

## ARTICLE II

### THE BONDS

Section 2.01 Form of Bond. All of the provisions of the Bonds, when executed as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Bonds shall be substantially in the form attached to this Resolution as EXHIBIT A, which form is hereby approved, with such necessary and appropriate variations, omissions and insertions (including changes to the aggregate principal amount of each series of the Bonds, the stated maturities of the Bonds, the interest rates on the Bonds, the terms of redemption of the Bonds, and variation from City policies regarding methods of offering general obligation bonds) as the Purchaser, and the City Treasurer and Director, Office of Financial Services, or their respective deputies, in their discretion, shall determine. The execution of the Bonds with the manual or facsimile signatures of the Mayor, City Clerk, and Director, Office of Financial Services, or their respective deputy, and the delivery of the Bonds by the City shall be conclusive evidence of such determination.

Section 2.02 Redemption; Purchase. (A) General. The Bonds of any series issued pursuant to this Resolution or any Supplemental Resolution may be subject to optional redemption, or to mandatory redemption and prepayment on a scheduled basis, provided that the installments of principal scheduled for scheduled mandatory redemption of Bonds of a particular series and maturity shall be reduced, pro rata or as otherwise specified by the City at the time of optional redemption, if and to the extent the Bonds of that series and maturity have been or will be optionally redeemed by the City, in whole or part, prior to or on the date scheduled for payment of the specified principal amount on the dates and at the redemption prices specified in a Supplemental Resolution with respect to Additional Bonds and Section 3.05 with respect to the Series 2024E Bond. Redemption may be in whole or in part of the Bonds subject to prepayment; provided that there shall be no reduction of the amount scheduled for redemption on a mandatory redemption date except to the extent Bonds of the maturity to be redeemed have been optionally redeemed or will be optionally redeemed on the scheduled redemption date as provided above, and except that the City may, at its option, purchase Bonds of the maturity to be redeemed and upon cancellation thereof apply the principal amount purchased and cancelled as a credit against the principal amount to be redeemed.

(B) Partial Redemption. If optional redemption is in part, those Bonds remaining unpaid may be prepaid in such order of maturity and in such amount per maturity as the City shall determine. If only part of the Bonds having a common maturity date are called for prepayment, the Bonds may be prepaid in increments of principal (or, in the case of Capital Appreciation Bonds, in increments of Accreted Value) and the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar as hereinafter provided. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date.

(C) Request for Redemption. The Bond Registrar shall call Bonds for redemption and payment as herein provided upon receipt by the Bond Registrar at least twenty-five (25) but not more than forty-five (45) days prior to the redemption date of a request of the City, in written form if the Bond Registrar is other than a City officer. Such request shall specify the principal amount of Bonds to be called for redemption, the redemption date and the redemption price.

(D) Notice. If the Bond Registrar is other than a City officer, upon written receipt by the Bond Registrar of a written notice from the City at least twenty-five (25) days prior to the proposed date of redemption, the Bond Registrar shall call Bonds for optional redemption and prepayment as provided below. Such City request to the Bond Registrar shall specify the series and principal amount of Bonds to be called for redemption and the redemption date.

Mailed notice of optional redemption shall be given to the Paying Agent (if other than a City officer) and to each affected Holder. If and when the City shall call any of the Bonds for redemption and prepayment prior to the stated maturity thereof, the Bond Registrar shall give written notice in the name of the City of its intention to redeem and pay such Bonds at the office of the Bond Registrar. Notice of redemption shall be given by first class mail, postage prepaid, mailed not less than twenty (20) days prior to the redemption date, to each Holder of Bonds to be redeemed, at the address appearing in the Bond Register. Notice of redemption shall also be provided to the 2024E Purchaser and the Servicer by electronic means. All notices of optional redemption shall state: (i) the redemption date; (ii) the redemption price; (iii) if applicable, the CUSIP numbers of the Bonds to be redeemed; (iv) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (v) that on the optional redemption date, the redemption price, including any premium or make-whole redemption price, will become due and payable upon each Bond, and that interest thereon shall cease to accrue from and after said date; (vi) the place where such Bonds are to be surrendered for payment of the redemption price (which shall be the office of the Bond Registrar); and (vii) include a statement that the redemption so noticed is conditioned on sufficient funds being held by the City on or before noon on the applicable redemption date to pay the full redemption price, and if at such time the amount so held is not sufficient to pay all amounts required to effect the noticed redemption in full, the redemption shall be cancelled, with all Bonds tendered for such redemption being returned to the holders thereof and no liability on the part of the City shall arise as a result of such cancellation.

