II.C. 2020 Refunding Bonds
Prepared by Scott Bacon
April 13, 2020

As we did this past September, we are looking to refund (i.e. refinance) some of our outstanding bonds.

- 2011 Refunding Bonds (was a refinance of a portion of 1978 and 2000 bonds)
- 2016 Refunding Bonds (was a refinance of a portion of the 2007 & 2010 bonds)

Depending on the market, we may end up doing nothing, refunding both bonds, or refunding just the 2011 refunding bonds.

As we did with the refunding bonds this past September (and in the past), we will use a negotiated sale or possibly a private placement. Attached is a copy of an email from our Financial Advisor which explains the different sale methods.

Hartland Consolidated Schools

Scott Bacon <scottbacon@hartlandschools.us>

Re: Refunding Bond Sale Method

1 message

Scott Bacon <scottbacon@hartlandschools.us> Thu, Mar 26, 2020 at 4:25 PM
To: Paul Stauder <stauderp@pfm.com>
Cc: Rachel Bois <rachelbois@hartlandschools.us>
Bcc: scottbacon@hartlandschools.us

Ok

Sent from my iPhone

On Mar 26, 2020, at 4:04 PM, Paul Stauder <stauderp@pfm.com> wrote:

Scott,

Given the amount and term of the bonds, the School District has three possible bond sale methods available including, a Competitive sale, a Negotiated sale or a Private Placement.

A general description of each type of sale is given below:

Competitive sale: Under this sale method, the School District, through PFM, would set a date and time for the sale. The notice of the sale would be required to be published in a paper at least 7 days prior to the sale. At the date and time specified, the School District would receive sealed, faxed or internet bids from potential buyers at specified location(s). The bond would be awarded to the qualified bidder who submits the lowest true interest cost for the bonds. As noted above, over time competitive sales have grown to include bids via facsimile as well as bids received via the internet. However, in this sale method, all bids are due at a given date and time.

The main advantages of this sale method include: The method is politically impartial to any one firm, and competition provides incentive to all underwriting firms to lower the rates. The main disadvantages of this type of sale include: the lack of flexibility on the timing of the sale, the difficulty in adjusting the structure of the bond repayment schedule on the day of sale, the inability of the School District to have control over the specific buying group on the bonds, and less ability for underwriters to "pre-market" the bond issue to potential buyers. This method of sale may also have higher bond issuance costs than a private placement.

Negotiated sale: Under the negotiated sale method the School District, with assistance of PFM, would select the senior managing underwriter that will sell the bonds to investors, and negotiates the purchase of the bonds (interest rates and purchase price) with the Underwriter. Typically on the day of pricing, the Underwriter will provide the School District and PFM with a "proposed" interest rate scale and will then go into the market and take orders for the bonds at the agreed upon interest rates and prices. Once the order period is over, the Underwriter may re-price some or all of the interest rates on the bonds lower or higher based on the demand for the bonds during the order period.

The main advantages of a negotiated sale include: flexibility in the timing of the sale, flexibility in the structuring of the bond repayment terms, greater control over the buying group on the bonds, providing the ability for residents to purchase the bonds, and greater pre-marketing ability. The main disadvantages of a negotiated bond sale include: the view that the process may be politically impartial, and the elimination of the "competition" which in some cases can produce lower than market interest rates. This method of sale may also have higher bond issuance costs than a private placement.

Private placement: Under this method of sale the bonds are placed with a bank or financial institution without the intent to have the bonds reoffered. The method of choosing the financial institution may be by preference of the School District to work with a particular bank. However, more often a request for offers is sent to several banks and the bank responding with the lowest interest rate is selected. This process is often performed by a Placement Agent.

The main advantages of a private placement sale include: issuance costs savings by not having to request a credit rating or have an official statement when bonds are not being reoffered. There is also issuance costs savings since the combination of any bank fees and placement agents would be lower than the underwriting fee associated with the other types of sales. Likewise, this approach may have time savings and convenience since the School District saves time by not having to request a credit rating or prepare an official statement. The main disadvantages of a private placement bond sale is that the School District may not receive as low of an interest rate as with other methods of sale, even when the interest cost equivalent of the issuance costs savings is considered. It all depends on how many banks are interested in submitting a bid and how competitive the banks are submitting the bid.

Recommendation: Given the disruption and ongoing volatility in the bond markets along with timing and structuring flexibility the negotiated sale process affords the School District, we recommend you proceed with a negotiated sale on the refunding bond issue. It will be particularly important as we select exactly which bonds to refund based on prevailing interest rates. We are also going to authorize a private placement of the bonds in the event it provides the optimum savings opportunity.

Thank you,

Paul

Paul R. Stauder

Managing Director

PFM Financial Advisors LLC | Public Financial Management, Inc.

stauderp@pfm.com | direct 734.794.2530 | office 734.994.9700 | fax 734.994.9710 | cell 734.646.5485 | web pfm.com

555 Briarwood Circle, Suite 333 | Ann Arbor, MI 48108

Public Financial Management, Inc. and PFM Financial Advisors LLC (collectively referred to as ("PFM") are both registered municipal advisors with the SEC and the MSRB.

