

RESOLUTION NO. 4558

RESOLUTION RELATING TO \$3,945,000 CITY OF MILES CITY, MONTANA, GENERAL OBLIGATION BONDS, SERIES 2024; DETERMINING THE FORM AND DETAILS THEREOF, AUTHORIZING THE EXECUTION AND DELIVERY AND LEVYING TAXES FOR THE PAYMENT THEREOF, AND AUTHORIZING THE SALE OF THE BONDS TO D.A. DAVIDSON & CO.

BE IT RESOLVED by the City Council (the "Council") of Miles City, Montana (the "City"), as follows:

Section 1. Authorization and Sale; Recitals.

1.01 Debt Limitation. As provided in Section 7-7-4201. Montana Code Annotated, a city or town in Montana may become indebted by the issuance of its general obligation bonds, including all outstanding indebtedness, in an amount that in the aggregate does not exceed 2.5% of the total assessed value of taxable property in the City as ascertained by the most recent assessment for the state and county taxes. The most recent assessed valuation of taxable property for the City was \$708,325,432 and applying the 2.5% limitation, total general obligation debt capacity of the City equals \$17,708,135. As of the date hereof, the City has \$881,904 existing general obligation debt and thus has \$16,857,856 of general obligation debt capacity. After the issuance of the Series 2024 Bonds (hereafter defined) in the aggregate principal amount of \$3,945,000, the City will have \$4,826,904 of general obligation debt outstanding, and the City's general obligation debt capacity will be \$12,881,231.

1.02 Bond Election. City general obligation bonds may be issued (within the debt limitation described in Section 1.01 above) after an election at which at least 40% of the registered electors vote. The electors of the City at an election duly called, noticed and held on November 7, 2023, at which election 61.6% of the registered electors voted (1,177 in favor or 55.1%% and 961 opposed or 44.9%) to authorize this Council to issue and sell up to \$3,945,000 principal amount of general obligation bonds of the City for the purpose of paying a portion of the costs of designing, constructing, equipping, and furnishing a new City fire and rescue station on City-owned property located at 2800 Main Street in Miles City, Montana (the "Project").

1.03 Authorization. The Council determined by passage of Resolution No. 4551 on February 13, 2024, that it was in the City's best interests to proceed at this time with the issuance of the bonds in the aggregate principal amount of up to \$3,945,000 through a private, negotiated sale, as authorized by Section 7-7-2254, Montana Code Annotated, to D.A. Davidson & Co, of Great Falls, Montana (the "Original Purchaser"), pursuant to an Official Statement to be approved by the City. Pursuant to such authorization, this Council and the Original Purchaser have entered into a Bond Purchase Agreement, dated as of April 17, 2024, regarding the purchase and sale of the general obligation bonds of the City, to be denominated "City of Miles City, Montana, General Obligation Bonds, Series 2024" (the "Series 2024 Bonds"), in the aggregate principal amount of \$3,945,000 at a net purchase price of \$4,301,521.50 (reflecting a premium of \$392,026.50 and an underwriter's discount of \$35,505). The net interest cost on the Series 2024 Bonds is 4.197217% and the true interest cost is 4.026071%. The Series 2024 Bonds are to bear interest at the rates and mature on the dates and in the amounts and contain the further terms and conditions set forth in this resolution. The sale of the Series 2024 Bonds to the Original Purchaser is hereby ratified and confirmed. The indebtedness evidenced by the Series

2024 Bonds and all other indebtedness of the City does not exceed the limitation set forth in Section 7-7-4201, Montana Code Annotated.

All acts, conditions and things required by the Constitution and laws of the State of Montana, including Montana Code Annotated, Title 7, Chapter 7, Part 42, as amended, (the "Act") in order to make the Series 2024 Bonds valid and binding general obligations in accordance with their terms and in accordance with the terms of this Resolution have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required. The City has full power and authority to issue the Series 2024 Bonds.

Section 2. Series 2024 Bond Terms, Execution and Delivery.