If applicable, notices to DTC or its nominee shall contain the CUSIP numbers of the Bonds. If there are any Holders of the Bonds other than DTC or its nominee, the Bond Registrar shall use its best efforts to deliver any such notice to DTC on the business day next preceding the date of mailing of such notice to all other Holders.

Section 2.03 Bond Registrar. The Treasurer of the City is appointed to act as Bond Registrar and transfer agent with respect to the Series 2024E Bond and all Additional Bonds, and shall so act for all Bonds unless and until a successor or different Bond Registrar is duly appointed for all Bonds or for any series of Bonds. Different persons or entities may be appointed to act as Bond Registrar or as a successor Bond Registrar for different series of Bonds, but only one person or entity shall be Bond Registrar for each series of Bonds at any time. A successor or different Bond Registrar shall be an officer of the City or a bank or trust company eligible for designation as bond registrar pursuant to Minnesota Statutes, Chapter 475, and may be appointed pursuant to any contract the City and such successor or different Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the Holders (or record holders) of the Bonds in the manner set forth in the form of Bond and Section 2.07 of this Resolution or, with respect to any Additional Bonds, the Supplemental Resolution applicable thereto.

Section 2.04 Execution and Delivery; Application of Proceeds. The Bonds shall be prepared under the direction of its Mayor and Director, Office of Financial Services, or their respective designees, provided that all signatures may be printed, engraved, or lithographed

facsimiles of the originals. In the event of disability or resignation or other absence of any such officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Bond Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed, and authenticated, the City shall deliver the same to the Purchaser or to another for the benefit of the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 2.05 Authentication; Date of Registration. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless a Certificate of Authentication on such Bond, substantially in the form set forth on the form of Bond, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated. For purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as the date of registration the date of original issue, which date is specified in Section 3.02 for the Bond and shall be as specified in the applicable Supplemental Resolution for each series of Additional Bonds. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

Section 2.06 Registration; Transfer; Exchange. The City Treasurer shall serve as Bond Registrar unless and until a successor Bond Registrar is duly appointed. A successor Bond Registrar shall be an officer of the City or a bank or trust company eligible for designation as Bond Registrar pursuant to the Municipal Debt Act and may be appointed pursuant to any contract the City and such successor Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as Paying Agent unless and until a successor Paying Agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holder or holders of the Bonds (the "Holder" or "Holders") in the manner set forth in the form of the Bonds. The effect of registration and the rights and duties of the City and the Bond Registrar with respect thereto are as follows:

(a) *Register*. The Bond Registrar shall keep a bond register in which the Bond Registrar provides for the registration of ownership of the Bonds and the registration of transfers and exchanges of the Bonds entitled to be registered, transferred, or exchanged.

(b) *Transfer of Bonds*. Upon surrender for transfer of a Bond duly endorsed by the Holder thereof or accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or by an attorney duly authorized by the Holder in writing, the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Bond

Registrar may, however, close the books for registration of any transfer after the fifteenth (15th) day of the month preceding each interest payment date and until that interest payment date.

(c) *Exchange of Bonds.* When Bonds are surrendered by the Holder for exchange, the Bond Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the Holder or the Holder's attorney in writing.

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

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

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

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

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

Section 2.07 Interest Payment; Record Date; Principal Payment Date.

(a) Each Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Bonds has been paid or made available for payment, unless: (i) the date of authentication is an interest payment date to which

interest has been paid or made available for payment, in which case the Bonds will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Bonds will be dated as of the date of original issue. The Bonds shall mature on such dates and in such principal amounts as indicated in the Supplemental Resolution authorizing their issuance. Each series of Bonds shall bear interest at the rates per annum provided in a Supplemental Resolution and the Series 2024E Bond shall bear interest at the rate per annum as indicated on Section 3.01 below and with respect to interest shall be payable on each Interest Payment Date calculated from their date of issuance on the basis of a 360-day year of twelve thirty-day months. The interest on the Bonds is payable to the Holder thereof as of the close of business on the fifteenth (15th) day of the immediately preceding month, whether or not such day is a business day.