RESOLUTION AUTHORIZING THE ISSUANCE AND DELEGATING THE SALE OF HARTLAND CONSOLIDATED SCHOOLS 2020 REFUNDING BONDS

Hartland Consolidated Schools, Livingston County, Michigan (the "Issuer")

A regular meeting of the board of education of the Issuer (the "Board") was held in the ____, within the boundaries of the Issuer, on the 13th day of April, 2020, at ____ o'clock in the __.m.

The meeting was called to order by ____________________, President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member __________________ and supported by Member ____________________:

WHEREAS:

1. Part VI of Act 34, Public Acts of Michigan, 2001, as amended, the Revised Municipal Finance Act (the "Act"), permits the Issuer to refund all or part of its bonded indebtedness; and

2. The Issuer has received a proposal from Raymond James & Associates, Inc., Chicago, Illinois, to act as underwriter for the Bonds (as defined below) (the "Underwriter") or, in the alternative, to act as private placement agent (the "Placement Agent") to place the Bonds with a sophisticated investor or commercial bank (the "Purchaser"); and

3. The Bonds will be issued to refund all or part of that portion of the Issuer's outstanding:

   A. 2011 Refunding Bonds, Series B, dated September 15, 2011, in the original amount of $30,035,000, which are callable on or after May 1, 2021, and are due and payable May 1, 2022 through May 1, 2029, inclusive; and

   B. 2016 Refunding Bonds, dated May 3, 2016, in the original amount of $26,615,000, which are callable on or after May 1, 2026, and are due and payable May 1, 2027 through May 1, 2035, inclusive;

(collectively, the "Prior Bonds"); and

4. The Board determines that it is in the best interest of the Issuer to consider refunding the Prior Bonds; and

5. Prior to the issuance of bonds, the Issuer must either achieve qualified status or secure prior approval of the bonds from the Michigan Department of Treasury pursuant to the Act.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Bonds of the Issuer designated 2020 Refunding Bonds (General Obligation - Unlimited Tax) (Federally Taxable) (the "Bonds") be issued in the aggregate principal amount of not to exceed $51,000,000, as finally determined upon sale thereof, for the purpose of refunding all or portions of the Prior Bonds. The Bonds shall be dated the date of delivery, or such other date as established at the time of sale; shall be numbered in the direct order of their maturities from 1 upwards; shall be fully registered Bonds as to principal and interest; shall bear interest at a rate or rates to be hereafter determined upon sale, payable on November 1, 2020, or such other date as may be established at the time of sale, and semiannually thereafter on May 1 and November 1 in each year; and shall mature on May 1 in each year to be subsequently determined by the Superintendent of the Issuer (the "Superintendent"), in the final principal amounts determined upon sale and may be subject to redemption, as determined by the Superintendent, in the amounts, at the times, in the manner, and at the prices determined upon sale of the Bonds.

2. The Bonds may consist of serial or term Bonds or any combination thereof which may be issued in one or more series, all of which shall be determined upon sale of the Bonds.

3. The Bonds shall be in denominations of $5,000 or any whole multiple thereof, or, if privately placed with a Purchaser, in denominations of $100,000 or integral multiples of $5,000 in excess thereof.

4. The principal of the Bonds and the interest thereon shall be payable in lawful money of the United States of America at or by a bank or trust company to be designated by the Superintendent at the time of sale or private placement (herein called the "Paying Agent"), which shall act as the paying agent and bond registrar or such successor paying agent-bond registrar as may be approved by the Issuer, on each semiannual interest payment date and the date of each principal maturity.

5. Book Entry. If requested by the Underwriter or the Purchaser of the Bonds, the ownership of one fully registered bond for each maturity, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). So long as the Bonds are in the book entry form only, the Paying Agent shall comply with the terms of the Blanket Issuer Letter of Representations to be entered into between the Issuer and DTC, which provisions shall govern registration, notices and payment, among other things, and which provisions are incorporated herein with the same effect as if fully set forth herein. The Superintendent is authorized and directed to enter into the Blanket Issuer Letter of Representations with DTC in such form as determined by the Superintendent, in consultation with bond counsel, to be necessary and appropriate. In the event the Issuer determines that the continuation of the system of book entry only transfer through DTC (or a successor securities depository) is not in the best interest of the DTC participants, beneficial owners of the Bonds, or the Issuer, the Issuer will notify the Paying Agent, whereupon the Paying Agent will notify DTC of the availability through DTC of the bond certificates. In such event, the Issuer shall issue and the Paying Agent shall transfer and exchange Bonds as requested

by DTC of like principal amount, series and maturity, in authorized denominations to the identifiable beneficial owners in replacement of the beneficial interest of such beneficial owners in the Bonds, as provided herein.

So long as the book-entry-only system remains in effect, in the event of a partial redemption the Paying Agent will give notice to Cede & Co., as nominee of DTC, only, and only Cede & Co. will be deemed to be a holder of the Bonds. DTC is expected to reduce the credit balances of the applicable DTC Participants in respect of the Bonds and in turn the DTC Participants are expected to select those Beneficial Owners whose ownership interests are to be extinguished or reduced by such partial redemptions, each by such method as DTC or such DTC Participants, as the case may be, deems fair and appropriate in its sole discretion.

6. In the event the Bonds are no longer in book entry form only, the following provisions would apply to the Bonds:

The Paying Agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Issuer; and, upon presentation and surrender for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred on said books, Bonds as herein provided.

Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by a duly authorized agent, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall furnish or cause to be furnished a sufficient number of manual or facsimile executed Bonds and the Paying Agent shall authenticate and deliver a new Bond or Bonds for like aggregate principal amount. The Paying Agent shall require the payment of any tax or other governmental charge required to be paid with respect to the transfer to be made by the bondholder requesting the transfer.

7. If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bonds, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution of the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft and indemnity may be submitted to the Paying Agent, and if satisfactory to the Paying Agent and the Issuer, the Issuer at the expense of the owner, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver a new Bond of like tenor and bearing the statement required by Act 354, Public Acts of Michigan, 1972, as amended, being sections 129.131 to 129.134, inclusive, of the Michigan Compiled Laws, or any applicable law hereafter enacted, in lieu of and in substitution of the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

8. The President and Secretary are authorized to provide the Bonds in conformity with the specifications of this resolution by causing their manual or facsimile signatures to be affixed thereto, and upon the manual execution by the authorized signatory of the Paying Agent,

the Treasurer is authorized and directed to cause said Bonds to be delivered to the Purchaser upon receipt of the purchase price and accrued interest, if any.

Blank bonds with the manual or facsimile signatures of the President and Secretary of the Board affixed thereto, shall, upon issuance and delivery and from time to time thereafter as necessary, be delivered to the Paying Agent for safekeeping to be used for registration and transfer of ownership.

9. There is hereby created a separate depository account to be kept with a bank located in the State of Michigan and insured by the Federal Deposit Insurance Corporation, previously approved as an authorized depository of funds of the Issuer, to be designated 2020 REFUNDING BOND DEBT RETIREMENT FUND (hereinafter referred to as the "DEBT RETIREMENT FUND"), all proceeds from taxes levied for the fund to be used for the purpose of paying the principal and interest on the Bonds authorized herein as they mature or are redeemed. Upon receipt of the Bond proceeds from the sale of the Bonds, the accrued interest, if any, shall be deposited in the DEBT RETIREMENT FUND. DEBT RETIREMENT FUND moneys may be invested as authorized by law.

Commencing with the 2020 tax levy, there shall be levied upon the tax rolls of the Issuer in each year for the purpose of the DEBT RETIREMENT FUND a sum not less than the amount estimated to be sufficient to pay the principal and interest on the Bonds as such principal and interest fall due prior to the next year's tax levy, the probable delinquency in collections and funds on hand being taken into consideration in arriving at the estimate. When funds are borrowed from the School Loan Revolving Fund, such funds may be taken into consideration in arriving at the estimated required tax levy. In determining the amount to be levied in 2020, there shall be taken into account any money in the DEBT RETIREMENT FUND. Taxes required to be levied to meet the principal and interest obligations may be without limitation as to rate or amount, as provided by Article IX, Section 6, and Article IX, Section 16 of the Michigan Constitution of 1963.

10. The proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds and to secure payment of the Prior Bonds set forth in the Bond Purchase Agreement. Upon receipt of the proceeds of sale of the Bonds, the accrued interest, if any, shall be deposited in the DEBT RETIREMENT FUND for the Bonds. From the proceeds of the Bonds there shall next be set aside a sum sufficient to pay the costs of issuance of the Bonds in a fund designated 2020 BOND ISSUANCE FUND (hereinafter referred to as the "BOND ISSUANCE FUND"). Moneys in the BOND ISSUANCE FUND shall be used solely to pay expenses of issuance of the Bonds. Any amounts remaining in the BOND ISSUANCE FUND after payment of issuance expenses shall be transferred to the DEBT RETIREMENT FUND for the Bonds.

11. The balance of the proceeds of the Bonds, together with any moneys transferred at the time of closing of the Bonds from the debt retirement funds for the Prior Bonds, shall be invested in direct obligations of the United States of America, or obligations, the principal and interest of which are unconditionally guaranteed by the United States of America; or other obligations the principal and interest of which are fully secured by the foregoing (the "Escrow Funds"), and used to pay principal and interest on the Prior Bonds. The Escrow Funds shall be held by an escrow agent (the "Escrow Agent") in trust pursuant to an escrow agreement (the "Escrow Agreement") which shall irrevocably direct the Escrow Agent to take all necessary

THRUN LAW FIRM, P.C.

steps to call any Prior Bonds specified by the Superintendent upon sale of the Bonds for redemption, including publication and mailing of redemption notices, on the earliest date specified by the Superintendent that the respective series of Prior Bonds may be called for redemption. The investment held in the Escrow Funds shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal and interest on the Prior Bonds as they become due pursuant to maturity or the call for redemption required by this paragraph. Following establishment of the Escrow Funds, any amounts remaining in the debt retirement funds for the Prior Bonds shall be transferred to the DEBT RETIREMENT FUND for the Bonds.

12. The Superintendent, subject to final approval of the Board, is authorized to select an Escrow Agent to serve under the Escrow Agreement.

13. The Bonds shall be in substantially the form attached hereto and incorporated herein as Exhibit A.

14. Raymond James & Associates, Inc., Chicago, Illinois, is hereby named as Underwriter and further, that the Superintendent or designee is authorized to negotiate and execute a Bond Purchase Agreement with the Underwriter, subject to the requirements of paragraph 18 below. In the alternative, Raymond James & Associates, Inc. may act as Placement Agent to sell the Bonds through a direct/private placement to a Purchaser and the Superintendent or designee is authorized to negotiate and execute a private placement agreement with the Placement Agent, and accept an offer to purchase the Bonds from a Purchaser, subject to the requirements of paragraph 18 below. Based upon information provided by the Issuer's financial consulting firm (the "Financial Advisor") and the Underwriter/Placement Agent, a negotiated sale allows flexibility in the timing, sale and structure of the Bonds in response to changing market conditions and flexibility in sizing the defeasance escrow necessary to accomplish the refunding of the Prior Bonds.

