

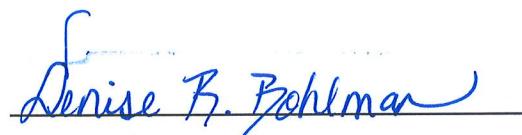
CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 25-11280, entitled: "RESOLUTION RELATING TO \$20,850,000 TAX INCREMENT URBAN RENEWAL REVENUE BONDS (SOUTH BILLINGS BOULEVARD URBAN RENEWAL DISTRICT), TAXABLE SERIES 2025; AUTHORIZING THE SALE AND PRESCRIBING THE FORMS AND TERMS THEREOF AND THE SECURITY THEREFOR; AND MAKING CERTAIN AMENDMENTS TO RESOLUTION NO. 15-10452" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a regular meeting on July 14, 2025, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council members voted in favor thereof: Gulick, Neese, Owen, Joy, Kennedy, Aspenlieder, Tidswell, Boyett, Rupsis and Mayor Cole; voted against the same: N/A ; abstained from voting thereon: N/A ; or were absent: Shaw .

WITNESS my hand officially this 14th day of July, 2025.

(SEAL)



City Clerk

RESOLUTION NO. 25-11280

**RESOLUTION RELATING TO \$20,850,000 TAX
INCREMENT URBAN RENEWAL REVENUE BONDS
(SOUTH BILLINGS BOULEVARD URBAN RENEWAL
DISTRICT), TAXABLE SERIES 2025; AUTHORIZING THE
SALE AND PRESCRIBING THE FORMS AND TERMS
THEREOF AND THE SECURITY THEREFOR; AND
MAKING CERTAIN AMENDMENTS TO RESOLUTION NO.**

15-10452

BE IT RESOLVED by the City Council (the “Council”) of the City of Billings, Montana (the “City”), as follows:

Section 1. Authorizations and Findings.

1.01. Recitals; Prior City Actions. Under Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “Act”), the City is authorized to create urban renewal areas, prepare and adopt an urban renewal plan therefor and amendments thereto, undertake urban renewal projects therein, provide for the segregation and collection of tax increment with respect to property taxes collected in such areas, issue its bonds to pay the costs of such projects and to refund bonds previously issued under the Act and pledge to the repayment of the bonds the tax increment and other revenues derived from projects undertaken within the urban renewal area.

Pursuant to the Act and Ordinance No. 07-5441, adopted by the Council on December 10, 2007, as amended by Ordinance Nos. 08-5462, 08-5484, and 19-5725, adopted by the Council on May 12, 2008, December 8, 2008, and July 22, 2019, respectively, the City created its South Billings Boulevard Urban Renewal District and approved and amended the South Billings Boulevard Urban Renewal Plan (the “Plan”), which contains a tax increment financing provision. By Ordinance No. 21-5765, adopted by the Council on July 26, 2021, the City expanded the boundaries of its South Billings Boulevard Urban Renewal District (as so expanded, the “District”).

Pursuant to the Act and Resolution No. 15-10452 adopted by the Council on May 11, 2015 (the “Original Resolution”), as amended and supplemented by Resolution Nos. 16-10567 and 22-11081, adopted by the Council on June 27, 2016 and November 14, 2022, respectively (the Original Resolution, as so amended and supplemented and as further amended and supplemented by this resolution, the “Resolution”), the City issued its Tax Increment Urban Renewal Revenue Refunding Bonds (South Billings Boulevard Urban Renewal District), Series 2015, in the aggregate principal amount of \$5,170,000 (the “Series 2015 Bonds”), its Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Series 2016, in the aggregate principal amount of \$4,935,000 (the “Series 2016 Bonds”), and its Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Series 2022, in the aggregate principal amount of \$3,000,000 (the “Series 2022 Bonds”). The Series 2015 Bonds, the Series 2016 Bonds, and the Series 2022 Bonds are payable from Tax

Increment. Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Original Resolution.

The City proposes to undertake the design, engineering, and construction of a multi-use recreation center and related improvements, including parking and site pads for an adjacent hockey rink and additional recreation facilities (collectively, the "2025 Project"). The 2025 Project has been authorized as an urban renewal project pursuant to the Act and the Plan, and as set forth in the Plan the City declared its intention to use Tax Increment to finance such improvements.

1.02. Authorization and Sale of Series 2025 Bonds. Pursuant to Resolution No. 25-11264 adopted April 14, 2025 (the "Parameters Resolution"), this Council determined that it is in the best interests of the City to issue its Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Taxable Series 2025 (the "Series 2025 Bonds"), as authorized by Section 7-15-4301(1)(a) of the Act and the Resolution, for the purpose of financing costs of the 2025 Project, paying the premium for a municipal bond insurance policy and a debt service reserve account insurance policy for the Series 2025 Bonds and paying costs of issuance of the Series 2025 Bonds. The City has reserved the right under Sections 4.01 and 4.02 of the Original Resolution to issue Additional Bonds for the purpose of providing funds to pay the costs of one or more Projects, which Additional Bonds shall be payable and secured equally and ratably and on a parity with Outstanding Bonds, upon compliance with the provisions of Section 4.01 and 4.02 of the Original Resolution.

Pursuant to the Parameters Resolution, this Council authorized the negotiated sale of the Series 2025 Bonds to D.A. Davidson & Co., Great Falls, Montana (the "Original Purchaser") and authorized the City Administrator and the City Finance Director to enter into the Bond Purchase Agreement, dated as of July 1, 2025 with the Original Purchaser (the "Bond Purchase Agreement"), pursuant to which the Original Purchaser agreed to purchase the Series 2025 Bonds at the aggregate purchase price of \$20,688,412.50 (representing the par amount of the Series 2025 Bonds, less underwriter's compensation of \$161,587.50), subject to the terms and conditions of the Bond Purchase Agreement and the Resolution. The true interest cost of the Series 2025 Bonds is 5.7832844%. The sale of the Series 2025 Bonds to the Original Purchaser is hereby ratified and confirmed.

1.03. Application of Series 2025 Bond Proceeds. Proceeds of the Series 2025 Bonds will be applied as follows:

Deposit to Construction Account	\$20,201,803.88
Underwriter's Discount	161,587.50
Premium for Bond Insurance and Reserve Policy	486,608.62*
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Total	\$20,850,000.00

*Remaining costs of the premium for the Reserve Policy will be paid from cash on hand in the Reserve Account allocated to the Series 2015 Bonds and Series 2016 Bonds, as further described in Section 2.11.

1.04. Estimate of Tax Increment. As set forth on the aggregate debt service schedule attached hereto as Exhibit A, the maximum Principal and Interest Requirements on the Series 2015 Bonds, the Series 2016 Bonds, the Series 2022 Bonds, and the Series 2025 Bonds are equal to \$2,596,243.84. There are no other bonds or other obligations of the City payable from Tax Increment, other than the Grant Commitments described below.

In fiscal year 2024, the City received Tax Increment in the amount of \$4,853,428. However, based on legislation enacted during the 2025 State legislative session, the City expects that the taxable value and Tax Increment of the District will be reduced. Based on information provided by the Montana Department of Revenue, the City currently estimates that Tax Increment to be received in fiscal year 2026 will be \$4,467,852 and that Tax Increment to be received in fiscal year 2027 will be \$4,391,213. Accordingly, the Tax Increment estimated to be received each year by the City will be sufficient to pay the maximum aggregate Principal and Interest Requirements on the Series 2015 Bonds, the Series 2016 Bonds, the Series 2022 Bonds, and the Series 2025 Bonds, and the Grant Commitments described below. In addition, the Tax Increment received by the City in fiscal year 2024 was equal to at least 130% of the maximum aggregate Principal and Interest Requirements for any future calendar year with respect to the Series 2015 Bonds, the Series 2016 Bonds, the Series 2022 Bonds, and the Series 2025 Bonds, and the Tax Increment estimated to be received by the City in the next succeeding three fiscal years, adjusted as provided in the Original Resolution, is equal to at least 140% of the maximum aggregate Principal and Interest Requirements for any future calendar year with respect to the Series 2015 Bonds, Series 2016 Bonds, the Series 2022 Bonds, and the Series 2025 Bonds.

The City has approved entering into development agreements with various developers, pursuant to which the City anticipates making grant payments (the "Grant Commitments") to such developers with respect to certain eligible infrastructure expenses in the aggregate amount of approximately \$1,628,012 in Fiscal Year 2026, subject to the satisfaction of certain conditions precedent. The Grant Commitments are Subordinate Obligations, payable from Tax Increment on a subordinate basis to the Series 2015 Bonds, Series 2016 Bonds, the Series 2022 Bonds, and Series 2025 Bonds.

1.05. Bond Insurance; Reserve Policy. The City has determined to obtain bond insurance from Assured Guaranty Inc. ("AG") for the Series 2025 Bonds. In consideration for AG's agreement to insure the Series 2025 Bonds, the City hereby agrees to the provisions set forth in Exhibit D hereto, which are hereby incorporated herein and amend and supplement the Resolution.

In addition, in connection with the issuance of the Series 2025 Bonds, the City is required under the Original Resolution to cause the Reserve Account balance to be increased to an amount equal to the Reserve Requirement, taking into account the issuance of the Series 2025 Bonds. The City has determined to satisfy the Reserve Requirement with respect to the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds by purchasing a debt service reserve account insurance policy (as further defined herein, the "Reserve Policy") from AG. In consideration for AG's agreement to

issue the Reserve Policy, the City hereby agrees to the provisions set forth in Exhibit E hereto, which are hereby incorporated herein and amend and supplement the Resolution.

