

RESOLUTION NO. 23-077

**RILEY PURGATORY BLUFF CREEK WATERSHED DISTRICT
BOARD OF MANAGERS**

**APPROVING TRUST SERVICES AGREEMENT WITH NORTHLAND TRUST
SERVICES RELATING TO PAYING AGENT, REGISTRAR AND TRANSFER AGENT
SERVICES**

Manager _____ moved the adoption of the resolution. Manager _____ seconded the motion.

WHEREAS, the Riley Purgatory Bluff Creek Watershed District (District) has duly adopted the Spring Road Conservation Project amendment to its Watershed Management Plan, and duly ordered the Spring Road Conservation Project;

WHEREAS, the Board of Managers has determined that that it is necessary and expedient to issue a General Obligation Temporary Bond to finance the Spring Road Conservation Project;

WHEREAS, the Board of Managers has determined that it is reasonable and prudent to engage Northland Trust Services to provide paying agent, registrar, and transfer agent services in relation to the issuance of this Bond;

NOW, THEREFORE, BE IT RESOLVED that the Riley Purgatory Bluff Creek Watershed District Board of Managers hereby approves the engagement of Northland Trust Services to provide paying agent, registrar, and transfer agent services for this Bond, and authorizes the administrator with advice of legal counsel to execute the appropriate services agreement.

The question was on the adoption of the resolution and there were ____ yeas and ____ nays as follows:

Yea Nay Abstain Absent

**CRAFTON
DUEVEL
KOCH
PEDERSEN
ZIEGLER**

Upon vote, the president declared the resolution _____.

Dated: December ___, 2023.

Dorothy Pedersen, Secretary

* * * * *

I, Dorothy Pedersen, secretary of the Riley Purgatory Bluff Creek Watershed District, do hereby certify that I have compared the above resolution with the original thereof as the same appears of record and on file with the District and find the same to be a true and correct transcription thereof.

IN TESTIMONY WHEREOF, I set my hand this _____ day of _____, 2023.

Dorothy Pedersen, Secretary



TRUST SERVICES AGREEMENT RELATING TO PAYING AGENT,
REGISTRAR AND TRANSFER AGENT SERVICES

This Agreement is entered into the date hereof between Northland Trust Services, Inc., Minneapolis, Minnesota, (the “Agent”) and the Riley Purgatory Bluff Creek Watershed District, Minnesota (the “Issuer”).

WITNESSETH that the Issuer has by Resolution authorized the issuance of \$5,801,000 General Obligation Temporary Watershed Bond, Series 2023A (the “Bonds”); Issuer has designated the Agent as the paying agent, registrar and transfer agent for the Bonds.

NOW THEREFORE, the Issuer and the Agent each in consideration of the representations and agreements of the other as set forth herein mutually represent and agree to the following:

Section 1. Agent’s Duties:

Registrar Function. The Agent shall maintain records of the identity of the owners of the Bonds in order to carry out its function as Registrar. In such capacity the Agent is authorized at any time to register for original issuance certificates representing the Bonds and not exceeding the total principal amount of the Bonds (“certificates”) and upon surrender for cancellation of certificates to register new certificates for the principal amount of Bonds represented by the certificates so cancelled and to redeliver such new certificates.

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

The Agent shall make transfers from time to time upon the records of the Issuer of any outstanding certificates and of certificates issued in exchange therefore signed by the officers of the Issuer upon surrender thereof for transfer properly endorsed and upon reasonable, assurance that such endorsements are genuine and effective. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require to be guaranteed by certain eligible guarantor institutions that participate in the recognized signature guarantee program.

Upon request for cancellation of such certificate, the Agent shall record and authenticate new certificates duly signed and deliver such certificates to or upon the order of the person entitled thereto.

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

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

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

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

1.6 Destruction of Cancelled Bonds. The Agent will promptly cancel and destroy certificates representing the Bonds which have been matured and fully paid, surrendered to it for transfer, or spoiled.

1.7 Mutilated, Lost, Stolen, or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Agent shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Agent in connection therewith; and in the case of a Bond destroyed, stolen or lost, upon filing by the owner with the Agent of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Agent of an appropriate bond of indemnity in form, substance and amount as may be required by law and as is satisfactory to the Agent, in which bond the Issuer and the Agent shall be named as obligees. All Bonds so surrendered to the Agent shall be cancelled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment, provided that the owner shall first provide the Agent with a bond of indemnity as set forth above.