15. The Superintendent is authorized to approve circulation of a Preliminary Official Statement, or, in the alternative, a marketing bulletin describing the Bonds to prospective purchasers of the Bonds.

16. The Superintendent, or designee if permitted by law, is authorized to:

a. File with the Michigan Department of Treasury an application for approval to issue the Bonds, if required, and to pay any applicable fee therefor and, further, within fifteen (15) business days after issuance of the Bonds, file any and all documentation required subsequent to the issuance of the Bonds, together with any statutorily required fee.

b. Make application for municipal bond insurance if, upon advice of the financial consulting firm of the Issuer, the purchase of municipal bond insurance will be cost effective. The premium for such bond insurance shall be paid by the Issuer from Bond proceeds.

c. Execute and deliver the Continuing Disclosure Agreement (the "Agreement") in substantially the same form as set forth in Exhibit B attached hereto, or with such changes therein as the individual executing the Agreement on behalf of the Issuer shall approve, his/her execution thereof to constitute conclusive evidence of his/her approval of such changes. When the Agreement is executed and delivered on behalf of the Issuer as herein provided, the Agreement will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed, and the Agreement shall constitute, and is made, a part of this resolution, and copies of the Agreement shall be placed in the official records of the Issuer, and shall be available for public inspection at the office of the Issuer. Notwithstanding any other provision of this resolution, the sole remedies for failure to comply with the Agreement shall be the ability of any Bondholder or beneficial owner to take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Agreement.

17. The Superintendent is authorized to file with the Michigan Department of Treasury or other authorized state agency the Final Qualification Application for the Bonds approved by this Board and in substantially the form attached hereto as Exhibit C with such changes as the Superintendent shall deem necessary to conform with the final sale of the Bonds pursuant to the parameters set forth herein.

18. The Superintendent's authorization to accept and execute a Bond Purchase Agreement with the Underwriter, or, in the alternative, to accept an offer to purchase the Bonds from a Purchaser, is subject to the following parameters:

a. the Underwriter spread shall not exceed \$4.00 per \$1,000 (0.4%) or the Placement Agent fee shall not exceed \$20,000; and

b. the average true interest rate on the Bonds shall not exceed 4%; and

c. the present value savings from the refunding shall not be less than 2% of the par of the Prior Bonds; and

d. the receipt of express written recommendation of the Issuer's financial consulting firm identified herein to accept the terms proposed by the Underwriter or a Purchaser.

19. In addition to the authorization to accept and execute a Bond Purchase Agreement with the Underwriter, or, in the alternative, to accept an offer to purchase the Bonds from a Purchaser, the Superintendent is further authorized and directed to (i) execute any and all other necessary documents required to complete the approval and sale of the Bonds to the Underwriter or, in the alternative, an offer to purchase the Bonds from a Purchaser; (ii) appoint a paying agent for the Bonds; (iii) select a bond insurer, accept a commitment therefore and authorize payment of a bond insurance premium to insure any or all of the Bonds if recommended in writing by the Financial Advisor; (iv) deem the Preliminary Official Statement for the Bonds final for purposes

of SEC Rule 15c2-12(b)(1); and (v) execute and deliver the final Official Statement on behalf of the Issuer.

20. The President or Vice President, the Secretary, the Treasurer, the Superintendent and/or all other officers, agents and representatives of the Issuer and each of them shall execute, issue and deliver any certificates, statements, warranties, representations, or documents necessary to effect the purposes of this resolution, the Bonds or the Bond Purchase Agreement or, in the alternative, an offer to purchase the Bonds from a Purchaser.

21. The officers, agents and employees of the Issuer are authorized to take all other actions necessary and convenient to facilitate the sale and delivery of the Bonds.

22. Thrun Law Firm, P.C., is appointed as bond counsel for the Issuer with reference to the issuance of the Bonds authorized by this resolution. Further, Thrun Law Firm, P.C., has informed this Board that it represents no other party in the issuance of the Bonds.

23. The financial consulting firm of PFM Financial Advisors LLC, is appointed as financial consultant to the Issuer with reference to the issuance of the Bonds herein authorized.

24. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

THRUN LAW FIRM, P.C.

Ayes: Members

Nays: Members

Resolution declared adopted.

Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Hartland Consolidated Schools, Livingston County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at a regular meeting held on April 13, 2020, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).

Secretary, Board of Education

JJS/keh

EXHIBIT A

[No.]
UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF LIVINGSTON
HARTLAND CONSOLIDATED SCHOOLS
2020 REFUNDING BOND
(GENERAL OBLIGATION - UNLIMITED TAX)
(FEDERALLY TAXABLE)

Rate	Maturity Date	Date of Original Issue	CUSIP No.