The Mayor and City Finance Director are hereby authorized and directed to approve, execute and deliver to AG such documentation and to take such further actions as may be necessary for the issuance of the insurance policy for the Series 2025 Bonds and the Reserve Policy.

1.06. Findings and Determinations. It is hereby found, determined and declared by this Council as follows:

- (a) no persons will be displaced from their housing by the 2025 Project;
- (b) the Plan and the 2025 Project conform to the comprehensive plan or parts thereof of the City as a whole;
- (c) the Plan and the 2025 Project will afford maximum opportunity, consistent with the needs of the City as a whole, for the rehabilitation or redevelopment in the District by private enterprise;
- (d) a sound and adequate financial program exists for the financing of the 2025 Project, which program includes the City's use of the proceeds of the Series 2025 Bonds;
- (e) the 2025 Project is in the best interests of the City;
- (f) the 2025 Project is authorized under the Plan and constitutes an urban renewal project within the meaning of the Act;
- (g) the estimated Tax Increment to be received by the City, as set forth in Section 1.04, and pledged to the payment of the Series 2025 Bonds and other Outstanding Bonds will be sufficient to pay the Principal and Interest Requirements thereon when due;
- (h) it is in the best interests of the City to issue and sell the Series 2025 Bonds to finance the costs of the 2025 Project; and
- (i) the findings and determinations made by this Council in the Ordinance are hereby ratified and confirmed.

All acts, conditions and things required by the Constitution and laws of the State, including the Act, in order to pledge the Tax Increment to the payment of the Series 2025 Bonds, to make the Series 2025 Bonds valid and binding special, limited obligations of the City in accordance with their terms and in accordance with the terms of the Resolution have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

Section 2. Bond Terms, Execution and Delivery.

2.01. Term of Series 2025 Bonds. The Series 2025 Bonds shall be designated "Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Taxable Series 2025." The Series 2025 Bonds shall be in denominations of \$5,000 or any integral multiple thereof of single maturities. The Series 2025 Bonds shall mature, subject to redemption as hereinafter provided, on July 1 in the years and amounts listed below, and the Series 2025 Bonds maturing in such years and amounts shall bear interest from the date of original issue until paid or duly called for redemption (including mandatory sinking fund redemption as to the term bonds maturing in 2037, 2040, 2043 and 2046) at the rates shown opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2026	\$ 645,000	4.520%
2027	600,000	4.470
2028	630,000	4.542
2029	655,000	4.689
2030	690,000	4.739
2031	720,000	4.883
2032	755,000	4.983
2033	795,000	5.118
2034	835,000	5.248
2037*	2,775,000	5.548
2040*	3,275,000	5.748
2043*	3,875,000	5.845
2046*	4,600,000	5.975

*Term Bonds subject to mandatory sinking fund redemption as set forth in Section 2.07 below.

Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

2.02. Registered Form, Interest Payment Dates. The Series 2025 Bonds shall be issuable only in fully registered form, and the ownership of the Series 2025 Bonds shall be transferred only upon the Bond Register. The interest on the Series 2025 Bonds shall be payable on January 1 and July 1 in each year, commencing January 1, 2026. Interest on the Series 2025 Bonds shall be payable to the Owners thereof as of the close of business on the 15th day of the month immediately preceding each Interest Payment Date, whether or not such day is a Business Day. Interest on, and upon presentation and surrender thereof, the principal of each Series 2025 Bond shall be payable by check or draft issued by the Registrar described herein.

2.03. Dated Date. Each Series 2025 Bond shall be dated, as originally issued, as of July 24, 2025, and upon authentication of any Series 2025 Bond, the Registrar shall indicate thereon the date of such authentication.

2.04. Registration. The City shall appoint, and shall maintain, a bond registrar, transfer agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Bond Register. The Registrar shall keep at its designated corporate trust office a Bond Register in which the Registrar shall provide for the registration of ownership of Series 2025 Bonds and the registration of transfers and exchanges of Series 2025 Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Series 2025 Bonds. Upon surrender to the Registrar for transfer of any Series 2025 Bond duly endorsed by the Owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the Owner thereof or by an attorney duly authorized by the Owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2025 Bonds of the same series and a like aggregate principal amount, interest rate and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of transfer of any Series 2025 Bond or portion thereof selected or called for redemption.

(c) Exchange of Series 2025 Bonds. Whenever any Series 2025 Bond is surrendered by the Owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2025 Bonds of the same series and a like aggregate principal amount, interest rate and maturity, as requested by the Owner or the Owner's attorney in writing.

(d) Cancellation. All Series 2025 Bonds surrendered upon any transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Series 2025 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Series 2025 Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the Person in whose name any Series 2025 Bond is at any time registered in the Bond Register as the absolute owner of such Series 2025 Bond, whether such Series 2025 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Series

2025 Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon such Series 2025 Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Series 2025 Bonds (except for an exchange upon the partial redemption of a Series 2025 Bond), the Registrar may impose a charge upon the Owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Series 2025 Bonds. In case any Series 2025 Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Series 2025 Bond of the same series and a like aggregate principal amount, interest rate and maturity in exchange and substitution for and upon cancellation of any such mutilated Series 2025 Bond or in lieu of and in substitution for any such Series 2025 Bond lost, stolen or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Series 2025 Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Series 2025 Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Series 2025 Bonds so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Series 2025 Bond has already matured or such Series 2025 Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Series 2025 Bond prior to payment.

2.05. Appointment of Initial Registrar. The City hereby appoints U.S. Bank Trust Company, National Association, of Salt Lake City, Utah, to act as the Registrar. The City reserves the right to appoint a successor Registrar, as authorized by the Model Public Obligations Registration Act of Montana, Montana Code Annotated, Title 17, Chapter 5, Part 11, as amended, but the City agrees to pay the reasonable and customary charges of the Registrar for the services performed. Upon merger or consolidation of a bank or trust company that is acting as the Registrar, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The City reserves the right to remove any Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Series 2025 Bonds in its possession as Registrar to the successor Registrar and shall deliver the Bond Register to the successor Registrar.

2.06. Optional Redemption. The Series 2025 Bonds with Stated Maturities in the years 2026 through 2034 are not subject to redemption prior to their Stated Maturities. The Series 2025 Bonds with Stated Maturities on or after July 1, 2037 are subject to redemption on July 1, 2035 and any date thereafter, at the option of the City, in whole or

in part, and if in part from such Stated Maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner as directed by the City), at a Redemption Price equal to the principal amount thereof and interest accrued to the Redemption Date, without premium.

The Redemption Date and the principal amount of the Series 2025 Bonds to be redeemed shall be fixed by the City Finance Director who shall give notice thereof to the Registrar at least 35 days prior to the Redemption Date or such lesser period as the Registrar accepts. The Registrar, at least 30 days prior to the designated Redemption Date, shall cause notice of redemption to be mailed, by first class mail, or by other means required by the securities depository, to the Owners of each Series 2025 Bond to be redeemed at their addresses as they appear on the Bond Register, but no defect in or failure to give such notice shall affect the validity of proceedings for the redemption of any Series 2025 Bond not affected by such defect or failure. The notice of redemption shall specify the Redemption Date, Redemption Price, the numbers, interest rates, CUSIP numbers and Stated Maturities of the Series 2025 Bonds or portions thereof to be redeemed and the place at which the Series 2025 Bonds are to be surrendered for payment, which is the designated corporate trust office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2025 Bonds or portions thereof so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and from and after such date (unless the City shall default in the payment of the Redemption Price) such Series 2025 Bonds or portions thereof shall cease to bear interest.

Any notice of optional redemption of Series 2025 Bonds may state that redemption is conditioned upon the receipt by the Registrar on or prior to the date fixed for such redemption of money sufficient to pay the redemption price of the Series 2025 Bonds to be redeemed or upon the satisfaction of any other condition stated in the notice, and that if such money is not so received or such condition not so satisfied, such notice shall be of no force and effect, and the City shall not be required to redeem such Series 2025 Bonds. In the event that a notice of redemption contains such a condition and such money is not so received or such condition is not so satisfied, the redemption will not be made and the Registrar will, within a reasonable time thereafter, give notice in the manner in which the notice of redemption was given, that such money was not so received or such condition not so satisfied and that such redemption was not made.

2.07. Mandatory Sinking Fund Redemption. The Series 2025 Bonds having Stated Maturities in 2037, 2040, 2043 and 2046 are subject to mandatory sinking fund redemption on July 1 in the respective years and the respective principal amounts set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner as directed by the City, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date:

2037 Term Bond

2040 Term Bond

July 1	Sinking Fund Payment Amount	July 1	Sinking Fund Payment Amount
2035	\$ 875,000	2038	\$ 1,030,000
2036	925,000	2039	1,090,000
2037*	975,000	2040*	1,155,000

2043 Term Bond		2046 Term Bond	
July 1	Sinking Fund Payment Amount	July 1	Sinking Fund Payment Amount
2041	\$ 1,220,000	2044	\$ 1,445,000
2042	1,290,000	2045	1,530,000
2043*	1,365,000	2046*	1,625,000

*Stated Maturity.

If the Term Bonds having Stated Maturity in 2037, 2040, 2043 and 2046 are not previously purchased by the City in the open market or prepaid, \$975,000, \$1,155,000, \$1,365,000 and \$1,625,000, respectively, in principal amount of such Term Bonds would remain to mature in 2037, 2040, 2043 and 2046, respectively. The principal amount of such Term Bonds required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of such Term Bonds theretofore redeemed at the option of the City and as to which the City has not previously applied amounts to reduce the principal amount of such Term Bonds on a Sinking Fund Payment Date.

