



Red Oak Community School District

2011 North 8th Street

Red Oak, Iowa 51566

712.623.6600

www.redoakschooldistrict.com

Regular Board of Directors Meeting

Meeting Location: Red Oak High School Media Center
Red Oak CSD High School Campus

Monday, November 13, 2017 – 6:00 pm

- Agenda -

1.0 Call to Order – Board of Directors President Mark Johnson

2.0 Roll Call – Board of Directors Secretary Shirley Maxwell

3.0 Approval of the Agenda – President Mark Johnson

4.0 Public Presenters/Guest and Visitors Addressing the Board

5.0 Communications

5.1 Good News from Red Oak Schools

- Caden Rea recently traveled to Des Moines to compete in the I-JAG National Student Leader Association (NSLA) public speaking competition along with his advisor Maddie Gelber. Caden qualified for this competition with the essay he submitted in September. There were 9 students in the public speaking event and Caden won the competition! He was the highest scored competitor losing only 7 of the 240 possible points.
- Caden will now get to go on an all-expenses paid trip to Washington DC from November 27th-December 2nd to compete in the national NSLA event. There will be about 100 JAG students from across the country competing in his category and about 500 I-JAG students there in total.
- Red Oak Hy-Vee recently had a fundraiser for area schools via cookie sales for the month of September. Customers of Hy-Vee could decide which school they would like the donation to go to. A check for 263.50 was submitted to Red Oak Community School District to use for the betterment of school systems. *pg 1*

5.2 Visitors and Presentations-

5.2.1 Washington Intermediate School-Recess and Playground Committee Update on Playground

5.2.2 Daric O'Neal representing Alley Poyner Macchietto and Mark Pfister representing Boyd Jones to present updates on facilities

5.3 Affirmations and Commendations

5.4 Correspondence

5.5 Public Comments

6.0 Consent Agenda

6.1 Review and Approval of Minutes from October 23, 2017 pg. 2-4

6.2 Review and Approval of Monthly Business Reports

6.3 Open Enrollment Requests Consideration

6.3A- Victoria Wendt open enrollment from Griswold CSD to Red Oak CSD for the remainder of the 2017-2018 school year

6.3B- Madison Wendt open enrollment from Griswold CSD to Red Oak CSD for the remainder of the 2017-2018 school year

6.3C- Kamryn Wendt open enrollment from Griswold CSD to Red Oak CSD for the remainder of the 2017-2018 school year

7.0 General Business for the Board of Directors

7.1 Old Business

7.1.1 Superintendent Messinger to explain the volunteer position with Brian Mensen as Middle School/High School volunteer girls' basketball coach

7.1.2 Second Reading of Board Policy 210.2 - Regular Meeting-Changes meeting time from 6:00 p.m. to 7:00 p.m. pg 5

7.2 New Business

7.2.1 Discussion/Approval of Art Club Request for materials from Webster Building

7.2.2 Discussion/Approval of the proposal from McClure for design services for the Webster Demolition pg 6-7

7.2.3 Discussion/Approval of the resolution appointing paying agent, bond registrar, and transfer agent, approving the paying agent, bond registrar and transfer agent agreement and authorizing the execution of same. pg 8-40

7.2.4 Discussion/Approval of the approval of tax exemption certificate pg. 41-59

7.2.5 Discussion/Approval of the resolution authorizing the terms of issuance and providing for and securing the payment of school infrastructure sales, services and use tax revenue bonds. pg 60-75

7.2.6 Discussion/Approval of resolution proposing transfer of real property with Red Oak Community School District to the City of Red Oak pg. 76-78

7.2.7 Discussion/Approval of SBRC Application for increasing enrollment, open enrollment out and LEP instruction beyond 5 years pg. 79

7.2.8 Discussion/Approval of services between Red Oak Community Schools and Nishna Productions. pg. 80-81

7.2.9 Personnel Considerations

7.2.9A Resignation of High School Guidance Secretary Crystal Berkey effective November 10, 2017 pg 82

7.2.9B Recommendation to hire Adam Smith as MS Wrestling effective for the 2017-2018 school year pg 83

7.2.9C Recommendation to hire John Allison as 7th grade girls' basketball coach for the 2017-2018 school year pg 84

7.2.9D Discussion/Approval of Early Retirement Policies 407.6 Licensed Employee Early Retirement pg 85-86

7.2.9E Discussion/Approval of Early Retirement Policy 413.6 Support Staff Employee Early Retirement pg. 87-126

8.0 Reports

8.1 Administrative

8.2 Future Conferences, Workshops, Seminars

8.3 Other Announcements

9.0 Next Board of Directors Meeting: Monday, November 27, 2017 – 7:00 pm
Red Oak High School Media Center
Red Oak CSD High School Campus

10.0 Adjournment

To Whom it may concern:

Your Red Oak Hy-Vee recently had a fundraiser for our area schools via a cookie sale.

We donated 50 cents for every dozen cookies sold in September. We allowed customers to decide which school they would like the donation to go to.

Please find enclosed a check from your Red Oak Hy-Vee reflecting the funds raised for your school.

Use it as you see fit for the betterment of our school systems.

Sincerely,

Mike Webb



Store Director

Red Oak Hy-Vee

↑ REMOVE DOCUMENT ALONG THIS PERFORATION ↓

Hy-Vee, Inc.
5820 Westown Parkway
West Des Moines, IA 50266
(515) 267-2800

VENDOR NAME: RED OAK COMMUNITY SCHOOL DIST.
VENDOR NUMBER: 197595-00
PAYABLE TYPE: EXPENSE

CHECK NUMBER: 1813820
CHECK DATE: 10/05/17
PAGE 1

INV. DATE	ACCOUNT NO.	LOCATION	INV. NO.	EXPLANATION	AMOUNT
10/02/17	623-11-1-01544-001	RED OAK		BK TO SCHOOL PROM	263.50
					263.50

Red Oak Community School District
Meeting of the Board of Directors
Meeting Location: Red Oak Middle School Media Center
Red Oak Middle School Campus
October 23, 2017

This regular meeting of the Board of Directors of the Red Oak Community School District was called to order by President Mark Johnson at 6:03 p.m. at the Red Oak Middle School Media Center.

Present:

Directors: Mark Johnson, Bryce Johnson, Roger Carlson, Kathy Walker
Bret Blackman joined the meeting at 6:10p.m.
Superintendent Tom Messinger, Business Manager Shirley Maxwell

Approval of Agenda

Motion by Director Carlson, second by Director Bryce Johnson to approve the agenda as presented with the order of agenda items at the discretion of the meeting chair. Motion carried unanimously.

Good News from Red Oak Schools

- Four Students qualified for the State Cross Country meet: Chloe Devries, Alexa McCunn, Juhianna Boeye, and Liam Eubank
- Alex Wingert qualified for the All State Band
- Volleyball won their game in the first round of district play and will play Shenandoah on Oct. 28, 2017
- George Maher Community Service Day will be Oct. 27th, 2017

Consent Agenda

Motion by Director Walker, second by Director Bryce Johnson to approve the consent agenda as presented. Motion carried unanimously.

- Approval of Minutes from October 9, 2017
- Approval of Monthly Business Reports

Old Business – None

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New Business

Special Education Contracts

Motion by Director Bryce Johnson, second by Director Walker to approve special education contracts with Stanton Community School District for the 2017-2018 school year. Motion carried unanimously.

Motion by Director Carlson, second by Director Walker to approve the special education contracts with the East Mills Community School District for the 2017-2018 school year. Motion carried unanimously

Transportation Agreement between Stanton and Red Oak

Motion by Director Carlson, second by Director Bryce Johnson to not approve a reciprocating transportation agreement with the Stanton Community School District. Red Oak School District will continue to allow the Stanton school bus to pick up the open enrolled students that are living at 2353 K. Avenue (Bruce Children) and 2537 K Avenue (Peterson Children). No other children can be picked up at these stops.

This transportation agreement expires at the end of the 2018 fiscal year. Motion carried unanimously.

National FFA Convention

Motion by Director Blackman, second by Director Bryce Johnson to approve the Red Oak FFA Chapter to attend the National Convention in Indianapolis, Indiana October 24th-October 28th. Motion carried unanimously.

\$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017

Motion by Director Carlson, second by Director Walker to approve the resolution directing the sale of \$8,490,000 school infrastructure sales, services and use tax revenue bonds, series 2017. Motion carried unanimously.

Personnel Consideration

Motion by Director Carlson, second by Director Walker to allow Maddie Gelber to serve as a volunteer HS girls' basketball coach for the 2017-2018 school year. Motion carried unanimously.

Motion by Director Walker, second by Director Blackman to allow Brian Mensen to serve as a volunteer HS girls' basketball coach for the 2017-2018 school year. Motion carried unanimously.

Page 3 Continuation of October 23, 2017

Motion by Director Carlson, second by Director Walker to approve Teresa Euken as Prom Sponsor for the 2017-2018 school year. Motion carried unanimously.

Future Conferences, Workshops, Seminars - IASB 72nd Annual Convention, Nov. 15-17, 2017—Iowa Events Center, Des Moines, Iowa

Other Announcements-Superintendent Messinger to discuss October 27, 2017
Community Service Day

Next Board of Directors Meeting: Monday, November 13, 2017 – 7:00 pm
Red Oak High School Media Center
Red Oak Community School District High
School Campus

Motion by Director Carlson, second by Director Bryce Johnson to adjourn the meeting at 6:41 p.m. Motion carried unanimously.

Mark Johnson, President

Shirley Maxwell, Board Secretary

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REGULAR MEETING

The regular meeting time and date will be set by the board at its organizational meeting. In general, the regular meetings of the board will be held on the second and fourth Mondays of each month. The board will adopt the official meeting schedule through September of each year at its organizational meeting.

Meetings will begin promptly at ^{7:00}6:00 p.m. The board will adhere to this meeting date schedule unless the board requires additional meetings or, due to circumstances beyond the board's control, the meeting cannot be held on the regular meeting date, and the meeting will be re-scheduled at the board's convenience. Public notice of the meetings will be given.

Legal Reference: Iowa Code §§ 21.3, .4; 279.1 (2007).
1980 Op. Att'y Gen. 148.

Cross Reference: 200.1 Organization of the Board of Directors
210 " Board of Directors' Meetings

Approved: June 27, 2011

Reviewed: June 13, 2011

Revised: June 13, 2011

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www.mecresults.com

NORTHWEST IOWA | DES MOINES METRO | EASTERN IOWA | SIOUXLAND | SOUTHWEST IOWA | CENTRAL MISSOURI | ST. LOUIS METRO

October 24, 2017

Mr. Tom Messinger, Supt.
Red Oak School Board of Directors
2011 N. 8th St
Red Oak, IA 51566

Dear Mr. Messinger & Board of Directors:

McClure Engineering is pleased to submit a proposal for engineering services required for the demolition of the Webster School. We have considerable experience in the preparation of bid documents for demolition projects and feel we are well qualified to assist you on this project.

Based upon discussions with Architect Daric O'Neal, we feel the scope of our services will be:

1. Inventory and survey the building site to ascertain all components of the demolition. We understand that there is a separate evaluation being conducted to determine the extent of asbestos containing materials in the building, which will be removed as part of the demolition project.
2. Prepare plans and specifications sufficient in detail for the demolition and disposal of the building and contents, including asbestos, termination of all utilities and the site graded and seeded for the owner's use.
3. Assist the Board in obtaining bids from qualified bidders for the demolition work; and review bids and recommend award of contract.

We propose our fees for the above described services on an hourly basis with a total estimated fee between \$9,500 and \$10,500. We would not exceed \$10,500 without additional authorization.

For services during demolition, we propose our fees on an hourly basis and would agree on a not to exceed total once a contract is awarded and we can estimate the length of time the contractor will be on site.

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We can begin immediately upon receipt of authorization to proceed and provide plans and specifications for your review and approval within 45 days or other mutually agreeable time frame.

If the terms of this proposal are acceptable, please sign and return a copy for our records. We are available, at your convenience, to discuss this proposal, should you have any questions or comments.

Sincerely
MCCLURE ENGINEERING CO.



C. Peter Crawford, P.E.
Red Oak Market President

Approved:
RED OAK COMMUNITY
SCHOOLS

_____/_____
Title Date

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ITEMS TO INCLUDE ON AGENDA

RED OAK COMMUNITY SCHOOL DISTRICT

\$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017

- Resolution Appointing Paying Agent, Bond Registrar, and Transfer Agent, Approving the Paying Agent, Bond Registrar and Transfer Agent Agreement and Authorizing the Execution of Same.
- Approval of Tax Exemption Certificate.
- Resolution Authorizing the Terms of Issuance and Providing for and Securing the Payment of School Infrastructure Sales, Services and Use Tax Revenue Bonds.

**NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE CHAPTER 21
AND THE LOCAL RULES OF THE SCHOOL DISTRICT.**

7.2.3

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November 13, 2017

The Board of Directors of the Red Oak Community School District, State of Iowa, met in _____ session, in the Media Center, Red Oak High School, 2011 North 8th Street, Red Oak, Iowa, at 7:00 P.M., on the above date. There were present President _____, in the chair, and the following named Board Members:

Absent: _____

Vacant: _____

* * * * *

Board Member _____ introduced the following Resolution entitled "RESOLUTION APPOINTING PAYING AGENT, BOND REGISTRAR, AND TRANSFER AGENT, APPROVING THE PAYING AGENT, BOND REGISTRAR AND TRANSFER AGENT AGREEMENT AND AUTHORIZING THE EXECUTION OF SAME" and moved its adoption. Board Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

NAYS: _____

The President declared the Resolution adopted.

Board Member _____ moved that the form of Tax Exemption Certificate be placed on file and approved. Board Member _____ seconded the motion. The roll was called and the vote was,

AYES: _____

NAYS: _____

The President declared the Motion adopted.

Board Member _____ introduced the following Resolution entitled "RESOLUTION AUTHORIZING AND PROVIDING FOR THE TERMS OF ISSUANCE AND SECURING THE PAYMENT OF \$8,490,000 SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUE BONDS, SERIES 2017, OF THE RED OAK COMMUNITY SCHOOL DISTRICT, STATE OF IOWA, UNDER THE PROVISIONS OF CHAPTERS 423E AND 423F OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID BONDS," and moved its adoption. Board Member _____ seconded the motion to adopt. The roll was called and the vote was:

AYES: _____

NAYS: _____

The President declared the Resolution adopted.

* * * * *

RESOLUTION APPOINTING BANKERS TRUST COMPANY OF
DES MOINES, IOWA, TO SERVE AS PAYING AGENT, BOND
REGISTRAR, AND TRANSFER AGENT, APPROVING THE PAYING
AGENT, BOND REGISTRAR AND TRANSFER AGENT AGREEMENT AND
AUTHORIZING THE EXECUTION OF SAME

WHEREAS, pursuant to the provisions of Iowa Code section 423E.5 and chapter 423F, \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, dated December 1, 2017, have been sold and action should now be taken to provide for the maintenance of records, registration of Bonds and payment of principal and interest in connection with the issuance of the Bonds; and

WHEREAS, this Board has deemed that the services offered by Bankers Trust Company of Des Moines, Iowa, are necessary for compliance with rules, regulations, and requirements governing the registration, transfer and payment of registered Bonds; and

WHEREAS, a Paying Agent, Bond Registrar and Transfer Agent Agreement (hereafter "Agreement") has been prepared to be entered into between the School Board and Bankers Trust Company.

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE RED OAK COMMUNITY SCHOOL DISTRICT:

Section 1. That Bankers Trust Company of Des Moines, Iowa, is appointed to serve as Paying Agent, Bond Registrar, and Transfer Agent in connection with the issuance of \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, dated December 1, 2017.

Section 2. That the Agreement with Bankers Trust Company of Des Moines, Iowa, is approved and that the President of the School Board and Secretary are authorized to sign the Agreement on behalf of the School District.

PASSED AND APPROVED this 13th day of November, 2017.

President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

RESOLUTION AUTHORIZING AND PROVIDING FOR THE TERMS OF ISSUANCE AND SECURING THE PAYMENT OF \$8,490,000 SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUE BONDS, SERIES 2017, OF THE RED OAK COMMUNITY SCHOOL DISTRICT, STATE OF IOWA, UNDER THE PROVISIONS OF CHAPTERS 423E AND 423F OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID BONDS

WHEREAS, pursuant to Iowa Code chapters 423E and 423F, the Board of Directors of the Red Oak Community School District, State of Iowa, (the "Issuer") is currently entitled to receive proceeds of a statewide sales, services and use tax for school infrastructure, the revenue from which is deposited into the State Secure an Advanced Vision for Education Fund and distributed to the Issuer pursuant to Section 423E.4, Code of Iowa, as amended, and which taxes are and will continue to be collected as set forth therein and said revenues have not been pledged and are available for the payment of revenue bonds, subject to the following premises; and

WHEREAS, pursuant to Iowa Code chapter 423E and an election duly held in accordance therewith on September 8, 2009, the Board of Directors of the Red Oak Community School District, State of Iowa, is currently entitled to spend School Infrastructure Tax Revenues for "school infrastructure" purposes; and

WHEREAS, to remodel, renovate, improve, refurbish, furnish and equip and to construct, furnish and equip additions to the existing high school campus (including the Tech Center) and the Inman Campus; to improve the existing high school (including the Tech Center) site; and to demolish the Webster building are hereby found and declared to be eligible "school infrastructure projects" within the meaning of the proposition approved by the electors of the Issuer, and the designated portion of the School Infrastructure Sales, Services and Use Tax Revenue to be used for such projects shall be allocated first to the repayment of School Infrastructure Sales, Services and Use Tax Revenue Bonds issued for the purposes of the Project (as hereinafter defined); and

WHEREAS, Issuer proposes to issue its School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, in the amount of \$8,490,000 (the "Bonds") for the purpose of defraying the costs of the Project, and to pay costs of issuance; and

WHEREAS, pursuant to the provisions of chapters 423E and 423F of the Code of Iowa, the above mentioned Bonds were authorized to be issued and sold and action should now be taken to issue the Bonds conforming to the terms and conditions of the best bid received at the sale:

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE RED OAK COMMUNITY SCHOOL DISTRICT IN THE COUNTIES OF MONTGOMERY, PAGE AND POTTAWATTAMIE, STATE OF IOWA:

Section 1. Definitions. The following terms with or without capitalization shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

◆ "Act" shall mean Iowa Code chapters 423E and 423F, as from time to time amended and supplemented.

◆ "Additional Bonds" shall mean any school infrastructure sales, services and use tax revenue bonds issued on a parity with the Bonds in accordance with the provisions of this Resolution.

◆ "Bond(s)" shall mean \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, authorized to be issued by this Resolution.

◆ "Bond Fund" shall mean the Sinking Fund.

◆ "Bond Proceeds" shall mean the amount actually received from the sale of the Bonds and paid to the Issuer on the Closing Date.

◆ "Closing Date" shall mean the date of the delivery of the Bonds in exchange for the agreed upon purchase price.

◆ "Debt Service Fund" shall mean the Sinking Fund.

◆ "Economic Refunding" shall mean the sale and issuance of refunding bonds issued to discharge and satisfy all or a part of the Bonds or the Outstanding Bonds in accordance with Section 19 of this Resolution, and to pay costs of issuance. The refunding must (i) produce annual debt service on the refunding bonds not greater than the total (remaining) debt service on the refunded bonds; (ii) shall not have a payment in any Fiscal Year (through maturity of the new bonds) that is greater than the payment on the Bonds or Outstanding Bonds being refunded, and (iii) shall not extend the final maturity of the refunded bonds.

◆ "Fiscal Year" shall mean the twelve-month period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the Issuer. Requirements of a Fiscal Year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the Fiscal Year and include any payment of principal or interest falling due on the first day of the succeeding Fiscal Year.

◆ "Governing Body" shall mean the Board of Directors of the School District.

◆ "Independent Auditor" shall mean an independent firm of Certified Public Accountants, an independent financial advisor, or the Auditor of State.

◆ "Issuer" and "School District" shall mean the Red Oak Community School District.

◆ "Original Purchaser" shall mean Branch Banking and Trust Company, Charlotte, North Carolina.

◆ "Parity Bonds" shall mean School Infrastructure Sales, Services and Use Tax Revenue Bonds, notes or other obligations payable solely from the School Infrastructure Tax Revenues on an equal basis with the Bonds herein authorized to be issued and shall include Additional Bonds as authorized to be issued under the terms of this Resolution.

◆ "Paying Agent" shall mean Bankers Trust Company, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Bonds as the same shall become due.

◆ "Permitted Investments" shall mean any investments permitted in Iowa Code chapter 12B or section 12C.9. All interim investments must mature before the date on which the moneys are required for payment of principal and interest on the Bonds or project costs.

◆ "Project" shall mean a school infrastructure project as authorized by the electors at the election held September 8, 2009 and the Act, including to remodel, renovate, improve, refurbish, furnish and equip and to construct, furnish and equip additions to the existing high school campus (including the Tech Center) and the Inman Campus; to improve the existing high school (including the Tech Center) site; and to demolish the Webster building.

◆ "Project Fund" or "Construction Account" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Bonds.

◆ "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate and as provided in Section 20 of this Resolution.

◆ "Registrar" shall mean Bankers Trust Company of Des Moines, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Bonds. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Bonds.

◆ "Reserve Fund" shall mean the reserve revenue fund established in Section 15 of this Resolution.

◆ "Reserve Fund Requirement" shall mean an amount equal to the lesser of (a) the maximum amount of the principal and interest coming due on any Parity Bonds secured by the Reserve Fund; (b) 10% of the stated principal amount of any Parity Bonds secured by the Reserve Fund (for issues with original issue discount the issue price as defined in the Tax Exemption Certificate shall be substituted for the stated principal amount) or (c) 125% of the average principal and interest coming due on any Parity Bonds secured by the Reserve Fund. For purposes of this definition: (1) "issue price" shall be substituted for "stated principal amount" for issues with original issue discount or original issue premium of more than a de minimus amount and (2) stated principal amount shall not include any portion of an issue refunded or advance refunded by a subsequent issue. The Bonds are not secured by the Reserve Fund.

◆ "Revenue Fund" shall mean the fund established in Section 15 of this Resolution.

◆ "School Infrastructure Tax" shall mean the School District's portion of the one percent (1%) sales, services and use tax imposed by the State of Iowa for school infrastructure purposes which must be deposited into the State Secure an Advanced Vision for Education Fund and distributed to the School District pursuant to section 423E.4 Code of Iowa, as amended.