2.01 Terms of Series 2024 Bonds. The Series 2024 Bonds shall be designated "City of Miles City, Montana, General Obligation Bonds, Series 2024." The Series 2024 Bonds shall be in the denomination of \$5,000 each or any integral multiple thereof of single maturities. The Series 2024 Bonds shall mature on July 1 in the years and amounts listed below, and Series 2024 Bonds maturing in such years and amounts shall bear interest from date of original issue until paid or duly called for redemption at the rates shown opposite such years and amounts, as follows:

Serial Bonds

<u>Year</u>	<u>Principal Amount</u>	<u>Rate</u>
2025	\$80,000	5.00%
2026	125,000	5.00%
2027	135,000	5.00%
2028	140,000	5.00%
2029	145,000	5.00%
2030	155,000	5.00%
2031	160,000	5.00%
2032	170,000	5.00%
2033	180,000	5.00%
2034	190,000	5.00%
2035	195,000	5.00%
2036	205,000	5.00%
2037	215,000	5.00%
2038	225,000	5.00%
2039	240,000	5.00%

Term Bonds

2042	\$790,000	5.000%
2044	595,000	5.000%

Interest on the Series 2024 Bonds 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 2024 Bonds shall be issuable only in fully registered form, and the ownership of the Series 2024 Bonds shall be transferred only upon the bond register of the City hereinafter described. The interest on the Series 2024 Bonds shall be payable on January 1 and July 1 in each year, commencing January 1, 2025. Interest on the Series 2024 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 fifteenth 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 2024 Bond, and, upon presentation and surrender thereof, shall be payable by check or draft issued by the Registrar described herein.

2.03 Dated Date. Each Series 2024 Bond shall be originally dated as of its date of delivery, anticipated to be April 30, 2024, and upon authentication of any Series 2024 Bond the Bond Registrar, Transfer Agent and Paying Agent shall indicate thereon the date of such authentication.

2.04 Registration. The City, in Section 2.05 hereof appoints 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) Register. The Registrar shall keep at its principal office a bond register in which the Registrar shall provide for the registration of ownership of Series 2024 Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender to the Registrar for transfer of any Series 2024 Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2024 Bonds of a like aggregate principal amount and maturity, as the case may be, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Series 2024 Bond is surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount, interest rate and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Series 2024 Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Series 2024 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 2024 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 2024 Bond is at any time registered in the bond register as the absolute owner of such Series 2024 Bond, whether such Series 2024 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2024 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 2024 Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Series 2024 Bonds, 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 Bonds. In case any Series 2024 Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Series 2024 Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Series 2024 Bond or in lieu of and in substitution for any such Series 2024 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 2024 Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Series 2024 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 2024 Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Series 2024 Bond has already matured or such Series 2024 Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Series 2024 Bond prior to payment.

2.05 Appointment of Initial Registrar. The City hereby appoints U.S. Bank Trust Company, National Association, 170 South Main, Suite 200, Salt Lake City, Utah 84101, Attention: Corporate Trust Services, to act as registrar, transfer agent and paying agent (the "Registrar"). The City reserves the right to appoint a successor bond registrar, transfer agent or paying agent, as authorized by the Model Public Obligations Registration Act of Montana, Montana Code Annotated, Title 17, Chapter 5, Part 11, as amended (the "Registration Act"), but the City agrees to pay the reasonable and customary charges of the Registrar for the services performed.

2.06 Redemption

(a) Optional Redemption. The Series 2024 Bonds with stated maturities in the years 2025 through 2034 shall not be subject to redemption prior to their stated maturities. The Series 2024 Bonds with stated maturities on or after July 1, 2035, will be subject to redemption on July 1, 2034, and any day thereafter, at the option of the City, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date, without premium. If less than all of the Series 2024 Bonds are to be redeemed, the Series 2024 Bonds to be redeemed shall be 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 it deems fair.

(b) Mandatory Sinking Fund Redemption. The Bonds with stated maturities in the years 2042, and 2044 are Term Bonds and are subject to mandatory sinking fund redemption prior to maturity on July 1, in the year 2040 for the Term Bond maturing in 2042; and in the year 2043 for the Term Bond maturing in 2044; 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 accrued interest to the date of redemption, from mandatory sinking fund deposits in the total principal amount set forth below.