2.08. Execution and Delivery. The Series 2025 Bonds shall be forthwith prepared for execution under the direction of the City Clerk and shall be executed on behalf of the City by the signatures of the Mayor, the City Finance Director and the City Clerk, provided that said signatures may be printed, engraved or lithographed facsimiles thereof. The seal of the City need not be imprinted on or affixed to any Series 2025 Bond. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2025 Bonds shall cease to be such officer before the delivery thereof, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the Series 2025 Bonds have been so executed by said City officers, they shall be registered by the City Finance Director. Notwithstanding such execution, no Series 2025 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under the Resolution unless and until a certificate of authentication on such Series 2025 Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2025 Bonds need not be

signed by the same representative. The executed certificate of authentication on each Series 2025 Bond shall be conclusive evidence that it has been authenticated and delivered under the Resolution. When the Series 2025 Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Original Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Original Purchaser shall not be obligated to see to the application of the purchase price.

2.09. Securities Depository for the Series 2025 Bonds.

(a) For purposes of this Section 2.09, the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Series 2025 Bond, the Person (or subrogee of the Person) recorded as the beneficial owner of such Series 2025 Bond on the records of the Participant (as hereinafter defined) in whose name DTC holds such Series 2025 Bond.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2025 Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Series 2025 Bonds as securities depository.

“Representation Letter” shall mean the Blanket Issuer Letter of Representations pursuant to which the City agrees to comply with DTC’s Operational Arrangements.

(b) The Series 2025 Bonds shall be initially issued as separately authenticated fully registered Series 2025 Bonds, and one Series 2025 Bond shall be issued in the principal amount of each Stated Maturity of the Series 2025 Bonds. Upon initial issuance, the ownership of all Series 2025 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. The Registrar and the City may treat DTC (or its nominee) as the sole and exclusive Owner of the Series 2025 Bonds registered in its name for the purposes of payment of the principal of or interest on the Series 2025 Bonds, selecting the Series 2025 Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to Owners of Series 2025 Bonds under the Resolution, registering the transfer of Series 2025 Bonds, and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Series 2025 Bonds under or through DTC or any Participant, or any other Person which is not shown on the Bond Register as being an Owner, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any

amount with respect to the principal of or interest on the Series 2025 Bonds, with respect to any notice which is permitted or required to be given to Owners under the Resolution, with respect to the selection by DTC or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2025 Bonds, or with respect to any consent given or other action taken by DTC as Owner of the Series 2025 Bonds. So long as any Series 2025 Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Series 2025 Bond, and shall give all notices with respect to such Series 2025 Bond, only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Series 2025 Bonds to the extent of the sum or sums so paid. Unless the services of DTC as securities depository with respect to the Series 2025 Bonds are terminated as provided in subsection (c) hereof, no Person other than DTC shall receive an authenticated Series 2025 Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series 2025 Bonds will be transferable to such new nominee in accordance with subsection (e) hereof.

(c) In the event the City determines to discontinue the book-entry-only system for the Series 2025 Bonds, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Series 2025 Bonds in the form of certificates. In such event, the Series 2025 Bonds will be transferable in accordance with subsection (e) hereof. DTC may determine to discontinue providing its services with respect to the Series 2025 Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Series 2025 Bonds will be transferable in accordance with subsection (e) hereof.

(d) The Representation Letter sets forth certain matters with respect to, among other things, notices, consents and approvals by Owners and Beneficial Owners and payments on the Series 2025 Bonds. The Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under the Resolution.

(e) In the event that any transfer or exchange of Series 2025 Bonds is permitted under subsection (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Series 2025 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of the Resolution. In the event Series 2025 Bonds in the form of certificates are issued to Owners other than Cede & Co., its successor as nominee for DTC as Owner of all the Series 2025 Bonds, or another securities depository as Owner of all the Series 2025 Bonds, the provisions of the Resolution shall also apply to all matters relating thereto, including, without limitation, the preparation of such Series 2025 Bonds in the

form of Series 2025 Bond certificates and the method of payment of principal of and interest on such Series 2025 Bonds in the form of Series 2025 Bond certificates.

2.10. Form of Series 2025 Bonds. The Series 2025 Bonds shall be prepared in substantially the form set forth in Exhibit B hereto and by this reference made a part hereof.

2.11. Application of Proceeds of Series 2025 Bonds. Simultaneously with the delivery of the Series 2025 Bonds, the City Finance Director shall cause the proceeds of the Series 2025 Bonds in the amount of \$20,688,412.50 (reflecting the principal amount of \$20,850,000, less underwriter's discount of \$161,587.50) to be deposited as follows:

- (a) \$415,542.36 shall be transferred to AG to pay the premium for the Policy;
- (b) \$71,066.26, together with \$12,590.53 on hand in the Reserve Account allocable to the Series 2015 Bonds and \$11,299.46 on hand in the Reserve Account allocable to the Series 2016 Bonds, shall be transferred to AG to pay the premium for the Reserve Policy; and
- (c) \$20,201,803.88 shall be deposited in the Construction Account to be used to pay costs of the 2025 Project and costs of issuance of the Series 2025 Bonds.

Upon closing of the sale of the Series 2025 Bonds (the "Closing"), the Reserve Account will be funded by the Reserve Policy with respect to the Series 2015 Bonds, Series 2016 Bonds, and Series 2025 Bonds and with cash with respect to the Series 2022 Bonds. Following the transfers from the Reserve Account described in Section 2.11(b), amounts on hand in the Reserve Account allocable to the Series 2015 Bonds and Series 2016 Bonds will be transferred to the Bond Account and applied to pay debt service on the Series 2015 Bonds and Series 2016 Bonds as it comes due. In addition, on the date of Closing, the City will transfer funds it has on hand and available therefor in the amount of \$418.74 to the Cash Subaccount within the Reserve Account (as defined hereinafter) on account of the Series 2022 Bonds.

Section 3. Continuing Disclosure. The Council hereby approves the Continuing Disclosure Undertaking of the City substantially in the form of Exhibit C attached hereto and authorizes the City Administrator and the City Finance Director, or in the absence or unavailability of either, the Assistant City Administrator, to execute and deliver on behalf of the City contemporaneously with the date of issuance and delivery of the Series 2025 Bonds the Continuing Disclosure Undertaking, with such changes as may be necessary or appropriate. The execution and delivery by appropriate officers of the City of the Continuing Disclosure Undertaking are adequate to cause the Continuing Disclosure Undertaking to be binding and enforceable on the City.

Section 4. Amendments to Original Resolution. In Section 9 of the Original Resolution, the City reserved the right to adopt Supplemental Resolutions amending the Original Resolution with the consent of the Owners of a majority in principal amount of Outstanding Bonds affected thereby. The Owners of the Series 2025 Bonds are the Owners of 68% in principal amount of Outstanding Bonds, and purchase of the Series 2025 Bonds constitutes irrevocable consent of such Owners to the amendments to the Original Resolution described in this Section 5 and the provisions of Exhibit D and Exhibit E hereto.

4.01. Amendment of Section 1.01. Section 1.01 of the Original Resolution is hereby amended to add and/or amend and restate the following definitions:

Cash Subaccount shall mean the subaccount by that name established in the Reserve Account.

Parity Insurer Reimbursement Amounts shall mean amounts becoming due and payable to a municipal bond insurer under and pursuant to a municipal bond insurance policy or a Reserve Policy with respect to a series of Bonds.

Reserve Policy shall mean a debt service reserve insurance policy or surety bond issued for the Reserve Account by an insurance company initially rated in one of the two highest rating categories by Fitch, Inc., Moody's Investors Service, Inc., or S&P Global Ratings, Inc., or any successors thereto.

Reserve Policy Subaccount shall mean the subaccount by that name established in the Reserve Account.

Reserve Requirement shall mean, as of the date of calculation, an amount equal to the maximum Principal and Interest Requirements on Outstanding Bonds for the then current or any future calendar year. The City may elect to satisfy in whole or in part the Reserve Requirement with a Reserve Policy.

4.02. Amendment of Section 4.01. Section 4.01 of the Original Resolution is hereby amended to read as follows (underlining indicates additions; strikethroughs, deletions):

“Section 4.01 General Provisions. In addition to the Series 2015 Bonds, whose issuance and delivery is provided for in Section 3, Additional Bonds may at any time and from time to time be issued, sold and delivered by the City but only upon compliance with the conditions of Sections 4.02 and 4.03, whichever may be applicable, and upon filing with the City Clerk the following:

(a) A Supplemental Resolution authorizing the issuance of such series of Additional Bonds and the sale thereof to the Original Purchaser or Purchasers named therein for the purchase price set forth therein.

(b) A certificate executed by the Mayor and the City Finance Director stating that upon the issuance of such series of Additional Bonds,

no default hereunder has occurred and is continuing which would not be cured upon the issuance of such series of Additional Bonds and application of the proceeds thereof.

(c) An opinion of Bond Counsel (who may rely on factual representations of the City and which opinion may be qualified by customary qualifications and exceptions) stating that:

(A) all conditions precedent provided for in this Resolution relating to the issuance and delivery of such series of Additional Bonds have been complied with, including any conditions precedent specified in this Section 4.01; and

(B) the series of Additional Bonds when issued and delivered by the City will be valid and binding special, limited obligations of the City in accordance with their terms and entitled to the benefits of and secured by this Resolution.