◆ "School Infrastructure Tax Revenues" shall mean all of the revenues received by the School District in each Fiscal Year from the imposition of the School Infrastructure Tax (including, without limitation, any revenues received by the School District from interest and penalties on delinquent collections of the School Infrastructure Tax).

◆ "Secretary" shall mean the Secretary of the Board of Directors of the School District, or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.

◆ "Sinking Fund" shall mean the sinking fund established in Section 15 of this Resolution.

◆ "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the Treasurer and delivered at the time of issuance and delivery of the Bonds.

◆ "Treasurer" shall mean the Treasurer of the School District or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Bonds issued hereunder.

◆ "Yield Restricted" shall mean any amount required to be invested at a yield that is not materially higher than the yield on the Bonds under section 148(a) of the Internal Revenue Code or regulations issued thereunder.

Section 2. Authority. The Bonds authorized by this Resolution shall be issued pursuant to Iowa Code section 423E.5 and Iowa Code chapter 423F, and be in compliance with all applicable provisions of the Constitution and laws of the State of Iowa.

Section 3. Authorization and Purpose. There shall be issued negotiable, serial, fully registered, School Infrastructure Sales, Services and Use Tax Revenue Bonds of the Red Oak Community School District, in the of Counties of Montgomery, Page and Pottawattamie, State of Iowa, in the aggregate amount of \$8,490,000 for the purpose of paying costs of the Project and costs of issuance.

Section 4. Source of Payment. The Bonds herein authorized and the interest thereon shall be payable solely and only from the School Infrastructure Tax Revenues and shall be a first lien on the future School Infrastructure Tax Revenues received by the School District under the Act. The Bonds shall not be general obligations of the Issuer nor shall the Issuer's full faith and credit and taxing power be pledged to the payment thereof. The Issuer is not obligated to levy any ad valorem taxes nor to expend any moneys of the Issuer to pay the Bonds, except the School Infrastructure Tax Revenues pledged under this Resolution. The Issuer shall be in no manner liable by reason of the failure of the School Infrastructure Tax Revenues to be sufficient for the payment of the Bonds.

Section 5. Bond Details. School Infrastructure Sales, Services and Use Tax Revenue Bonds of the School District in the amount of \$8,490,000 are issued pursuant to the provisions of Iowa Code section 423E.5 and Iowa Code chapter 423F for the aforesaid purposes. The Bonds shall be designated "SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUE BOND, SERIES 2017," be dated December 1, 2017, and bear interest from the date thereof, until payment thereof, at the office of the Paying Agent, said interest payable on July 1, 2018 and semiannually thereafter on the 1st day of January and July in each year until maturity at the rates hereinafter provided.

The Bonds shall be executed by the manual or facsimile signature of the President and attested by the manual or facsimile signature of the Secretary, and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any shall be payable at the office of the Paying Agent by mailing of a check, wire, or electronic funds transfer to the registered owner of the Bond. The Bonds shall be in the denomination of \$100,000 or integral multiples of \$5,000 in excess thereof. Said Bonds shall mature and bear interest as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity July 1</u>
\$8,490,000	2.360%	2029 ⁽¹⁾

⁽¹⁾Term Bonds Maturing July 1, 2029. Bonds in the aggregate principal amount of \$8,490,000 shall be issued as Terms Bonds maturing as to principal on July 1, 2029, shall bear interest at 2.360% per annum and shall be subject to mandatory redemption and payment at par and accrued interest in the principal amounts in each of the years as set forth as follows:

The 2029 Term Bonds

<u>Principal Amount of Mandatory Redemption</u>	<u>Interest Rate</u>	<u>Date of Redemption July 1</u>
\$685,000	2.360%	2019
700,000	2.360	2020
720,000	2.360	2021
735,000	2.360	2022
750,000	2.360	2023
770,000	2.360	2024
790,000	2.360	2025
805,000	2.360	2026
825,000	2.360	2027
845,000	2.360	2028
865,000	2.360	2029*

* Final Maturity

Section 6. Full Optional Redemption. The Bond is not subject to redemption, in whole or in part, prior to July 1, 2023. Beginning July 1, 2023, the Bond may be called for optional redemption by the Issuer on that date, and on any payment date thereafter and paid before maturity from any funds regardless of the source, in whole but not in part, by giving thirty days' written notice of redemption to the registered owner of the Bond at the address shown on the books of the Registrar. Failure to give such written notice to any registered owner of the Bond or any defect therein shall not affect the validity of any proceedings for the redemption of the Bond. The terms of redemption will be par, plus accrued interest to date of call. Written notice will be deemed completed upon transmission to the owner of record of the Bond.

Section 7. Registration of Bonds; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Bonds may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Bonds, and in no other way. Bankers Trust Company of Des Moines, Iowa is hereby appointed as Bond Registrar under the terms of this Resolution and under the provisions of a separate agreement with the Issuer filed herewith which is made a part hereof by this reference. The Registrar shall maintain the books of the Issuer for the registration of ownership of the Bonds and for the payment of principal of and interest on the Bonds as provided in this Resolution. All Bonds shall be negotiable as provided in Article 8 of the Uniform Commercial Code, subject to the provisions for registration and transfer contained in the Bonds and in this Resolution.

(b) Transfer. The ownership of any Bond may be transferred only upon the Registration Books kept for the registration and transfer of Bonds and only upon

surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Bond (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Bond, a new fully registered Bond, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Bond, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Bonds. In all cases of the transfer of the Bonds, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Bonds, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Bond, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bonds and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Bonds which have been redeemed shall not be reissued but shall be canceled by the Registrar. All Bonds which are canceled by the Registrar shall be destroyed and a certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the canceled Bonds to the Issuer.

(f) Non-Presentation of Bonds. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Bonds is returned to the Paying Agent or is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Bonds shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Bonds shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Bonds who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Bonds. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held

to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Bonds of whatever nature shall be made upon the Issuer.

Section 8. Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds. In case any outstanding Bond shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Bond of like tenor and amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond to Registrar, upon surrender of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 9. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Bond, shall be made to the registered holder thereof or to their designated agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Bonds to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Bond shall surrender the Bond to the Paying Agent.

Section 10. Execution, Authentication and Delivery of the Bonds. Upon the adoption of this Resolution, the President and Secretary shall execute the Bonds by their manual or authorized signature and deliver the Bonds to the Registrar, who shall authenticate the Bonds and deliver the same to or upon order of the Original Purchaser. No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Bond a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Bond executed on behalf of the Issuer shall be conclusive evidence that the Bond so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 11. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered bondholder.

Section 12. Form of Bond. Bonds shall be printed substantially in the form as follows:

(Form of Bond)

"Registered"

"Registered"

R-1

\$8,490,000

STATE OF IOWA
RED OAK COMMUNITY SCHOOL DISTRICT
COUNTIES OF MONTGOMERY, PAGE AND POTTAWATTAMIE
SCHOOL INFRASTRUCTURE SALES, SERVICES AND
USE TAX REVENUE BONDS, SERIES 2017

<u>Rate</u>	<u>Maturity Date</u>	<u>Bond Date</u>
2.360%	July 1, 2029	December 1, 2017

The Red Oak Community School District, in the Counties of Montgomery, Page and Pottawattamie, State of Iowa, a school corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

REGISTERED OWNER:
BRANCH BANKING AND TRUST COMPANY
FIN: _____

or registered assigns, the principal sum of **EIGHT MILLION FOUR HUNDRED NINETY THOUSAND DOLLARS** in lawful money of the United States of America, on the maturity date shown above, as provided in the Bond Resolution (hereafter described) at the designated office of Bankers Trust Company of Des Moines, Iowa, Paying Agent of this issue, or successor, with interest on the sum from the date hereof until paid at the per annum rate specified above, subject to adjustment as set forth in the Bond Resolution, payable on July 1, 2018, and semiannually thereafter on the first day of January and July in each year.

Interest and principal shall be paid to the registered holder of the Bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Bond is issued pursuant to the provisions of Iowa Code section 423E.5 and Iowa Code chapter 423F, as amended, for the purpose of paying costs of a School Infrastructure Project defined in and in conformity with the Act and to a Resolution of the Board of Directors of the School District, duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Bond is payable, a statement of the conditions under which additional bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the above-described Resolution.

The Bond is not subject to redemption, in whole or in part, prior to July 1, 2023. Beginning July 1, 2023, the Bond may be called for optional redemption by the Issuer on that date, and on any payment date thereafter and paid before maturity from any funds regardless of the source, in whole but not in part by giving thirty days' written notice of redemption to the registered owner of the Bond at the address shown on the books of the Registrar. Failure to give such written notice to any registered owner of the Bond or any defect therein shall not affect the validity of any proceedings for the redemption of the Bond. The terms of redemption will be par, plus accrued interest to date of call. Written notice will be deemed completed upon transmission to the owner of record of the Bond.

Term Bonds maturing in 2029 are subject to mandatory redemption and payment at par and accrued interest, in the principal amounts set forth in the Resolution, on July 1 of the years 2019 to 2029, inclusive.

Ownership of this Bond may be transferred only by transfer upon the books kept for such purpose by Bankers Trust Company, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Bond at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered bondholders of such change. All Bonds shall be negotiable as provided in Article 8 of the Uniform Commercial Code, subject to the provisions for registration and transfer contained in the Bond Resolution.

This Bond and the series of which it forms a part, and any additional bonds which may be hereafter issued and outstanding from time to time on a parity with said Bonds, as provided in the Bond Resolution of which notice is hereby given and is hereby made a part hereof, are payable from and secured solely and only by a pledge of certain School Infrastructure Tax Revenues as defined and provided in said Resolution. The School District covenants and agrees that it will allocate such School Infrastructure Tax Revenues to a sinking fund to meet the principal of and interest on this series of Bonds, and other bonds ranking on a parity therewith, as the same become due.

This Bond is not a general obligation of the Issuer nor is the Issuer's full faith and credit and taxing power pledged to the payment hereof. The Issuer is not obligated to levy any ad valorem taxes nor to expend any moneys of the Issuer to pay this Bond, except the School Infrastructure Tax Revenues pledged under the Resolution. Under no circumstances shall the School District be in any manner liable by reason of the failure of said School Infrastructure Tax Revenues to be sufficient for the payment hereof.

This Bond is a "qualified tax-exempt obligation" designated by the School District for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to

be performed precedent to the lawful issue of this Bond, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said School District by its Board of Directors has caused this Bond to be signed by the manual or facsimile signature of its President and attested by the manual or facsimile signature of its Secretary, and authenticated by the manual signature of an authorized representative of the Registrar, Bankers Trust Company of Des Moines, Iowa.

Date of authentication: **Closing Date**

BOARD OF DIRECTORS OF THE RED OAK COMMUNITY SCHOOL DISTRICT IN THE COUNTIES OF MONTGOMERY, PAGE AND POTTAWATTAMIE, STATE OF IOWA

This is one of the Bonds described in the Resolution, as registered by Bankers Trust Company of Des Moines, Iowa.

By: (manual or facsimile signature)
President of the Board

BANKERS TRUST COMPANY OF DES MOINES, IOWA, Registrar

ATTEST:

By: _____
Authorized signature

By: (manual or facsimile signature)
Secretary of the Board

Registrar and Transfer Agent: Bankers Trust Company

Paying Agent: Bankers Trust Company

(Seal)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) this Bond and constitutes and appoints _____ attorney in fact to transfer this Bond on the books kept for registration of this Bond, with full power of substitution in the premises.

Dated _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE GUARANTEED) _____

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IMPORTANT - READ CAREFULLY

Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent which may require signatures to be guaranteed by certain eligible guarantor institutions which participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____
 Address of Transferee(s) _____
 Social Security or Tax Identification _____
 Number of Transferee(s) _____
 Transferee is a(n):
 Individual* _____ Corporation _____
 Partnership _____ Trust _____

*If the Bond is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

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

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with rights of survivorship and not as tenants in common
- IA UNIF TRANS MIN ACT - Custodian
 (Cust) (Minor)
 Under Iowa Uniform Transfers to Minors Act.....
 (State)

ADDITIONAL ABBREVIATIONS MAY
ALSO BE USED THOUGH NOT IN THE ABOVE LIST

[END OF BOND FORM]

Section 13. Equality of Lien. The timely payment of principal of and interest on the Bonds and Parity Bonds shall be secured equally and ratably by the School Infrastructure Tax Revenues without priority by reason of number or time of sale or delivery; and the School Infrastructure Tax Revenues are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 14. Application of Bond Proceeds - Project Fund. There is hereby created a Project Fund, to be held by the Issuer, into which the balance of the Bond Proceeds shall be deposited and expended therefrom to pay costs of the Project and to pay costs of issuance for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the

payment of the principal of or interest on the Bonds at any time that other School Infrastructure Tax Revenues shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 15. Application of Revenues. From and after the delivery of any Bonds, and as long as any of the Bonds or any Parity Bonds shall be outstanding and unpaid either as to principal or interest, or until all of the Bonds and Parity Bonds then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, all of the receipts of the School Infrastructure Tax Revenues shall be deposited as collected with the Issuer in a special fund to be known as the Red Oak Community School District School Infrastructure Sales and Services Tax Revenue Fund (the "Revenue Fund"), to be held by the Issuer and shall be disbursed in the following priority and only as follows:

(1) Sinking Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay the principal and interest requirements of the Fiscal Year on the Bonds and any Parity Bonds, which shall be held by the Issuer. The fund shall be known as the School Infrastructure Sales, Services and Use Tax Revenue Bond Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be the equal monthly amount necessary to pay in full the installment of interest coming due on the next interest payment date on the then outstanding Bonds and Parity Bonds plus the equal monthly amount necessary to pay in full the installment of principal coming due on such Bonds on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Bonds and Parity Bonds as the same shall become due and payable. Accrued interest, if any, shall be deposited in the Sinking Fund.

(2) Reserve Fund. Money in the Revenue Fund shall next be disbursed to maintain a debt service reserve in an amount equal to the Reserve Fund Requirement which shall be held by the Issuer if the issuance of Additional Bonds requires a Reserve Fund. The Reserve Fund shall be used solely for the purpose of paying principal at maturity or upon mandatory redemption of or interest on the Additional Bonds, if required, when insufficient money shall be available in the Sinking Fund. The Reserve Fund is not pledged or otherwise held for the benefit of the holders of the Bonds. A future Reserve Fund account may be established for Additional Bonds to secure the repayment of such Additional Bonds at the option of the Issuer and the terms and conditions of the purchase of such Additional Bonds. Such future Reserve Fund account shall not be pledged or otherwise held for the benefit of the purchasers of the Bonds.

(3) Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other

obligations which by their terms shall be payable from the School Infrastructure Tax Revenues, but subordinate to the Bonds and Parity Bonds.

(4) Surplus Revenue. Any remaining money may be used to pay or redeem any of the Bonds or Parity Bonds or may be transferred to the Project Fund to be used for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on or before the 15th day of each month, or on the next succeeding business day when the 15th shall not be a business day; and if in any month the money in the Revenue Fund (including the Sinking Fund or the Reserve Fund) for Additional Bonds, if required, shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full. The Issuer may establish various subaccounts within each Fund established by this Resolution.

Failure to make such allocation and payment without cure within thirty days shall constitute an event of default under this Resolution.

Section 16. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with the State Sinking Fund provided under Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided but in no event maturing in more than three years in the case of the Reserve Fund established for Additional Bonds, if required. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Section.

The Sinking Fund and any Reserve Fund established for any bonds secured by the Reserve Fund or Additional Bonds secured by the Reserve Fund, if required, shall be segregated in a separate account but may be invested in the same manner as other funds of the School District but designated as a trust fund on the books and records of the School District. The Sinking Fund and Reserve Fund established for any bonds secured by the Reserve Fund, or Additional Bonds secured by the Reserve Fund, if required, shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments in the Revenue Fund shall be regarded as School Infrastructure Tax Revenues.

Earnings on investments of the Project Fund shall be deposited in and expended from the Project Fund.

Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 17. Covenants of the Issuer. The Issuer hereby covenants and agrees with each and every holder of the Bonds and Parity Bonds that:

(a) The Issuer will administer, enforce and collect, or cause to be administered, enforced and collected, the School Infrastructure Tax Revenues and the School Infrastructure Tax and shall take all reasonable actions that may be permitted by law to collect delinquent payments or to cause delinquent payments to be collected in accordance with law.

(b) The Issuer will keep or cause to be kept books and records showing the proceeds of the School Infrastructure Tax Revenues, in which complete entries shall be made in accordance with standard principles of accounting, and any owner of any of the Bonds shall have the right at all reasonable times to inspect such books and records.

(c) The Issuer shall, to the extent permitted by law, defend the validity and legality of this Resolution, the School Infrastructure Tax and the School Infrastructure Tax Revenues against all claims, suits and proceedings which would diminish or impair the School Infrastructure Tax Revenues as security for the Bonds.

(d) The Issuer, acting by and through its officers, or otherwise, shall faithfully and punctually perform, or caused to be performed, all duties with respect to the School Infrastructure Tax required by the Constitution and laws of the State of Iowa and the various ordinances, resolutions and contracts of the Issuer, including, without limitation, the proper segregation of the proceeds of the Bonds and the School Infrastructure Tax Revenues and their application from time to time to the respective funds provided therefore.

(e) At any and all times the Issuer shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge, deliver and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents and assurance as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular, the School Infrastructure Tax Revenues and other funds and accounts hereby pledged or assigned, or intended so to be, or which the Issuer may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Resolution. The Issuer, acting by and through its officers, or otherwise, shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the School Infrastructure Tax Revenues and other funds and accounts pledged hereunder and all the rights and every owner of any of the Bonds against all claims and demands of all persons whomsoever.

(f) The Issuer, its officers, agents and employees, shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Bonds according to the terms thereof. No contract shall be entered into nor any other action taken by which the rights of any registered owner of any Bond or other security payable from the School Infrastructure Tax Revenues might be prejudicially and materially impaired or diminished.

(g) Each Issuer officer or employee having custody of any School Infrastructure Tax Revenues, or responsible for their handling, shall be bonded at all times, which bond shall be conditioned upon the proper application of said moneys.

(h) The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Bondholders upon request.

(i) The Issuer shall annually provide to the Original Purchaser and any other registered owner of the Bonds, current, audited financial statements within 270 days after the close of the Issuer's Fiscal Year, and upon request, such other financial information as the Original Purchaser or other registered owner of Bonds may reasonably request. If the audited financial statements are unavailable within that time frame, Issuer shall provide such notice of the unavailability to the Original Purchaser or other registered owner of the Bonds and shall provide such audited financial statements to the Original Purchaser or other registered owner of the Bonds when they become available.

(j) The Governing Body of the Issuer shall not take any action with respect to the Issuer's current Revenue Purpose Statement which would impair the ability or authority of the Issuer to apply School Infrastructure Tax Revenues to the payments of principal and interest on the Bonds and Parity Bonds.

Notwithstanding anything in this Section to the contrary, none of the foregoing covenants of the Issuer with respect to the School Infrastructure Tax Revenues shall obligate the Issuer to undertake or perform any duty, task or obligation to be performed by the State of Iowa or a county or its Board of Supervisors under the terms of the Act or other provision of the Code of Iowa, as from time to time amended.

Section 18. Remedies of Bondholders. Except as herein expressly limited the holder or holders of the Bonds and Parity Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Bonds or Parity Bonds and interest thereon, and of the pledge of the revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 19. Prior Lien and Parity Bonds; Subordinate Obligations. The Issuer will issue no other Additional Bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the School Infrastructure Tax Revenues having priority over the Bonds or Parity Bonds.

Additional Bonds may be issued on a parity and equality of rank with the Bonds and any Parity Bonds with respect to the lien and claim of such Additional Bonds to the School Infrastructure Tax Revenues and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Bonds or Parity Bonds outstanding so long as the refunding is an Economic Refunding, without complying with subsection (b) below;

(b) For the purpose of refunding any Bonds or Parity Bonds outstanding, or for other lawful purposes, before any such Additional Bonds ranking on a parity are issued, there will have been procured and filed with the Secretary, a statement of an Independent Auditor reciting the opinion based upon necessary investigations that the School Infrastructure Tax Revenues for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.20 times the maximum amount that will be required in any Fiscal Year for the payment of both principal of and interest on all Bonds or Parity Bonds then outstanding which are payable from the School Infrastructure Tax Revenues and the Additional Bonds then proposed to be issued.

For the purpose of determining the School Infrastructure Tax Revenues for the preceding Fiscal Year, the amount of the revenues for such year may be adjusted by the Independent Auditor to reflect: (1) any revision of the rate of the School Infrastructure Tax as if such revision had been in effect during all of such preceding Fiscal Year; and (2) the current level at which the State funds the Statewide Average Revenue Per Student then in effect for the year in which the Additional Bonds are issued. For the purpose of determining the School Infrastructure Tax Revenues for the preceding Fiscal Year, the amount of revenues for such year shall be adjusted by the Independent Auditor to reflect the most recent certified enrollment count of students for the District.

(c) the Additional Bonds must be payable as to principal and as to interest on the same month and day as the Bonds herein authorized.

(d) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(e) the Reserve Fund for the Additional Bonds, if required, must be fully funded as of the date of issue of the Additional Bonds.

The Issuer may not issue any bonds, notes, or other obligations that are subordinate to the Bonds ("Subordinate Obligations") unless it has obtained a statement of an Independent Auditor reciting the opinion based upon necessary investigations that the School Infrastructure Tax

Revenues for the preceding Fiscal Year (with adjustments as provided in paragraph (b)(i) of this section) were at least equal to the maximum amount that will be required in any Fiscal Year for both principal of and interest on all Bonds, Parity Bonds, or Subordinate Obligations then outstanding which are payable from School Infrastructure Tax Revenues and the bonds, notes, or other obligations then proposed to be issued.

Section 20. Disposition of Bond Proceeds; Arbitrage Not Permitted. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Bonds issued hereunder which will cause any of the Bonds to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States, and that throughout the term of said Bonds it will comply with the requirements of said statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be arbitrage bonds. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Bonds to certify as to the reasonable expectations and covenants of the Issuer at that date.

The Issuer covenants that it will treat as Yield Restricted any proceeds of the Bonds remaining unexpended after three years from the issuance and any other funds required by the Tax Exemption Certificate to be so treated. If any investments are held with respect to the Bonds and Parity Bonds, the Issuer shall treat the same for the purpose of restricted yield as held in proportion to the original principal amounts of each issue.