2042 Term Bond		2044 Term Bond	
Date	Redemption Amount	Date	Redemption Amount
07/01/2040	\$250,000	07/01/2043	\$290,000
07/01/2041	\$265,000	07/01/2044	\$305,000
07/01/2042	275,000	-	-
Total	\$790,000	Total	\$595,000

(c) Notice. The date of redemption and the principal amount of the Series 2024 Bonds shall be fixed by the Council who shall give notice thereof to the Registrar at least forty-five days prior to the date of redemption. The Registrar shall cause notice of redemption to be published as required by law, and, at least thirty 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 registered owners of each Series 2024 Bond to be redeemed at their addresses as they appear on the bond register described in Section 2.04, but no defect in or failure to give such mailed notice shall affect the validity of proceedings for the redemption of any Series 2024 Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers, interest rates and CUSIP numbers of the Series 2024 Bonds to be redeemed and the place at which the Series 2024 Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2024 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 2024 Bonds or portions thereof shall cease to bear interest. The Registrar shall also give, or cause to be given, notice of the redemption of any Series 2024 Bond or portions thereof at least 30 days before the redemption date by certified mail or telecopy to the Original Purchaser and all registered securities depositories then in the business of holding

substantial amounts of obligations of the character of the Series 2024 Bonds (such depository now being The Depository Trust Company, of New York, New York) and to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access system website (“EMMA”) or any successor national information services that disseminate information regarding municipal bond redemptions; provided that any defect in or any failure to give any notice of redemption prescribed by this paragraph shall not affect the validity of the proceedings for the redemption of any Series 2024 Bond or portion thereof.

2.07 Form. The Series 2024 Bonds shall be drawn in substantially the form set forth in Exhibit A hereto, and by this reference made a part hereof, with such modifications as are permitted by the Act.

2.08 Execution and Delivery. The Series 2024 Bonds shall be forthwith prepared for execution and shall be executed on behalf of the City by the signatures of the Mayor of the City and the City Clerk, provided that said signatures and the seal may be printed, engraved or lithographed facsimiles thereof. The seal of the City, if any, need not be impressed or imprinted on any Series 2024 Bond. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2024 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. Notwithstanding such execution, no Series 2024 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless and until a certificate of authentication on such Series 2024 Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2024 Bonds need not be signed by the same representative. The executed certificate of authentication on each Series 2024 Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Series 2024 Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.09 Securities Depository for the Series 2024 Bonds.

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

“Beneficial Owner” shall mean, whenever used with respect to a Series 2024 Bond, the person in whose name such Series 2024 Bond is recorded as the beneficial owner of such Series 2024 Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2024 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 2024 Bonds as securities depository.

“Representation Letter” shall mean the Blanket Issuer Letter of Representations from the City to DTC.

(b) The Series 2024 Bonds shall be initially issued as separately authenticated fully registered bonds, and one Series 2024 Bond shall be issued in the principal amount of each stated maturity of the Series 2024 Bonds. The DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully registered securities registered in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each of the Series 2024 Bonds, each in the aggregate principal amount of such bond, and will be deposited with DTC.

(c) DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

(d) Purchases of the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of each of the Series 2024 Bonds (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

(e) To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the

Series 2024 Bonds with DTC and their registration in the name of Cede & Co., or such other nominee, do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

(f) Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

(g) Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

(h) Neither DTC nor Cede & Co. (nor such other DTC nominee), will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

(i) Redemption proceeds on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City and the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

(j) DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the City and the Registrar. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

(k) The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

(l) The Representation Letter sets forth certain matters with respect to, among other things, notices, consents and approvals by registered owners of the Series 2024 Bonds and

Beneficial Owners and payments on the Series 2024 Bonds. The Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this resolution.

(m) In the event that any transfer or exchange of Series 2024 Bonds is permitted under paragraphs (b) through (l) hereof such transfer or exchange shall be accomplished upon receipt by the Registrar of the Series 2024 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Series 2024 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 2024 Bonds, or another securities depository as owner of all the Series 2024 Bonds, the provisions of this Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Series 2024 Bonds in the form of Series 2024 Bond certificates and the method of payment of principal of and interest on such Series 2024 Bonds in the form of Series 2024 Bond certificates.

Section 3. Security Provisions.