Any Additional Bonds shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate, if any, permitted by law, shall have Stated Maturities, and may be subject to redemption at such times and prices and on such terms and conditions, all as may be provided by the Supplemental Resolution authorizing their issuance. All Additional Bonds issued pursuant to Sections 4.02 and 4.03 shall be payable and secured ratably and equally and on a parity with the Series 2015 Bonds and any Additional Bonds theretofore issued, entitled to the same benefits and security of this Resolution.

To the extent Additional Bonds are insured under a municipal bond insurance policy or Reserve Policy and Parity Insurer Reimbursement Amounts are due and owing with respect thereto, such Parity Insurer Reimbursement Amounts shall be secured by Tax Increment and shall be payable on a parity with the Bonds; provided, however, that Parity Insurer Reimbursement Amounts due and owing with respect to a Reserve Policy shall be subject to the priority of the credit and payment provisions applicable to the Reserve Account and otherwise as set forth under the Resolution. Parity Insurer Reimbursement Amounts due and owing shall be taken into account for purposes of the calculations under Sections 4.01, 4.02 and 4.03. In the event Parity Insurer Reimbursement Amounts are due and owing, payment will be made payable from one or more additional accounts created within the Tax Increment Accounts for that purpose.”

4.03. Amendment of Section 5.04. Section 5.04 of the Original Resolution is hereby amended to read as follows (underlining indicates additions; strikethroughs, deletions):

“Section 5.04. Bond Account. The Bond Account is hereby established as a special account within the Tax Increment Debt Service Account. There are hereby established within the Bond Account two separate subaccounts, designated as the Interest Account and the Sinking Fund Account.

(a) Interest Account. There shall be credited to the Interest Account the following amounts: (i) any amount specified in any Supplemental Resolution to be credited to the Interest Account; and (ii) from the Tax Increment as received by the City, the amount specified in clause (a) of Section 5.02.

On or before each Interest Payment Date, the City shall withdraw from the Interest Account an amount sufficient to pay the interest coming due on the Bonds on such Interest Payment Date, and shall use such amount to pay, or make provision with the Registrar for the payment of, interest on the Bonds on such Interest Payment Date.

If on any Interest Payment Date the balance in the Interest Account is not sufficient to pay the total amount of interest due on such Interest Payment Date, the City shall allocate amounts in the Interest Account to all Outstanding Bonds on a pro rata basis. The City shall then transfer any money then on hand in the Tax Increment Development Account, the Construction Account, the applicable subaccount within the Reserve Account and/or the Sinking Fund Account, in the order listed and in an amount equal to such deficiency, to the Interest Account. Amounts in the Cash Subaccount shall be applied only to interest payment delinquencies with respect to Bonds secured by the Cash Subaccount, and amounts in the Reserve Policy Subaccount shall be applied only to interest payment delinquencies with respect to Bonds secured by the Reserve Policy Subaccount.

All income derived from the investment of amounts in the Interest Account shall be credited as received to the Interest Account.

(b) Sinking Fund Account. There shall be credited to the Sinking Fund Account the following amounts: (i) any amount specified in a Supplemental Resolution to be credited to the Sinking Fund Account; and (ii) from the Tax Increment as received by the City, the amount specified in clause (b) of Section 5.02.

Amounts on hand in the Sinking Fund Account shall be used on any Interest Payment Date to make up a deficiency in the Interest Account, if and to the extent required by the third paragraph of subsection (a) hereof.

On or before each Principal Payment Date, the City shall withdraw from the Sinking Fund Account an amount sufficient to pay the principal due on the Bonds on such Principal Payment Date, and shall use such amount to pay, or make provision with the Registrar for the payment of, principal of the Bonds on such Principal Payment Date.

If on any Principal Payment Date the balance in the Sinking Fund Account is not sufficient to pay the total amount of principal due on such Principal Payment Date, the City shall transfer any money then on hand in the Tax Increment Development Account or the applicable subaccount within the Reserve Account, in the order listed and in an amount equal to such deficiency,

to the Sinking Fund Account. Amounts in the Cash Subaccount shall be applied only to principal payment delinquencies with respect to Bonds secured by the Cash Subaccount, and amounts in the Reserve Policy Subaccount shall applied only to principal payment delinquencies with respect to Bonds secured by the Reserve Policy Subaccount.

All income derived from the investment of amounts in the Sinking Fund Account shall be credited as received to the Sinking Fund Account."

4.04. Amendment of Section 5.05. Section 5.05 of the Original Resolution is hereby amended and restated in its entirety as follows:

"Section 5.05. Reserve Account. The Reserve Account is hereby established as a special account within the Tax Increment Debt Service Account, and two subaccounts are hereby established within the Reserve Account: the Cash Subaccount and the Reserve Policy Subaccount.

(a) The Cash Subaccount shall secure the Series 2022 Bonds and any other Bonds for which the Reserve Requirement is satisfied by the deposit of bond proceeds or other funds of the City and not by a Reserve Policy. There shall be credited to the Cash Subaccount the following amounts: (i) from proceeds of the Series 2022 Bonds, on the date of their issuance, the amount necessary to meet the Reserve Requirement with respect to the Series 2022 Bonds; (ii) any amount specified in any Supplemental Resolution to be credited to the Cash Subaccount; (iii) from Tax Increment received by the City, the amount specified in clause (c) of Section 5.02, on an equal and ratable basis with any deposits required to be made to the Reserve Policy Subaccount under Section 5.05(b) and (c); and (iv) any other amounts appropriated from time to time to the Cash Subaccount.

(b) The Reserve Policy Subaccount shall secure the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds, and any other Bonds for which the Reserve Requirement is satisfied by a Reserve Policy. There shall be credited to the Reserve Policy Subaccount the following amounts: (i) with respect to the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds, on the date of issuance of the Series 2025 Bonds, a Reserve Policy in the amount necessary to meet the Reserve Requirement with respect to the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds; (ii) any amount specified in any Supplemental Resolution to be credited to the Reserve Policy Subaccount; (iii) from Tax Increment received by the City, the amount specified in clause (c) of Section 5.02, on an equal and ratable basis with any deposits required to be made to the Cash Subaccount under Section 5.05(a) and (c); and (iv) any other amounts appropriated from time to time to the Reserve Policy Subaccount.

(c) If on any Interest Payment Date or on any Principal Payment Date there shall exist, after the transfers thereto of any money then on hand in the Tax Increment Development Account and the Construction Account, as applicable, a deficiency in the Interest Account or Sinking Fund Account, the City shall transfer

from the Cash Subaccount to such account an amount equal to such deficiency with respect to all Bonds secured by the Cash Subaccount and shall transfer from the Reserve Policy Subaccount to such account an amount equal to such deficiency with respect to all Bonds secured by the Reserve Policy Subaccount, in accordance with the procedures required under the applicable Reserve Policy.

All income derived from the investment of amounts in the Reserve Account shall be credited as received to the applicable subaccount within the Reserve Account until such time as the balance in the Reserve Account is equal to the Reserve Requirement, and thereafter all such investment income as received shall be transferred to the Sinking Fund Account.

Money in the Reserve Account shall be used only to pay when due principal of, premium, if any, and interest on Outstanding Bonds when the balance on hand in the Bond Account is insufficient therefor; provided that on any date when the balance then on hand in the Bond Account allocable to a series of Bonds, plus the balance then on hand in the applicable subaccount within the Reserve Account allocable to the series of Bonds (exclusive of any Reserve Policy), is sufficient with other money available to pay or discharge all Outstanding Bonds of that series and the interest accrued thereon in full, and the balance thereafter on hand in the Reserve Account will be at least equal to the Reserve Requirement for all Outstanding Bonds not to be discharged, it may be used for that purpose.

The City shall maintain a balance in the Cash Subaccount equal to the Reserve Requirement with respect to the Bonds secured by the Cash Subaccount and a balance in the Reserve Policy Subaccount equal to the Reserve Requirement with respect to the Bonds secured by the Reserve Policy Subaccount, such that the balance in the Reserve Account is equal to the Reserve Requirement with respect to all Outstanding Bonds. Any Reserve Policy shall be valued at the amount available to be drawn thereon.

If at any time the balance in the Reserve Account exceeds the Reserve Requirement, the City shall transfer such excess to the Sinking Fund Account.

If the balance in the Reserve Account is less than the Reserve Requirement, Tax Increment transferred to the Reserve Account shall be allocated, pro rata, to the Cash Subaccount and the Reserve Policy Subaccount, in proportion to the principal amount of Bonds secured by such subaccount.

(d) At any time the Reserve Policy Subaccount contains both cash and a Reserve Policy, the cash shall be used first to pay principal and interest due on the Bonds secured by the Reserve Policy Subaccount, to the extent money in the Bond Account is insufficient therefor, before any demand is made on the Reserve Policy. In the event the Reserve Account contains more than one Reserve Policy, any draw on the Reserve Policies to pay principal and interest on the Bonds secured by the Reserve Policy Subaccount shall be made on a pro rata basis."

4.05. Effect of Amendment. The Original Resolution shall be amended and supplemented by the above provisions of Section 4 hereof and the provisions of Exhibit D and Exhibit E hereto as of the Closing, and shall continue in full force and effect as so amended and supplemented.

Section 5. Repeals and Effective Date.

5.01. Repeal. All provisions of other resolutions and other actions and proceedings of the City and this Council that are in any way inconsistent with the terms and provisions of this Resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this Resolution.