The Issuer covenants that it will exceed any investment yield restriction provided in this Resolution only in the event that it shall first obtain an opinion of recognized bond counsel that the proposed investment action will not cause the bonds to be classified as arbitrage bonds under Section 148 of the Internal Revenue Code or regulations issued thereunder.

The Issuer covenants that it will proceed with due diligence to spend the proceeds of the Bonds for the purpose set forth in this Resolution. The Issuer further covenants that it will make no change in the use of the proceeds available for the construction of facilities or change in the use of any portion of the facilities constructed therefrom by persons other than the Issuer or the general public unless it has obtained an opinion of bond counsel or a revenue ruling that the proposed project or use will not be of such character as to cause interest on any of the Bonds not to be exempt from federal income taxes in the hands of holders other than substantial users of the project, under the provisions of Section 142 of the Internal Revenue Code of the United States, related statutes and regulations.

Section 21. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Bonds from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Bonds; (c) consult with bond counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

If a registered owner of Bonds receives notice, in any form, from the Internal Revenue Service (a) that such owner may not exclude interest on the Bonds from federal gross income or (b) that any of the Bonds are not "Qualified Tax-Exempt Obligations" because the Issuer breached a covenant contained in Section 20, 21 or 22 of this Resolution (including in the Tax Exemption Certificate incorporated herein by reference), then the Issuer shall pay to the registered owners of the Bonds so affected, within thirty (30) days after a registered owner of Bonds notifies the Issuer of such determination, the amount which, with respect to interest on the Bonds previously paid, will restore to the owners of the Bonds interest thereon at the Taxable Rate (as herein defined). Additionally, the Issuer agrees that upon the occurrence of such an event, it shall thereafter pay interest on the Bonds at the rate of interest equal to the Taxable Rate notwithstanding any other provision of this Resolution or the Bonds that may be to the contrary. As used herein, the term "Taxable Rate" shall mean 3.70% per annum.

Section 22. Qualified Tax-Exempt Obligations. For the sole purpose of qualifying the Bonds as "Qualified Tax-Exempt Obligations" pursuant to the Internal Revenue Code of the United States, the Issuer designates the Bonds as qualified tax-exempt obligations and represents that the reasonably anticipated amount of tax-exempt government and Code Section 501(c)(3) obligations which will be issued during the current calendar year will not exceed Ten (10) Million Dollars.

Section 23. Discharge and Satisfaction of Bonds. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Bonds and Parity Bonds, or any of them, in any one or more of the following ways:

(a) By paying the Bonds or Parity Bonds when the same shall become due and payable; and

(b) By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may

be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Bonds or Parity Bonds shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 24. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Bonds and Parity Bonds, and after the issuance of any of the Bonds no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Bonds and Parity Bonds, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 25. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Bonds, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Bonds or Parity Bonds; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Bonds or Parity Bonds;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Bonds or Parity Bonds from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Bonds or Parity Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the bondholders;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 26. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of the Bonds and not less than two-thirds in principal amount of the Parity Bonds at any time

outstanding (not including in any case any bonds which may then be held or owned by or for the account of the Issuer, but including such refunding bonds as may have been issued for the purpose of refunding any of such bonds if such refunding bonds shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity or interest rate of the Bonds, or modify the terms of payment of principal of or interest on the Bonds or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Bonds and Parity Bonds then outstanding; and

(c) Reduce the percentage of the principal amount of Bonds, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Bond as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the Secretary.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the Secretary an instrument or instruments executed by the holders of the Bonds and of at least two-thirds in aggregate principal amount of the Parity Bonds then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the governing body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Bonds and Parity Bonds.

Any consent given by the holder of a bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same bond during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the Secretary.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the bonds held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned

such person had on deposit with such bank or trust company the bonds described in such certificate.

Section 27. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 28. Successor Clause. The Issuer will maintain its corporate existence, and in the event of reorganization of any kind, the resolutions and the obligations of the Issuer are binding upon any successor or assigns.

Section 29. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

PASSED AND APPROVED this 13th day of November, 2017.

President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

PAYING AGENT; BOND REGISTRAR AND TRANSFER AGENT AGREEMENT

This Agreement is entered into the date hereof between Bankers Trust Company ("Agent" or "Paying Agent") and the Red Oak Community School District, State of Iowa ("Issuer").

1. Definition of Terms. The terms "item", "receipt", "transfer", "turnaround", "process", "business day", and other terms used throughout this Agreement shall be deemed to have the meanings provided in Rules 17Ad-1 and 17Ad-2 of the Regulations promulgated pursuant to the Securities Exchange Act of 1934 and Section 76.10(4) of the Code of Iowa, as amended and in effect from time to time.

2. Bond Resolution Incorporated by Reference. Agent agrees to act on behalf of Issuer pursuant to the terms of this Agreement and pursuant to the Resolution Authorizing and Providing for the Issuance of \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, dated December 1, 2017 (the "Obligations"). The Resolution and the terms thereof are hereby incorporated by reference and the provisions of this Agreement are to be construed to be consistent with the Resolution. The Resolution defines among other items lost, stolen and mutilated Bonds and manner of notice to parties. In the event of inconsistent language between the Resolution and this Agreement, the terms of the Resolution shall prevail.

3. Registrar Function. Agent shall maintain records of the identity of the owners of the Obligations in order to carry out its function as Registrar and upon request of Issuer shall from time to time deliver to Issuer records, documents and other writings made or accumulated in the performance of its duties as Registrar. In such capacity Agent is authorized at any time to register for original issue certificates representing the Obligations and not exceeding the total principal amount of the Obligations ("certificates") and upon surrender for cancellation of certificates to register new certificates for the principal amount of Obligations represented by the certificates so canceled and to redeliver such new certificates.

4. Transfer Agent Function. For the purpose of the original issue of certificates Agent is hereby directed to record and authenticate certificates signed by or bearing the facsimile signatures of the officers of Issuer authorized to sign certificates, in such names and in such amounts as Issuer may direct.

Agent shall make transfers, from time to time upon the records of Issuer of any outstanding certificates and of certificates issued in exchange therefor signed by the officers of Issuer upon surrender thereof for transfer properly endorsed and upon reasonable assurance that such endorsements are genuine and effective in accordance with Section 554.8401, Code of Iowa. Upon request for cancellation of such certificates Agent shall record and authenticate new certificates duly signed and deliver such certificates to or upon the order of the person entitled thereto.

Agent shall furnish to each owner, at Issuer's expense, one certificate for each annual maturity. Agent shall furnish additional certificates of lesser denomination to an owner who so requests.

Certified specimen signatures of the officers of Issuer and certified specimen certificates in the form duly approved by Issuer shall be lodged with Agent and upon request of Agent the Issuer will deliver to the Agent a sufficient supply of certificates in the form approved.

5. Paying Agent Function. Agent is hereby authorized and shall make payments of principal and interest to the registered holders of the Obligations as follows:

a) At least three business days prior to each payment date Issuer will deposit with the Agent in immediately available funds such amount as is required to make such payment.

b) One business day before each payment date Agent will pay interest and, upon presentation and surrender of the matured or called Obligations, will pay principal to each registered owner of the Obligations as of the record date by mailing a check to each such owner. In any case where the date of maturity of interest on or principal of the Obligations or the date fixed for redemption of any Obligations shall be a Sunday or a legal holiday or a day on which the banking institutions are authorized by law to close, then payment of interest or principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption. Provided, however, that payment of principal shall be made not later than the second day after receipt of the matured Obligation.

c) When the Agent shall receive notice from Issuer of its option to redeem Obligations prior to maturity, the Agent shall select the Obligations to be redeemed and give notice of the redemption thereof, all in accordance with the terms of the Obligations and the Resolution.

6. Form of Records. The records of Agent shall be in such form as to be in compliance with standards issued from time to time by the Municipal Securities Rulemaking Board of the United States and any other securities industry standard and the requirements of the Internal Revenue Code of 1986 and Chapter 76 of the Code of Iowa.

7. Confidentiality of Records. Agent's records in connection with the Obligations shall remain confidential records entitled to protection and confidentiality pursuant to Section 22.7(17), Code of Iowa. Agent agrees that its use of the records will be limited to the purposes of this Agreement and that Agent will make no private use or permit any private access thereto.

8. Reliance Upon Certain Certifications and Representations. Agent may rely conclusively and act, without further investigation, upon any list, instruction, certification, authorization, certificate or other instrument or paper suitably guaranteed and believed by it in good faith and due diligence in performing its functions to be genuine and to have been signed, countersigned or executed by any duly authorized person or persons or upon the instruction of any authorized officer of Issuer or upon the advice of Issuer's counsel; and may register any certificate representing the Obligations or may refuse to register any such certificate if in good faith Agent deems such refusal necessary in order to avoid any liability on the part of either Issuer or Agent, and Issuer agrees to indemnify and hold harmless the Agent from and against any and all losses, costs, claims and liability for so relying or acting or refusing to act.

9. Rules and Regulations Governing Registration. Agent shall comply at all times with such rules, regulations, and requirements as may govern the registration, transfer and payment of registered Obligations including without limitation Chapters 76, 423E, 423F and Section 554.8101 et seq. Code of Iowa and standards issued from time to time by the Municipal Securities Rulemaking Board of the United States and any other securities industry standard and the requirements of the Internal Revenue Code of 1986.

10. Signature of Officers. In case any of the officers of Issuer whose manual or facsimile signature appear on any certificate, bond or other record delivered to the Agent shall cease to be such officer prior to the registration, processing or transfer thereof, the Agent may nevertheless process such documents as though the person signing the same or whose facsimile signature appears thereon had not ceased to be such officer unless written instruction of the Issuer to the contrary is received.

11. Record Date. For purposes of determining the registered owners of the Obligations, the record date shall be deemed to be the fifteenth day of the month preceding the date on which payment of principal, premium, if any, or interest is payable to the registered owners of the Obligations ("payment date") whether such payment is due to optional redemption, operation of a sinking fund, or for any other reason.

12. Three Days Turnaround. Agent agrees that it will turnaround within three business days of receipt all items received in proper form for transfer, process or other action pursuant to the terms of this Agreement.

13. Delivery of Obligations. Agent will promptly cancel and deliver to Issuer all Obligations or certificates representing the Obligations surrendered to it upon payment of the principal, premium, if any, and interest owing on such Obligations.

14. Payment of Unclaimed Amounts. In the event any payment check representing payment of interest or principal on the Obligations is returned to the Paying Agent or is not presented for payment, or if any Obligation is not presented for payment of principal or premium, if any, at the maturity or redemption date, if funds sufficient to pay such interest on Obligations shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Obligations shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Obligations who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Agreement or on, or with respect to, such interest or Obligations. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Agreement by the Owners of such interest or Obligations of whatever nature shall be made upon the Issuer.

15. No Obligation to Invest. Agent will have no obligation to invest any funds in its possession.

16. Compensation of Agent. The Issuer will pay Agent reasonable compensation for its services, based upon the schedule of fees attached or such other schedule of fees as may be agreed upon from time to time between Agent and Issuer. Agent's compensation may include the amount of any attorney fees incurred by it under Section 17 hereof.

17. Bond Counsel. When Agent deems it necessary or reasonable it may apply to bond counsel for the Issuer, or such other law firm or attorney approved by Issuer for instructions or advice.

18. Termination of Agreement. This Agreement may be terminated by either party by giving the other party at least 90 days advance written notice. At termination of the Agreement, Agent shall deliver to Issuer any and all records, documents or other writings made or accumulated in the performance of its duties under this Agreement and shall refund the unearned balance, if any, of fees paid in advance by Issuer.

19. Examination of Records. Issuer or its duly authorized agents may examine all records relating to the Obligations at the principal office of the Agent at reasonable times as agreed upon with the Agent and such records shall be subject to audit from time to time at the request of Issuer or Agent. The Agent, on request, will furnish Issuer with a list of the names, addresses, and other information concerning the owners of the Obligations or any of them.

20. Obligations, Rights and Privileges of Agent. Agent shall have, with regard to the particular functions it performs, the same obligation to the holder or owner of the Obligations and shall have the same rights and privileges as the Issuer has in regard to those functions.

Dated this 1st day of December, 2017.

RED OAK COMMUNITY SCHOOL
DISTRICT, STATE OF IOWA, ISSUER

By: _____
President of the Board of Directors

ATTEST:

By: _____
Secretary of the Board of Directors

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BANKERS TRUST COMPANY, AGENT

By: _____

ATTEST:

By: _____

_____ (Title)

_____ (Title)

01415482-1\17460-009

TAX EXEMPTION CERTIFICATE

of

RED OAK COMMUNITY SCHOOL DISTRICT, COUNTIES OF
MONTGOMERY, PAGE AND POTTAWATTAMIE, STATE OF IOWA, ISSUER

\$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017

This instrument was prepared by:

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309
(515) 243-7611

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7.2.4

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TAX EXEMPTION CERTIFICATE

RED OAK COMMUNITY SCHOOL DISTRICT, STATE OF IOWA

THIS TAX EXEMPTION CERTIFICATE made and entered into on December 1, 2017, by the Red Oak Community School District, Counties of Montgomery, Page and Pottawattamie, State of Iowa (the "Issuer").

INTRODUCTION

This Certificate is executed and delivered in connection with the issuance by the Issuer of its \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017 (the "Bonds"). The Bonds are issued pursuant to the provisions of the Resolution of the Issuer authorizing the issuance of the Bonds. Such Resolution provides that the covenants contained in this Certificate constitute a part of the Issuer's contract with the owners of the Bonds.

The Issuer recognizes that under the Code (as defined below) the tax-exempt status of the interest received by the owners of the Bonds is dependent upon, among other things, the facts, circumstances, and reasonable expectations of the Issuer as to future facts not in existence at this time, as well as the observance of certain covenants in the future. The Issuer covenants that it will take such action with respect to the Bonds as may be required by the Code, and pertinent legal regulations issued thereunder in order to establish and maintain the tax-exempt status of the Bonds, including the observance of all specific covenants contained in the Resolution and this Certificate.

ARTICLE I

DEFINITIONS

The following terms as used in this Certificate shall have the meanings set forth below. The terms defined in the Resolution shall retain the meanings set forth therein when used in this Certificate. Other terms used in this Certificate shall have the meanings set forth in the Code or in the Regulations.

- "Annual Debt Service" means the principal of and interest on the Bonds scheduled to be paid during a given Bond Year.
- "Bonds" means the \$8,490,000 aggregate principal amount of School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, of the Issuer issued in registered form pursuant to the Resolution.
- "Bond Counsel" means Ahlers & Cooney, P.C., Des Moines, Iowa, or an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any State of the United States of America.
- "Bond Fund" means the Sinking Fund described in the Resolution.

- "Bond Purchase Agreement" means the binding contract in writing for the sale of the Bonds.
- "Bond Year" as defined in Regulation 1.148-1(b), means a one-year period beginning on the day after expiration of the preceding Bond Year. The first Bond Year shall be the one-year or shorter period beginning on the Closing Date and ending on a principal or interest payment date, unless Issuer selects another date.
- "Bond Yield" means that discount rate which produces an amount equal to the Issue Price of the Bonds when used in computing the present value of all payments of principal and interest to be paid on the Bonds using semiannual compounding on a 360-day year as computed under Regulation 1.148-4.
- "Certificate" means this Tax Exemption Certificate.
- "Closing" means the delivery of the Bonds in exchange for the agreed upon purchase price.
- "Closing Date" means the date of Closing.
- "Code" means the Internal Revenue Code of 1986, as amended, and any statutes which replace or supplement the Internal Revenue Code of 1986.
- "Computation Date" means each five-year period from the Closing Date through the last day of the fifth and each succeeding fifth Bond Year.
- "Excess Earnings" means the amount earned on all Nonpurpose Investments minus the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the Bond Yield, plus any income attributable to such excess.
- "Final Bond Retirement Date" means the date on which the Bonds are actually paid in full.
- "Governmental Obligations" means direct general obligations of, or obligations the timely payment of the principal of and interest on which is unconditionally guaranteed by the United States.
- "Gross Proceeds" as defined in Regulation 1.148-1(b), means any Proceeds of the Bonds and any replacement proceeds (as defined in Regulation 1.148-1(c)) of the Bonds.
- "Gross Proceeds Funds" means the Project Fund, Proceeds held to pay cost of issuance, and any other fund or account held for the benefit of the owners of the Bonds or containing Gross Proceeds of the Bonds except the Bond Fund and the Rebate Fund.
- "Issue Price" as defined in Regulation 1.148-1(b) and (f)(2), means the price paid by the Purchaser of the Bonds. The Issue Price is \$8,490,000, as set forth in Exhibit A.

- "Issuer" means the Red Oak Community School District, a public school corporation, Counties of Montgomery, Page and Pottawattamie, State of Iowa.
- "Minor Portion of the Bonds", as defined in Regulation 1.148-2(g), means the lesser of five (5) percent of Proceeds or \$100,000. The Minor Portion of the Bonds is computed to be \$100,000.
- "Nonpurpose Investments" means any investment property which is acquired with Gross Proceeds and is not acquired to carry out the governmental purpose of the Bonds, and may include but is not limited to U.S. Treasury bonds, corporate bonds, or certificates of deposit.
- "Proceeds" as defined in Regulation 1.148-1(b), means Sale Proceeds, investment proceeds and transferred proceeds of the Bonds.
- "Project" means to remodel, renovate, improve, refurbish, furnish and equip and to construct, furnish and equip additions to the existing high school campus (including the Tech Center) and the Inman Campus; to improve the existing high school (including the Tech Center) site; and to demolish the Webster building as more fully described in the Resolution.
- "Project Fund" shall mean the fund required to be established by the Resolution for the deposit of the Proceeds of the Bonds.
- "Purchasers" means Branch Banking and Trust Company of Charlotte, North Carolina, constituting the initial purchasers of the Bonds from the Issuer.
- "Rebate Amount" means the amount computed as described in this Certificate.
- "Rebate Fund" means the fund to be created, if necessary, pursuant to this Certificate.
- "Rebate Payment Date" means a date chosen by the Issuer which is not more than 60 days following each Computation Date or the Final Bond Retirement Date.
- "Regulations" means the Income Tax Regulations, amendments and successor provisions promulgated by the Department of the Treasury under Sections 103, 148 and 149 of the Code, or other Sections of the Code relating to "arbitrage bonds", including without limitation Regulations 1.148-1 through 1.148-11, 1.149(b)-1, 1.149-d(1), 1.150-1 and 1.150-2.
- "Replacement Proceeds" include, but are not limited to, sinking funds, amounts that are pledged as security for an issue, and amounts that are replaced because of a sufficiently direct nexus to a governmental purpose of an issue.
- "Resolution" means the resolution of the Issuer adopted on November 13, 2017, authorizing the issuance of the Bonds.

- "Sale Proceeds" as defined in Regulation 1.148-1(b), means any amounts actually or constructively received from the sale of the Bonds, including amounts used to pay underwriter's discount or compensation and accrued interest other than pre-issuance accrued interest.
- "Sinking Fund" means the Bond Fund.
- "SLGS" means demand deposit Treasury securities of the State and Local Government Series.
- "Tax Exempt Obligations" means bonds or other obligations the interest on which is excludable from the gross income of the owners thereof under Section 103 of the Code and include certain regulated investment companies, stock in tax-exempt mutual funds and demand deposit SLGS.
- "Taxable Obligations" means all investment property, obligations or securities other than Tax Exempt Obligations.
- "Verification Certificate" means the Purchaser's Certificate attached to this Tax Exemption Certificate as Exhibit A, and the Bond Purchase Agreement.

ARTICLE II

SPECIFIC CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS

The Issuer hereby certifies, represents and agrees as follows:

Section 2.1 Authority to Certify and Expectations

- (a) The undersigned officer of the Issuer along with other officers of the Issuer, are charged with the responsibility of issuing the Bonds.
- (b) This Certificate is being executed and delivered in part for the purposes specified in Section 1.148-2(b)(2) of the Regulations and is intended (among other purposes) to establish reasonable expectations of the Issuer at this time.
- (c) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-2(b)(2) of the Regulations.
- (d) The certifications, representations and agreements set forth in this Article II are made on the basis of the facts, estimates and circumstances in existence on the date hereof, including the following: (1) with respect to amounts expected to be received from delivery of the Bonds, amounts actually received, (2) with respect to payments of amounts into various funds or accounts, review of the authorizations or directions for such payments made by the Issuer pursuant to the Resolution and this Certificate, (3) with respect to the Issue Price, the certifications of the Purchasers as set forth in the Verification Certificate,

(4) with respect to expenditure of the Proceeds of the Bonds, actual expenditures and reasonable expectations of the Issuer as to when the Proceeds will be spent for purposes of the Project, (5) with respect to Bond Yield, review of the Verification Certificate, and (6) with respect to the amount of governmental and qualified 501(c)(3) bonds to be issued during the calendar year, the budgeting and present planning of Issuer. The Issuer has no reason to believe such facts, estimates or circumstances are untrue or incomplete in any material way.

(e) To the best of the knowledge and belief of the undersigned officer of the Issuer, there are no facts, estimates or circumstances that would materially change the representations, certifications or agreements set forth in this Certificate, and the expectations herein set out are reasonable.

(f) No arrangement exists under which the payment of principal or interest on the Bonds would be directly or indirectly guaranteed by the United States or any agency or instrumentality thereof.

(g) After the expiration of any applicable temporary periods, and excluding investments in a bona fide debt service fund or reserve fund, not more than five percent (5%) of the Proceeds of the Bonds will be (a) used to make loans which are guaranteed by the United States or any agency or instrumentality thereof, or (b) invested in federally insured deposits or accounts.

(h) The Issuer will file with the Internal Revenue Service in a timely fashion Form 8038-G, Information Return for Tax-Exempt Governmental Obligations with respect to the Bonds and such other reports required to comply with the Code and applicable Regulations.

(i) The Issuer will take no action which would cause the Bonds to become "private activity bonds" as defined in Section 141 (a) of the Code, including any use of the Project by any person other than a governmental unit if such use will be by other than a member of the general public. None of the Proceeds of the Bonds will be used directly or indirectly to make or finance loans to any person other than a governmental unit.

(j) The Issuer will make no change in the nature or purpose of the Project except as provided in Section 6.1 hereof.

(k) Except as provided in the Resolution, the Issuer will not establish any sinking fund, bond fund, reserve fund, debt service fund or other fund reasonably expected to be used to pay debt service on the Bonds (other than the Bond Fund and any Reserve Fund), exercise its option to redeem Bonds prior to maturity or effect a refunding of the Bonds.