(b) The Principal Payment Date for all series of Bonds shall be paid on each applicable Principal Payment Date as set forth in a Supplemental Resolution (or with respect to the Series 2024E Bond in Article 3 below) unless a different Principal Payment Date is specified in a Supplemental Resolution authorizing the issuance of a series of Additional Bonds. Nothing in this paragraph or otherwise in this Resolution shall be construed to limit the right of the City to schedule principal to become due as term bonds subject to scheduled mandatory redemption from sinking fund installments, or to require the City to schedule principal to become due in each year during the term of a specific series of Bonds.

Section 2.08  Holders; Treatment of Registered Owner; Consent of Holders.

(A) For the purposes of all actions, consents and other matters affecting Holders of Bonds issued under this Resolution, as from time to time supplemented, other than payments, redemptions, and purchases, the City may (but shall not be obligated to) treat as the Holder of a Bond the beneficial owner of the Bond instead of the person in whose name the Bond is registered. For that purpose, the City may ascertain the identity of the beneficial owner of the Bond by such means as the Bond Registrar in its sole discretion deems appropriate, including but not limited to a certificate from the person in whose name the Bond is registered identifying such beneficial owner.

(B) The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in Section 2.07 above) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

(C) Any consent, request, direction, approval, objection or other instrument required by this Resolution, as supplemented, to be signed and executed by the Holders may be in any number of concurrent writings of similar tenor and must be signed or executed by such Holders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Resolution, as supplemented, and shall be conclusive in favor of the City with regard to any action taken by it under such request or other instrument, namely:

(1) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing

acknowledged before him or her the execution thereof, or by an affidavit of any witness to such execution.

(2) Subject to the provisions of subsection (A), above, the fact of the ownership by any person of Bonds and the amounts and numbers of such Bonds, and the date of the holding of the same, may be proved by reference to the bond register.

Section 2.09 Supplemental Resolutions - Override. Notwithstanding any provisions herein to the contrary, a Supplemental Resolution authorizing the issuance of Additional Bonds may modify the terms of those Additional Bonds, and the prescribed form thereof, in a manner inconsistent with this Article II, and in such case the terms of the Supplemental Resolution shall control as to the related series of Additional Bonds; provided, however, that the terms of the Supplemental Resolution may not be such as to materially prejudice the interests of the Holders of Bonds then outstanding in the opinion of the City's bond counsel (such opinion to be provided in writing and addressed to any Holder upon request); provided that a Supplemental Resolution authorizing the issuance of Additional Parity Bonds or Refunding Bonds as permitted by Article VI hereof shall be conclusively deemed to be a Supplemental Resolution which does not materially prejudice the interests of the Holders of Bonds then outstanding. The 2024E Purchaser shall nonetheless be protected by the provisions of Section 3.15 of this Resolution.

Section 2.10 Variable Rate Bonds; Adjustable Rate Bonds.

(A) A Supplemental Resolution may provide that a series of Bonds be issued as Variable Rate Bonds or as Adjustable Rate Bonds. In that case, the form of bond for a series of Variable Rate Bonds or Adjustable Rate Bonds shall be varied from the form of bond attached hereto as Exhibit A, to include therein provisions with respect to the rate of interest to be borne from time to time by such series of Variable Rate Bonds or Adjustable Rate Bonds, to provide for the conversion of a series of Variable Rate Bonds or Adjustable Rate Bonds to Fixed Rate Bonds, and, if applicable, to provide for the mandatory purchase or purchase of Variable Rate Bonds or Adjustable Rate Bonds upon demand by a Holder thereof, or otherwise, as appropriate.

(B) If necessary to obtain an investment grade rating for a series of Variable Rate Bonds or Adjustable Rate Bonds, or to maintain the rating or ratings then in effect for other series of outstanding Bonds, the City shall obtain a Credit Facility.

(C) If and as further provided in the Supplemental Resolution authorizing the issuance of a series of Variable Rate Bonds or Adjustable Rate Bonds, the City shall appoint a financial institution as remarketing agent (a "Remarketing Agent") to remarket the Variable Rate Bonds or Adjustable Rate Bonds from time to time, and to perform such other duties as the City shall deem necessary or advisable, which duties may include determinations from, time to time of the rate of interest to be borne by such series of Variable Rate Bonds or Adjustable Rate Bonds. Each such Remarketing Agent shall be appointed pursuant to the applicable Supplemental Resolution, and the City shall enter into an agreement with such Remarketing Agent specifying the duties and obligations of the Remarketing Agent, and providing for compensation to the Remarketing Agent.