REGISTERED OWNER:
PRINCIPAL AMOUNT:

HARTLAND CONSOLIDATED SCHOOLS, COUNTY OF LIVINGSTON, STATE OF MICHIGAN (the "Issuer"), promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above in lawful money of the United States of America on the Maturity Date specified above, with interest from the Date of Original Issue until paid at the Rate specified above on the basis of a 360-day year, 30-day month, payable on ___________, 20___, and semiannually thereafter on the first day of _______ and _______ of each year (the "Bond" or "Bonds"). Principal on this Bond is payable at the corporate trust office of _________________________, MICHIGAN (the "Paying Agent"), upon presentation and surrender hereof. Interest is payable by check or draft mailed to the Registered Owner at the registered address shown on the registration books of the Issuer kept by the Paying Agent as of the close of business on the 15th day of the month preceding any interest payment date. The Issuer may hereafter designate a successor paying agent/bond registrar by notice mailed to the Registered Owner not less than sixty (60) days prior to any interest payment date.

This Bond is one of a series of bonds of like date and tenor, except as to denomination, rate of interest and date of maturity, aggregating the principal amount of $___________ issued under and in pursuance of the provisions of Act 451, Public Acts of Michigan, 1976, as amended; Act 34, Public Acts of Michigan, 2001, as amended; and resolutions duly adopted by the Board of Education of the Issuer on April 13, 2020 and ________, 2020, for the purpose of refunding portions of certain prior bond issues of the Issuer.

The Issuer has pledged its full faith, credit and resources for the payment of the principal and interest on the Bonds. The Bonds of this issue are payable from ad valorem taxes, which may be levied without limitation as to rate or amount as provided by Article IX, Section 6 and Article IX, Section 16 of the Michigan Constitution of 1963.

OPTIONAL REDEMPTION

The Bonds or portions of Bonds maturing on or after May 1, _____, are subject to redemption prior to maturity at the option of the Issuer in multiples of $5,000 in such order as the

Issuer may determine, by lot within any maturity, on any date occurring on or after May 1, _____, at par and accrued interest to the date fixed for redemption.

MANDATORY REDEMPTION

The Bonds maturing on May 1, _____, are term Bonds subject to mandatory redemption, in part, by lot, on the redemption dates and in the principal amounts set forth below and at a redemption price equal to the principal amount thereof, without premium, together with accrued interest to the date fixed for redemption. When term Bonds are purchased by the Issuer and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the Issuer.

Redemption Dates	Principal Amounts
May 1, _____	$
May 1, _____	
May 1, _____	
May 1, _____ (maturity)	

Notice of redemption of any Bond shall be given not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption by mail to the Registered Owner at the registered address shown on the registration books kept by the Paying Agent. Bonds shall be called for redemption in multiples of $5,000, and Bonds of denominations of more than $5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by $5,000, and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner thereof. No further interest payment on the Bonds or portions of Bonds called for redemption shall accrue after the date fixed for redemption, whether presented for redemption, provided funds are on hand with the Paying Agent to redeem the same.

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity, unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the Issuer. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

This Bond is registered as to principal and interest and is transferable as provided in the resolutions authorizing the Bonds only upon the books of the Issuer kept for that purpose by the Paying Agent, by the Registered Owner hereof in person or by an agent of the Registered Owner duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the Registered Owner or agent thereof and thereupon a new Bond or Bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolutions authorizing the Bonds, and upon payment of the charges, if any, therein provided. The Bonds are issuable in denominations of $5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

It is hereby certified and recited that all acts, conditions and things required to be done, to happen, and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed in due time, form and manner, as required by law.

This Bond shall not be deemed a valid and binding obligation of the Issuer in the absence of authentication by manual execution hereof by the authorized signatory of the Paying Agent.

IN WITNESS WHEREOF, Hartland Consolidated Schools, County of Livingston, State of Michigan, by its Board of Education, has caused this Bond to be signed in the name of the Issuer by the manual or facsimile signature of its President and countersigned by the manual or facsimile signature of its Secretary as of ______________, 2020, and to be manually signed by the authorized signatory of the Paying Agent as of the date set forth below.

HARTLAND CONSOLIDATED SCHOOLS
COUNTY OF LIVINGSTON
STATE OF MICHIGAN

Countersigned

By________________________________ Secretary

By________________________________ President

CERTIFICATE OF AUTHENTICATION

Dated:

This Bond is one of the Bonds described herein.

(Name of Bank)
(City, State)
PAYING AGENT

By
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ___________ ____ the within Bond and does hereby irrevocably constitute and appoint ____ attorney to transfer the Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____________ ____

____

NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular without alteration or any change whatever.

Signature Guaranteed:

____

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

The Paying Agent will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: ____

____

____

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

PLEASE INSERT SOCIAL SECURITY NUMBER OR
OTHER IDENTIFYING NUMBER OF ASSIGNEE

(if held by joint account, insert number
for first named transferee)

EXHIBIT B

FORM OF
CONTINUING DISCLOSURE AGREEMENT

$__________
HARTLAND CONSOLIDATED SCHOOLS
COUNTY OF LIVINGSTON
STATE OF MICHIGAN
2020 REFUNDING BONDS
(GENERAL OBLIGATION - UNLIMITED TAX)
(FEDERALLY TAXABLE)

This Continuing Disclosure Agreement (the "Agreement") is executed and delivered by Hartland Consolidated Schools, County of Livingston, State of Michigan (the "Issuer"), in connection with the issuance of its $__________ 2020 Refunding Bonds (General Obligation - Unlimited Tax) (Federally Taxable) (the "Bonds"). The Bonds are being issued pursuant to resolutions adopted by the Board of Education of the Issuer on April 13, 2020 and __________________, 2020 (together, the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Agreement is being executed and delivered by the Issuer for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with the Rule. The Issuer acknowledges that this Agreement does not address the scope of any application of Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act to the Annual Reports or notices of the Listed Events provided or required to be provided by the Issuer pursuant to this Agreement.