(l) No bonds or other obligations of the Issuer (1) were sold in the 15 days preceding the date of sale of the Bonds, (2) were sold or will be sold within the 15 days after the date of sale of the Bonds, (3) have been delivered in the past 15 days or (4) will be delivered in the next 15 days pursuant to a common plan of financing for the issuance of the Bonds and payable out of substantially the same source of revenues.

(m) None of the Proceeds of the Bonds will be used directly or indirectly to replace funds of the Issuer used directly or indirectly to acquire obligations having a yield higher than the Bond Yield.

(n) No portion of the Bonds is issued for the purpose of investing such portion at a higher yield than the Bond Yield.

(o) The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause them to be "arbitrage bonds" as defined in Section 148(a) of the Code. The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause the interest on the Bonds to be includible in the gross income of the owners of the Bonds under the Code. The Issuer will not intentionally use any portion of the Proceeds to acquire higher yielding investments.

(p) The Issuer will not use the Proceeds of the Bonds to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage.

(q) The Issuer has not issued more Bonds, issued the Bonds earlier, or allowed the Bonds to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Bonds and in fact, the Bonds will not remain outstanding longer than 120% of the economic useful life of the assets financed with the Proceeds of the Bonds.

(r) The Bonds will not be Hedge Bonds as described in Section 149(g)(3) of the Code because the Issuer reasonably expects that it will meet the Expenditure test set forth in Section 2.5(b) hereof and that 50% or more of the Proceeds will not be invested in Nonpurpose Investments having a substantially guaranteed yield for four or more years.

Except for costs of issuance, all Sale Proceeds and investment earnings thereon will be expended for costs of the type that would be chargeable to capital accounts under the Code pursuant to federal income tax principles if the Issuer were treated as a corporation subject to federal income taxation.

Section 2.2 Receipts and Expenditures of Sale Proceeds

Sale Proceeds (\$8,490,000 par) received at Closing are expected to be deposited and expended as follows:

(a) \$-0- representing pre-issuance accrued interest will be deposited into the Bond Fund and will be used to pay a portion of the interest accruing on the Bonds on the first interest payment date; and

(b) \$146,100.00 representing costs of issuing the Bonds will be used within six months of the Closing Date to pay the costs of issuance of the Bonds (with any excess remaining on deposit in the Project Fund); and

(c) \$8,343,900.00 will be deposited into the Project Fund and will be used together with earnings thereon to pay the costs of the Project and will not exceed the amount necessary to accomplish the governmental purposes of the Bonds.

Section 2.3 Purpose of Bonds

The Issuer is issuing the Bonds to pay the costs to remodel, renovate, improve, refurbish, furnish and equip and to construct, furnish and equip additions to the existing high school campus (including the Tech Center) and the Inman Campus; to improve the existing high school (including the Tech Center) site; and to demolish the Webster building.

Section 2.4 Facts Supporting Tax-Exemption Classification

Governmental Bonds

Private Business Use/Private Security or Payment Tests

The Bonds are considered to be governmental bonds, not subject to the provisions of the alternate minimum tax. The Proceeds will be used for the purposes described in Section 2.3 hereof. These bonds are not private activity bonds because no amount of Proceeds of the Bonds is to be used in a trade or business carried on by a non-governmental unit. Rather, the Proceeds will be used to finance the general government operations and facilities of the Issuer described in Section 2.3 hereof. None of the payment of principal or interest on the Bonds will be derived from, or secured by, money or property used in a trade or business of a non-governmental unit. In addition, none of the governmental operations or facilities of the Issuer being financed with the Proceeds of the Bonds are subject to any lease, management contract or other similar arrangement or to any arrangement for use other than as by the general public.

Private Loan Financing Test

No amount of Proceeds of the Bonds is to be used directly or indirectly to make or finance loans to persons other than governmental units.

Section 2.5 Facts Supporting Temporary Periods for Proceeds

(a) Time Test. Not later than six months after the Closing Date, the Issuer will incur a substantial binding obligation to a third party to expend at least 5% of the net Sale Proceeds of the Bonds.

(b) Expenditure Test. Not less than 85% of the net Sale Proceeds will be expended for Project costs, including the reimbursement of other funds expended to date, within a three-year temporary period from the Closing Date.

(c) Due Diligence Test. Not later than six months after Closing, work on the Project will have commenced and will proceed with due diligence to completion.

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(d) Proceeds of the Bonds representing less than six months accrued interest on the Bonds will be spent within six months of this date to pay interest on the Bonds, and will be invested without restriction as to yield for a temporary period not in excess of six months.

Section 2.6 Resolution Funds at Restricted or Unrestricted Yield

(a) Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer has not and does not expect to create or establish any other bond fund, reserve fund, or similar fund or account for the Bonds. The Issuer has not and will not pledge any moneys or Taxable Obligations in order to pay debt service on the Bonds or restrict the use of such moneys or Taxable Obligations so as to give reasonable assurances of their availability for such purposes.

(b) Any monies which are invested beyond a temporary period are expected to constitute less than a major portion of the Bonds or to be restricted for investment at a yield not greater than one-eighth of one percent above the Bond Yield.

(c) The Issuer has established and will use the Bond Fund primarily to achieve a proper matching of revenues and debt service within each Bond Year and the Issuer will apply moneys deposited into the Bond Fund to pay the principal of and interest on the Bonds. Such Fund will be depleted at least once each Bond Year except for a reasonable carryover amount. The carryover amount will not exceed the greater of (1) one year's earnings on the Bond Fund or (2) one-twelfth of Annual Debt Service. The Issuer will spend moneys deposited from time to time into such fund within 13 months after the date of deposit. Revenues, intended to be used to pay debt service on the Bonds, will be deposited into the Bond Fund as set forth in the Resolution. The Issuer will spend interest earned on moneys in such fund not more than 12 months after receipt. Accordingly, the Issuer will treat the Bond Fund as a bona fide debt service fund as defined in Regulation 1.148-1(b).

Investment of amounts on deposit in the Bond Fund will not be subject to arbitrage rebate requirements as the Bonds meet the safe harbor set forth in Regulation 1.148-3(k), because the average annual debt service on the Bonds will not exceed \$2,500,000.

(d) The Minor Portion of the Bonds will be invested without regard to yield.

Section 2.7 Pertaining to Yields

(a) The purchase price of all Taxable Obligations to which restrictions apply under this Certificate as to investment yield or rebate of Excess Earnings, if any, has been and shall be calculated using (i) the price taking into account discount, premium and accrued interest, as applicable, actually paid or (ii) the fair market value if less than the price actually paid and if such Taxable Obligations were not purchased directly from the United States Treasury. The Issuer will acquire all such Taxable Obligations directly from the United States Treasury or in an arm's length transaction without regard to any amounts paid to reduce the yield on such Taxable Obligations. The Issuer will not pay or permit the payment of any amounts (other than to the United States) to reduce the yield on any Taxable

Obligations. Obligations pledged to the payment of debt service on the Bonds, or deposited into any reserve fund after they have been acquired by the Issuer will be treated as though they were acquired for their fair market value on the date of such pledge or deposit. Obligations on deposit in any reserve fund on the Closing Date shall be treated as if acquired for their fair market value on the Closing Date.

(b) Qualified guarantees have not been used in computing yield.

(c) The Bond Yield has been computed as not less than 2.3598 percent. This Bond Yield has been computed on the basis of a purchase price for the Bonds equal to the Issue Price.

ARTICLE III

REBATE

Section 3.1 Records

Sale Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer will maintain adequate records for funds created by the Resolution and this Certificate including all deposits, withdrawals, transfers from, transfers to, investments, reinvestments, sales, purchases, redemptions, liquidations and use of money or obligations until six years after the Final Bond Retirement Date.

Section 3.2 Rebate Fund

(a) In the Resolution, the Issuer has covenanted to pay to the United States the Rebate Amount, an amount equal to the Excess Earnings on the Gross Proceeds Funds, if any, at the times and in the manner required or permitted and subject to stated special rules and allowable exceptions.

(b) The Issuer may establish a fund pursuant to the Resolution and this Certificate which is herein referred to as the Rebate Fund. The Issuer will invest and expend amounts on deposit in the Rebate Fund in accordance with this Certificate.

(c) Moneys in the Rebate Fund shall be held by the Issuer or its designee and, subject to Sections 3.4, 3.5 and 6.1 hereof, shall be held for future payment to the United States as contemplated under the provisions of this Certificate and shall not constitute part of the trust estate held for the benefit of the owners of the Bonds or the Issuer.

(d) The Issuer will pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States.

Section 3.3 Exceptions to Rebate

The Issuer reasonably expects that the Bonds are eligible for one or more exceptions from the arbitrage rebate rules set forth in the Regulations. If any Proceeds are ineligible, or become

ineligible, for an exception to the arbitrage rebate rules, the Issuer will comply with the provisions of this Article III. A description of the applicable rebate exception is as follows:

- School District Small Issuer Exception

The reasonably anticipated amount of tax exempt governmental obligations (other than private activity bonds) which will be issued by the Issuer during the calendar year will not exceed (i) fifteen million dollars (\$15,000,000) total and (ii) five million dollars (\$5,000,000) for purposes other than the construction of public school facilities within the meaning of Section 148(f)(4)(D)(vii) of the Code.

Section 3.4 Calculation of Rebate Amount

(a) As soon after each Computation Date as practicable, the Issuer shall, if necessary, calculate and determine the Excess Earnings on the Gross Proceeds Funds (the "Rebate Amount"). All calculations and determinations with respect to the Rebate Amount will be made on the basis of actual facts as of the Computation Date and reasonable expectations as to future events.

(b) If the Rebate Amount exceeds the amount currently on deposit in the Rebate Fund, the Issuer may deposit an amount in the Rebate Fund such that the balance in the Rebate Fund after such deposit equals the Rebate Amount. If the amount in the Rebate Fund exceeds the Rebate Amount, the Issuer may withdraw such excess amount provided that such withdrawal can be made from amounts originally transferred to the Rebate Fund and not from earnings thereon, which may not be transferred, and only if such withdrawal may be made without liquidating investments at a loss.

Section 3.5 Rebate Requirements and the Bond Fund

It is expected that the Bond Fund described in the Resolution and Section 2.6(c) of this Certificate will be treated as a bona fide debt service fund as defined in Regulation 1.148-1(b). As such, any amount earned during a Bond Year on the Bond Fund and amounts earned on such amounts, if allocated to the Bond Fund, will not be taken into account in calculating the Rebate Amount if the annual gross earnings on the Bond Fund for such Bond Year are less than \$100,000 or if average annual debt service will not exceed \$2,500,000. However, should annual gross earnings exceed \$100,000 or should the Bond Fund cease to be treated as a bona fide debt service fund, the Bond Fund will become subject to the rebate requirements set forth in Section 3.4 hereof.

Section 3.6 Investment of the Rebate Fund

(a) Immediately upon a transfer to the Rebate Fund, the Issuer may invest all amounts in the Rebate Fund not already invested and held in the Rebate Fund, to the extent possible, in (1) SLGS, such investments to be made at a yield of not more than one-eighth of one percent above the Bond Yield, (2) Tax Exempt Obligations, (3) direct obligations of the United States or (4) certificates of deposit of any bank or savings and loan association. All investments in the Rebate Fund shall be made to mature not later than the next Rebate Payment Date.

(b) If the Issuer invests in SLGS, the Issuer shall file timely subscription forms for such securities (if required). To the extent possible, amounts received from maturing SLGS shall be reinvested immediately in zero yield SLGS maturing on or before the next Rebate Payment Date.

Section 3.7 Payment to the United States

(a) On each Rebate Payment Date, the Issuer will pay to the United States at least ninety percent (90%) of the Rebate Amount less a computation credit of \$1,000 per Bond Year for which the payment is made.

(b) The Issuer will pay to the United States not later than sixty (60) days after the Final Bond Retirement Date all the rebatable arbitrage as of such date and any income attributable to such rebatable arbitrage as described in Regulation 1.148-3(f)(2).

(c) If necessary, on each Rebate Payment Date, the Issuer will mail a check to the Internal Revenue Service Center, Ogden, UT 84201. Each payment shall be accompanied by a copy of Form 8038-T, Arbitrage Rebate, filed with respect to the Bonds or other information reporting form as is required to comply with the Code and applicable Regulations.

Section 3.8 Records

(a) The Issuer will keep and retain adequate records with respect to the Bonds, the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund until six years after the Final Bond Retirement Date. Such records shall include descriptions of all calculations of amounts transferred to the Rebate Fund, if any, and descriptions of all calculations of amounts paid to the United States as required by this Certificate. Such records will also show all amounts earned on moneys invested in such funds, and the actual dates and amounts of all principal, interest and redemption premiums (if any) paid on the Bonds.

(b) Records relating to the investments in such Funds shall completely describe all transfers, deposits, disbursements and earnings including:

(1) a complete list of all investments and reinvestments of amounts in each such Fund including, if applicable, purchase price, purchase date, type of security, accrued interest paid, interest rate, dated date, principal amount, date of maturity, interest payment dates, date of liquidation, receipt upon liquidation, market value of such investment on the Final Bond Retirement Date if held by the Issuer on the Final Bond Retirement Date, and market value of the investment on the date pledged to the payment of the Bonds or the Closing Date if different from the purchase date.

(2) the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such Fund.

Section 3.9 Additional Payments

The Issuer hereby agrees to pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States, but which is not available in a fund related to the Bonds for transfer to the Rebate Fund or payment to the United States.

ARTICLE IV

INVESTMENT RESTRICTIONS

Section 4.1 Avoidance of Prohibited Payments

The Issuer will not enter into any transaction that reduces the amount required to be deposited into the Rebate Fund or paid to the United States because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to either party. The Issuer will not invest or direct the investment of any funds in a manner which reduces an amount required to be paid to the United States because such transaction results in a small profit or larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to the Issuer. In particular, notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will not invest or direct the investment of any funds in a manner which would violate any provision of this Article IV.

Section 4.2 Market Price Requirement

(a) The Issuer will not purchase or direct the purchase of Taxable Obligations for more than the then available market price for such Taxable Obligations. The Issuer will not sell, liquidate or direct the sale or liquidation of Taxable Obligations for less than the then available market price.

(b) For purposes of this Certificate, United States Treasury obligations purchased directly from the United States Treasury will be deemed to be purchased at the market price.

Section 4.3 Investment in Certificates of Deposit

(a) Notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will invest or direct the investment of funds on deposit in the Reserve Fund, any other Gross Proceeds Fund, the Bond Fund, and the Rebate Fund, in a certificate of deposit of a bank or savings bank which is permitted by law and by the Resolution only if the purchase price of such a certificate of deposit is treated as its fair market value on the purchase date and if the yield on the certificate of deposit is not less than (1) the yield on reasonably comparable direct obligations of the United States; and (2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(b) The certificate of deposit described in paragraph 4.3(a) above must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the bank or savings bank issuing the certificate of deposit.

Section 4.4 Investment Pursuant to Investment Contracts and Agreements

The Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund pursuant to an investment contract (including a repurchase agreement) only if all of the following requirements are satisfied:

(a) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the issuer or any other person for purposes of satisfying the requirements of paragraph (d)(6)(iii)(B)(1) or (2) of Section 1.148-5 of the Regulations.

(4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment.

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) All potential providers have an equal opportunity to bid and no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(b) The bids received by the Issuer meet all of the following requirements:

(1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (d)(6)(iii)(A) of Section 1.148-5 of the Regulations and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (d)(6)(iii)(B)(1) of Section 1.148-5 of the Regulations is from a reasonably competitive provider, within the meaning of paragraph (d)(6)(iii)(A)(7) of Section 1.148-5 of the Regulations.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(c) The winning bid meets the following requirements:

(1) Guaranteed investment contracts. If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) Other investments. If the investment is not a guaranteed investment contract, the winning bid is the lowest cost bona fide bid (including any broker's fees).

(d) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(e) The Issuer will retain the following records with the bond documents until three years after the last outstanding bond is redeemed:

(1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.

(2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (d)(6)(iii)(D) of Section 1.148-5 of the Regulations.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

Section 4.5 Records

The Issuer will maintain records of all purchases, sales, liquidations, investments, reinvestments, redemptions, disbursements, deposits, and transfers of amounts on deposit.

Section 4.6 Investments to be Legal

All investments required to be made pursuant to this Certificate shall be made to the extent permitted by law. In the event that any such investment is determined to be ultra vires, it shall be liquidated and the proceeds thereof shall be invested in a legal investment, provided that prior to reinvesting such proceeds, the Issuer shall obtain an opinion of Bond Counsel to the effect that such reinvestment will not cause the Bonds to become arbitrage bonds under Sections 103, 148, 149, or any other applicable provision of the Code.

ARTICLE V

GENERAL COVENANTS

The Issuer hereby covenants to perform all acts within its power necessary to ensure that the reasonable expectations set forth in Article II hereof will be realized. The Issuer reasonably expects to comply with all covenants contained in this Certificate.

ARTICLE VI

AMENDMENTS AND ADDITIONAL AGREEMENTS

Section 6.1 Opinion of Bond Counsel; Amendments

The various provisions of this Certificate need not be observed and this Certificate may be amended or supplemented at any time by the Issuer if the Issuer receives an opinion or opinions of Bond Counsel that the failure to comply with such provisions will not cause any of the Bonds to become "arbitrage bonds" under the Code and that the terms of such amendment or supplement will not cause any of the Bonds to become "arbitrage bonds" under the Code, or otherwise cause interest on any of the Bonds to become includable in gross income for federal income tax purposes.

Section 6.2 Additional Covenants, Agreements

The Issuer hereby covenants to make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) such agreements as may be necessary to comply with any changes in law or regulations in order to preserve the tax-exempt status of the Bonds to the extent that it may lawfully do so. The Issuer further covenants (1) to impose such limitations on the investment or use of moneys or investments related to the Bonds, (2) to make such payments to the United States Treasury, (3) to maintain such records, (4) to perform such calculations, and (5) to perform such other lawful acts as may be necessary to preserve the tax-exempt status of the Bonds.

Section 6.3 Internal Revenue Service Audits

The Internal Revenue Service has not audited the Issuer regarding any obligations issued by or on behalf of the Issuer. To the best knowledge of the Issuer, no such obligations of the Issuer are currently under examination by the Internal Revenue Service.

Section 6.4 Amendments

Except as otherwise provided in Section 6.1 hereof, all the rights, powers, duties and obligations of the Issuer shall be irrevocable and binding upon the Issuer and shall not be subject to amendment or modification by the Issuer.

ARTICLE VII

QUALIFIED TAX EXEMPT OBLIGATIONS

The Issuer, a "qualified small issuer," designates the Bonds as "qualified tax exempt obligations" as defined in Code Section 265(b)(3) and represents that the reasonably anticipated amount of tax-exempt governmental and qualified 501(c)(3) obligations (including for this purpose tax exempt installment sales, lease or lease purchase agreements or other tax exempt obligations) which will be issued during the current calendar year will not exceed ten million dollars (\$10,000,000).

In support of the foregoing, the Issuer states:

(a) In the current calendar year the Issuer has issued governmental or qualified 501(c)(3) obligations as follows:

- \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, covered by this Certificate.

(b) The Issuer expects to issue during the remainder of the calendar year governmental or qualified 501(c)(3) obligations as follows:

- None.

(c) The Issuer has subordinate entities or is subordinate to another entity governed by separate governing bodies which have issued or expect to issue governmental or qualified 501(c)(3) obligations on behalf of the Issuer during the calendar year which must be aggregated under Code Section 265(b)(3)(E) as follows:

- None.

(d) The Issuer is a member of or affiliated with one or more organizations (such as an Iowa Code Chapter 28E or 28F organization or other multimember body under which more than one governmental entity receives benefits) governed by a separate governing body which has or expects to issue governmental or qualified 501(c)(3) obligations during the calendar year all or a portion of which are allocable to the Issuer under Code Section 265(b)(3)(C)(iii) as follows:

- None.

IN WITNESS WHEREOF, the Issuer has caused this Certificate to be executed by its duly authorized officer, all as of the day first above written.

Treasurer, Red Oak Community School
District, State of Iowa

DELIVERY CERTIFICATE

We certify that we are the President and Secretary of the Red Oak Community School District in the Counties of Montgomery, Page and Pottawattamie, State of Iowa; that in pursuance of the provisions of section 423E.5 and chapter 423F, Code of Iowa there has been heretofore lawfully authorized and on this day by us lawfully executed, issued, cause to be registered and authenticated and delivered fully registered School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017 (the "Bonds") of the School District, in the amount of \$8,490,000, dated December 1, 2017, bearing interest and maturing in each year as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity July 1</u>
\$8,490,000	2.360%	2029*

*Term Bond

The Bonds being executed with the manual or facsimile signature of the President and the manual or facsimile signature of the Secretary of the Board of Directors.

The Bonds have been delivered to:

Branch Banking and Trust Company of Charlotte, North Carolina

and have been paid for in accordance with the terms of the contract of sale and at a price of \$8,490,000 and accrued interest.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence, or boundaries of the School District, or the titles of the undersigned officers to their respective positions, or the validity of the Bonds or the pledge of the School Infrastructure Tax Revenues to the payment of the Bonds, or the power and duty of the School District to pledge the School Infrastructure Tax Revenues for the full and prompt payment of the principal and interest of the Bonds, and that none of the proceedings or authority for the issuance of the Bonds has been repealed, revoked, rescinded, or modified in any manner.

We further certify that the boundaries of this School District have not been changed since 1967; that none of the proceedings relating to the organization, reorganization, enlargement or changes in the boundaries of this School District as presently constituted has ever been declared invalid by any court, and that no proceedings have been instituted or are now pending involving any proposed changes in the boundaries of this School District.

We further certify that each of the officers whose signatures appear on the Bonds were in occupancy and possession of their respective offices at the time the Bonds were executed and do hereby adopt and affirm their signatures appearing in the Bonds.

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We further certify that the present financial condition of the School District is as follows:

Total School Infrastructure Tax Revenue Bond indebtedness, including the above mentioned School Infrastructure Sales, Services and Use Tax Revenue Bonds	\$8,490,000
All other indebtedness of any kind payable from School Infrastructure Tax Revenues	\$ -0-

IN WITNESS WHEREOF, we affix our respective signatures at _____, Iowa,
this 1st day of December, 2017.