3.01 Construction Account; Use of Proceeds. There is hereby created a special account for the Series 2024 Project (the "Construction Account"), to be held by the Treasurer separate and apart from all other City funds and administered solely for the benefit of the Series 2024 Project. The City appropriates to the Construction Account the net proceeds of the sale of the Series 2024 Bonds (after application of the Underwriter's discount of \$35,505 and the premium of \$392,026.50) in the amount of \$4,301,521.50. The Construction Account shall be used solely to defray eligible costs and expenses of the Series 2024 Project and payment of costs of issuance of the Series 2024 Bonds estimated to be \$73,142.68 (for bond counsel, rating agency, bond insurance, preliminary and final official statement preparation, printing, DTC, CUSIP, Registrar and other review costs). Upon completion of construction and equipping of the Series 2024 Project and payment of all costs therefore, any remaining proceeds of Series 2024 Bonds in the Construction Account shall be credited and paid to the Debt Service Fund. Interest earned on the Construction Account shall remain therein until completion of construction and equipping of the Series 2024 Project and payment of all costs therefore, and any remaining interest earned on the Construction Account shall thereafter be then credited and paid to the Debt Service Fund.

3.02 Debt Service Fund. The City hereby establishes the Series 2024 Debt Service Fund (the "Debt Service Fund") to be used for no purpose other than the payment of the principal of and interest on the City's Series 2024 Bonds. The City's Debt Service Fund will be administered by the City Treasurer. The City irrevocably appropriates to the Debt Service Fund: (a) all funds to be credited and paid thereto in accordance with the provisions of Section 3.01; (b) any taxes levied in accordance with this resolution; (c) all income derived from the investment of amounts on hand in the Debt Service Fund, and (d) such other money as shall be received and appropriated to the Debt Service Fund from time to time.

3.03 Full Faith and Credit and Annual Levy. The full faith and credit of the City shall be and are hereby irrevocably pledged to the payment of the Series 2024 Bonds and interest due thereon, and the City shall cause taxes to be annually levied on all taxable property in the City sufficient to pay the principal and interest on the Series 2024 bonds as they become due.

3.04 Payment from Debt Service Fund. The City Treasurer is hereby authorized to make withdrawals from the Debt Service Fund sufficient to pay the principal of and interest on the Series 2024 Bonds as the same become due and payable and shall cause to be transferred to the Registrar from money on deposit in the Debt Service Fund an amount sufficient to pay the amount of principal and interest due on the Series 2024 Bonds, such transfer of funds to the Registrar to be made in such manner as will cause immediately available funds to be deposited with the Registrar on or before the last business day next preceding each interest and principal payment date for the Series 2024 Bonds.

3.05 Bond Insurance. In connection with the issuance of the Series 2024 Bonds and after consulting with the Original Purchaser, the City has agreed to obtain bond insurance from Assured Guaranty Municipal Corporation (the "Bond Insurer") and to market the Series 2024 Bonds as insured bonds. The Mayor, City Council President, Fire Chief, and City Clerk, or any one of them, are hereby authorized and directed to approve, execute, and deliver to AGM any documentation necessary for the issuance of the insurance policy for the Series 2024 Bonds. The Bond Insurer shall deliver its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal and interest on the Series 2024 Bonds to the Registrar, or its successor, as paying agent for the Series 2024 Bonds. The City recognizes that said Policy is on file and available for inspection at the principal office of the Registrar and a copy thereof may be obtained from AGM or the Registrar. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owners of the Series 2024 Bonds, by purchase thereof, shall acknowledge and consent to the subrogation rights of AGM as more fully set forth in the Policy.

Section 4. Covenants of the City.

Section 4.01 Compliance with Resolution. The City Treasurer will hold the Construction Account and Debt Service Fund as trust funds, separate and apart from all of its other funds, and the City, its officers and agents, will comply with all covenants and agreements contained in this resolution. The provisions hereinabove made with respect to the Construction Account and Debt Service Fund is in accordance with the undertaking and agreement of the City made in connection with the public offering of the Series 2024 Bonds and the sale of the Series 2024 Bonds as set forth in Section 1.03.

Section 4.02 Construction and Use of Series 2024 Project. The City will do all acts and things necessary to enforce the provisions of all contracts for the construction of the Series 2024 Project to complete the Series 2024 Project. The City will own and operate the Series 2024 Project for the City public purpose. The City will not enter into any lease or use agreement with any non-governmental person relating to the use of the Series 2024 Project or as security for the Series 2024 Bonds which may cause the Series 2024 Bonds to be considered "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code").

Section 4.03 Levy of Taxes. The City will, beginning with fiscal year 2024/25, do all acts and things necessary for the final and valid levy of taxes upon all assessable property in the City in accordance with the Constitution and laws of the State of Montana for the payment of the principal of and interest on the Series 2024 Bonds. Such tax will be assessed and collected each year and applied to the payment of the debt service requirements of the Series 2024 Bonds and

the same shall not be diverted for any other purposes. The tax so levied and collected shall be paid into the City Debt Service Fund.