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Agreement.

"Bondholder" means the registered owner of a Bond or any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

"Dissemination Agent" means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent's successors and assigns.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access which provides continuing disclosure services for the receipt and public availability of continuing disclosure documents and related information required by Rule 15c2-12 promulgated by the SEC.

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of (a) or (b) provided; however, that a "Financial Obligation" shall not include any municipal security for which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended.

"Official Statement" shall mean the final Official Statement for the Bonds dated __________, 2020.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Resolution" shall mean the resolutions duly adopted by the Issuer authorizing the issuance, sale and delivery of the Bonds.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the State of Michigan.

SECTION 3. Provision of Annual Reports.

(a) Each year, the Issuer shall provide, or shall cause the Dissemination Agent to provide, on or prior to the end of the sixth month after the end of the fiscal year of the Issuer commencing with the fiscal year ending June 30, 2020, to EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Agreement. Currently, the Issuer's fiscal year ends on June 30. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Issuer are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the financial statements contained in the Official Statement shall be included in the Annual Report.

(b) The Annual Report shall be submitted to EMMA either through a web-based electronic submission interface or through electronic computer-to-computer data connections with EMMA in accordance with the submission process, document format and configuration requirements established by the MSRB. The Annual Report shall also include all related information required by MSRB to accurately identify: (i) the category of information being provided; (ii) the period covered by the Annual Report; (iii) the issues or specific securities to which the Annual Report is related (including CUSIP number, Issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any obligated person other than the Issuer; (v) the name and date of the document; and (vi) contact information for the Dissemination Agent or the Issuer's submitter.

(c) If the Issuer is unable to provide to EMMA an Annual Report by the date required in subsection (a), the Issuer shall send a notice in a timely manner to the MSRB in substantially the form attached as Appendix A.

(d) If the Issuer's fiscal year changes, the Issuer shall send a notice of such change to the MSRB in substantially the form attached as Appendix B. If such change will result in the Issuer's fiscal year ending on a date later than the ending date prior to such change, the Issuer shall provide notice of such change to the MSRB on or prior to the deadline for filing the Annual Report in effect when the Issuer operated under its prior fiscal year. Such notice may be provided to the MSRB along with the Annual Report, provided that it is filed at or prior to the deadline described above.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

(a) audited financial statements of the Issuer prepared pursuant to State laws, administrative rules and guidelines and pursuant to accounting and reporting policies conforming in all material respects to generally accepted accounting principles as applicable to governmental units as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Government Accounting Standards Board and in effect from time to time; and

(b) additional annual financial information and operating data as set forth in the Official Statement under "CONTINUING DISCLOSURE".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which previously have been provided to each of the Repositories or filed with the SEC. If the document included by specific reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer covenants to provide, or cause to be provided, notice in a timely manner not in excess of ten business days of the occurrence of any of the following events with respect to the Bonds in accordance with the Rule:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with

respect to the tax status of the security, or other material events affecting the tax status of the security;

(7) modifications to rights of security holders, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a Financial Obligation of the Issuer or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or other obligated person, any of which affect security holders, if material;

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer or other obligated person, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall as soon as possible determine if such event would constitute material information for the Bondholders, provided, that any event other than those listed under Section 5(a)(1), (3), (4), (5), (9), (11) (only with respect to any change in any rating on the Bonds), (12) or (16) above will always be deemed to be material. Events listed under Section 5(a)(6) and (8) above will always be deemed to be material except with respect to that portion of those events which must be determined to be material.

(c) The Issuer shall promptly cause a notice of the occurrence of a Listed Event, determined to be material in accordance with the Rule, to be electronically filed with EMMA, together with a significant event notice cover sheet substantially in the form attached as Appendix C. In connection with providing a notice of the occurrence of a Listed Event described in Section 5(a)(9) above, the Issuer shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The Issuer acknowledges that the "rating changes" referred to above in Section 5(a)(11) of this Agreement may include, without limitation, any change in any rating on the Bonds or other indebtedness for which the Issuer is liable, or on any indebtedness for which the State is liable.

(e) The Issuer acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the Issuer does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. Termination of Reporting Obligation.

(a) The Issuer's obligations under this Agreement shall terminate upon the legal defeasance of the Resolution or the prior redemption or payment in full of all of the Bonds.

(b) This Agreement, or any provision hereof, shall be null and void in the event that the Issuer (i) receives an opinion of nationally recognized bond counsel, addressed to the Issuer, to the effect that those portions of the Rule, which require such provisions of this Agreement, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect to the MSRB.

SECTION 7. Dissemination Agent. The Issuer, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment. Notwithstanding any other provision of this Agreement, this Agreement may be amended, and any provision of this Agreement may be waived to the effect that:

(a) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the Issuer, or the types of business in which the Issuer is engaged;

(b) this Agreement as so amended or taking into account such waiver, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, in the opinion of independent legal counsel; and

(c) such amendment or waiver does not materially impair the interests of the Bondholders, in the opinion of independent legal counsel.