President

Secretary

01415479-1\17460-009

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AUTHENTICATION ORDER

As Secretary of the Board of Directors of the Red Oak Community School District in the Counties of Montgomery, Page and Pottawattamie, State of Iowa (the Issuer), pursuant to a Resolution of the Board of Directors on November 13, 2017, authorizing the issuance and delivery of the Bonds, acting for and on behalf of the Issuer, I deliver to Bankers Trust Company (the Registrar), \$8,490,000 aggregate principal amount of Issuer's School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, dated December 1, 2017, in fully registered form, bearing interest, maturing and conforming to the specifications set forth in the Resolution.

Each Bond has been executed on behalf of the Issuer with the manual or facsimile signature of the President of the Board of Directors and the manual or facsimile signature of the Secretary of the Board of Directors.

The Registrar is requested to authenticate the Bonds and to complete the records with respect to registration as provided in the Bond Resolution and the instructions of the Purchaser as to designation of owners of the Bonds.

Upon authentication, the Registrar is authorized to deliver the Bonds on behalf of Issuer to the Purchaser, Branch Banking and Trust Company, or their registered assigns, upon receipt of payment, in immediately available funds of the purchase price of \$8,490,000 as shown on attached Exhibit A, subject to the receipt at closing of the opinion of bond counsel. Registrar shall deposit moneys to account of Issuer as designated in Exhibit A.

The acknowledgment of receipt of the Bonds by the Purchaser, or registered assigns, must be evidenced by separate signed receipts or certificates.

Dated _____, 2017.

Secretary of the Board of Directors of the
Red Oak Community School District

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STATE OF IOWA

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DISTRICT CERTIFICATE

COUNTY OF MONTGOMERY

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We, the President and Secretary/Treasurer of the Board of Directors of the Red Oak Community School District in the Counties of Montgomery, Page and Pottawattamie, State of Iowa, certify that the School District was organized under the provisions of Iowa Code sections 275.12 to 275.23, inclusive, and operated as a school corporation under the laws of the State of Iowa; that the School District is located wholly within the Counties of Montgomery, Page and Pottawattamie, State of Iowa, and that the School District and its Board of Directors have exercised the rights, powers and authorities given school corporations and board of directors by the statutes of the State of Iowa; and that the following persons are the officials of the District and the Board:

<u>Name of Directors</u>	<u>Title</u>
Mark Johnson	President
Bryce Johnson	Vice President
Bret Blackman	Director
Roger Carlson	Director
Kathy Walker	Director
Shirley Maxwell	Secretary/Treasurer of the Board of Directors

We further certify that the legality of the organization of the District or the titles of any one of its officers to their respective offices have not been in any manner questioned; that litigation has not been threatened or instituted, questioning or tending to question the organization of the District, or the inclusion of any territory, or the title of any of its officers, and that in particular no litigation of any kind whatsoever was pending on this date, involving the organization, reorganization, enlargement or changes in the boundaries of this School District.

According to the records, the named members of the Board were all duly and regularly elected to office, and are the legally elected, constituted and acting Board of Directors of the Red Oak Community School District.

All meetings of the School Board of the School District at which action was taken in connection with the Bonds were open to the public at all times in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board and was duly given at least twenty-four hours prior to the commencement of the meeting by notification of the communications media having requested notice and posted on a bulletin board or other prominent place designated for the purpose and easily accessible to the public at the principal office of the School Board, all pursuant to the provisions and in accordance with the conditions of the local rules of the Board and Iowa Code chapter 21.

The President and Secretary/Treasurer whose signatures appear below are the qualified officials of the School District as designated below:

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7.2.5

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President Mark Johnson
(Typed or Printed Name)

(Original Signature)

Secretary/Treasurer Shirley Maxwell
(Typed or Printed Name)

(Original Signature)

On this _____ day of _____, 2017, subscribed and sworn to by before me the undersigned, a Notary Public in and for the State of Iowa, personally appeared Mark Johnson and Shirley Maxwell, to me personally known, who being by me duly sworn, did say that they are the President and Secretary/Treasurer, respectively, of the Red Oak Community School District, State of Iowa, and that such officers acknowledged the execution of said instrument to be the voluntary act and deed of said School District, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

Dated at _____, Iowa this _____ day of _____, 2017.

Secretary of the Board of Directors

01415477-1\17460-009

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BOND PURCHASE AGREEMENT

This Bond Purchase Agreement is entered into between the Red Oak Community School District in the Counties of Montgomery, Page and Pottawattamie, State of Iowa (the "School Corporation"), and Branch Banking and Trust Company of Charlotte, North Carolina (the "Purchaser"). The parties agree as follows:

1. The Purchaser will pay to the School Corporation the sum of \$8,490,000. The School Corporation's obligation to repay is evidenced by the issuance of School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, in the aggregate principal amount of \$8,490,000 (the "Bonds").

2. The proceeds must be used as provided in the Resolution Authorizing the Issuance of Bonds adopted November 13, 2017 (the "Resolution").

3. The School Corporation agrees to repay the Bonds as provided in this Purchase Agreement and the Resolution. The Bonds, in substantially the form set forth in the Resolution, are executed and delivered to the Purchaser to evidence the School Corporation's obligation to repay the amounts payable. The Bonds are dated December 1, 2017, with interest payable July 1, 2018, and semi-annually thereafter on the 1st day of January and July in each year, at the respective rates, and mature in principal amounts as stated in the Resolution.

4. The Resolution approves the form of Bond Purchase Agreement and is incorporated by reference. The parties agree to abide by the terms and provisions of the Resolution.

5. The Purchaser and the School Corporation represent and agree that no financial advisory relationship as defined by Rule G-23 of the Municipal Securities Rulemaking Board has existed between them with respect to the Purchase Agreement or presently exists between them with respect to other similar matters and the Purchaser is not an employee or an agent of the School Corporation. The Purchaser has not and will not pay any commission, compensation or fee to any person or entity in connection with its purchase of the Bonds.

6. The Purchaser is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act of 1933, as amended (the "Act") or an "accredited investor" as that term is defined in paragraph (a) of Rule 501 under the Act.

7. The Purchaser understands that there has not been prepared or provided any offering statement, prospectus, offering circular or other comprehensive offering statement containing material information with respect to the School Corporation, the Bonds, or with respect to the Project and the School Corporation. In due diligence, the Purchaser sought such advice as it has deemed necessary and has made its own inquiry and analysis with respect to the School Corporation, the Bonds and the security therefor, the Project, and payment of the Bonds.

8. The Purchaser is not aware of, and is not purchasing the Bonds pursuant to, any form of general solicitation or advertising with respect to the Bonds.

9. The Purchaser and its affiliates have assets with a net worth of at least \$5,000,000 as of the date of purchase of the Bonds.

10. The Purchaser has independently evaluated the factors associated with its investment decision to purchase. The Purchaser acknowledges that it has been given full and complete access to and has been furnished with all information including financial statements and other financial information which is adequate for a reasonable purchaser in making investment decisions, and it has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the School Corporation, the Project and the Bonds, so that as a reasonable purchaser, it has been able to make its decision to purchase the Bonds. The Purchaser has been furnished with and has examined the Bonds, the Resolution, and other documents, certificates and the legal opinions delivered in connection with the issuance of the Bonds.

11. The Purchaser is aware that no document other than the Preliminary Participant Package dated as of October 2017 providing information relating to the Bonds has been prepared specifically in relation to the issuance of the Bonds. The Purchaser has been provided with, or given access to, all financial and other information and all documents it has requested of the School Corporation relating to the purchase of Bonds.

12. The Purchaser acknowledges that the Bonds are issued without a Reserve Fund. Pursuant to the Resolution, if a Reserve Fund is established for Additional Bonds secured by a pledge of School Infrastructure Tax Revenues, such Reserve Fund shall secure only the Additional Bonds, and shall not secure the Bonds.

13. The Purchaser understands that the Bonds (a) are not being registered under the Securities Act of 1933 and are not being registered or otherwise qualified for sale under the laws of Iowa or the "Blue Sky" laws and regulations of any other state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) will not be readily marketable. Purchaser agrees not to offer, sell or transfer the Bonds or make any change in registration of any of the Bonds without having first determined that the sale or transaction which necessitates or prompts the transfer to change of registration may be made without violating the Iowa Uniform Securities Act or any other applicable law, rule or regulation; or without making at its own expense such disclosure as may be required by state or federal law. The Purchaser agrees to indemnify and hold harmless the School Corporation from any and all liability and expense, including attorneys fees, for its failure to make such disclosure.

14. The Purchaser is acquiring the Bonds for its loan portfolio and not with a view to resale, relend, or other distribution thereof and does not presently intend to divide the Bonds or to resell, relend, or to otherwise dispose of all or any portion of the Bonds. The Purchaser acknowledges that if any of the Bonds are transferred or sold to another purchaser, an investment or purchase letter substantially similar to the form attached to, and incorporated by reference, this Purchase Agreement shall be executed by such transferee or purchaser. The Purchaser understands that it may need to bear the risks of the Bonds for an indefinite period of time, since any sale prior to maturity may not be possible.

15. The Purchaser is sufficiently knowledgeable and experienced in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds, and it is capable of and has made its own investigation of the School Corporation with its decision to purchase the Bonds.

16. The Purchaser understands that the Issuer and Bond Counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

17. The Purchaser has duly authorized, by all necessary action, the purchase of the Bonds and the execution and delivery of this certificate and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds.

18. All closing costs shall be the responsibility of the School Corporation. The School Corporation shall pay the legal fees of the Purchaser in the amount of \$5,000 upon submission of said invoice by their legal counsel to the School Corporation.

IN WITNESS WHEREOF, we affix our signatures as of the 23rd day of October, 2017.

RED OAK COMMUNITY SCHOOL
DISTRICT

By: _____
President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

BRANCH BANKING AND TRUST
COMPANY OF CHARLOTTE, NORTH
CAROLINA

By: _____
(Signature)

(Name)

(Title)

Exhibit A

INVESTMENT LETTER

RE: School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017 (the "Bonds") of the Red Oak Community School District (the "School Corporation")

Ladies and Gentlemen:

The undersigned _____ (the "Holder"), has purchased \$ _____ principal amount of the Bonds from _____ (the "Original Purchaser"). In connection with such purchase, the School Corporation requires that the Holder make certain representations as to the Holder's willingness to accept the risks of investing in the Bonds, the Holder's investigation of such risks and other matters. Accordingly, the Holder represents and warrants to the School Corporation and the other addressees hereof as follows:

A. The Holder has been provided with a copy of the Purchase Agreement between the School Corporation and Original Purchaser a copy of which is attached to this Investment Letter and hereby incorporated by reference.

B. The Holder specifically acknowledges paragraphs 5 through 18 of the Purchase Agreement and agrees that all of these paragraphs shall apply to the Holder in addition to the Original Purchaser.

The Holder acknowledges that if in the future the Bonds are transferred or sold to another investor, a new Investment Letter shall be executed by the transferee.

C. All representations of the Holder contained herein shall survive the sale and delivery of the Bonds to the Holder as representations of fact existing as of the date of execution and delivery of this Investment Letter.

D. Notwithstanding anything to the contrary herein, the Holder waives any requirement of due diligence and investigation or inquiry on the part of any of the addressees to this Investment Letter.

The above representations are provided solely for the benefit of the addressees of this Investment Letter and may not be relied upon by or furnished to any other person without our prior written consent.

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(HOLDER)

By: _____
(Signature)

Name: _____
(Print)

[Bond: If the Holder is a corporation or other
business entity, the signatory must be Chief
Financial Officer or other executive officer]

By: _____

Its: _____

01415481-1\17460-009

"Registered"

"Registered"

R-1

\$8,490,000

STATE OF IOWA
RED OAK COMMUNITY SCHOOL DISTRICT
COUNTIES OF MONTGOMERY, PAGE AND POTTAWATTAMIE
SCHOOL INFRASTRUCTURE SALES, SERVICES AND
USE TAX REVENUE BONDS, SERIES 2017

<u>Rate</u>	<u>Maturity Date</u>	<u>Bond Date</u>
2.360%	July 1, 2029	December 1, 2017

The Red Oak Community School District, in the Counties of Montgomery, Page and Pottawattamie, State of Iowa, a school corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

REGISTERED OWNER:
BRANCH BANKING AND TRUST COMPANY
FIN: 56-1074313

or registered assigns, the principal sum of **EIGHT MILLION FOUR HUNDRED NINETY THOUSAND DOLLARS** in lawful money of the United States of America, on the maturity date shown above, as provided in the Bond Resolution (hereafter described) at the designated office of Bankers Trust Company of Des Moines, Iowa, Paying Agent of this issue, or successor, with interest on the sum from the date hereof until paid at the per annum rate specified above, subject to adjustment as set forth in the Bond Resolution, payable on July 1, 2018, and semiannually thereafter on the first day of January and July in each year.

Interest and principal shall be paid to the registered holder of the Bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Bond is issued pursuant to the provisions of Iowa Code section 423E.5 and Iowa Code chapter 423F, as amended, for the purpose of paying costs of a School Infrastructure Project defined in and in conformity with the Act and to a Resolution of the Board of Directors of the School District, duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Bond is payable, a statement of the conditions under which additional bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the above-described Resolution.

The Bond is not subject to redemption, in whole or in part, prior to July 1, 2023. Beginning July 1, 2023, the Bond may be called for optional redemption by the Issuer on that date, and on any payment date thereafter and paid before maturity from any funds regardless of the source, in whole but not in part by giving thirty days' written notice of redemption to the registered owner of the Bond at the address shown on the books of the Registrar. Failure to give such written notice to any registered owner of the Bond or any defect therein shall not affect the validity of any proceedings for the redemption of the Bond. The terms of redemption will be par, plus accrued interest to date of call. Written notice will be deemed completed upon transmission to the owner of record of the Bond.

Term Bonds maturing in 2029 are subject to mandatory redemption and payment at par and accrued interest, in the principal amounts set forth in the Resolution, on July 1 of the years 2019 to 2029, inclusive.

Ownership of this Bond may be transferred only by transfer upon the books kept for such purpose by Bankers Trust Company, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Bond

2.365

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at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered bondholders of such change. All Bonds shall be negotiable as provided in Article 8 of the Uniform Commercial Code, subject to the provisions for registration and transfer contained in the Bond Resolution.

This Bond and the series of which it forms a part, and any additional bonds which may be hereafter issued and outstanding from time to time on a parity with said Bonds, as provided in the Bond Resolution of which notice is hereby given and is hereby made a part hereof, are payable from and secured solely and only by a pledge of certain School Infrastructure Tax Revenues as defined and provided in said Resolution. The School District covenants and agrees that it will allocate such School Infrastructure Tax Revenues to a sinking fund to meet the principal of and interest on this series of Bonds, and other bonds ranking on a parity therewith, as the same become due.

This Bond is not a general obligation of the Issuer nor is the Issuer's full faith and credit and taxing power pledged to the payment hereof. The Issuer is not obligated to levy any ad valorem taxes nor to expend any moneys of the Issuer to pay this Bond, except the School Infrastructure Tax Revenues pledged under the Resolution. Under no circumstances shall the School District be in any manner liable by reason of the failure of said School Infrastructure Tax Revenues to be sufficient for the payment hereof.

This Bond is a "qualified tax-exempt obligation" designated by the School District for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Bond, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said School District by its Board of Directors has caused this Bond to be signed by the manual or facsimile signature of its President and attested by the manual or facsimile signature of its Secretary, and authenticated by the manual signature of an authorized representative of the Registrar, Bankers Trust Company of Des Moines, Iowa.

Date of authentication: December 1, 2017

BOARD OF DIRECTORS OF THE RED OAK
COMMUNITY SCHOOL DISTRICT IN THE
COUNTIES OF MONTGOMERY, PAGE AND
POTTAWATTAMIE, STATE OF IOWA

This is one of the Bonds described in the
Resolution, as registered by Bankers
Trust Company of Des Moines, Iowa.

By: _____
President of the Board

BANKERS TRUST COMPANY OF
DES MOINES, IOWA, Registrar

ATTEST:

By: _____
Authorized signature

By: _____
Secretary of the Board

Registrar and Transfer Agent: Bankers Trust Company

Paying Agent: Bankers Trust Company

(Seal)

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ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____
(Social Security or Tax Identification No. _____) this Bond and constitutes and appoints
_____ attorney in fact to transfer this Bond on the books kept for registration of this Bond, with
full power of substitution in the premises.

Dated _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE GUARANTEED) _____

IMPORTANT - READ CAREFULLY

Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent which may require signatures to be guaranteed by certain eligible guarantor institutions which participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____
Address of Transferee(s) _____
Social Security or Tax Identification _____
Number of Transferee(s) _____
Transferee is a(n):
Individual* _____ Corporation _____
Partnership _____ Trust _____

*If the Bond is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

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

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with rights of survivorship and not as tenants in common
- IA UNIF TRANS MIN ACT - Custodian
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act.....
(State)

ADDITIONAL ABBREVIATIONS MAY
ALSO BE USED THOUGH NOT IN THE ABOVE LIST

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7.2.5

Information Return for Tax-Exempt Governmental Obligations

Under Internal Revenue Code section 149(e)
 See separate instructions.
 Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name Red Oak Community School District		2 Issuer's employer identification number (EIN) 42-6038403	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Elizabeth A. Grob		3b Telephone number of other person shown on 3a 515-243-7611	
4 Number and street (or P.O. box if mail is not delivered to street address) 100 Court Avenue, Suite 600	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code Des Moines, Iowa 50309		7 Date of issue December 1, 2017	
8 Name of issue \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017		9 CUSIP number N/A	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Shirley Maxwell, Board Treasurer		10b Telephone number of officer or other employee shown on 10a (712) 623-6600	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.			
11 Education	11	8,490,000	00
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe <input type="checkbox"/>	18		
19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>			
If obligations are BANs, check only box 19b <input type="checkbox"/>			
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 07/01/2029	\$ 8,490,000	\$ 8,490,000	6.8160 years	2.3598 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)				
22 Proceeds used for accrued interest	22	0		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	8,490,000	00	
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	146,100	00	
25 Proceeds used for credit enhancement	25	0		
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0		
27 Proceeds used to currently refund prior issues	27	0		
28 Proceeds used to advance refund prior issues	28	0		
29 Total (add lines 24 through 28)	29	146,100	00	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	8,343,900	00	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	N/A years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	N/A years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	N/A
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	N/A

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Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	0
b	Enter the final maturity date of the GIC ▶ <u>N/A</u>		
c	Enter the name of the GIC provider ▶ <u>N/A</u>		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	0
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:		
b	Enter the date of the master pool obligation ▶ <u>N/A</u>		
c	Enter the EIN of the issuer of the master pool obligation ▶ <u>N/A</u>		
d	Enter the name of the issuer of the master pool obligation ▶ <u>N/A</u>		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box		<input checked="" type="checkbox"/>
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box		<input type="checkbox"/>
41a	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:		
b	Name of hedge provider ▶ <u>N/A</u>		
c	Type of hedge ▶ <u>N/A</u>		
d	Term of hedge ▶ <u>N/A</u>		
42	If the issuer has superintegrated the hedge, check box		<input type="checkbox"/>
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box		<input checked="" type="checkbox"/>
44	If the issuer has established written procedures to monitor the requirements of section 148, check box		<input checked="" type="checkbox"/>
45a	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement ▶ <u>N/A</u>		
b	Enter the date the official intent was adopted ▶ <u>N/A</u>		

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	Signature of issuer's authorized representative		Date	
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature	
	Elizabeth A. Grob		Shirley Maxwell, Board Treasurer	
	Firm's name ▶ Ahlers & Cooney, P.C		Firm's EIN ▶ 42-1323559	
	Firm's address ▶ 100 Court Avenue, Suite 600, Des Moines, IA 50309		Phone no. (515) 243-7611	

7.2.5 75

RESOLUTION PROPOSING TRANSFER OF REAL PROPERTY

WHEREAS, the Red Oak Community School District proposes to transfer real property consisting of a narrow parcel of land along Inman Drive to the City of Red Oak by quit claim deed for no consideration. The transfer will reconfigure the boundary between the Inman School site and the City road right of way. The parcel consists of approximately one half acre and is legally described as follows: BEING A PART OF LAND DESCRIBED IN DEED, BOOK 55, PAGE 511 IN MONTGOMERY COUNTY RECORDER'S OFFICE, BEING LOCATED IN THE SOUTHEAST QUARTER OF SECTION 21, TOWNSHIP 72, RANGE 38, WEST OF THE 5TH P.M., CITY OF RED OAK, MONTGOMERY COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:BEGINNING AT A POINT S0°50'29"W A DISTANCE OF 1127.31 FEET AND THENCE N89°08'34"E A DISTANCE OF 33.0 FEET EAST OF THE CENTER OF SAID SECTION, THENCE N89°08'34":E A DISTANCE OF 1270.47 FEET, THENCE S0°41'14"E A DISTANCE OF 216.60 FEET, THENCE S89°06'50"W A DISTANCE OF 30.04 FEET, THENCE N0°53'10"W A DISTANCE OF 18.05 FEET, THENCE ALONG A 85.0 FEET RADIUS CURVE CONCAVE WESTERLY WITH CHORD BEARING OF N88°48'05"W A DISTANCE OF 131.74 FEET, THENCE N89°41'15"W A DISTANCE OF 1157.03 FEET TO THE POINT OF BEGINNING.

IT IS THEREFORE HEREBY RESOLVED, that a hearing shall be held on the proposed transfer and following hearing, final action on the transfer shall be considered and voted on at a School Board meeting both of which will be held on the ___ day of _____, _____, at _____ o'clock p.m. at the Board Room Red Oak Community School District Administration Bldg. , _____ Street, Red Oak, Iowa.

BE IT FURTHER RESOLVED that the School Board Secretary is hereby directed to publish notice of hearing on the proposal to transfer the above described property not less than ten nor more than twenty days prior to the hearing in accordance with Section 297.22 of the Code of Iowa.

Passed by the Board of Directors of the Red Oak Community School District this _____ day of _____, _____.

President, Board of Directors

ATTEST: _____
Secretary, Board of Directors

It was moved by Board Member _____ and seconded by Board Member _____ that the foregoing Resolution be adopted. The motion was duly put to vote of the Board and the Vote thereon was as follows:

AYES: _____

_____.

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NAYS: _____
_____.

ABSENT OR NOT VOTING: _____.

Whereupon the President declared the motion carried and the Resolution adopted.

CERTIFICATE

I, _____, Secretary of the Board of the _____
Community School District hereby certify that the foregoing is a true copy of a
Resolution duly adopted by the School Board of the _____ Community School
District at its meeting held on the ___ day of _____, _____, and the vote thereon
as recorded in the records of the school district.

Dated this _____ day of _____, _____.