5.02. Effective Date. This Resolution shall take effect immediately upon its passage and adoption by this Council; provided that the amendments set forth in Section 4 shall take effect as of the Closing.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 14th day of July, 2025.

CITY OF BILLINGS

BY: William A. Cole
William A. Cole, Mayor

Attest: Denise R. Bohlman
Denise R. Bohlman, City Clerk



EXHIBIT A

Aggregate Debt Service Schedule

Date	Series 2015						Series 2016						Series 2022						Series 2025							
	Principal	Interest	P+I	Principal	Interest	P+I	Principal	Interest	P+I	Principal	Interest	P+I	Principal	Interest	P+I	Principal	Interest	P+I	Principal	Interest	P+I	Principal	Interest	P+I		
07/01/2026	190,000.00	149,843.76	339,843.76	180,000.00	125,587.50	305,587.50	70,000.00	152,443.76	222,443.76	645,000.00	1,075,438.66	1,720,438.66	1,503,313.68	2,588,317.68	1,503,313.68	2,588,317.68	1,503,313.68	2,588,317.68	1,503,313.68	2,588,317.68	1,503,313.68	2,588,317.68	1,503,313.68	2,588,317.68		
07/01/2027	200,000.00	142,243.76	342,243.76	185,000.00	120,187.50	305,187.50	75,000.00	148,943.76	223,943.76	600,000.00	1,119,682.56	1,719,682.56	1,531,057.58	2,591,057.58	1,531,057.58	2,591,057.58	1,531,057.58	2,591,057.58	1,531,057.58	2,591,057.58	1,531,057.58	2,591,057.58	1,531,057.58	2,591,057.58		
07/01/2028	210,000.00	134,243.76	344,243.76	195,000.00	113,943.76	308,943.76	75,000.00	145,193.76	220,193.76	630,000.00	1,092,862.56	1,722,862.56	1,110,000.00	1,486,243.84	2,596,243.84	1,541,057.58	2,591,057.58	1,541,057.58	2,591,057.58	1,541,057.58	2,591,057.58	1,541,057.58	2,591,057.58	1,541,057.58	2,591,057.58	
07/01/2029	215,000.00	125,843.76	340,843.76	200,000.00	107,362.50	307,362.50	80,000.00	141,443.76	221,443.76	655,000.00	1,064,247.96	1,719,247.96	1,150,000.00	1,438,887.98	2,588,887.98	1,551,057.58	2,591,057.58	1,551,057.58	2,591,057.58	1,551,057.58	2,591,057.58	1,551,057.58	2,591,057.58	1,551,057.58	2,591,057.58	
07/01/2030	220,000.00	117,781.26	342,781.26	205,000.00	100,612.50	305,612.50	85,000.00	137,443.76	222,443.76	690,000.00	1,033,535.00	1,723,535.00	1,205,000.00	1,389,372.52	2,594,372.52	1,561,057.58	2,591,057.58	1,561,057.58	2,591,057.58	1,561,057.58	2,591,057.58	1,561,057.58	2,591,057.58	1,561,057.58	2,591,057.58	
07/01/2031	235,000.00	108,218.76	343,218.76	215,000.00	93,693.76	308,693.76	90,000.00	133,193.76	223,193.76	720,000.00	1,000,855.90	1,720,855.90	1,260,000.00	1,335,942.18	2,595,942.18	1,571,057.58	2,591,057.58	1,571,057.58	2,591,057.58	1,571,057.58	2,591,057.58	1,571,057.58	2,591,057.58	1,571,057.58	2,591,057.58	
07/01/2032	245,000.00	98,231.26	343,231.26	220,000.00	86,437.50	306,437.50	86,437.50	100,729.76	224,729.76	95,000.00	965,678.30	1,720,678.30	1,315,000.00	1,279,040.82	2,594,040.82	1,581,057.58	2,591,057.58	1,581,057.58	2,591,057.58	1,581,057.58	2,591,057.58	1,581,057.58	2,591,057.58	1,581,057.58	2,591,057.58	
07/01/2033	255,000.00	87,818.76	342,818.76	230,000.00	78,187.50	308,187.50	95,000.00	123,587.50	218,587.50	795,000.00	928,056.66	1,723,056.66	1,375,000.00	1,217,650.42	2,592,650.42	1,592,057.58	2,591,057.58	1,592,057.58	2,591,057.58	1,592,057.58	2,591,057.58	1,592,057.58	2,591,057.58	1,592,057.58	2,591,057.58	
07/01/2034	265,000.00	76,981.26	341,981.26	235,000.00	65,562.50	304,562.50	105,000.00	118,481.26	223,481.26	835,000.00	887,388.56	1,722,368.56	1,440,000.00	1,152,393.58	2,592,393.58	1,602,057.58	2,591,057.58	1,602,057.58	2,591,057.58	1,602,057.58	2,591,057.58	1,602,057.58	2,591,057.58	1,602,057.58	2,591,057.58	
07/01/2035	275,000.00	65,071.76	340,718.76	245,000.00	60,750.00	305,750.00	110,000.00	112,837.50	222,837.50	875,000.00	843,547.76	1,718,547.76	1,505,000.00	1,082,854.02	2,587,854.02	1,612,057.58	2,591,057.58	1,612,057.58	2,591,057.58	1,612,057.58	2,591,057.58	1,612,057.58	2,591,057.58	1,612,057.58	2,591,057.58	
07/01/2036	290,000.00	54,031.26	344,031.26	255,000.00	51,562.50	306,562.50	115,000.00	106,925.00	221,925.00	925,000.00	795,002.76	1,720,002.76	1,585,000.00	1,007,321.52	2,592,321.52	1,623,057.58	2,591,057.58	1,623,057.58	2,591,057.58	1,623,057.58	2,591,057.58	1,623,057.58	2,591,057.58	1,623,057.58	2,591,057.58	
07/01/2037	300,000.00	41,343.76	341,343.76	265,000.00	42,000.00	307,000.00	120,000.00	100,743.76	220,743.76	975,000.00	743,683.76	1,683,683.76	1,660,000.00	927,771.28	2,587,771.28	1,634,057.58	2,591,057.58	1,634,057.58	2,591,057.58	1,634,057.58	2,591,057.58	1,634,057.58	2,591,057.58	1,634,057.58	2,591,057.58	
07/01/2038	315,000.00	28,218.76	343,218.76	275,000.00	32,062.50	307,062.50	125,000.00	94,293.76	219,293.76	1,030,000.00	689,501.76	1,719,500.00	1,745,000.00	844,165.78	2,589,165.78	1,651,057.58	2,591,057.58	1,651,057.58	2,591,057.58	1,651,057.58	2,591,057.58	1,651,057.58	2,591,057.58	1,651,057.58	2,591,057.58	
07/01/2039	330,000.00	14,437.50	344,437.50	285,000.00	21,750.00	305,750.00	135,000.00	87,262.50	222,262.50	1,090,000.00	630,366.36	1,720,366.36	1,840,000.00	753,836.36	2,593,836.36	1,662,057.58	2,591,057.58	1,662,057.58	2,591,057.58	1,662,057.58	2,591,057.58	1,662,057.58	2,591,057.58	1,662,057.58	2,591,057.58	
07/01/2040	-	-	-	295,000.00	11,062.50	306,062.50	140,000.00	79,668.76	219,668.76	1,155,000.00	567,733.16	1,722,733.16	1,590,000.00	658,464.42	2,248,464.42	1,673,057.58	2,591,057.58	1,673,057.58	2,591,057.58	1,673,057.58	2,591,057.58	1,673,057.58	2,591,057.58	1,673,057.58	2,591,057.58	
07/01/2041	-	-	-	-	-	-	150,000.00	71,793.76	221,793.76	1,220,000.00	501,343.76	1,721,343.76	1,370,000.00	573,137.52	1,943,137.52	1,703,057.58	2,591,057.58	1,703,057.58	2,591,057.58	1,703,057.58	2,591,057.58	1,703,057.58	2,591,057.58	1,703,057.58	2,591,057.58	
07/01/2042	-	-	-	-	-	-	155,000.00	63,356.26	218,356.26	1,290,000.00	430,034.76	1,720,034.76	1,445,000.00	493,391.02	1,938,391.02	1,713,057.58	2,591,057.58	1,713,057.58	2,591,057.58	1,713,057.58	2,591,057.58	1,713,057.58	2,591,057.58	1,713,057.58	2,591,057.58	
07/01/2043	-	-	-	-	-	-	165,000.00	54,637.50	219,637.50	1,365,000.00	354,634.26	1,719,634.26	1,530,000.00	409,271.76	1,939,271.76	1,694,057.58	2,591,057.58	1,694,057.58	2,591,057.58	1,694,057.58	2,591,057.58	1,694,057.58	2,591,057.58	1,694,057.58	2,591,057.58	
07/01/2044	-	-	-	-	-	-	175,000.00	44,943.76	219,943.76	1,445,000.00	274,850.00	1,719,850.00	1,620,000.00	319,733.76	1,939,733.76	1,754,057.58	2,591,057.58	1,754,057.58	2,591,057.58	1,754,057.58	2,591,057.58	1,754,057.58	2,591,057.58	1,754,057.58	2,591,057.58	
07/01/2045	-	-	-	-	-	-	185,000.00	34,662.50	219,662.50	1,530,000.00	188,501.26	1,718,501.26	1,715,000.00	223,511.26	1,938,511.26	1,774,057.58	2,591,057.58	1,774,057.58	2,591,057.58	1,774,057.58	2,591,057.58	1,774,057.58	2,591,057.58	1,774,057.58	2,591,057.58	
07/01/2046	-	-	-	-	-	-	195,000.00	23,793.76	218,793.76	1,625,000.00	97,053.76	1,722,053.76	1,820,000.00	120,887.52	1,940,887.52	1,822,337.50	2,591,057.58	1,822,337.50	2,591,057.58	1,822,337.50	2,591,057.58	1,822,337.50	2,591,057.58	1,822,337.50	2,591,057.58	
07/01/2047	-	-	-	-	-	-	210,000.00	12,337.50	222,337.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$3,550,000.00	\$1,244,956.38	\$4,794,956.38	\$3,485,000.00	\$1,114,762.52	\$4,599,762.52	\$2,750,000.00	\$2,116,681.40	\$4,866,681.40	\$20,850,000.00	\$15,284,118.52	\$36,134,518.52	\$30,635,000.00	\$19,760,518.82	\$50,395,518.82											

