

Draft: 3/28/2019

**AMENDMENT TO
LEASE PURCHASE AGREEMENT**

BETWEEN

**ASSOCIATED TRUST COMPANY, NATIONAL ASSOCIATION, AS TRUSTEE
AS LESSOR**

AND

**INDEPENDENT SCHOOL DISTRICT NO. 709
(DULUTH), MINNESOTA, AS LESSEE**

DATED AS OF MAY 1, 2019

**RELATING TO
\$_____ REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2019A**

This instrument was drafted by:

Fryberger, Buchanan, Smith & Frederick, P.A.
302 West Superior Street, Suite 700
Duluth, MN 55802

M:\DOCS\05953\000077\LEA\17K2570.DOCX

THIS AMENDMENT TO LEASE PURCHASE AGREEMENT dated as of May 1, 2019, by and between ASSOCIATED TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States and qualified to conduct business in the State of Minnesota (acting in its trust capacity) (the “Lessor” or the “Trustee”), and INDEPENDENT SCHOOL DISTRICT NO. 709 (DULUTH), MINNESOTA, an independent school district organized under the Laws of the State of Minnesota (the “District”) as lessee;

WITNESSETH:

WHEREAS, the District has heretofore entered into a Lease Purchase Agreement with the Lessor dated as of October 1, 2009 (the “Original Lease”), pursuant to which the Lessor leased, with an option to purchase, to the District certain improvements to the Facilities (as defined in the Original Lease) and the purchase of personal property to be located thereon as described in the Original Lease (the “Project”) and the District agreed to pay to the Lessor certain Rental Payments (as defined in the Original Lease); and

WHEREAS, pursuant to a Declaration of Trust dated as of October 1, 2009 (the “Original Trust Agreement”), the Lessor issued \$35,400,000 Certificates of Participation, Series 2009B, dated October 1, 2009, evidencing an undivided ownership interest in the Rental Payments made under the Original Lease (the “2009 Certificates”); and

WHEREAS, pursuant to Section 5.5 of the Original Lease, Additional Certificates may be issued under the Original Lease, the Original Trust Agreement and amendments thereto to complete improvements to, or renovation of, the Project, subject to the conditions set forth in Section 5.5 of the Original Lease; and

WHEREAS, the District and the Lessor have entered into an Amendment to Lease Purchase Agreement dated as of October 1, 2010 (the “First Amendment to Lease”), to modify and add items to the Project and to provide for the issuance of Additional Certificates, including increasing the Rental Payments; and

WHEREAS, pursuant to such authority in the Original Lease, Additional Certificates, described as the Certificates of Participation, Series 2010D, dated October 1, 2010, in the principal amount of \$1,605,000 (the “2010D Certificates”), were issued under the Original Trust Agreement, as supplemented by the Supplement to Declaration of Trust dated as of October 1, 2010 (the “First Supplement to Declaration”); and

WHEREAS, the District and the Lessor have entered into an Amendment to Lease Purchase Agreement dated as of June 1, 2012 (the “Second Amendment to Lease”), to modify and add items to the Project and to provide for the issuance of Additional Certificates, including increasing the Rental Payments; and

WHEREAS, pursuant to the authority in the Original Lease, Additional Certificates, described as the Certificates of Participation, Series 2012B, dated June 27, 2012, in the amount of \$6,340,000 (the “2012B Certificates”) were issued under the Original Trust Agreement, as

supplemented, and as further supplemented, by the Supplement to Declaration of Trust dated as of June 1, 2012 (the “Second Supplement to Declaration”); and

WHEREAS, Section 2.01.2(a)(ii) of the Original Trust Agreement and Section 11.4 of the Original Lease provide that Additional Certificates may be issued to refund any certificates issued under the Lease; and

WHEREAS, Sections 5.5 and 11.4 of the Original Lease provides that upon issuance of refunding certificates, the Lessor and the District shall enter into an amendment to the Original Lease to adjust the Rental Payments by an amount sufficient to pay when due the principal and interest on the Outstanding Certificates; and

WHEREAS, the amendments herein made to the Original Lease, as amended, do not prejudice the interests of the Registered Owners of the 2009 Certificates, the 2010D Certificates or the 2012B Certificates issued pursuant to the Original Trust Agreement, the First Supplement to Declaration and the Second Supplement to Declaration; and

WHEREAS, the District has authorized and requested that refunding certificates described as the \$_____ Refunding Certificates of Participation, Series 2019A, dated May 29, 2019 (the “2019A Certificates”), to be issued under the Original Trust Agreement, as supplemented, including the Supplement to Declaration of Trust dated as of May 1, 2019, for the prepayment of the 2009 Certificates maturing on and after March 1, 2020 (the “Refunded Certificates”).