School Board Secretary
_____ Community School District

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NOTICE OF PROPOSAL TO TRANSFER REAL PROPERTY
AND PUBLIC HEARING

Notice is hereby given that on the _____ day of _____, _____, the School Board of the Red Oak Community School District adopted a Resolution proposing that the District transfer a long narrow parcel of real property to the City of Red Oak to reconfigure the boundary between the Inman School site and the City road right of way for Inman Drive consisting of approximately one half acre. The parcel is legally described as follows: BEING A PART OF LAND DESCRIBED IN DEED, BOOK 55, PAGE 511 IN MONTGOMERY COUNTY RECORDER'S OFFICE, BEING LOCATED IN THE SOUTHEAST QUARTER OF SECTION 21, TOWNSHIP 72, RANGE 38, WEST OF THE 5TH P.M., CITY OF RED OAK, MONTGOMERY COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT S0°50'29"W A DISTANCE OF 1127.31 FEET AND THENCE N89°08'34"E A DISTANCE OF 33.0 FEET EAST OF THE CENTER OF SAID SECTION, THENCE N89°08'34"E A DISTANCE OF 1270.47 FEET, THENCE S0°41'14"E A DISTANCE OF 216.60 FEET, THENCE S89°06'50"W A DISTANCE OF 30.04 FEET, THENCE N0°53'10"W A DISTANCE OF 18.05 FEET, THENCE ALONG A 85.0 FEET RADIUS CURVE CONCAVE WESTERLY WITH CHORD BEARING OF N88°48'05"W A DISTANCE OF 131.74 FEET, THENCE N89°41'15"W A DISTANCE OF 1157.03 FEET TO THE POINT OF BEGINNING.

Notice is further given that the public hearing on the foregoing proposal to transfer real property will be held by the School Board of the Red Oak Community School District at the Board Room, Red Oak Community School District Administration Bldg., _____ Street, Red Oak, Iowa at _____ o'clock p.m. on the _____ day of _____, _____ and any person interested in said proposal may appear at the public hearing and state reasons for or against the proposed transfer of the real property.

This notice of Proposal to Transfer Real Property is given pursuant to the provisions of Section 297.22 of the Code of Iowa.

Secretary, Board of Directors
Red Oak Community School District

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7.2.6³



Red Oak Comm School District (6463)

SBRC Application

SBRC Application

Fall 2017

SBRC Application for Increasing Enrollment, Open Enrollment Out, and LEP Instruction Beyond 5 Years

Due 12/1/2017

Send a copy of the board minutes to Carla Schimelfenig or provide the web address to the minutes.

Date of Board Meeting: 11/13/2017 mm/dd/yyyy

Link to Board Minutes:

[Save Minutes Info](#)

[Save Values](#) [Certify](#)

You have entered text on the page. You must Save Values before you can Certify.

(Generated nightly, changes to Certified Enrollment are reflected the following day)

Increasing Enrollment

Actual Enrollment Fall 2016	1110.3
Actual Enrollment Fall 2017	1057.3
Increase	0
Current Year DCPP	6664
Maximum On-Time Funding Modified Supplemental Amount for Increasing Enrollment	0
Request \$0	Request Max

(Changes to student data are reflected immediately)

Open Enrollment Out not in Fall 2016

Open Enrollment Out Students on Fall 2017 Certified Enrollment but not on the Fall 2016 Certified Enrollment	11
Open Enrollment Out Students Minus Increase (previous section)	11
Last Year's State Cost Per Pupil for Open Enrollment Out	6591
Maximum Modified Supplemental Amount for Open Enrollment Out	72501
Request \$72501	Request Max

(Changes to student data are reflected immediately)

ELL Beyond 5 Years

Students Served Beyond 5 Years	11
Weighting	0.22
Total Weighting	2.42
Current Year DCPP	6664
Maximum Modified Supplemental Amount for LEP Instruction Beyond 5 Years	16126.88
Request \$16126.88	Request Max

[Save Contact Information](#)

Name Tom Messinger
Title Superintendent
Phone 712 623 6600
Email messingert@roschools.org

SBRC App Contact

Carla Schimelfenig 515-242-5612

19

**NISHNA PRODUCTIONS, INC.
SERVICE AGREEMENT**

This agreement for services is between the Red Oak, Iowa Community Schools and Nishna Productions, Inc.

Term: The effective dates of this Service Agreement shall be 10-1-17, through the end of the 2017-2018 school year on or about May 31, 2018.

Purpose: The goal of this Service Agreement is to prepare students for successful transition to adulthood by providing them with employment-related opportunities.

Relationship between the Parties: The relationship between Red Oak Community Schools and Nishna Productions is solely that of an independent contractor, and nothing in this Service Agreement shall be construed or deemed to create any other relationship, including one of employment or joint venture. Nishna Productions will maintain Social Security, Workers' Compensation, and all other employee benefits covering Nishna Productions' employees as required by law.

Hold Harmless, Indemnification and Liability Insurance: Red Oak Community Schools shall defend, hold harmless and indemnify Nishna Productions, Inc., against any and all claims, liability, damages or judgments asserted against, imposed or incurred by Nishna Productions that arise out of acts or omission of Red Oak Community Schools or its employees, agents or representatives, in the discharge of its responsibilities under this Service Agreement.

Nishna Productions, Inc. shall defend, hold harmless and indemnify Red Oak Community Schools against any and all claims, liability, damages or judgments asserted against, imposed or incurred by Red Oak Community Schools that arise out of acts or omission of Nishna Productions or its employees, agents or representatives in the discharge of its responsibilities under this Service Agreement.

Nishna Productions, Inc. will maintain professional liability insurance and comprehensive general and umbrella liability insurance during the period of this Service Agreement.

Laws and Regulations: Nishna Productions, Inc. warrants that it is, and during the term of this Service Agreement will continue to be, operating in full compliance with all applicable federal and state laws.

Confidentiality of Records: Red Oak Community Schools and Nishna Productions, Inc., agree to maintain the confidentiality of all information regarding the students involved in services under this agreement.

40

Duties under this Service Agreement:

Nishna Productions, Inc. agrees to the following:

1) To provide Employment-related services as requested. These services may include training and support in the following areas:

- Career Exploration
- Community Job Trials
- Job Coaching upon Placement
- Job Development

2) Other training areas may be added as deemed appropriate.

3) The staff of Nishna Productions will complete documentation of the services provided according to the guidelines of the Red Oak Community Schools.

Red Oak Community Schools agree to the following:

1) To provide guidance to the staff of Nishna Productions, Inc., providing services to Red Oak school students.

Fees: Fees charged by Nishna Productions, Inc., for services provided under this Service Agreement will be charged based on a per hour basis. The Fee will be \$45.16 per hour.

Signature

Mark Pluck
Signature

Title

Executive Director
Title

Date

10-10-17
Date

81

RECEIVED
OCT 23 2017

BY:-----

Red Oak Community School District
Jeff Spotts
2011 N 8th St.
Red Oak, IA 51566

Dear Red Oak Community School District,

I am writing to inform you of my resignation as High School Guidance Secretary effective November 10, 2017.

Sincerely,

Crystal Berkey

80

Red Oak Community School District
Staff Selection Recommendation

Date: 10-20

Building: Admin HS MS WIS IPS ECC Trans
(Please Circle All That Apply)

Position: MS Wrestling

Name: Adam Smith

Certified:

Lane: _____

Step: _____

Salary: _____

Classified:

Hourly Rate: _____

Hours Per Day: _____

Will Alton
Principal/Director

Please send form to Superintendent for Board Approval

83

Office Use Only
Background Check: 10/24/17 DD

Red Oak Community School District
Staff Selection Recommendation

Date: 11-9-2017

Building: Admin HS MS WIS IPS ECC Trans
(Please Circle All That Apply)

Position: 7th Grade Girls Basketball

Name: John Allison

Certified:

Lane: _____

Step: _____

Salary: _____

Classified:

Hourly Rate: _____

Hours Per Day: _____

Richard L. Pitt
Principal/Director

Please send form to Superintendent for Board Approval

Office Use Only

Background Check: _____

84

LICENSED EMPLOYEE EARLY RETIREMENT

I. Eligibility for Early Retirement Plan

The school district offers an Early Retirement Plan for full-time licensed employees. Full-time licensed employees are licensed employees who are eligible for full insurance coverage under the requirements of the insurer and who are currently performing their assigned duties within the school district. A licensed employee is eligible to participate in the Early Retirement Plan under the following terms:

- A. The number of applications for the Early Retirement Plan will be limited to no more than five (5) for a given fiscal year, unless the Board chooses to allow more than five(5).
- B. The Early Retirement Plan will be available to a licensed employee who is fifty-five (55) years of age by the start of the next school year.
- C. The Early Retirement Plan will be available to those who have completed their most recent ten (10) consecutive years of service in the Red Oak Community School District.
- D. The employee shall submit an application for the plan on or before January 15 of the current school year, at the Board's discretion.
- E. The employee shall submit a written resignation resigning from the existing contract. The resignation may be contingent upon approval by the board of participation in the voluntary early retirement program.
- F. All applications for the Early Retirement Plan will be considered not later than the second regular Board meeting in January, and if more than the designated number allowed in Section A are received, the highest priority will be given to the teachers with the longest continuous teaching service in the District.
- G. An employee who meets the criteria in item "B", but who has not completed a minimum of ten (10) consecutive years of service to the school district may apply for a prorated early retirement amount. Approval of such application by the board will be based on the best interests of the school district, and if a prorated amount is approved, the amount will be based on completed consecutive years of service at the time of the application for the Early Retirement Plan.
- H. The application for the Early Retirement Plan and the resignation must be approved by the board, which will authorize disbursement of the early retirement amount.

Approved November 30, 2015

Reviewed November 30, 2015

Revised December 17, 2012

LICENSED EMPLOYEE EARLY RETIREMENT

I. Approval by the board of the licensed employee's early retirement application shall constitute a voluntary resignation. Approval by the board of the licensed employee's early retirement application will also make the licensed employee eligible for disbursement of the early retirement amount on January 20 of the school year following the licensed employee's approval for early retirement. Failure of the board to approve the licensed employee's early retirement application will make the licensed employee's current contract with the board continue in full force and effect.

II. Voluntary Early Retirement Amount and Terms:

A. An employee who meets one of the eligibility requirements will be eligible for the early retirement amount of \$15,000, plus an amount equal to 25% of the employee's accumulated sick leave times the current daily substitute teacher pay rate. An employee whose contractual full-time equivalency (FTE) is less than 1.00 will be eligible for a prorated early retirement amount by multiplying the employee's FTE by the applicable amount above.

B. An employee agrees to participate in the "Special Pay Plan". This plan allows payment of the early retirement amount to be paid to a Tax Shelter Annuity of the employee's choice. This Tax Shelter Annuity must be with a company that participates in the State of Iowa Plan. If the employee is currently contributing to a Tax Shelter Annuity the payment will be made to the same company. The employee agrees not to close out this account before the January payment is made.

C. Upon retirement, the licensed employee is eligible to continue participation in the school district's group insurance plan at the licensed employee's expense by meeting the requirements of the insurer. The employee/retiree must pay the monthly premium amount in full to the board secretary prior to the due date of the school district's premium payment to the insurance carrier.

This insurance coverage will cease when the licensed employee/retiree qualifies for Medicare coverage, secures other employment in which the employer provides insurance coverage, or dies. If dependent insurance coverage is carried, that coverage may continue at the dependent's expense beyond the employee's/retiree's qualification for Medicare coverage under COBRA provisions.

In the event of the death of the employee/retiree, the dependent of the employee/retiree may continue coverage in the school district's group health insurance program at his/her own expense under COBRA provisions, if the dependent was covered through the school district's group health insurance program prior to the death of the employee/retiree.

D. An employee who elects to participate in this program will become a retired employee and will be entitled to all rights and privileges of such a retiree under applicable laws and policies of the school district.

E. Beneficiary. In the event of the death of the employee prior to the early retirement amount being paid, payment will be as follows:

1. Lump sum payment will be made to a designated beneficiary for the early retirement amount due to the employee on January 20 of the school year following the licensed employee's approval for early retirement.

2. In the event no beneficiary is named, payment shall be made to the estate of the employee on January 10 following the licensed employee's approval for early retirement.

The board has complete discretion to offer or not to offer an Early Retirement Plan for licensed employees and will review this policy annually. The board may discontinue the school district's Early Retirement Plan at any time.

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SUPPORT STAFF EMPLOYEE RESIGNATION

Support staff employees who wish to resign during the school year will give the board notice of their intent to resign and final date of employment and cancel their contract thirty (30) days prior to their last working day.

Notice of the intent to resign will be in writing to the superintendent.

Legal Reference: Iowa Code §§ 91A.2, .3, .5; 279.19A; 285.5(9) (2003).

Cross Reference: 411.3 Support Staff Employee Contracts
413 Support Staff Employee Termination of Employment

Approved

Reviewed Mar. 12, 2012

Revised

87

SUPPORT STAFF EMPLOYEE RETIREMENT

Support staff employees who will complete their current contract with the board may apply for retirement. No support staff employee will be required to retire at any specific age.

Application for retirement will be considered made when the support staff employee states in writing to the superintendent, no later than the date set by the board for the return of the employee's contract to the board if applicable, the employee's intent to retire. The letter must state the employee's desire to retire and be witnessed by another party other than the principal or the superintendent.

Board action to approve a support staff employee's application for retirement is final, and such action constitutes termination of the employee's contract effective the day of the employee's retirement.

Support staff employees and their spouse and dependents who have group insurance coverage through the school district may be allowed to continue coverage of the school district's group health insurance program, at their own expense, by meeting the requirements of the insurer.

Note: Mandatory retirement ages are a violation of federal law. The witnessing of the retiring employee's letter is to protect the school district in the event an employee alleges that the school district forced the employee to retire.

Legal Reference: 29 U.S.C. §§ 621 *et seq.* (1994).
Iowa Code §§ 91A.2, .3, .5; 97B; 216; 279.19A, .46 (2003).
581 I.A.C. 21.
1978 Op. Att'y Gen. 247.
1974 Op. Att'y Gen. 11, 322.

Cross Reference: 401.14 Recognition for Service of Employees
413.3 Support Staff Employee Early Retirement

Approved Mar. 26, 2012

Reviewed Mar. 12, 2012

Revised Mar. 12, 2012

88

SUPPORT STAFF EMPLOYEE DISCIPLINE

Expected Behavior. Support staff employees will perform their assigned job, respect and follow board policy and obey the law. The superintendent is authorized to suspend a support staff employee with or without pay pending board action on a discharge or during investigation of charges against the employee or for disciplinary purposes. It is within the discretion of the superintendent to suspend a support staff employee with or without pay

In the event of a suspension, due process will be followed.

Legal Reference: Northeast Community Education Association v. Northeast Community School District, 402 N.W.2d 765 (Iowa 1987).
McFarland v. Board of Education of Norwalk Community School District, 277 N.W.2d 901 (Iowa 1979).
Iowa Code §§ 20.7, .24 (2003).

Cross Reference: 404 Employee Conduct and Appearance
413 Support Staff Employee Termination of Employment

Approved Mar. 26, 2012

Reviewed March 12, 2012

Revised March 12, 2012

89

SUPPORT STAFF EMPLOYEE DISMISSAL OF EMPLOYMENT

The board believes support staff employees should perform their jobs, respect board policy, and obey the law. A support staff employee may be dismissed upon thirty (30) days notice or immediately for cause. Due process procedures will be followed.

It is the responsibility of the superintendent to make a recommendation for contract dismissal to the board. A support staff employee may be dismissed for any reason, including, but not limited to, incompetence, willful neglect of duty, reduction in force, willful violation of board policy or administrative regulations, or a violation of the law.

Legal Reference: Iowa Code §§ 20.7, .24 (2003).

Cross Reference: 404 Employee Conduct and Appearance
413.4 Support Staff Employee Suspension
413.6 Support Staff Employee Reduction in Force

Approved Mar. 26, 2012

Reviewed March 12, 2012

Revised March 12, 2012

90

SUPPORT STAFF EMPLOYEE REDUCTION IN FORCE

It is the exclusive power of the board to determine when a reduction in support staff employees is necessary. Employees who are terminated due to a reduction in force will be given thirty (30) days notice. Due process will be followed for terminations due to a reduction in force.

It is the responsibility of the superintendent to make a recommendation for contract termination to the board. The superintendent will consider the relative qualifications, skills, ability, and demonstrated performance through evaluation procedures in making the recommendations.

Legal Reference: Iowa Code §§ 20.7, .24 (2003).

Cross Reference: 407.6 Licensed Employee Reduction in Force
413.4 Support Staff Employee Suspension
413.5 Support Staff Employee Dismissal
703 Budget

Approved

Reviewed March 12, 2012

Revised

SUPPORT STAFF EMPLOYEE EARLY RETIREMENT

I. Eligibility for Early Retirement Plan

The school district offers an Early Retirement Plan for full-time support staff employees. Full-time support staff employees are support staff employees who are eligible for full insurance coverage under the requirements of the insurer and who are currently performing their assigned duties within the school district. A support staff employee is eligible to participate in the Early Retirement Plan under the following terms:

- A. The number of applications for the Early Retirement Plan will be limited to no more than five (5) for a given fiscal year, unless the Board chooses to allow more than five (5).
- B. The Early Retirement Plan will be available to a support staff employee who is fifty-five (55) years of age by the start of the next school year.
- C. The Early Retirement Plan will be available to those who have completed their most recent ten (10) consecutive years of service in the Red Oak Community School District.
- D. The employee shall submit an application for the plan on or before January 30 of the current school year, at the Board's discretion.
- E. The employee shall submit a written resignation resigning from the existing contract. The resignation may be contingent upon approval by the board of participation in the voluntary early retirement program.
- F. All applications for the Early Retirement Plan will be considered not later than the first regular board meeting in February, and if more than the designated number allowed in Section A are received, the highest priority will be given to the employees with the longest continuous years of service in the District.
- G. An employee who meets the criteria in item "B", but who has not completed a minimum of ten (10) consecutive years of service to the school district may apply for a prorated early retirement amount. Approval of such application by the board will be based on the best interests of the school district, and if a prorated amount is approved, the amount will be based on completed consecutive years of service at the time of the application for the Early Retirement Plan.
- H. The application for the Early Retirement Plan and the resignation must be approved by the board, which will authorize disbursement of the early retirement amount.
- I. Approval by the board of the support staff employee's early retirement application shall constitute a voluntary resignation. Approval by the board of the support staff employee's early retirement application will also make the support staff employee eligible for disbursement of the early retirement amount on January 10 of the school year following the support staff employee's approval for early retirement. Failure of the board to approve the support staff employee's early retirement application will make the support staff employee's current contract with the board continue in full force and effect.

Approved January 9, 2017

Reviewed January 9, 2017

Revised December 12, 2016

02

SUPPORT STAFF EMPLOYEE EARLY RETIREMENT

II. Voluntary Early Retirement Amount and Terms:

A. A support staff employee who meets one of the eligibility requirements as stated in the policy will be eligible for the early retirement amount of approximately 45% of the beginning base pay for their job classification plus an amount equal to 25% of the employee's accumulated sick leave times the current daily substitute pay rate for that position. An employee whose contractual full-time equivalency (FTE) is less than 1.00 will be eligible for a prorated early retirement amount by multiplying the employee's FTE by the applicable amount above.

B. An employee agrees to participate in the "Special Pay Plan". This plan allows payment of the early retirement amount to be paid to a Tax Shelter Annuity of the employee's choice. This Tax Shelter Annuity must be with a company that participates in the State of Iowa Plan. If the employee is currently contributing to a Tax Shelter Annuity the payment will be made to the same company. The employee agrees not to close out this account before the January payment is made.

C. Upon retirement, the support staff employee is eligible to continue participation in the school district's group insurance plan at the support staff employee's expense by meeting the requirements of the insurer. The employee/retiree must pay the monthly premium amount in full to the board secretary prior to the due date of the school district's premium payment to the insurance carrier.

This insurance coverage will cease when the support staff employee/retiree qualifies for Medicare coverage, secures other employment in which the employer provides insurance coverage, or dies. If dependent insurance coverage is carried, that coverage may continue at the dependent's expense beyond the employee's/retiree's qualification for Medicare coverage under COBRA provisions.

In the event of the death of the employee/retiree, the dependent of the employee/retiree may continue coverage in the school district's group health insurance program at his/her own expense under COBRA provisions, if the dependent was covered through the school district's group health insurance program prior to the death of the employee/retiree.

D. An employee who elects to participate in this program will become a retired employee and will be entitled to all rights and privileges of such a retiree under applicable laws and policies of the school district.

E. Beneficiary. In the event of the death of the employee prior to the early retirement amount being paid, payment will be as follows:

1. Lump sum payment will be made to a designated beneficiary for the early retirement amount due to the employee on January 10 of the school year following the support staff employee's approval for early retirement.
2. In the event no beneficiary is named, payment shall be made to the estate of the employee on January 10 following the support staff employee's approval for early retirement.

The board has complete discretion to offer or not to offer an Early Retirement Plan for support staff employees and will review this policy annually. The board may discontinue the school district's Early Retirement Plan at any time.

Red Oak Community School District

Code No.413.6E1

SUPPORT STAFF EMPLOYEE EARLY RETIREMENT ACKNOWLEDGEMENT OF RECEIPT

The undersigned support staff employee acknowledges receipt of the Early Retirement Plan documents stated below, for the support staff employee's consideration:

- early retirement policy (plan description);
- early retirement application.

The undersigned support staff employee acknowledges that the application and participation in the Early Retirement Plan is entirely voluntary.

The undersigned support staff employee acknowledges that the school district recommends the support staff employee contact legal counsel and the employee's personal accountant regarding participation in the Early Retirement Plan.

Support Staff Employee

Date

Legal Reference: 29 U.S.C. §§ 621 *et seq.* (1988).
Senate File 2366, 77th General Assembly, 2nd Reg. Sess. (1998).
Iowa Code §§ 97B; 216; 279.46; 509A.13 (2003).
581 I.A.C. 21.
1978 Op. Att'y Gen. 247.
1974 Op. Att'y Gen. 11, 322.

Cross Reference: 401.14 Recognition for Service of Employees
407.3 Licensed Employee Retirement
413.3 Classified Employee Early Retirement

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SUPPORT STAFF EMPLOYEE EARLY RETIREMENT INSURANCE OPTIONS

Board policy 413.6, Support Staff Employee Early Retirement, allows the employee to continue to participate in the school district's group health insurance plan until age 65 by meeting the requirements of the insurer.