(D) On the date of original issuance of a series of Variable Rate Bonds, there shall be deposited in the Bond Account the Minimum Variable Rate Interest Amount for such series of Variable Rate Bonds. No similar deposit shall be required in connection with the issuance of a series of Adjustable Rate Bonds, unless such a deposit is necessary in order to maintain the rating or ratings then in effect for other Bonds then outstanding.

(E) The provisions of this Resolution, as from time to time supplemented, pertinent to Variable Rate Bonds or Adjustable Rate Bonds shall apply only for so long as such Bonds bear interest subject to redetermination as provided therein and in the applicable Supplemental Resolution. From and after the date on which such Bonds become obligations which bear interest at a single numerical rate for their remaining term, such Bonds shall be deemed Fixed Rate Bonds subject only to the provisions hereof applicable to Fixed Rate Bonds.

Section 2.11 Capital Appreciation Bonds.

(A) A Supplemental Resolution may provide that a series of Bonds, or any portion thereof, may be issued as Capital Appreciation Bonds, in which case the Supplemental Resolution authorizing the issuance of the Capital Appreciation Bonds and the form of Bond shall include therein appropriate provisions with respect to the accrual and compounding of interest and other provisions determined to be necessary or desirable by the City. The Supplemental Resolution shall further specify the Accreted Value of such Capital Appreciation Bonds as of specified dates from the date of issue to maturity. The form of Bond attached hereto as Exhibit A shall be modified as necessary to include provisions required for Capital Appreciation Bonds.

(B) For the purposes of payment and redemption and of any actions, consents or other matters affecting the Holders of Bonds, the principal amount of any Capital Appreciation Bond on the appropriate date shall be its Accreted Value as of the most recent date of determination.

(C) If so provided in the applicable Supplemental Resolution, Capital Appreciation Bonds may be issued on terms which provide for the payment of interest thereon periodically after a specified date. After such date, if any, such Bonds shall be treated as Fixed Rate Bonds.

Section 2.12 Credit Facilities. Nothing in this Resolution or any Supplemental Resolution shall be construed to limit the right of the City to obtain a Credit Facility for the benefit of the Holders of all or any portion of any series of Bonds issued hereunder. The terms and conditions for each such Credit Facility shall be set forth in the applicable Supplemental Resolution and in the related Credit Agreement. Each Credit Facility shall be held by the City (or a Fiduciary acting for the benefit of the City and Holders of Bonds) for the sole and exclusive benefit of the Holders of the Bonds secured by such Credit Facility, and such Credit Facility shall not be an asset available for the benefit of any other Holders of Bonds.

Section 2.13 Mandatory Purchase; Tender. The Bonds of any series may be subject to mandatory purchase by the City on a specified date or dates, or may be subject to purchase upon tender thereof by the Holders on a specified date or dates. The dates on which Bonds of a series shall be purchased, or may be tendered for purchase, shall be set forth in the related Supplemental Resolution and in the form of such Bonds (and the form of Bond attached thereto as Exhibit A shall be modified accordingly). If the Supplemental Resolution contemplates that the Bonds shall be remarketed upon purchase or tender for purchase, the City shall make appropriate arrangements with a financial institution for remarketing of the Bonds, and for related services which may include redetermining the rate of interest to be borne by such Bonds from time to time or upon remarketing. The City may also retain the services of an independent entity to make such interest rate determinations. The City may retain the services of a Fiduciary in connection with the purchase or tender of Bonds and the payment of the purchase price thereof, including payment from the proceeds of a Credit Facility.

Any money held or accumulated by the City to fulfill its obligation to purchase Bonds shall be held in a separate account which is not part of the Funds, and the Holders of the Bonds, other than the Holders of the series of Bonds to which such account relates, shall have no claim thereon.

If and to the extent the City is required to segregate or otherwise set aside money from Revenues in connection with an obligation of the City to purchase Bonds upon tender or demand, such obligation shall be expressly subordinated to the City's obligation to pay debt service when due on all Bonds outstanding.

Section 2.14 Interest Rate Swap Agreement. Any Interest Rate Swap Agreement shall be with a counterparty or guarantor whose long-term debt rating by a Rating Agency of A+/A1 or better.

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