Section 4.04 Absence of Litigation. There is now no litigation pending or, to the best knowledge of the City, threatened questioning the validity or regularity of the proceedings for the issuance of the Series 2024 Bonds, the construction of the Series 2024 Project or the undertaking and agreement of the City to levy taxes therefor or in any manner questioning the existence of any condition precedent to the exercise of the City's powers in these matters. If any such litigation should be initiated or threatened, the City will forthwith notify in writing the Registrar and Original Purchaser, and will furnish the Registrar and Original Purchaser a copy of all documents, including pleadings, in connection with such litigation.

Section 4.05 Ratification of Official Statement. The Council ratifies and confirms its prior approval of the form and content of the Official Statement dated April 17, 2024. The Council approves the use of such Official Statement in the offering of the Series 2024 Bonds by the Original Purchaser.

Section 5. Arbitrage, Tax Representations and Certification of Proceedings.

5.01 Certification. The Mayor and the City Clerk, being the officers of the City charged with the responsibility for issuing the Series 2024 Bonds, are authorized and directed to execute and deliver to the Original Purchaser a certification in accordance with the provisions of Section 148 of the Code, as amended (the "Code") and the Treasury Regulations implemented thereunder (the "Treasury Regulations") and specifically, Section 1.148-2(b), stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Series 2024 Bonds which make it reasonable to expect that the proceeds of the Series 2024 Bonds will not be used in a manner that would cause the Series 2024 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and applicable Treasury Regulations. The certification shall further state that to the best of the knowledge and belief of the certifying officers no other facts, estimates or circumstances exist which would materially change this expectation.

5.02 Covenant. The City covenants and agrees with the holders from time to time of the Series 2024 Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action that would cause the interest on the Series 2024 Bonds to become subject to taxation under the provisions of the Code and the Treasury Regulations applicable thereunder, and covenants and agrees that it will take or cause its officers, employees or agents to take any action within its or their powers to prevent the interest on the Series 2024 Bonds from becoming includable in gross income for purposes of federal income taxation under the Code and applicable Treasury Regulations.

5.03 Arbitrage Rebate Exception. The City hereby represents and makes the election that the Series 2024B Bonds qualify for the exception for small governmental units to the arbitrage rebate provisions contained in Section 148(f)(2) of the Code. Specifically, the Borrower represents:

- (1) Substantially all (not less than 95%) of the proceeds of the Series 2024B Bonds (except for amounts to be applied to the payment of costs of issuance) will be used for local governmental activities of the City;

(2) The aggregate face amount of all “tax-exempt bonds” (including warrants, contracts, leases, and other indebtedness, but excluding private activity bonds) issued by or on behalf of the Borrower and all subordinate entities thereof during 2024 is reasonably expected not to exceed \$5,000,000. To date in 2024, the City has issued no tax-exempt bonds; and

(3) The City has general taxing powers as a City.

5.04 Information Reporting. The City shall file with the U.S. Treasury, not later than August 15, 2024, a statement concerning the Series 2024 Bonds containing the information required by Section 149(e) of the Code.

5.05 “Qualified Tax-Exempt Obligations.” Pursuant to Section 265(b)(3)(B)(ii) of the Code, the City designates the Series 2024 Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code. The City represents that, other than the Series 2024 Bonds, it has issued no tax-exempt obligations in 2024 and it does not anticipate any additional tax-exempt obligations will be issued by or on behalf of the City in 2024.

Section 6. Authentication of Transcript.

The officers of the City are hereby authorized and directed to furnish to the Purchaser and to bond counsel certified copies of all proceedings relating to the issuance of the Series 2024 Bonds and such other certificates and affidavits as may be required to show the right, power and authority of the City to issue the Series 2024 Bonds, and all statements contained in and shown by such instruments, including any heretofore furnished, shall constitute representations of the City as to the truth of the statements purported to be shown thereby.

Section 7. Defeasance.