EXHIBIT B

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF YELLOWSTONE

CITY OF BILLINGS, MONTANA

**TAX INCREMENT URBAN RENEWAL REVENUE BONDS
(SOUTH BILLINGS BOULEVARD URBAN RENEWAL DISTRICT),
TAXABLE SERIES 2025**

No. _____ \$ _____

<u>Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	July 1,	July 24, 2025	090141

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS AND NO/100

FOR VALUE RECEIVED, THE CITY OF BILLINGS, YELLOWSTONE COUNTY, STATE OF MONTANA (the "City"), acknowledges itself to be specially indebted and hereby promises to pay to the registered owner named above or registered assigns the principal amount specified above on the maturity date specified above or, if this Bond is prepayable as stated below, on an earlier date on which this Bond shall have been duly called for redemption, with interest hereon from the date of original issue hereof, or such later date to which interest hereon has been paid or duly provided for, until the principal amount is paid or until this Bond, if redeemable, has been duly called for redemption, at the annual rate specified above. Principal of this Bond is payable upon presentation and surrender hereof to U.S. Bank Trust Company, National Association, as registrar, transfer agent and paying agent, or its successor designated under the Resolution described herein (the "Registrar") at its designated corporate trust office, currently in St. Paul, Minnesota. The interest on this Bond shall be payable on January 1 and July 1 in each year, commencing January 1, 2026. Interest on the Series 2025 Bonds shall be payable to the owners of record thereof as such appear on the Bond Register as of the close of business on the 15th day of the month immediately preceding each interest payment date, whether or not such day is a Business Day. Interest on, and upon presentation and surrender thereof, the principal of each Bond shall be payable by check or draft issued by the Registrar described herein.

The principal of and interest on this Bond are payable in lawful money of the United States of America. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the City.

This Bond is one of a duly authorized issue of Bonds of the City designated as "Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Taxable Series 2025" (collectively, the "Bonds"), issued and to be issued in one or more series under, and all equally and ratably secured by Resolution No. 15-10452, adopted by the City Council on May 11, 2015 (the "Original Resolution"), as amended by Resolution Nos. 16-10567, 22-11081, and [____], adopted by the City Council on June 27, 2016, November 14, 2022, and July 14, 2025, respectively (the Original Resolution, as so amended and supplemented and as it may be further amended and supplemented in accordance with the provisions thereof, the "Resolution"), to which Resolution, copies of which are on file with the City, reference is hereby made for a description of the nature and extent of the security, the respective rights thereunder of the Owners of the Bonds and the City and the terms upon which the Bonds are to be issued and delivered. This Bond is one of the series specified in its title, issued in the aggregate principal amount of \$20,850,000 (the "Series 2025 Bonds"), all of like date of original issue and tenor except as to serial number, denomination, date, interest rate, maturity date and redemption privilege. The Series 2025 Bonds are issued by the City for the purpose of financing costs of an urban renewal project (as defined in the Act) within the City's South Billings Boulevard Urban Renewal District (the "District"). The Series 2025 Bonds are payable and secured ratably and equally and on a parity with the City's Tax Increment Urban Renewal Revenue Refunding Bonds (South Billings Boulevard Urban Renewal District), Series 2015 (the "Series 2015 Bonds"), Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Series 2016 (the "Series 2016 Bonds"), Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Series 2022 (the "Series 2022 Bonds"), and any Additional Bonds hereafter issued pursuant to the Resolution. To the extent Additional Bonds are insured under a municipal bond insurance policy or Reserve Policy and Parity Insurer Reimbursement Amounts are due and owing with respect thereto, such Parity Insurer Amounts shall be secured by Tax Increment and shall be payable on a parity with the Bonds; provided, however, that Parity Insurer Reimbursement Amounts due and owing with respect to a Reserve Policy shall be subject to the priority of the credit and payment provisions applicable to the Reserve Account and otherwise as set forth under the Resolution. Capitalized terms used herein but not otherwise defined shall have the respective meanings given such terms in the Resolution.

The Series 2025 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Montana, particularly Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the "Act"), and pursuant to the Resolution. The Bonds are payable solely and ratably from Tax Increment received by the City and resulting from the extension of ad valorem taxes levied by certain Taxing Bodies against the incremental taxable value of taxable property within the District pursuant to the Act, except that under certain conditions as described in the Resolution, the Bonds may be payable from replacement revenues, if any, provided in the event of the abolition or substantial elimination of property taxation in Montana.

The Bonds are not general obligations of the City and the City's general credit and taxing powers are not pledged to the payment of the Bonds or the interest thereon. The Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitations.

The Series 2025 Bonds with Stated Maturities in the years 2026 through 2034 are not subject to redemption prior to their Stated Maturities. The Series 2025 Bonds with Stated Maturities on or after July 1, 2037 are subject to redemption on July 1, 2035 and any date thereafter, at the option of the City, in whole or in part, and if in part from such Stated Maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner as directed by the City), at a Redemption Price equal to the principal amount thereof and interest accrued to the Redemption Date, without premium.

The Series 2025 Bonds having Stated Maturities in 2037, 2040, 2043 and 2046 are subject to mandatory sinking fund redemption on July 1 in the respective years and the respective principal amounts set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner as directed by the City, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date:

2037 Term Bond		2040 Term Bond	
July 1	Sinking Fund Payment Amount	July 1	Sinking Fund Payment Amount
2035	\$ 875,000	2038	\$ 1,030,000
2036	925,000	2039	1,090,000
2037*	975,000	2040*	1,155,000

2043 Term Bond		2046 Term Bond	
July 1	Sinking Fund	July 1	Sinking Fund Payment Amount

Payment Amount			
2041	\$ 1,220,000	2044	\$
			1,445,000
2042	1,290,000	2045	1,530,000
2043*	1,365,000	2046*	1,625,000

*Stated Maturity.

If the Term Bonds having Stated Maturities in 2037, 2040, 2043 and 2046 are not previously purchased by the City in the open market or prepaid, \$975,000, \$1,155,000, \$1,365,000 and \$1,625,000, respectively, in principal amount of such Term Bonds would remain to mature in 2037, 2040, 2043 and 2046, respectively. The principal amount of such Term Bonds required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of such Term Bonds theretofore redeemed at the option of the City and as to which the City has not previously applied amounts to reduce the principal amount of such Term Bonds on a Sinking Fund Payment Date.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2025 Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney; and may also be surrendered in exchange for Series 2025 Bonds of other authorized denominations. Upon any such transfer or exchange, the City will cause a new Series 2025 Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the Person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

Assured Guaranty Inc. ("AG") has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Series 2025 Bond to U.S. Bank Trust Company, National Association, Salt Lake City, Utah, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AG or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Series 2025 Bond acknowledges and consents to the subrogation rights of AG as more fully set forth in the Policy.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Montana and ordinances and

resolutions of the City to be done, to exist, to happen and to be performed in order to make this Series 2025 Bond a valid and binding special, limited obligation of the City in accordance with its terms have been done, do exist, have happened and have been performed as so required; that this Series 2025 Bond has been issued by the City in connection with an urban renewal project (as defined in the Act); that the City, in and by the Resolution, has validly made and entered into covenants and agreements with and for the benefit of the Owners from time to time of all Bonds issued thereunder, including covenants that it will pledge, appropriate and credit the Tax Increment to the Tax Increment Debt Service Account of the City; that Additional Bonds may be issued and made payable from the Tax Increment Debt Service Account on a parity with the Series 2015 Bonds, the Series 2016 Bonds, the Series 2022 Bonds, and the Series 2025 Bonds upon certain conditions set forth in the Resolution, but no obligation will be otherwise incurred and made payable from the Tax Increment (other than certain Parity Insurer Reimbursement Amounts as described in the Resolution), unless the lien thereof shall be expressly made subordinate to the lien of the Series 2015 Bonds, the Series 2016 Bonds, the Series 2022 Bonds, and the Series 2025 Bonds on the Tax Increment; that all provisions for the security of the Owners of the Bonds as set forth in the Resolution will be punctually and faithfully performed as therein stipulated; and that the issuance of the Series 2025 Bonds does not cause the obligations of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Billings, Montana, by its City Council, has caused this Bond to be executed by the facsimile signatures of the Mayor, the City Finance Director and the City Clerk, and by a printed facsimile of the official seal of the City.