If the amendment or waiver results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Agreement, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. If the amendment or waiver involves a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared based on the new accounting principles and those prepared based on the former accounting principles. The comparison should include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison should also be quantitative. A notice of the change in the accounting principles should be sent by the Issuer to the MSRB. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

SECTION 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Agreement, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Resolution or the Bonds, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement.

SECTION 12. Beneficiaries. This Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the Bondholders and shall create no rights in any other person or entity.

SECTION 13. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State. Notwithstanding the foregoing, to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed and interpreted in accordance with such federal securities laws and official interpretations thereof.

HARTLAND CONSOLIDATED SCHOOLS
COUNTY OF LIVINGSTON
STATE OF MICHIGAN

By:
Its: Superintendent

Dated: ___________, 2020

APPENDIX A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Hartland Consolidated Schools, Livingston County, Michigan

Name of Bond Issue: 2020 Refunding Bonds (General Obligation Unlimited Tax) (Federally Taxable)

Date of Bonds: ________________, 2020

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Continuing Disclosure Agreement with respect to the Bonds. The Issuer anticipates that the Annual Report will be filed by _____________.

HARTLAND CONSOLIDATED SCHOOLS
COUNTY OF LIVINGSTON
STATE OF MICHIGAN

By:
Its: Superintendent

Dated:

APPENDIX B

NOTICE TO THE MSRB OF CHANGE IN ISSUER'S FISCAL YEAR

Name of Issuer: Hartland Consolidated Schools, Livingston County, Michigan

Name of Bond Issue: 2020 Refunding Bonds (General Obligation Unlimited Tax) (Federally Taxable)

Date of Bonds: ________________, 2020

NOTICE IS HEREBY GIVEN that the Issuer's fiscal year has changed. Previously, the Issuer's fiscal year ended on ______________. It now ends on _________________.

HARTLAND CONSOLIDATED SCHOOLS
COUNTY OF LIVINGSTON
STATE OF MICHIGAN

By:
Its: Superintendent

Dated: _______________________

THRUN LAW FIRM, P.C.

APPENDIX C

SIGNIFICANT EVENT NOTICE COVER SHEET

This cover sheet and significant event notice should be provided in an electronic format to the Municipal Securities Rulemaking Board pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or other Obligated Person's Name: ______________________________

Issuer's Six-Digit CUSIP Number(s): ______________________________

or Nine-Digit CUSIP Number(s) to which this significant event notice relates: ______________________________

Number of pages of attached significant event notice: ______________________________

Description of Significant Events Notice (Check One):

1. _____ Principal and interest payment delinquencies
2. _____ Non-payment related defaults
3. _____ Unscheduled draws on debt service reserves reflecting financial difficulties
4. _____ Unscheduled draws on credit enhancements reflecting financial difficulties
5. _____ Substitution of credit or liquidity providers, or their failure to perform
6. _____ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. _____ Modifications to rights of security holders
8. _____ Bond calls
9. _____ Tender offers
10. _____ Defeasances
11. _____ Release, substitution, or sale of property securing repayment of the securities
12. _____ Rating changes
13. _____ Bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person
14. _____ The consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms
15. _____ Appointment of a successor or additional trustee or the change of name of a trustee
16. _____ Incurrence of a financial obligation of the Issuer or other obligated person
17. _____ Agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation that affect security holders
18. _____ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer or other obligated person that reflect financial difficulties
19. _____ Other significant event notice (specify) ______________________________

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: ______________________________

Name: ______________________________ Title: ______________________________

Employer: ______________________________

Address: ______________________________

City, State, Zip Code: ______________________________

Voice Telephone Number: (__________)______________________________

The MSRB Gateway is www.msrb.org or through the EMMA portal at emma.msrb.org/submission/Submission_Portal.aspx. Contact the MSRB at (703) 797-6600 with questions regarding this form or the dissemination of this notice. The cover sheet and notice may also be faxed to the MAC at (313) 963-0943.

EXHIBIT C

Reset Form

Michigan Department of Treasury
3451 (Rev. 09-16)

Application No. SBL

Application for Final Qualification of Bonds
for Participation in the Michigan School Bond Qualification and Loan Program

Issued under authority of Public Act 92 of 2005, as amended.

Legal Name of School District	District Code Number	Telephone Number	
Hartland Consolidated Schools	47060	(810) 626-2100	
Address	**City**	**County**	**ZIP Code**
9525 E. Highland Rd.	Howell	Livingston	48843-9098
Name of Person Responsible for Preparation of this Application		**Title**	
Chuck Hughes		Superintendent	

CERTIFICATION

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a

☐ regular **or** ☐ special meeting held on the 13 day of April , 2020 ,

and that the meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

Name of Secretary (Print or Type)	Signature of Secretary	Date
Michelle Hemeyer		

PARTICIPANTS

Secretary, Board of Education	Superintendent of Schools
Michelle Hemeyer	Alena Zachery-Ross
Treasurer, Board of Education	**Architectural Firm**
Bill Gatewood	Not Applicable
Bond Counsel	**Construction Manager**
Thrun Law Firm, P.C.	Not Applicable
Financial Advisor	**Paying Agent**
PFM Financial Advisors LLC	U.S. Bank National Association
Senior Underwriter	
Raymond James & Associates, Inc.	