1.8 Paying Agent Function. The Agent shall

- (a) keep true and accurate accounts of the outstanding principal balance of the Bonds;
- (b) send a statement to the Issuer of the amount which will be required to pay the principal, premium, if any, or interest on the Bonds on such date;
- (c) pay such interest on the Bonds as is due on each stated payment date, with the funds received from the Issuer, by check, ACH, or wire issued no later than the interest payment date, to the registered owners of the Bonds.
- (d) pay such principal and premium, if any, of the Bonds as is due on the stated payment dates upon presentation of the Bonds, cancel and dispose of all bonds in the same manner set forth in Section 1.7 hereof;
- (e) In any case where the date of maturity of interest or principal of the Bond or the date fixed for redemption of any Bonds shall be a Sunday or a legal holiday or a day on which banking and trust institutions are authorized by law to close, then payment of interest or principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the day fixed for redemption, provided that funds have been received from the Issuer in accordance with Section 2 hereof;

1.9 No Interest to be Paid on Funds. The Agent shall not be required to pay interest on any funds of the Issuer for any period during which funds are held by the Agent awaiting the presentation of Bonds for payment or the disbursement of interest on payment date. The Agent will have no obligation to invest any funds in its possession on behalf of the Issuer.

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

Section 2. Issuer's Function.

2.1 Provision of Funds to pay Principal and Interest. The Issuer may pay the Agent for the interest and principal due by check; however, the check must be received by the Agent for deposit no later than three business days before the debt service payment date in order for the bondholder payments to be released on the payment date. Check payments received from the Issuer after the deadline will result in bondholder payments being released after a three-business day clearance.

If the Issuer pays by wire, the wire must be received at least one (1) business day prior to the debt service payment date.

If the Issuer is a School District and the Bonds were issued under the Minnesota Credit Enhancement Program, funds must be received three (3) business days prior to payment date in compliance with the program provisions.

2.2 Failure to Provide Funds. If available funds needed for payment do not reach the Agent by any debt service payment date, payment of items may be refused, and the Issuer may be charged for reasonable expenses incurred and extra service performed in accordance with the Agent's schedule in effect at the time of the payment date.

If the Issuer is a Minnesota School District, the Agent will notify the State of non-payment pursuant to Minnesota State Statute 126C.55 and disburse funds when they are made available.

If the bond issue was insured at its original issuance, then Agent will notify the appropriate insurance company of non-payment and disburse funds when they are made available.

2.3 Compensation of the Agent. The Issuer will pay the Agent reasonable compensation for its services performed hereunder in accordance with the Registrar's fee schedule in effect at the time of the service, currently at \$495 per year. The initial setup fee charged at the time of issuance by the Agent will be \$255. The Agent's compensation is subject to change and may include the amount of any attorney fees incurred by it under Section 3.3 hereof. All fees are non-refundable. The fees and charges of said Agent shall in no event become a charge against the funds remitted by the Issuer for payment of principal and interest on the Bonds. Any and all additional services will bear a fee corresponding to the type of service, time involved and assumed responsibility.

Section 3. General Provisions.

3.1 Delivery of Records to Issuer; Retention. The Agent may, from time to time at its discretion, deliver to the Issuer such records accumulated in the performance of its duties as it may deem expedient, and the Issuer assumes all responsibility for any failure thereafter to produce any paper, record or document so returned, if and when required.

3.2 Call Processing. When the Agent shall receive notice from the Issuer of its option to redeem Bonds prior to maturity, the Agent shall select the Bonds to be redeemed and give notice of the redemption thereof, all in accordance with the terms of the Bonds and the Resolution. The Agent shall be compensated for these services at the fee schedule in effect at the time of service, currently at \$250 unless the Agent is selected as Agent on the new refunding bond issue.

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

3.4 Termination. Either party may terminate this agreement by written notice mailed to the other party at least ninety (90) days prior to termination date, upon which event the Agent shall return all cash and Bonds in its possession to the Issuer or its order and shall deliver the Bond Register to the Issuer or its order, and the Issuer shall pay \$350.00 for this service along with any accrued or unpaid service charges to the Agent.

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

3.6 Indemnification. The Issuer shall indemnify and save the Agent harmless from and against any loss, cost, charge, expense, judgment or liability, in which it may incur in the exercise of its powers and duties hereunder, and which are not due to its negligence or default.

3.7 Confidentiality. All records in connection with the Bonds shall be deemed confidential records. