affect the remaining portions of this General Bond Resolution or any part thereof.

#### Section 9.2 TRANSFER TO FIDUCIARY.

The Authority specifically reserves the right to transfer any or all of its rights and obligations under this General Bond Resolution and any Supplemental Resolution, together with any or all of its rights and obligations under the Pledge Agreement to a Fiduciary, if the Authority determines that such transfer is in the best interests of the Bondholders. Any Supplemental Resolution may provide additional security for the holders of a series of Revenue Bonds, and such additional security, as well as other terms and conditions under which a particular series of Revenue Bonds are issued, to the extent not inconsistent with the terms of this General Bond Resolution and the Pledge Agreement, may be set forth in an indenture of trust under which a Fiduciary is authorized to, among other things, act on behalf of the holders of a series of Revenue Bonds.

#### Section 9.3 EVIDENCE OF ACTION BY BONDHOLDERS.

Whenever in this General Bond Resolution it is provided that the Holders of a specified percentage in aggregate principal amount of Revenue Bonds may take any action (including the making of any demand or request, the giving of any notice, consent, or waiver or the taking of any other action), (i) the fact that at the time of taking any such action the Holders of such specified percentage have joined therein shall be evidenced by any instrument or any number of instruments of similar tenor executed by such Holders in person or by agent or proxy appointed in writing and (ii) in determining whether the Holders of the requisite aggregate principal amount of Revenue Bonds have concurred in taking any such action, Revenue Bonds owned or held by a Fiduciary Trustee as security for the payment of Revenue Bonds shall be disregarded and deemed not Outstanding for the purposes of such determination.

ORIGINALLY ADOPTED: August 23, 2017.