The support staff employee is responsible for the cost of the health insurance premium. The support staff employee must pay the employee's share of the premium by paying the monthly premium amount in full to the board secretary prior to the due date of the school district's premium payment to the insurance carrier.

_____ I would like to remain on the school's health insurance policy. I will submit a check to the Central Office the first of each month. Failure to submit this check will result in loss of insurance coverage.

Plan selected: _____

_____ I wish NOT to remain on the school's health insurance policy when I am no longer an ACTIVE employee. (after all pay is received) COBRA option has been explained to me.

_____ I would like to remain on the school's dental insurance policy. I will submit a check to the Central Office the first of each month. Failure to submit this check will result in loss of dental insurance coverage. Plan selected: _____

_____ I wish NOT to remain on the school's dental insurance policy when I am no longer an ACTIVE employee. (after all pay is received) COBRA option has been explained to me.

_____ I wish to receive all remaining pay for the _____ school year on June 10, 20__.
(Recommend you contact IPERS to discuss, if it is better for you to take all payment in June or to continue to receive checks during July and August. This varies from person to person). If the employee participates in the TaxSaver Plan, the July and August monthly amounts will be deducted from the June 10, 20__ paycheck.

Support Staff Employee

Date

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SUPPORT STAFF EMPLOYEE RESIGNATION

Support staff employees who wish to resign during the school year will give the board notice of their intent to resign and final date of employment and cancel their contract thirty (30) days prior to their last working day.

Notice of the intent to resign will be in writing to the superintendent.

Legal Reference: Iowa Code §§ 91A.2, .3, .5; 279.19A; 285.5(9) (2003).

Cross Reference: 411.3 Support Staff Employee Contracts
413 Support Staff Employee Termination of Employment

Approved

Reviewed Mar. 12, 2012

Revised

97

SUPPORT STAFF EMPLOYEE RETIREMENT

Support staff employees who will complete their current contract with the board may apply for retirement. No support staff employee will be required to retire at any specific age.

Application for retirement will be considered made when the support staff employee states in writing to the superintendent, no later than the date set by the board for the return of the employee's contract to the board if applicable, the employee's intent to retire. The letter must state the employee's desire to retire and be witnessed by another party other than the principal or the superintendent.

Board action to approve a support staff employee's application for retirement is final, and such action constitutes termination of the employee's contract effective the day of the employee's retirement.

Support staff employees and their spouse and dependents who have group insurance coverage through the school district may be allowed to continue coverage of the school district's group health insurance program, at their own expense, by meeting the requirements of the insurer.

Note: Mandatory retirement ages are a violation of federal law. The witnessing of the retiring employee's letter is to protect the school district in the event an employee alleges that the school district forced the employee to retire.

Legal Reference: 29 U.S.C. §§ 621 *et seq.* (1994).
Iowa Code §§ 91A.2, .3, .5; 97B; 216; 279.19A, .46 (2003).
581 I.A.C. 21.
1978 Op. Att'y Gen. 247.
1974 Op. Att'y Gen. 11, 322.

Cross Reference: 401.14 Recognition for Service of Employees
413.3 Support Staff Employee Early Retirement

Approved Mar. 26, 2012

Reviewed Mar. 12, 2012

Revised Mar. 12, 2012

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SUPPORT STAFF EMPLOYEE DISCIPLINE

Expected Behavior. Support staff employees will perform their assigned job, respect and follow board policy and obey the law. The superintendent is authorized to suspend a support staff employee with or without pay pending board action on a discharge or during investigation of charges against the employee or for disciplinary purposes. It is within the discretion of the superintendent to suspend a support staff employee with or without pay

In the event of a suspension, due process will be followed.

Legal Reference: Northeast Community Education Association v. Northeast Community School District, 402 N.W.2d 765 (Iowa 1987).
McFarland v. Board of Education of Norwalk Community School District, 277 N.W.2d 901 (Iowa 1979).
Iowa Code §§ 20.7, .24 (2003).

Cross Reference: 404 Employee Conduct and Appearance
413 Support Staff Employee Termination of Employment

Approved Mar. 26, 2012

Reviewed March 12, 2012

Revised March 12, 2012

SUPPORT STAFF EMPLOYEE DISMISSAL OF EMPLOYMENT

The board believes support staff employees should perform their jobs, respect board policy, and obey the law. A support staff employee may be dismissed upon thirty (30) days notice or immediately for cause. Due process procedures will be followed.

It is the responsibility of the superintendent to make a recommendation for contract dismissal to the board. A support staff employee may be dismissed for any reason, including, but not limited to, incompetence, willful neglect of duty, reduction in force, willful violation of board policy or administrative regulations, or a violation of the law.

Legal Reference: Iowa Code §§ 20.7, .24 (2003).

Cross Reference: 404 Employee Conduct and Appearance
413.4 Support Staff Employee Suspension
413.6 Support Staff Employee Reduction in Force

Approved Mar. 26, 2012

Reviewed March 12, 2012

Revised March 12, 2012

SUPPORT STAFF EMPLOYEE REDUCTION IN FORCE

It is the exclusive power of the board to determine when a reduction in support staff employees is necessary. Employees who are terminated due to a reduction in force will be given thirty (30) days notice. Due process will be followed for terminations due to a reduction in force.

It is the responsibility of the superintendent to make a recommendation for contract termination to the board. The superintendent will consider the relative qualifications, skills, ability, and demonstrated performance through evaluation procedures in making the recommendations.

Legal Reference: Iowa Code §§ 20.7, .24 (2003).

Cross Reference: 407.6 Licensed Employee Reduction in Force
413.4 Support Staff Employee Suspension
413.5 Support Staff Employee Dismissal
703 Budget

Approved

Reviewed March 12, 2012

Revised

SUPPORT STAFF EMPLOYEE EARLY RETIREMENT

I. Eligibility for Early Retirement Plan

The school district offers an Early Retirement Plan for full-time support staff employees. Full-time support staff employees are support staff employees who are eligible for full insurance coverage under the requirements of the insurer and who are currently performing their assigned duties within the school district. A support staff employee is eligible to participate in the Early Retirement Plan under the following terms:

- A. The number of applications for the Early Retirement Plan will be limited to no more than five (5) for a given fiscal year, unless the Board chooses to allow more than five (5).
- B. The Early Retirement Plan will be available to a support staff employee who is fifty-five (55) years of age by the start of the next school year.
- C. The Early Retirement Plan will be available to those who have completed their most recent ten (10) consecutive years of service in the Red Oak Community School District.
- D. The employee shall submit an application for the plan on or before January 30 of the current school year, at the Board's discretion.
- E. The employee shall submit a written resignation resigning from the existing contract. The resignation may be contingent upon approval by the board of participation in the voluntary early retirement program.
- F. All applications for the Early Retirement Plan will be considered not later than the first regular board meeting in February, and if more than the designated number allowed in Section A are received, the highest priority will be given to the employees with the longest continuous years of service in the District.
- G. An employee who meets the criteria in item "B", but who has not completed a minimum of ten (10) consecutive years of service to the school district may apply for a prorated early retirement amount. Approval of such application by the board will be based on the best interests of the school district, and if a prorated amount is approved, the amount will be based on completed consecutive years of service at the time of the application for the Early Retirement Plan.
- H. The application for the Early Retirement Plan and the resignation must be approved by the board, which will authorize disbursement of the early retirement amount.
- I. Approval by the board of the support staff employee's early retirement application shall constitute a voluntary resignation. Approval by the board of the support staff employee's early retirement application will also make the support staff employee eligible for disbursement of the early retirement amount on January 10 of the school year following the support staff employee's approval for early retirement. Failure of the board to approve the support staff employee's early retirement application will make the support staff employee's current contract with the board continue in full force and effect.

Approved January 9, 2017

Reviewed January 9, 2017

Revised December 12, 2016

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SUPPORT STAFF EMPLOYEE EARLY RETIREMENT

II. Voluntary Early Retirement Amount and Terms:

A. A support staff employee who meets one of the eligibility requirements as stated in the policy will be eligible for the early retirement amount of approximately 45% of the beginning base pay for their job classification plus an amount equal to 25% of the employee's accumulated sick leave times the current daily substitute pay rate for that position. An employee whose contractual full-time equivalency (FTE) is less than 1.00 will be eligible for a prorated early retirement amount by multiplying the employee's FTE by the applicable amount above.

B. An employee agrees to participate in the "Special Pay Plan". This plan allows payment of the early retirement amount to be paid to a Tax Shelter Annuity of the employee's choice. This Tax Shelter Annuity must be with a company that participates in the State of Iowa Plan. If the employee is currently contributing to a Tax Shelter Annuity the payment will be made to the same company. The employee agrees not to close out this account before the January payment is made.

C. Upon retirement, the support staff employee is eligible to continue participation in the school district's group insurance plan at the support staff employee's expense by meeting the requirements of the insurer. The employee/retiree must pay the monthly premium amount in full to the board secretary prior to the due date of the school district's premium payment to the insurance carrier.

This insurance coverage will cease when the support staff employee/retiree qualifies for Medicare coverage, secures other employment in which the employer provides insurance coverage, or dies. If dependent insurance coverage is carried, that coverage may continue at the dependent's expense beyond the employee's/retiree's qualification for Medicare coverage under COBRA provisions.

In the event of the death of the employee/retiree, the dependent of the employee/retiree may continue coverage in the school district's group health insurance program at his/her own expense under COBRA provisions, if the dependent was covered through the school district's group health insurance program prior to the death of the employee/retiree.

D. An employee who elects to participate in this program will become a retired employee and will be entitled to all rights and privileges of such a retiree under applicable laws and policies of the school district.

E. Beneficiary. In the event of the death of the employee prior to the early retirement amount being paid, payment will be as follows:

1. Lump sum payment will be made to a designated beneficiary for the early retirement amount due to the employee on January 10 of the school year following the support staff employee's approval for early retirement.
2. In the event no beneficiary is named, payment shall be made to the estate of the employee on January 10 following the support staff employee's approval for early retirement.

The board has complete discretion to offer or not to offer an Early Retirement Plan for support staff employees and will review this policy annually. The board may discontinue the school district's Early Retirement Plan at any time.

Red Oak Community School District

Code No.413.6E1

SUPPORT STAFF EMPLOYEE EARLY RETIREMENT ACKNOWLEDGEMENT OF RECEIPT

The undersigned support staff employee acknowledges receipt of the Early Retirement Plan documents stated below, for the support staff employee's consideration:

- early retirement policy (plan description);
- early retirement application.

The undersigned support staff employee acknowledges that the application and participation in the Early Retirement Plan is entirely voluntary.

The undersigned support staff employee acknowledges that the school district recommends the support staff employee contact legal counsel and the employee's personal accountant regarding participation in the Early Retirement Plan.

Support Staff Employee

Date

Legal Reference: 29 U.S.C. §§ 621 *et seq.* (1988).
Senate File 2366, 77th General Assembly, 2nd Reg. Sess. (1998).
Iowa Code §§ 97B; 216; 279.46; 509A.13 (2003).
581 I.A.C. 21.
1978 Op. Att'y Gen. 247.
1974 Op. Att'y Gen. 11, 322.

Cross Reference: 401.14 Recognition for Service of Employees
407.3 Licensed Employee Retirement
413.3 Classified Employee Early Retirement

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SUPPORT STAFF EMPLOYEE EARLY RETIREMENT INSURANCE OPTIONS

Board policy 413.6, Support Staff Employee Early Retirement, allows the employee to continue to participate in the school district's group health insurance plan until age 65 by meeting the requirements of the insurer.

The support staff employee is responsible for the cost of the health insurance premium. The support staff employee must pay the employee's share of the premium by paying the monthly premium amount in full to the board secretary prior to the due date of the school district's premium payment to the insurance carrier.

_____ I would like to remain on the school's health insurance policy. I will submit a check to the Central Office the first of each month. Failure to submit this check will result in loss of insurance coverage.

Plan selected: _____

_____ I wish NOT to remain on the school's health insurance policy when I am no longer an ACTIVE employee. (after all pay is received) COBRA option has been explained to me.

_____ I would like to remain on the school's dental insurance policy. I will submit a check to the Central Office the first of each month. Failure to submit this check will result in loss of dental insurance coverage. Plan selected: _____

_____ I wish NOT to remain on the school's dental insurance policy when I am no longer an ACTIVE employee. (after all pay is received) COBRA option has been explained to me.

_____ I wish to receive all remaining pay for the _____ school year on June 10, 20__ . (Recommend you contact IPERS to discuss, if it is better for you to take all payment in June or to continue to receive checks during July and August. This varies from person to person). If the employee participates in the TaxSaver Plan, the July and August monthly amounts will be deducted from the June 10, 20__ paycheck.

Support Staff Employee

Date

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SUPPORT STAFF EMPLOYEE EARLY RETIREMENT APPLICATION

The undersigned support staff employee is applying for early retirement pursuant to board policy 413.6, Support Staff Employee Early Retirement. Please complete the following information:

_____		_____
(Full Legal Name of Support Staff Employee)		(Social Security Number)
_____	_____	_____
(Current Job Title)	(Date of Birth)	(Years of Consecutive Service)

Please attach a letter of resignation effective at the end of the current contract year.

The undersigned support staff employee acknowledges that application and participation in the Early Retirement Plan is entirely voluntary.

The undersigned support staff employee acknowledges that the early retirement amount will be paid on January 10 of the school year following the licensed employee's approval for early retirement.

The undersigned support staff employee acknowledges that the school district recommends that the support staff employee contact legal counsel and the employee's own personal accountant regarding participation in the Early Retirement Plan.

Should the licensed employee die prior to full payment of an early retirement amount, the support staff employee designates either the following individual as beneficiary or the support staff employee's estate.

____ Beneficiary _____ Estate

Beneficiary

Beneficiary Address

Support Staff Employee _____
Date

Witness _____
Date

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TAX EXEMPTION CERTIFICATE

of

RED OAK COMMUNITY SCHOOL DISTRICT, COUNTIES OF
MONTGOMERY, PAGE AND POTTAWATTAMIE, STATE OF IOWA, ISSUER

\$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017

This instrument was prepared by:

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309
(515) 243-7611

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TAX EXEMPTION CERTIFICATE

RED OAK COMMUNITY SCHOOL DISTRICT, STATE OF IOWA

THIS TAX EXEMPTION CERTIFICATE made and entered into on December 1, 2017, by the Red Oak Community School District, Counties of Montgomery, Page and Pottawattamie, State of Iowa (the "Issuer").

INTRODUCTION

This Certificate is executed and delivered in connection with the issuance by the Issuer of its \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017 (the "Bonds"). The Bonds are issued pursuant to the provisions of the Resolution of the Issuer authorizing the issuance of the Bonds. Such Resolution provides that the covenants contained in this Certificate constitute a part of the Issuer's contract with the owners of the Bonds.

The Issuer recognizes that under the Code (as defined below) the tax-exempt status of the interest received by the owners of the Bonds is dependent upon, among other things, the facts, circumstances, and reasonable expectations of the Issuer as to future facts not in existence at this time, as well as the observance of certain covenants in the future. The Issuer covenants that it will take such action with respect to the Bonds as may be required by the Code, and pertinent legal regulations issued thereunder in order to establish and maintain the tax-exempt status of the Bonds, including the observance of all specific covenants contained in the Resolution and this Certificate.

ARTICLE I

DEFINITIONS

The following terms as used in this Certificate shall have the meanings set forth below. The terms defined in the Resolution shall retain the meanings set forth therein when used in this Certificate. Other terms used in this Certificate shall have the meanings set forth in the Code or in the Regulations.

- "Annual Debt Service" means the principal of and interest on the Bonds scheduled to be paid during a given Bond Year.
- "Bonds" means the \$8,490,000 aggregate principal amount of School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, of the Issuer issued in registered form pursuant to the Resolution.
- "Bond Counsel" means Ahlers & Cooney, P.C., Des Moines, Iowa, or an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any State of the United States of America.
- "Bond Fund" means the Sinking Fund described in the Resolution.

- "Bond Purchase Agreement" means the binding contract in writing for the sale of the Bonds.
- "Bond Year" as defined in Regulation 1.148-1(b), means a one-year period beginning on the day after expiration of the preceding Bond Year. The first Bond Year shall be the one-year or shorter period beginning on the Closing Date and ending on a principal or interest payment date, unless Issuer selects another date.
- "Bond Yield" means that discount rate which produces an amount equal to the Issue Price of the Bonds when used in computing the present value of all payments of principal and interest to be paid on the Bonds using semiannual compounding on a 360-day year as computed under Regulation 1.148-4.
- "Certificate" means this Tax Exemption Certificate.
- "Closing" means the delivery of the Bonds in exchange for the agreed upon purchase price.
- "Closing Date" means the date of Closing.
- "Code" means the Internal Revenue Code of 1986, as amended, and any statutes which replace or supplement the Internal Revenue Code of 1986.
- "Computation Date" means each five-year period from the Closing Date through the last day of the fifth and each succeeding fifth Bond Year.
- "Excess Earnings" means the amount earned on all Nonpurpose Investments minus the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the Bond Yield, plus any income attributable to such excess.
- "Final Bond Retirement Date" means the date on which the Bonds are actually paid in full.
- "Governmental Obligations" means direct general obligations of, or obligations the timely payment of the principal of and interest on which is unconditionally guaranteed by the United States.
- "Gross Proceeds" as defined in Regulation 1.148-1(b), means any Proceeds of the Bonds and any replacement proceeds (as defined in Regulation 1.148-1(c)) of the Bonds.
- "Gross Proceeds Funds" means the Project Fund, Proceeds held to pay cost of issuance, and any other fund or account held for the benefit of the owners of the Bonds or containing Gross Proceeds of the Bonds except the Bond Fund and the Rebate Fund.
- "Issue Price" as defined in Regulation 1.148-1(b) and (f)(2), means the price paid by the Purchaser of the Bonds. The Issue Price is \$8,490,000, as set forth in Exhibit A.

- "Issuer" means the Red Oak Community School District, a public school corporation, Counties of Montgomery, Page and Pottawattamie, State of Iowa.
- "Minor Portion of the Bonds", as defined in Regulation 1.148-2(g), means the lesser of five (5) percent of Proceeds or \$100,000. The Minor Portion of the Bonds is computed to be \$100,000.
- "Nonpurpose Investments" means any investment property which is acquired with Gross Proceeds and is not acquired to carry out the governmental purpose of the Bonds, and may include but is not limited to U.S. Treasury bonds, corporate bonds, or certificates of deposit.
- "Proceeds" as defined in Regulation 1.148-1(b), means Sale Proceeds, investment proceeds and transferred proceeds of the Bonds.
- "Project" means to remodel, renovate, improve, refurbish, furnish and equip and to construct, furnish and equip additions to the existing high school campus (including the Tech Center) and the Inman Campus; to improve the existing high school (including the Tech Center) site; and to demolish the Webster building as more fully described in the Resolution.
- "Project Fund" shall mean the fund required to be established by the Resolution for the deposit of the Proceeds of the Bonds.
- "Purchasers" means Branch Banking and Trust Company of Charlotte, North Carolina, constituting the initial purchasers of the Bonds from the Issuer.
- "Rebate Amount" means the amount computed as described in this Certificate.
- "Rebate Fund" means the fund to be created, if necessary, pursuant to this Certificate.
- "Rebate Payment Date" means a date chosen by the Issuer which is not more than 60 days following each Computation Date or the Final Bond Retirement Date.
- "Regulations" means the Income Tax Regulations, amendments and successor provisions promulgated by the Department of the Treasury under Sections 103, 148 and 149 of the Code, or other Sections of the Code relating to "arbitrage bonds", including without limitation Regulations 1.148-1 through 1.148-11, 1.149(b)-1, 1.149-d(1), 1.150-1 and 1.150-2.
- "Replacement Proceeds" include, but are not limited to, sinking funds, amounts that are pledged as security for an issue, and amounts that are replaced because of a sufficiently direct nexus to a governmental purpose of an issue.
- "Resolution" means the resolution of the Issuer adopted on November 13, 2017, authorizing the issuance of the Bonds.

- "Sale Proceeds" as defined in Regulation 1.148-1(b), means any amounts actually or constructively received from the sale of the Bonds, including amounts used to pay underwriter's discount or compensation and accrued interest other than pre-issuance accrued interest.
- "Sinking Fund" means the Bond Fund.
- "SLGS" means demand deposit Treasury securities of the State and Local Government Series.
- "Tax Exempt Obligations" means bonds or other obligations the interest on which is excludable from the gross income of the owners thereof under Section 103 of the Code and include certain regulated investment companies, stock in tax-exempt mutual funds and demand deposit SLGS.
- "Taxable Obligations" means all investment property, obligations or securities other than Tax Exempt Obligations.
- "Verification Certificate" means the Purchaser's Certificate attached to this Tax Exemption Certificate as Exhibit A, and the Bond Purchase Agreement.

ARTICLE II

SPECIFIC CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS

The Issuer hereby certifies, represents and agrees as follows:

Section 2.1 Authority to Certify and Expectations

(a) The undersigned officer of the Issuer along with other officers of the Issuer, are charged with the responsibility of issuing the Bonds.

(b) This Certificate is being executed and delivered in part for the purposes specified in Section 1.148-2(b)(2) of the Regulations and is intended (among other purposes) to establish reasonable expectations of the Issuer at this time.

(c) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-2(b)(2) of the Regulations.

(d) The certifications, representations and agreements set forth in this Article II are made on the basis of the facts, estimates and circumstances in existence on the date hereof, including the following: (1) with respect to amounts expected to be received from delivery of the Bonds, amounts actually received, (2) with respect to payments of amounts into various funds or accounts, review of the authorizations or directions for such payments made by the Issuer pursuant to the Resolution and this Certificate, (3) with respect to the Issue Price, the certifications of the Purchasers as set forth in the Verification Certificate,

(4) with respect to expenditure of the Proceeds of the Bonds, actual expenditures and reasonable expectations of the Issuer as to when the Proceeds will be spent for purposes of the Project, (5) with respect to Bond Yield, review of the Verification Certificate, and (6) with respect to the amount of governmental and qualified 501(c)(3) bonds to be issued during the calendar year, the budgeting and present planning of Issuer. The Issuer has no reason to believe such facts, estimates or circumstances are untrue or incomplete in any material way.

(e) To the best of the knowledge and belief of the undersigned officer of the Issuer, there are no facts, estimates or circumstances that would materially change the representations, certifications or agreements set forth in this Certificate, and the expectations herein set out are reasonable.