When all of the Series 2024 Bonds have been discharged as provided in this Section 7, all pledges, covenants and other rights granted by this resolution to the owners of the Series 2024 Bonds shall cease. The City may discharge its Series 2024 Bonds with respect to any Series 2024 Bonds which are due on any date by irrevocably depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Series 2024 Bond should not be paid when due, the City may nevertheless discharge its liability with respect thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its Series 2024 Bonds with respect to prepayable Series 2024 Bonds thereof, if any, called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; provided that notice of the redemption thereof has been duly given as provided in Section 2.06 hereof.

Section 8. Continuing Disclosure.

8.01 Purpose and Beneficiaries. In order to permit participating underwriters in the primary offering of the Series 2024 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 covenants and agrees for the benefit of the Owners (as hereinafter defined) from time to time of any Series 2024 Bonds that are outstanding to provide

annual reports of specified information and notice of the occurrence of certain events hereinafter described (the “Disclosure Covenants”) to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access system website (“EMMA”).

The City is the only “obligated person” in respect of the Series 2024 Bonds within the meaning of the Rule. The information to be provided on an annual basis, the events as to which notice is to be given and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth below.

Breach of the Disclosure Covenants will not constitute a default or an “Event of Default” under the Series 2024 Bonds or the Bond Resolution. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Series 2024 Bonds in the secondary market. Thus, a failure on the part of the City to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Series 2024 Bonds and their market price.

If the City fails to comply with any of the Disclosure Covenants, any person aggrieved thereby, including the Beneficial Owners of any outstanding Series 2024 Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any such covenant contained herein, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default thereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under the Disclosure Covenants constitute a default under the Series 2024 Bonds or under any other provision of this Bond Resolution.

As used herein, “Owner” or “Bondowner” means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar 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 herein, “Beneficial Owner” means, in respect of a Series 2024 Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Series 2024 Bond (including persons or entities holding Series 2024 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Series 2024 Bond for federal income tax purposes.

8.02 Prior Compliance Disclosure Undertakings. The City has not had a continuing disclosure undertaking under the Rule outstanding within the past five years.

8.03 Information to be Disclosed. The City will provide either directly or indirectly through an agent designated by the City, the following information at the following times and in the following manner:

(a) On or before March 31 (or the next succeeding business day if that day is not a business day) following the end of each fiscal year of the City, commencing with the fiscal year ending June 30, 2024, the following financial information and operating data in respect of the City (the “Disclosure Information”) will be provided to the MSRB as described below.

1) Annual Information. On or before March 31 (or the next succeeding business day

if that day is not a business day) following the end of each fiscal year of the City, commencing with the fiscal year ending June 30, 2024, the following financial information and operating data in respect of the City (the “Disclosure Information”). Such Disclosure Information may be unaudited and, for financial statement information, shall be for the most recent completed fiscal year of the City and, for operating data, shall be the operating data for the most recent complete fiscal year of the City and publicly available under applicable data privacy or other law:

(a) *Annual Financial Statements:* 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 business 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.

(b) *Operating Data:* operating data for the most recent completed fiscal year of the City (commencing with fiscal year ending June 30, 2024), which may be unaudited, compiled by the City on a customary basis and publicly available under applicable data privacy or other law:

- i. general obligation bonds outstanding;
- ii. assessed valuation;
- iii. taxable valuation; and;
- iv. tax collection figures for the then most recent completed fiscal year in format similar to the table set forth on page 18 in the section entitled “Tax Collections” in the Official Statement.

The Disclosure Information will be provided to the MSRB on or before March 31 (or the next succeeding business day if that day is not a business day) following the end of each fiscal year of the City, commencing with the City’s fiscal year ending June 30, 2024 and may be provided in a single 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”). In the event that the City’s fiscal year (currently, fiscal year ending June 30) is changed as may be required or permitted by State law, the City will provide notice of the same as described under the “—Certain Other Information” section of the Official Statement and amend its filing date in the manner described in the Official Statement under section 8.06 hereof.

If any part of the Disclosure Information is changed because it is no longer compiled or

publicly available or 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 discontinued operations have been replaced by other operations of the City 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 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 the Disclosure Covenants are amended as permitted by the Bond Resolution, then the City is to include in the next Disclosure Information to be delivered hereunder, 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.