NOW, THEREFORE, the District and the Lessor hereby agree to amend the Original Lease, as amended, as follows:

1. The Rental Payment schedule as set forth on Exhibit B to the Original Lease, Exhibit A to the First Amendment to Lease and Exhibit A to the Second Amendment to Lease is hereby amended and restated by the Schedule of Rental Payments on Exhibit A hereto to adjust the Rental Payments by an amount sufficient to pay when due the principal of and interest on the 2010D Certificates, the 2012B Certificates and the 2019A Certificates. The Original Lease, as amended, and as further amended hereby and all conditions, terms and provisions thereof, as such may apply to the Rental Payments, shall apply to the Rental Payments for each of the 2010D Certificates, the 2012B Certificates and the 2019A Certificates.

2. Except as herein amended, all terms and provisions of the Original Lease as originally executed and as otherwise amended shall remain in full force and effect.

(remainder of page left intentionally blank)

EXHIBIT A
SCHEDULE OF RENTAL PAYMENTS

Installment Payments Payment Date	2010D Certificates Principal Portion	2010D Certificates Interest Portion	2010D Certificates Total Rental Payment	2010D Certificates Interest Rate Per Annum	2012B Certificates Principal Portion	2012B Certificates Interest Portion	2012B Certificates Total Rental Payment	2012B Certificates Interest Rate Per Annum	2019A Certificates Principal Portion	2019A Certificates Interest Portion	2019A Certificates Total Rental Payment	2019A Certificates Interest Rate Per Annum	Combined Total Rental Payment
9/1/2019	--	\$21,330.00	\$21,330.00		--	\$114,684.38	\$114,684.38						
3/1/2020	\$75,000.00	\$21,330.00	\$96,330.00	4.00%	\$290,000.00	\$114,684.38	\$404,684.38	4.000%					
9/1/2020	--	\$19,830.00	\$19,830.00		--	\$108,884.38	\$108,884.38						
3/1/2021	\$75,000.00	\$19,830.00	\$94,830.00	4.00%	\$300,000.00	\$108,884.38	\$408,884.38	4.000%					
9/1/2021	--	\$18,330.00	\$18,330.00		--	\$102,884.38	\$102,884.38						
3/1/2022	\$80,000.00	\$18,330.00	\$98,330.00	4.00%	\$310,000.00	\$102,884.38	\$412,884.38	4.250%					
9/1/2022	--	\$16,730.00	\$16,730.00		--	\$96,296.88	\$96,296.88						
3/1/2023	\$80,000.00	\$16,730.00	\$96,730.00	4.00%	\$320,000.00	\$96,296.88	\$416,296.88	4.500%					
9/1/2023	--	\$15,130.00	\$15,130.00		--	\$89,096.88	\$89,096.88						
3/1/2024	\$85,000.00	\$15,130.00	\$100,130.00	4.25%	\$330,000.00	\$89,096.88	\$419,096.88	4.750%					
9/1/2024	--	\$13,323.75	\$13,323.75		--	\$81,259.38	\$81,259.38						
3/1/2025	\$90,000.00	\$13,323.75	\$103,323.75	4.25%	\$340,000.00	\$81,259.38	\$421,259.38	5.000%					
9/1/2025	--	\$11,411.25	\$11,411.25		--	\$72,759.38	\$72,759.38						
3/1/2026	\$90,000.00	\$11,411.25	\$101,411.25	4.50%	\$355,000.00	\$72,759.38	\$427,759.38	5.000%					
9/1/2026	--	\$9,386.25	\$9,386.25		--	\$63,884.38	\$63,884.38						
3/1/2027	\$95,000.00	\$9,386.25	\$104,386.25	4.50%	\$370,000.00	\$63,884.38	\$433,884.38	5.000%					
9/1/2027	--	\$7,248.75	\$7,248.75		--	\$54,634.38	\$54,634.38						
3/1/2028	\$100,000.00	\$7,248.75	\$107,248.75	4.50%	\$385,000.00	\$54,634.38	\$439,634.38	5.125%					
9/1/2028	--	\$4,998.75	\$4,998.75		--	\$44,768.75	\$44,768.75						
3/1/2029	\$105,000.00	\$4,998.75	\$109,998.75	4.65%	\$400,000.00	\$44,768.75	\$444,768.75	5.125%					
9/1/2029	--	\$2,557.50	\$2,557.50		--	\$34,518.75	\$34,518.75						
3/1/2030	\$110,000.00	\$2,557.50	\$112,557.50	4.65%	\$420,000.00	\$34,518.75	\$454,518.75	5.250%					
9/1/2030			0		--	\$23,493.75	\$23,493.75						
3/1/2031			0		\$435,000.00	\$23,493.75	\$458,493.75	5.250%					
9/1/2031			0		--	\$12,075.00	\$12,075.00						
3/1/2032			0		\$460,000.00	\$12,075.00	\$472,075.00	5.250%					
9/1/2032													
3/1/2033													
9/1/2033													
3/1/2034													
9/1/2034													
3/1/2035													
TOTAL	\$985,000.00	\$280,552.50	\$1,265,552.50		\$4,715,000.00	\$3,570,792.01	\$9,910,792.01						