CITY OF BILLINGS, MONTANA

(Facsimile Signature)
MAYOR

(Facsimile Seal) (Facsimile Signature)
CITY FINANCE DIRECTOR

(Facsimile Signature)
CITY CLERK

Dated:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned herein.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Registrar, Transfer Agent, and
Paying Agent

By _____
Authorized Signature

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

TEN COM -- as tenants in common	UTMA.....Custodian..... (Cust) (Minor)
TEN ENT -- as tenants by the entireties	under Uniform Gifts to
JT TEN -- as joint tenants with right of survivorship and not as tenants in common	Minor Act..... (State)

abbreviations may also be used.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE:

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

SIGNATURE GUARANTEED

Signature(s) must be guaranteed by an
"eligible guarantor institution" meeting
the requirements of the Registrar,
which requirements include membership
or participation in STAMP or such other

“signature guaranty program” as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT C

Form of Continuing Disclosure Undertaking

This CONTINUING DISCLOSURE UNDERTAKING is made by the CITY OF BILLINGS, MONTANA (the "City") in connection with the issuance and delivery by the City of its \$20,850,000 Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Taxable Series 2025 (the "Series 2025 Bonds"), as of this 24th day of July, 2025.

1. Purpose and Beneficiaries. The Series 2025 Bonds were issued by the City in a public offering pursuant to an Official Statement dated July 1, 2025 with respect to the Series 2025 Bonds (the "Official Statement"). To provide for the public availability of certain information relating to the Series 2025 Bonds and the security therefor and to permit participating underwriters in the primary offering of the Series 2025 Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the City hereby makes the following covenants and agrees, for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Series 2025 Bonds, to provide annual reports of specified information and notice of the occurrence of certain events to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system website ("EMMA"), as hereinafter described. The City is the only "obligated person" in respect of the Series 2025 Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made.

If the City fails to comply with this Continuing Disclosure Undertaking, any person or entity aggrieved thereby, including the Owners of the outstanding Series 2025 Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of this Continuing Disclosure Undertaking, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder. Notwithstanding anything to the contrary contained in this Continuing Disclosure Undertaking, in no event shall a default under this Continuing Disclosure Undertaking constitute a default under the Series 2025 Bonds or under any other provision of Resolution No. 15-10452, adopted by the City Council of the City on May 11, 2015, as amended and supplemented by Resolution Nos. 16-10567, 22-11081, and [____], adopted by the City Council of the City on June 27, 2016, November 14, 2022, and July 14, 2025, respectively (collectively, the "Resolution"). Capitalized terms used herein but not otherwise defined shall have the respective meanings given such terms in the Resolution.

As used in this Continuing Disclosure Undertaking, "Owner" means, in respect of a Series 2025 Bond, the registered owner or owners thereof appearing in the Bond Register or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used in this Continuing

Disclosure Undertaking, "Beneficial Owner" means, in respect of a Series 2025 Bond, any person or entity that (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Series 2025 Bond (including persons or entities holding Series 2025 Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Series 2025 Bond for federal income tax purposes.

2. Information To Be Disclosed. The City will provide, in the manner set forth in Section 3 hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

(a) On or before 365 days after the end of each fiscal year of the City, commencing with the fiscal year ending June 30, 2025, the following financial information and operating data in respect of the City (the "Disclosure Information"):

(i) audited financial statements of the City for the then most recent completed fiscal year or, if unavailable by the date specified, the City shall provide on or before such date unaudited financial statements as part of the Disclosure Information and, within 10 days after the receipt of thereof, the City shall provide the audited financial statements. The audited financial statements are to be prepared in accordance with generally accepted accounting principles or as otherwise provided under State law, as such principles may be changed from time to time as permitted by State law. If and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, the discrepancies will be noted; and

(ii) updated information for the City for the then most recent completed fiscal year compiled by the City and publicly available under applicable data privacy or other law to include:

(A) principal amount of Bonds outstanding of the District;

(B) information regarding the District similar to what is presented in the table in the Official Statement in the section "Value of Property and Tax Increment of the District; Significant Recent Changes in State Tax Law" to include:

(1) Taxable Value of the District;

(2) Incremental Taxable Value;

(3) Tax Increment Revenue Collected by the District; and

(4) Total Revenue Collected by the District (including entitlement share revenue); and

(C) debt service coverage for the then most recent completed fiscal year.

The Disclosure Information will be provided as described in Section 3 and may be provided in a single document or multiple documents, and may be incorporated by specific reference to documents available to the public on the internet website of the MSRB or filed with the Securities Exchange Commission (the "SEC"). Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been filed with the SEC or have been made available to the public on EMMA. The City shall clearly identify in the Disclosure Information each document so incorporated by reference.

If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other City operations in respect of which data is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be material (as hereinafter defined), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations.

If the Disclosure Information is changed or this Continuing Disclosure Undertaking is amended as permitted by Section 4(b) hereof, then the City shall include in the next Disclosure Information to be delivered pursuant to this Continuing Disclosure Undertaking, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(b) In a timely manner not in excess of ten (10) business days, the City will provide notice of the occurrence of any of the following events:

- (A) principal and interest payment delinquencies;
- (B) non-payment related defaults, if material;
- (C) unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) substitution of credit or liquidity providers, or their failure to perform;
- (F) 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 Series 2025 Bonds or other material events affecting the tax status of the Series 2025 Bonds;

- (G) modifications to rights of holders of the Series 2025 Bonds, if material;
- (H) bond calls, if material, and tender offers;
- (I) defeasances;
- (J) release, substitution or sale of property securing repayment of the Series 2025 Bonds, if material;
- (K) rating changes;
- (L) bankruptcy, insolvency, receivership, or similar event of the City;
- (M) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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;
- (N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (O) incurrence of a financial obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or obligated person, any of which affect security holders, if material; and
- (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City or obligated person, any of which reflect financial difficulties.

As used herein, for those events that must be reported if material, an event is "material" if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Series 2025 Bond or, if not disclosed, would materially alter the total mix of information otherwise available to an investor from the Official Statement or information generally available to the public. Notwithstanding the foregoing sentence, an event is also "material" if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Series 2025 Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For purposes of paragraphs (O) and (P) above, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of either (i) or (ii). A "financial obligation" does not include municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

(c) In a timely manner, the City will provide notice of the occurrence of any of the following events or conditions:

- (i) the failure of the City to provide the Disclosure Information described under Sections 2(a) and 2(b) hereof at the time specified thereunder;
- (ii) the amendment or supplementing of this Continuing Disclosure Undertaking pursuant to Section 4(b) hereof, together with a copy of such amendment or supplement and any explanation provided by the City; and
- (iii) any change in the fiscal year of the City.

3. Manner of Disclosure. The City agrees to make available the information described in Section 2 hereof to the MSRB through EMMA in an electronic format as prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

4. Term; Amendments; Interpretation.

(a) This Continuing Disclosure Undertaking shall remain in effect until all Series 2025 Bonds have been paid or defeased under the Resolution.

(b) Notwithstanding paragraph (a) above, this Continuing Disclosure Undertaking (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided under Section 2(c)(ii) hereof), or the consent of the Owners of any Series 2025 Bonds, by a resolution or ordinance of the City filed in the office of the recording officer of the City accompanied by an opinion of Bond Counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that such amendment or supplement (1) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (2) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule, assuming that such provisions apply to the Series 2025 Bonds. If this Continuing Disclosure Undertaking (and the form and requirements of the Disclosure Information) are so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(c) This Continuing Disclosure Undertaking is entered into as a continuing disclosure undertaking to provide continuing disclosure identical to that required by the continuing disclosure provisions of the Rule and should be construed so this Continuing Disclosure Undertaking would satisfy the requirements of paragraph (b)(5) of the Rule, assuming it was otherwise applicable to the Series 2025 Bonds.

5. Further Limitation of Liability of City. None of the agreements or obligations of the City contained in this Continuing Disclosure Undertaking shall be construed to constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions whatsoever or constitute a pledge of the general credit or taxing powers of the City.

CITY OF BILLINGS, MONTANA

By _____
City Administrator

By _____
City Finance Director

EXHIBIT D
PROVISIONS RELATING TO BOND INSURANCE

Capitalized terms used in this Exhibit D but not otherwise defined herein shall have the respective meanings given such terms in the Resolution. The Resolution is amended and supplemented by this Exhibit D.

(a) For this Exhibit, the following defined terms apply:

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Insured Bonds when due.

“Insured Bonds” means the Issuer’s Tax Increment Urban Renewal Revenue Bonds (South Billings Boulevard Urban Renewal District), Taxable Series 2025.

“Insurer” means Assured Guaranty Inc., or any successor thereto or assignee thereof.

“Issuer” means the City of Billings, Montana.

“Reserve Policy” means the debt service reserve insurance policy issued by the Insurer and deposited in the Reserve Account.

(b) The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit instrument provided in substitution of the Reserve Policy or in lieu of a cash deposit into the Reserve Account. Amounts drawn under the Reserve Policy shall be applied solely to the payment of debt service due on the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds in accordance with the provisions of the Resolution, including Exhibit E thereto.

(c) The Insurer shall be deemed to be the sole Owner of the Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the Insured Bonds are entitled to take pursuant to the Resolution pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Registrar. In furtherance thereof and as a term of the Resolution and each Insured Bond, each Owner of the Insured Bonds appoints the Insurer as its agent and attorney-in-fact with respect to the Insured Bonds and agrees that the Insurer may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of the Insured Bonds delegates and assigns to the Insurer, to the

fullest extent permitted by law, the rights of each Owner of the Insured Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Registrar acknowledges such appointment, delegation and assignment by each Owner of the Insured Bonds for the Insurer's benefit, and agrees to cooperate with the Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners shall expressly include mandamus.