(f) No arrangement exists under which the payment of principal or interest on the Bonds would be directly or indirectly guaranteed by the United States or any agency or instrumentality thereof.

(g) After the expiration of any applicable temporary periods, and excluding investments in a bona fide debt service fund or reserve fund, not more than five percent (5%) of the Proceeds of the Bonds will be (a) used to make loans which are guaranteed by the United States or any agency or instrumentality thereof, or (b) invested in federally insured deposits or accounts.

(h) The Issuer will file with the Internal Revenue Service in a timely fashion Form 8038-G, Information Return for Tax-Exempt Governmental Obligations with respect to the Bonds and such other reports required to comply with the Code and applicable Regulations.

(i) The Issuer will take no action which would cause the Bonds to become "private activity bonds" as defined in Section 141 (a) of the Code, including any use of the Project by any person other than a governmental unit if such use will be by other than a member of the general public. None of the Proceeds of the Bonds will be used directly or indirectly to make or finance loans to any person other than a governmental unit.

(j) The Issuer will make no change in the nature or purpose of the Project except as provided in Section 6.1 hereof.

(k) Except as provided in the Resolution, the Issuer will not establish any sinking fund, bond fund, reserve fund, debt service fund or other fund reasonably expected to be used to pay debt service on the Bonds (other than the Bond Fund and any Reserve Fund), exercise its option to redeem Bonds prior to maturity or effect a refunding of the Bonds.

(l) No bonds or other obligations of the Issuer (1) were sold in the 15 days preceding the date of sale of the Bonds, (2) were sold or will be sold within the 15 days after the date of sale of the Bonds, (3) have been delivered in the past 15 days or (4) will be delivered in the next 15 days pursuant to a common plan of financing for the issuance of the Bonds and payable out of substantially the same source of revenues.

(m) None of the Proceeds of the Bonds will be used directly or indirectly to replace funds of the Issuer used directly or indirectly to acquire obligations having a yield higher than the Bond Yield.

(n) No portion of the Bonds is issued for the purpose of investing such portion at a higher yield than the Bond Yield.

(o) The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause them to be "arbitrage bonds" as defined in Section 148(a) of the Code. The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause the interest on the Bonds to be includible in the gross income of the owners of the Bonds under the Code. The Issuer will not intentionally use any portion of the Proceeds to acquire higher yielding investments.

(p) The Issuer will not use the Proceeds of the Bonds to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage.

(q) The Issuer has not issued more Bonds, issued the Bonds earlier, or allowed the Bonds to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Bonds and in fact, the Bonds will not remain outstanding longer than 120% of the economic useful life of the assets financed with the Proceeds of the Bonds.

(r) The Bonds will not be Hedge Bonds as described in Section 149(g)(3) of the Code because the Issuer reasonably expects that it will meet the Expenditure test set forth in Section 2.5(b) hereof and that 50% or more of the Proceeds will not be invested in Nonpurpose Investments having a substantially guaranteed yield for four or more years.

Except for costs of issuance, all Sale Proceeds and investment earnings thereon will be expended for costs of the type that would be chargeable to capital accounts under the Code pursuant to federal income tax principles if the Issuer were treated as a corporation subject to federal income taxation.

Section 2.2 Receipts and Expenditures of Sale Proceeds

Sale Proceeds (\$8,490,000 par) received at Closing are expected to be deposited and expended as follows:

(a) \$-0- representing pre-issuance accrued interest will be deposited into the Bond Fund and will be used to pay a portion of the interest accruing on the Bonds on the first interest payment date; and

(b) \$146,100.00 representing costs of issuing the Bonds will be used within six months of the Closing Date to pay the costs of issuance of the Bonds (with any excess remaining on deposit in the Project Fund); and

(c) \$8,343,900.00 will be deposited into the Project Fund and will be used together with earnings thereon to pay the costs of the Project and will not exceed the amount necessary to accomplish the governmental purposes of the Bonds.

Section 2.3 Purpose of Bonds

The Issuer is issuing the Bonds to pay the costs to remodel, renovate, improve, refurbish, furnish and equip and to construct, furnish and equip additions to the existing high school campus (including the Tech Center) and the Inman Campus; to improve the existing high school (including the Tech Center) site; and to demolish the Webster building.

Section 2.4 Facts Supporting Tax-Exemption Classification

Governmental Bonds

Private Business Use/Private Security or Payment Tests

The Bonds are considered to be governmental bonds, not subject to the provisions of the alternate minimum tax. The Proceeds will be used for the purposes described in Section 2.3 hereof. These bonds are not private activity bonds because no amount of Proceeds of the Bonds is to be used in a trade or business carried on by a non-governmental unit. Rather, the Proceeds will be used to finance the general government operations and facilities of the Issuer described in Section 2.3 hereof. None of the payment of principal or interest on the Bonds will be derived from, or secured by, money or property used in a trade or business of a non-governmental unit. In addition, none of the governmental operations or facilities of the Issuer being financed with the Proceeds of the Bonds are subject to any lease, management contract or other similar arrangement or to any arrangement for use other than as by the general public.

Private Loan Financing Test

No amount of Proceeds of the Bonds is to be used directly or indirectly to make or finance loans to persons other than governmental units.

Section 2.5 Facts Supporting Temporary Periods for Proceeds

(a) Time Test. Not later than six months after the Closing Date, the Issuer will incur a substantial binding obligation to a third party to expend at least 5% of the net Sale Proceeds of the Bonds.

(b) Expenditure Test. Not less than 85% of the net Sale Proceeds will be expended for Project costs, including the reimbursement of other funds expended to date, within a three-year temporary period from the Closing Date.

(c) Due Diligence Test. Not later than six months after Closing, work on the Project will have commenced and will proceed with due diligence to completion.

(d) Proceeds of the Bonds representing less than six months accrued interest on the Bonds will be spent within six months of this date to pay interest on the Bonds, and will be invested without restriction as to yield for a temporary period not in excess of six months.

Section 2.6 Resolution Funds at Restricted or Unrestricted Yield

(a) Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer has not and does not expect to create or establish any other bond fund, reserve fund, or similar fund or account for the Bonds. The Issuer has not and will not pledge any moneys or Taxable Obligations in order to pay debt service on the Bonds or restrict the use of such moneys or Taxable Obligations so as to give reasonable assurances of their availability for such purposes.

(b) Any monies which are invested beyond a temporary period are expected to constitute less than a major portion of the Bonds or to be restricted for investment at a yield not greater than one-eighth of one percent above the Bond Yield.

(c) The Issuer has established and will use the Bond Fund primarily to achieve a proper matching of revenues and debt service within each Bond Year and the Issuer will apply moneys deposited into the Bond Fund to pay the principal of and interest on the Bonds. Such Fund will be depleted at least once each Bond Year except for a reasonable carryover amount. The carryover amount will not exceed the greater of (1) one year's earnings on the Bond Fund or (2) one-twelfth of Annual Debt Service. The Issuer will spend moneys deposited from time to time into such fund within 13 months after the date of deposit. Revenues, intended to be used to pay debt service on the Bonds, will be deposited into the Bond Fund as set forth in the Resolution. The Issuer will spend interest earned on moneys in such fund not more than 12 months after receipt. Accordingly, the Issuer will treat the Bond Fund as a bona fide debt service fund as defined in Regulation 1.148-1(b).

Investment of amounts on deposit in the Bond Fund will not be subject to arbitrage rebate requirements as the Bonds meet the safe harbor set forth in Regulation 1.148-3(k), because the average annual debt service on the Bonds will not exceed \$2,500,000.

(d) The Minor Portion of the Bonds will be invested without regard to yield.

Section 2.7 Pertaining to Yields

(a) The purchase price of all Taxable Obligations to which restrictions apply under this Certificate as to investment yield or rebate of Excess Earnings, if any, has been and shall be calculated using (i) the price taking into account discount, premium and accrued interest, as applicable, actually paid or (ii) the fair market value if less than the price actually paid and if such Taxable Obligations were not purchased directly from the United States Treasury. The Issuer will acquire all such Taxable Obligations directly from the United States Treasury or in an arm's length transaction without regard to any amounts paid to reduce the yield on such Taxable Obligations. The Issuer will not pay or permit the payment of any amounts (other than to the United States) to reduce the yield on any Taxable

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Obligations. Obligations pledged to the payment of debt service on the Bonds, or deposited into any reserve fund after they have been acquired by the Issuer will be treated as though they were acquired for their fair market value on the date of such pledge or deposit. Obligations on deposit in any reserve fund on the Closing Date shall be treated as if acquired for their fair market value on the Closing Date.

(b) Qualified guarantees have not been used in computing yield.

(c) The Bond Yield has been computed as not less than 2.3598 percent. This Bond Yield has been computed on the basis of a purchase price for the Bonds equal to the Issue Price.

ARTICLE III

REBATE

Section 3.1 Records

Sale Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer will maintain adequate records for funds created by the Resolution and this Certificate including all deposits, withdrawals, transfers from, transfers to, investments, reinvestments, sales, purchases, redemptions, liquidations and use of money or obligations until six years after the Final Bond Retirement Date.

Section 3.2 Rebate Fund

(a) In the Resolution, the Issuer has covenanted to pay to the United States the Rebate Amount, an amount equal to the Excess Earnings on the Gross Proceeds Funds, if any, at the times and in the manner required or permitted and subject to stated special rules and allowable exceptions.

(b) The Issuer may establish a fund pursuant to the Resolution and this Certificate which is herein referred to as the Rebate Fund. The Issuer will invest and expend amounts on deposit in the Rebate Fund in accordance with this Certificate.

(c) Moneys in the Rebate Fund shall be held by the Issuer or its designee and, subject to Sections 3.4, 3.5 and 6.1 hereof, shall be held for future payment to the United States as contemplated under the provisions of this Certificate and shall not constitute part of the trust estate held for the benefit of the owners of the Bonds or the Issuer.

(d) The Issuer will pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States.

Section 3.3 Exceptions to Rebate

The Issuer reasonably expects that the Bonds are eligible for one or more exceptions from the arbitrage rebate rules set forth in the Regulations. If any Proceeds are ineligible, or become

ineligible, for an exception to the arbitrage rebate rules, the Issuer will comply with the provisions of this Article III. A description of the applicable rebate exception is as follows:

- School District Small Issuer Exception

The reasonably anticipated amount of tax exempt governmental obligations (other than private activity bonds) which will be issued by the Issuer during the calendar year will not exceed (i) fifteen million dollars (\$15,000,000) total and (ii) five million dollars (\$5,000,000) for purposes other than the construction of public school facilities within the meaning of Section 148(f)(4)(D)(vii) of the Code.

Section 3.4 Calculation of Rebate Amount

(a) As soon after each Computation Date as practicable, the Issuer shall, if necessary, calculate and determine the Excess Earnings on the Gross Proceeds Funds (the "Rebate Amount"). All calculations and determinations with respect to the Rebate Amount will be made on the basis of actual facts as of the Computation Date and reasonable expectations as to future events.

(b) If the Rebate Amount exceeds the amount currently on deposit in the Rebate Fund, the Issuer may deposit an amount in the Rebate Fund such that the balance in the Rebate Fund after such deposit equals the Rebate Amount. If the amount in the Rebate Fund exceeds the Rebate Amount, the Issuer may withdraw such excess amount provided that such withdrawal can be made from amounts originally transferred to the Rebate Fund and not from earnings thereon, which may not be transferred, and only if such withdrawal may be made without liquidating investments at a loss.

Section 3.5 Rebate Requirements and the Bond Fund

It is expected that the Bond Fund described in the Resolution and Section 2.6(c) of this Certificate will be treated as a bona fide debt service fund as defined in Regulation 1.148-1(b). As such, any amount earned during a Bond Year on the Bond Fund and amounts earned on such amounts, if allocated to the Bond Fund, will not be taken into account in calculating the Rebate Amount if the annual gross earnings on the Bond Fund for such Bond Year are less than \$100,000 or if average annual debt service will not exceed \$2,500,000. However, should annual gross earnings exceed \$100,000 or should the Bond Fund cease to be treated as a bona fide debt service fund, the Bond Fund will become subject to the rebate requirements set forth in Section 3.4 hereof.

Section 3.6 Investment of the Rebate Fund

(a) Immediately upon a transfer to the Rebate Fund, the Issuer may invest all amounts in the Rebate Fund not already invested and held in the Rebate Fund, to the extent possible, in (1) SLGS, such investments to be made at a yield of not more than one-eighth of one percent above the Bond Yield, (2) Tax Exempt Obligations, (3) direct obligations of the United States or (4) certificates of deposit of any bank or savings and loan association. All investments in the Rebate Fund shall be made to mature not later than the next Rebate Payment Date.

(b) If the Issuer invests in SLGS, the Issuer shall file timely subscription forms for such securities (if required). To the extent possible, amounts received from maturing SLGS shall be reinvested immediately in zero yield SLGS maturing on or before the next Rebate Payment Date.

Section 3.7 Payment to the United States

(a) On each Rebate Payment Date, the Issuer will pay to the United States at least ninety percent (90%) of the Rebate Amount less a computation credit of \$1,000 per Bond Year for which the payment is made.

(b) The Issuer will pay to the United States not later than sixty (60) days after the Final Bond Retirement Date all the rebatable arbitrage as of such date and any income attributable to such rebatable arbitrage as described in Regulation 1.148-3(f)(2).

(c) If necessary, on each Rebate Payment Date, the Issuer will mail a check to the Internal Revenue Service Center, Ogden, UT 84201. Each payment shall be accompanied by a copy of Form 8038-T, Arbitrage Rebate, filed with respect to the Bonds or other information reporting form as is required to comply with the Code and applicable Regulations.

Section 3.8 Records

(a) The Issuer will keep and retain adequate records with respect to the Bonds, the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund until six years after the Final Bond Retirement Date. Such records shall include descriptions of all calculations of amounts transferred to the Rebate Fund, if any, and descriptions of all calculations of amounts paid to the United States as required by this Certificate. Such records will also show all amounts earned on moneys invested in such funds, and the actual dates and amounts of all principal, interest and redemption premiums (if any) paid on the Bonds.

(b) Records relating to the investments in such Funds shall completely describe all transfers, deposits, disbursements and earnings including:

(1) a complete list of all investments and reinvestments of amounts in each such Fund including, if applicable, purchase price, purchase date, type of security, accrued interest paid, interest rate, dated date, principal amount, date of maturity, interest payment dates, date of liquidation, receipt upon liquidation, market value of such investment on the Final Bond Retirement Date if held by the Issuer on the Final Bond Retirement Date, and market value of the investment on the date pledged to the payment of the Bonds or the Closing Date if different from the purchase date.

(2) the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such Fund.

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Section 3.9 Additional Payments

The Issuer hereby agrees to pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States, but which is not available in a fund related to the Bonds for transfer to the Rebate Fund or payment to the United States.

ARTICLE IV

INVESTMENT RESTRICTIONS

Section 4.1 Avoidance of Prohibited Payments

The Issuer will not enter into any transaction that reduces the amount required to be deposited into the Rebate Fund or paid to the United States because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to either party. The Issuer will not invest or direct the investment of any funds in a manner which reduces an amount required to be paid to the United States because such transaction results in a small profit or larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to the Issuer. In particular, notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will not invest or direct the investment of any funds in a manner which would violate any provision of this Article IV.

Section 4.2 Market Price Requirement

(a) The Issuer will not purchase or direct the purchase of Taxable Obligations for more than the then available market price for such Taxable Obligations. The Issuer will not sell, liquidate or direct the sale or liquidation of Taxable Obligations for less than the then available market price.

(b) For purposes of this Certificate, United States Treasury obligations purchased directly from the United States Treasury will be deemed to be purchased at the market price.

Section 4.3 Investment in Certificates of Deposit

(a) Notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will invest or direct the investment of funds on deposit in the Reserve Fund, any other Gross Proceeds Fund, the Bond Fund, and the Rebate Fund, in a certificate of deposit of a bank or savings bank which is permitted by law and by the Resolution only if the purchase price of such a certificate of deposit is treated as its fair market value on the purchase date and if the yield on the certificate of deposit is not less than (1) the yield on reasonably comparable direct obligations of the United States; and (2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(b) The certificate of deposit described in paragraph 4.3(a) above must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the bank or savings bank issuing the certificate of deposit.

Section 4.4 Investment Pursuant to Investment Contracts and Agreements

The Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund pursuant to an investment contract (including a repurchase agreement) only if all of the following requirements are satisfied:

(a) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the issuer or any other person for purposes of satisfying the requirements of paragraph (d)(6)(iii)(B)(1) or (2) of Section 1.148-5 of the Regulations.

(4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment.

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) All potential providers have an equal opportunity to bid and no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(b) The bids received by the Issuer meet all of the following requirements:

(1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (d)(6)(iii)(A) of Section 1.148-5 of the Regulations and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (d)(6)(iii)(B)(1) of Section 1.148-5 of the Regulations is from a reasonably competitive provider, within the meaning of paragraph (d)(6)(iii)(A)(7) of Section 1.148-5 of the Regulations.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(c) The winning bid meets the following requirements:

(1) Guaranteed investment contracts. If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) Other investments. If the investment is not a guaranteed investment contract, the winning bid is the lowest cost bona fide bid (including any broker's fees).

(d) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(e) The Issuer will retain the following records with the bond documents until three years after the last outstanding bond is redeemed:

(1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.

(2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (d)(6)(iii)(D) of Section 1.148-5 of the Regulations.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

Section 4.5 Records

The Issuer will maintain records of all purchases, sales, liquidations, investments, reinvestments, redemptions, disbursements, deposits, and transfers of amounts on deposit.

Section 4.6 Investments to be Legal

All investments required to be made pursuant to this Certificate shall be made to the extent permitted by law. In the event that any such investment is determined to be ultra vires, it shall be liquidated and the proceeds thereof shall be invested in a legal investment, provided that prior to reinvesting such proceeds, the Issuer shall obtain an opinion of Bond Counsel to the effect that such reinvestment will not cause the Bonds to become arbitrage bonds under Sections 103, 148, 149, or any other applicable provision of the Code.

ARTICLE V

GENERAL COVENANTS

The Issuer hereby covenants to perform all acts within its power necessary to ensure that the reasonable expectations set forth in Article II hereof will be realized. The Issuer reasonably expects to comply with all covenants contained in this Certificate.

ARTICLE VI

AMENDMENTS AND ADDITIONAL AGREEMENTS

Section 6.1 Opinion of Bond Counsel; Amendments

The various provisions of this Certificate need not be observed and this Certificate may be amended or supplemented at any time by the Issuer if the Issuer receives an opinion or opinions of Bond Counsel that the failure to comply with such provisions will not cause any of the Bonds to become "arbitrage bonds" under the Code and that the terms of such amendment or supplement will not cause any of the Bonds to become "arbitrage bonds" under the Code, or otherwise cause interest on any of the Bonds to become includable in gross income for federal income tax purposes.

Section 6.2 Additional Covenants, Agreements

The Issuer hereby covenants to make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) such agreements as may be necessary to comply with any changes in law or regulations in order to preserve the tax-exempt status of the Bonds to the extent that it may lawfully do so. The Issuer further covenants (1) to impose such limitations on the investment or use of moneys or investments related to the Bonds, (2) to make such payments to the United States Treasury, (3) to maintain such records, (4) to perform such calculations, and (5) to perform such other lawful acts as may be necessary to preserve the tax-exempt status of the Bonds.

Section 6.3 Internal Revenue Service Audits

The Internal Revenue Service has not audited the Issuer regarding any obligations issued by or on behalf of the Issuer. To the best knowledge of the Issuer, no such obligations of the Issuer are currently under examination by the Internal Revenue Service.

Section 6.4 Amendments

Except as otherwise provided in Section 6.1 hereof, all the rights, powers, duties and obligations of the Issuer shall be irrevocable and binding upon the Issuer and shall not be subject to amendment or modification by the Issuer.

ARTICLE VII

QUALIFIED TAX EXEMPT OBLIGATIONS

The Issuer, a "qualified small issuer," designates the Bonds as "qualified tax exempt obligations" as defined in Code Section 265(b)(3) and represents that the reasonably anticipated amount of tax-exempt governmental and qualified 501(c)(3) obligations (including for this purpose tax exempt installment sales, lease or lease purchase agreements or other tax exempt obligations) which will be issued during the current calendar year will not exceed ten million dollars (\$10,000,000).

In support of the foregoing, the Issuer states:

(a) In the current calendar year the Issuer has issued governmental or qualified 501(c)(3) obligations as follows:

- \$8,490,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, covered by this Certificate.

(b) The Issuer expects to issue during the remainder of the calendar year governmental or qualified 501(c)(3) obligations as follows:

- None.

(c) The Issuer has subordinate entities or is subordinate to another entity governed by separate governing bodies which have issued or expect to issue governmental or qualified 501(c)(3) obligations on behalf of the Issuer during the calendar year which must be aggregated under Code Section 265(b)(3)(E) as follows:

- None.

(d) The Issuer is a member of or affiliated with one or more organizations (such as an Iowa Code Chapter 28E or 28F organization or other multimember body under which more than one governmental entity receives benefits) governed by a separate governing body which has or expects to issue governmental or qualified 501(c)(3) obligations during the calendar year all or a portion of which are allocable to the Issuer under Code Section 265(b)(3)(C)(iii) as follows:

- None.

IN WITNESS WHEREOF, the Issuer has caused this Certificate to be executed by its duly authorized officer, all as of the day first above written.

Treasurer, Red Oak Community School
District, State of Iowa

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EXHIBIT "A"

RED OAK COMMUNITY SCHOOL DISTRICT, IOWA
\$8,490,000 SCHOOL INFRASTRUCTURE SALES, SERVICES
AND USE TAX REVENUE BONDS, SERIES 2017

CERTIFICATE OF THE PURCHASER

The undersigned, on behalf of Branch Banking and Trust Company (the "Purchaser"), hereby certifies as set forth below with respect to the purchase of the above-captioned obligations (the "Bonds").

1. *Purchase of the Bonds.* On the date of this certificate, the Purchaser is purchasing the Bonds for the amount of \$8,490,000. The Purchaser is not acting as an Underwriter with respect to the Bonds. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Bonds (or any portion of the Bonds or any interest in the Bonds). The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds and the Purchaser has not agreed with the Issuer pursuant to a written agreement to sell the Bonds to persons other than the Purchaser or a related party to the Purchaser.

2. *Defined Terms.*

a) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

b) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

BRANCH BANKING AND TRUST
COMPANY, as Purchaser

By: _____

Name: _____

Dated: December 1, 2017

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