2.) Certain Events. In a timely manner, but not in excess of 10 business days of the occurrence of an event, the City must file with the MSRB through EMMA in an electronic format as prescribed by the MSRB, if any, 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 security or other material events affecting the tax status of the Series 2024 Bonds;
- g) modifications to rights of holders of the Series 2024 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 2024 Bonds, if material;
- k) rating changes;
- l) bankruptcy, insolvency, receivership, or similar event of the obligated

person;

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 issuer 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 issuer 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 issuer 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 or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed under the Disclosure Covenants 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 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 security for which a final official statement has been provided to the MSRB consistent with the Rule.

3.) Certain Other Information. The City will provide notice in a timely manner to the MSRB through EMMA in an electronic format as prescribed by the MSRB notice of the occurrence of any of the following events or conditions:

a) the failure of the City to provide the Disclosure Information at the time specified under “Annual Information” herein;

b) the amendment or supplementing of the Disclosure Covenants pursuant to the Bond Resolution, together with a copy of such amendment or supplement and any explanation provided by the City under “Amendments” herein; and

c) any change in the fiscal year of the City.

8.04 Manner of Disclosure. The City agrees to make available the information

described herein under “Information To Be Disclosed” to the following entities by electronic, telecopy, overnight delivery, mail or other means, as appropriate:

(a) the information described under “Information To Be Disclosed - Certain Events” and “Information To Be Disclosed - Certain Other Information”, to the MSRB through EMMA in an electronic format as prescribed by the MSRB;

(b) the information described under “Information To Be Disclosed – Annual Information”, to the MSRB through EMMA in an electronic format as prescribed by the MSRB;

(c) the information described under “Information To Be Disclosed” to any rating agency then maintaining a rating of the Series 2024 Bonds and, at the expense of such Bondowner, to any Bondowner who requests in writing such information at the time of the transmission under clauses (A) or (B) above as the case may be, or, if such information is transmitted with a subsequent time of release, at the time such information is to be released; and

(d) all documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

8.05 Term of Disclosure. The Disclosure Covenants are to remain in effect until all Series 2024 Bonds have been paid or defeased under this Bond Resolution.

8.06 Disclosure Amendments; Interpretation. The Disclosure Covenants and the form and requirements of the Disclosure Information may be amended or supplemented by the City from time to time, without notice to or the consent of the Bondowner of any Series 2024 Bonds, by resolution or ordinance of the City filed in 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 qualification to the effect that: (i) such amendment or supplement (a) 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 (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule, assuming that such provisions apply to the Series 2024 Bonds. If the disclosure information is 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.

The Disclosure Covenants are 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 the undertaking would satisfy the requirements of paragraph (b)(5) of the Rule, assuming it was otherwise applicable to the Series 2024 Bonds.

8.07 Further Limitation of Liability of City on Disclosure. None of the agreements or obligations of the City contained in the Disclosure Covenants 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.

Section 9. Effective Date.

This resolution shall become effective upon adoption.

[Face of the Series 2024 Bonds]

UNITED STATES OF AMERICA

STATE OF MONTANA, CITY OF MILES CITY

GENERAL OBLIGATION BOND, SERIES 2024

No. R-1 \$ _____

<u>Interest Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	July 1, _____	_____, 20__	599225

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS

The City of Miles City, State of Montana (the "City"), acknowledges itself to be indebted and for value received 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 herein, on any date prior thereto on which this Bond shall have been duly called for redemption, and to pay interest on said principal amount to the registered owner hereof from _____, 20__ or from such later date to which interest has been paid or duly provided for until this Bond is paid or, if this Bond is prepayable, until it has been duly called for redemption, at the rate specified above. Principal of this Bond is payable upon presentation and surrender hereof to U.S. Bank Trust Company, National Association located in Salt Lake City, Utah, as Bond Registrar, Transfer Agent and Paying Agent at its operations center in St. Paul, Minnesota or its successor designated under the Resolution, as hereinafter defined (the "Registrar"). Interest on this Bond is payable semiannually on each January 1 and July 1, commencing on January 1, 2025, by check or draft mailed by the Registrar to the person in whose name this Bond is registered as of the close of business on the 15th day (whether or not a Business Day) of the immediately preceding month, at his address as it appears on the bond register maintained by the Registrar. "Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in Montana, New York, Minnesota and Washington are authorized to be closed. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

The principal of and interest on this Bond are payable in lawful money of the United States of America. For the prompt and full payment of such principal and interest as the same

respectively become due, the full faith, credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City has initially selected U.S. Bank National Association, Salt Lake City, Utah, or its successor, as paying agent (the "Paying Agent") for the City of Miles City, State of Montana, \$3,945,000 General Obligation Bonds, Series 2024 (the "Series 2024 Bonds").