(d) The maturity of Insured Bonds shall not be accelerated without the consent of the Insurer and in the event the maturity of the Insured Bonds is accelerated, the Insurer may elect, in its sole discretion, to pay accelerated principal, and interest accrued on such principal, to the date of acceleration (to the extent unpaid by the Issuer) and the Registrar shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Insurer's obligations under the Insurance Policy with respect to such Insured Bonds shall be fully discharged.

(e) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

(f) The Insurer is a third party beneficiary of the Resolution.

(g) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of Insured Bonds to be redeemed shall be subject to the approval of the Insurer. The exercise of any provision of the Resolution which permits the purchase of Insured Bonds in lieu of redemption shall require the prior written approval of the Insurer if any Insured Bond so purchased is not cancelled upon purchase.

(h) Any amendment, supplement, modification to, or waiver of, the Resolution or any other transaction document, including any underlying security agreement (each a "Related Document"), that requires the consent of Owners or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(i) Unless the Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Construction Account shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the applicable Bonds.

(j) The rights granted to the Insurer under the Resolution or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be

construed or deemed to be taken for the benefit, or on behalf, of the Owners and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Owners or any other person is required in addition to the consent of the Insurer.

(k) Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated in the then highest rating category by S&P and Moody's for such obligations, or (5) subject to the prior written consent of the Insurer, any other type of security or obligation which S&P and Moody's have determined to be permitted defeasance securities, shall be used to effect defeasance of the Insured Bonds unless the Insurer otherwise approves. To accomplish defeasance of the Insured Bonds, the Issuer shall cause to be delivered to the Insurer (i) other than with respect to a current refunding that is gross funded, a report of either a nationally recognized verification agent or a firm of independent, nationally-recognized certified public accountants as shall be acceptable to the Insurer verifying the sufficiency of the escrow established to pay the Insured Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement or other irrevocable written instructions (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally-recognized bond counsel to the effect that the Insured Bonds are no longer "Outstanding" under the Resolution and (iv) a certificate of discharge of the Registrar with respect to the Insured Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, the Registrar and the Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five (5) Business Days prior to the funding of the escrow. Insured Bonds shall be deemed "Outstanding" under the Resolution unless and until they are in fact paid and retired or the above criteria are met.

(l) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of the Resolution and the Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with the Resolution. The Resolution shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(m) The Issuer covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Tax Increment under applicable law.

(n) Claims Upon the Insurance Policy and Payments by and to the Insurer. If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Registrar, after making

all transfers and deposits required under the Resolution, moneys sufficient to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Registrar shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Registrar shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Bonds and the amount required to pay principal of the Insured Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy. The Registrar shall designate any portion of payment of principal on Insured Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Bonds registered to the then current Owner of the Insured Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Bond to the Insurer, registered in the name of Assured Guaranty Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Registrar's failure to so designate any payment or issue any replacement Insured Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Bond or the subrogation rights of the Insurer. The Registrar shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Registrar. Upon payment of a claim under the Insurance Policy, the Registrar shall establish a separate special purpose trust account for the benefit of Owners of the Insured Bonds referred to herein as the "Policy Payments Account" and over which the Registrar shall have exclusive control and sole right of withdrawal. The Registrar shall receive any amount paid under the Insurance Policy in trust on behalf of Owners of the Insured Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Registrar to Owners of the Insured Bonds in the same manner as principal and interest payments are to be made with respect to the Insured Bonds under the sections of the Resolution regarding payment of Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything in the Resolution to the contrary, the Issuer agrees to pay to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of

interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then-applicable highest rate of interest on the Insured Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Tax Increment and payable from such Tax Increment on a parity with debt service due on the Bonds.

Funds held in the Policy Payments Account shall not be invested by the Registrar and may not be applied to satisfy any costs, expenses or liabilities of the Registrar. The Registrar shall notify the Insurer of any funds remaining in the Policy Payments Account after the Registrar has made the payments for which a claim was made to the Owners of the Insured Bonds and shall, at the written direction of the Insurer, promptly remit such funds remaining to the Insurer.

(o) The Insurer shall, to the extent it makes any payment of principal of or interest on the Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Issuer to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(p) The Issuer shall pay or reimburse the Insurer, solely from the Tax Increment, any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Resolution or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Resolution or any other Related Document whether or not executed or completed, or (iv) any litigation, proceeding (including any Insolvency Proceeding) or other dispute in connection with the Resolution or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Resolution or any other Related Document. Amounts payable by the Issuer hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the Insurer until the date the Insurer is paid in full. The obligation to reimburse the Insurer shall survive discharge or termination of the Related Documents.

(q) After payment of reasonable expenses of the Registrar, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(r) The Insurer shall be entitled to pay principal or interest on the Insured Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Insurance Policy) and any amounts due on the Insured Bonds as a result of acceleration of the maturity thereof, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(s) Notices to the Insurer shall be sent to the following address (or such other address as the Insurer may designate in writing):

Assured Guaranty Inc.
1633 Broadway
New York, NY 10019
Attention: Managing Director – Municipal Surveillance
Re: Policy Nos. 224368-N (Insurance Policy) and 224368-R (Reserve Policy)
Telephone: (212) 974-0100
Email: munidisclosure@agltd.com

In each case in which the notice or other communication refers to a claim on the Insurance Policy, the Reserve Policy or an Event of Default, such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of the General Counsel at the above address and at generalcounsel@agltd.com.

(t) The Insurer shall be provided with the following information by the Issuer or the Registrar, as the case may be:

1. To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, annual audited financial statements within the filing deadline specified in the Issuer's continuing disclosure agreement, covenant or undertaking with respect to the Bonds (together with a certification of the Issuer that it is not aware of any default or Event of Default under the Resolution), and, upon request, the Issuer's annual budget within thirty (30) days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

2. Notice of any draw upon the Reserve Account within two (2) Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Bonds and any Additional Bonds secured by the Reserve Account;

3. Notice of any default or Event of Default under the Resolution known to the Registrar or the Issuer within five (5) Business Days after knowledge thereof;

4. Prior notice of the advance refunding or redemption of any of the Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof;

5. Notice of the resignation or removal of the Registrar and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
6. Notice of the commencement of any Insolvency Proceeding (as defined in subsection (c) above);
7. Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Insured Bonds;
8. A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents;
9. All reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents; and
10. To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, all information required to be furnished pursuant to a continuing disclosure agreement, covenant or undertaking with respect to the Insured Bonds.

(u) The Insurer shall have the right to receive such additional information as it may reasonably request.

(v) The Issuer will permit the Insurer to discuss the affairs, finances and accounts of the Issuer or any information the Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Issuer on any Business Day upon reasonable prior notice.

(w) To the extent not filed with the Municipal Securities Rulemaking Board's EMMA System, the Issuer shall notify the Insurer of any known failure of the Issuer to provide notices, certificates and other information under the Related Documents that are required to be delivered to the Owners of the Bonds.

(x) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Resolution, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully-funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by the Insurer.

(y) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Resolution would adversely affect the security for the Bonds or the rights of the Owners, the effect of any such amendment, consent, waiver, action or inaction shall be considered as if there were no Insurance Policy.

(z) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Insured Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

(aa) The Issuer shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Tax Increment without the prior written consent of the Insurer.

EXHIBIT E
PROVISIONS RELATING TO RESERVE POLICY

Capitalized terms used in this Exhibit E but not otherwise defined herein shall have the respective meanings given such terms in the Resolution. The Resolution is amended and supplemented by this Exhibit E.

(a) The City of Billings, Montana (the "Issuer") shall repay, solely from Tax Increment, any draws under the Reserve Policy and pay all related reasonable expenses incurred by Assured Guaranty Inc. (the "Insurer") and shall pay interest thereon from the date of payment by the Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of: (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 5%, and (ii) the then-applicable highest rate of interest on the Bonds; and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Insurer shall specify. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Insurer, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and the Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy. The obligation to pay Policy Costs shall be secured by a valid lien on all

Tax Increment and other collateral pledged as security for the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds (subject only to the priority of credit and payment provisions applicable to the Reserve Account and otherwise as set forth under the Resolution).

All cash and investments in the Reserve Policy Subaccount shall be transferred to the Bond Account for payment of debt service on Series 2015 Bonds, Series 2016 Bonds, Series 2025 Bonds, and any other Bonds secured by the Reserve Policy Subaccount before any drawing may be made on the Reserve Policy or any other credit facility credited to the Reserve Policy Subaccount in lieu of cash (herein, a "Credit Facility"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Policy Subaccount. Payment of Policy Costs and payment of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Policy Subaccount. Payment of all Policy Costs and payment of all amounts with respect to other Credit Facilities shall be made on a pari passu basis with payments and replenishments required to be made under the Resolution with respect to amounts on hand in the Reserve Policy Subaccount and the Cash Subaccount, if any, securing Bonds.

For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (a) hereof, the Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Resolution other than (i) acceleration of the maturity of the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds or (ii) remedies which would adversely affect owners of the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds.

(c) The Resolution shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Series 2015 Bonds, Series 2016 Bonds and Series 2025 Bonds.

(d) The Issuer shall include any Policy Costs then due and owing the Insurer in the calculation of the additional bonds test in Sections 4.01 through 4.03 of the Original Resolution.

(e) The Registrar shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of subparagraph (a) hereof and provide notice to the Insurer in accordance with the terms of the Reserve Policy at least five Business

Days prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the Issuer with the Registrar to the Bond Account for the Bonds more often than semi-annually, the Registrar shall give notice to the Insurer of any failure of the Issuer to make timely payment in full of such deposits within two Business Days of the date due.