SALE TYPE

☐ Competitive Bid ☒ Negotiated Sale

RESOLUTION

A meeting was called to order by ____________________, President.

Present: Members ____

Absent: Member ____

The following preamble and resolution were offered by Member ________________________ and supported

by Member ____.

BACKGROUND

1. Act 92 of the Public Acts of Michigan, 2005, as amended, ("Act 92") enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for the final qualification of bonds for participation in the School Bond Qualification and Loan Program.

2. This district has taken all necessary actions to comply with all legal and procedural requirements for final qualification of this bond issue.

ACTION OF THE BOARD

1. The district hereby applies for final qualification of bonds by the State Treasurer for the purpose of:

   ☐ Financing the school construction **and/or**

   ☒ Refinancing existing debt as described in this application.

2. The bonds of the district qualified by the State Treasurer will conform to all the requirements of law pertaining generally to school bonds and specifically to school bonds qualified under Section 16, Article IX of the 1963 Michigan Constitution, Act 92, and Act 112, Public Acts of 1961, as amended.

3. Any moneys obtained through the sale of the qualified bonds of the district as herein proposed will be used only for the purpose of:

   ☐ Financing the projects described in the application including such limited changes allowed by statute, that have been submitted to the State Treasurer for preliminary qualification of bonds numbered SBL____________________________ **/and/ or**

   ☒ Refinancing existing qualified debt and for no other purpose unless such change of purpose is permitted by law and has the prior approval of the State Treasurer.

4. The district agrees to annually certify and levy its debt millage tax by filing an Annual Loan Activity Statement in accordance with the requirements of Act 92 and to determine the amounts, if any, to be borrowed from or repaid to the School Loan Revolving Fund ("SLRF"). The district agrees to deposit proceeds of debt millage upon receipt into an account established solely for debt service with the appointed banking institution as defined in Section 9. The district agrees to comply with the provisions of Act 92 governing the periodic recalculation of its millage, the adjustment of its millage levy when necessary, and the repayment of funds to the SLRF, where applicable.

5. The district agrees to enter into a loan agreement and file all necessary applications for qualified loans from the SLRF along with all supporting information for repayment to the SLRF within statutory application dates and in accordance with forms and procedures as prescribed by the State Treasurer. The (insert title of authorized school district official(s)) Superintendent are/is authorized and directed to execute and deliver the loan agreement and any other documents that may be required by the loan agreement on behalf of the district. The district covenants to comply with the terms of any applicable qualified loan agreement it is now or may be a party to, including the provisions related to its millage levy.

6. The district agrees to take actions and refrain from taking actions as necessary to maintain the tax-exempt status of tax-exempt debt issued by the State of Michigan or the Michigan Finance Authority for the purpose of financing the School Bond Loan Fund or the School Loan Revolving Fund as defined in P.A. 227 of 1985, as amended.

7. The district agrees that if these bonds are issued as tax exempt bonds, it will use the proceeds of these bonds only for the purposes that are allowed for tax exempt bonds and that none of such proceeds will be used for more than the first advance refunding of any original bond issued after 1985, nor more than the second advance refunding of any original bond issued before 1986, and the district further agrees that proceeds of bonds issued as Qualified Zone Academy Bonds, Qualified School Construction Bonds, Build America Bonds or Recovery Zone Economic Development Bonds[will only be used for the purposes that are allowed for such bonds.

8. The district agrees to use any funds borrowed from the SLRF only for the payment of principal and interest on qualified bonds that is immediately payable to bondholders and not to fund escrow or sinking funds.

BOND DETAIL

1. PURPOSE: Specify the purpose of bond issue exactly as stated on the ballot and as it is to be cited in the Order Qualifying Bonds (or attach an official copy).

   The Bonds are being issued for the purpose of refunding that portion of the District's 2011 Refunding Bonds, Series B dated September 15, 2011 which are due and payable May 1 in the years 2022 through and including 2029 and that portion the 2016 Refunding Bonds dated May 3, 2016 which are due and payable May 1 in the years 2027 through and including 2035.

2. ELECTION DATA:
   a. Date of election: ____________________
   b. Attach a copy of the Certified Official Canvass of Election (if not already on file).

3. FINAL MATURITY SCHEDULE:
   a. Total amount of this issue .... $ ____________
   b. Due date annually for principal payments: May 1st
   c. Due date semi-annually for interest payments: May 1st/Nov 1st
   d. Attach a copy of the bond amortization and millage impact schedules.

4. DEBT AMOUNTS:
   a. Amount of this bond issue .... $ ____________
   b. Total amount of bonded debt prior to this issue .... $ 139,650,000
   c. Total amount of bonds being refunded .... $ ____________
   d. Total amount of proposed and existing debt (4a + b - c) .... $ 139,650,000

5. PROPERTY VALUATION: Taxable valuation as of this date .... $ 1,352,988,337

6. CHANGES IN FINANCIAL STRUCTURE: Specify any changes in financial structure since Preliminary Qualification or original Order Qualifying Bonds was approved:

   Not applicable

7. Bond Type(s) (Check all that apply):
   - ☒ Fixed Rate
   - ☐ Variable Rate
   - ☐ Tax Exempt
   - ☒ Taxable
   - ☐ Qualified Zone Academy Bond

THRUN LAW FIRM, P.C.