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 an issue in the total principal amount of \$3,945,000, all of like date of original issue and tenor except as to serial number, denomination, maturity date, interest rate and redemption privilege, all as originally authorized by the favorable vote of more than the requisite majority of the qualified electors of the City voting on the question of the issuance thereof at an election duly held on November 7, 2023, for the purpose of paying a paying a portion of the costs of designing, constructing, equipping, and furnishing a new City fire rescue and ambulance station on City-owned property located at 2800 Main Street in Miles City, Montana and paying costs associated with the sale and issuance of Series 2024 Bonds, all pursuant to Resolution No. 4551 duly adopted by the City County on February 13, 2024 (the "Resolution"). The Series 2024 Bonds are issuable only as fully registered Bonds of single maturities, in book-entry only, in denominations of \$5,000 or any integral multiple thereof.

The Series 2024 Bonds with stated maturities in the years 2025 through 2044 are payable on their respective stated maturity dates without option of prior payment, but Series 2024 Bonds having stated maturity dates on or after July 1, 2035 are each subject to redemption 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 it deems fair), on July 1, 2034 and any day thereafter, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date.

The Series 2024 Bonds with stated maturities in the years 2042 and 2044 are Term Bonds and are subject to mandatory sinking fund redemption prior to maturity on July 1, in the year 2040 for the Term Bond maturing in 2042, and in the year 2043 for the Term Bond maturing in 2044 at 100% of the principal amount thereof in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the date of redemption, from mandatory sinking fund deposits in the total principal amount set forth below.

2042 Term Bonds		2044 Term Bond	
Date	Redemption Amount	Date	Redemption Amount
July 1, 2040	\$250,000	July 1, 2043	\$290,000
July 1, 2041	265,000	July 1, 2044 ¹	305,000
July 1, 2042 ¹	275,000		
Total	<u>\$790,000</u>		<u>\$595,00</u>

The date of redemption and the principal amount of the Series 2024 Bonds to be redeemed shall be fixed by the City Council who shall give notice thereof to the Registrar at least forty-five days prior to the date of redemption. The Registrar shall cause notice of redemption to be published as required by law, and, at least thirty 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 registered owners of each Series 2024 Bond to be redeemed at their addresses as they appear on the bond register. Upon partial redemption of any Series 2024 Bond, a new Series 2024 Bond will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City in 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 his attorney, and may also be surrendered in exchange for Series 2024 Bonds of other authorized denominations. Upon any such transfer or exchange, the City will cause a new Series 2024 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 Series 2024 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.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Montana to be done, to exist, to happen and to be performed precedent to and in the issuance of this Series 2024 Bond, in order to make it a valid and binding general obligation of the City according to its terms, have been done, do exist, have happened and have been performed in regular and due

¹ - Maturity Date

form, time and manner as so required; that the City Council covenants to cause the City of Miles City, Montana to annually levy an ad valorem tax on all of the taxable property in the City sufficient to pay the interest hereon when it falls due and also to pay and discharge the principal of this Bond at maturity; that this Bond, together with all other indebtedness of the City outstanding on the date of original issue hereof and on the date of the delivery of the Series 2024 Bonds of this issue to the original purchaser thereof, does not exceed any constitutional or statutory limitation of indebtedness; and that the opinion attached hereto is a true copy of the legal opinion given by Bond Counsel with reference to the Series 2024 Bonds, dated the date of original issuance and delivery of the Series 2024 Bonds.

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, City Council of the City of Miles City, Montana, has caused this Bond to be executed by the signatures of the Mayor and the City Clerk.

Mayor

City Clerk

Date of Authentication: _____

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2024 Bonds delivered pursuant to the Resolution mentioned within.

U.S. Bank Trust Company, National
Association, as Bond Registrar, Transfer
Agent, and Paying Agent

By _____

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal and interest on this 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 AGM 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 Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

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
TEN ENT:	as tenants by the entirety
JT TEN:	as joint tenants with right of survivorship and not as tenants in common
(State) UTMA	under Uniform Transfers to Minors Act
(Cust)	
(Minor)	

Additional 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 alternation, enlargement or any change whatsoever.

SIGNATURE GUARANTEED
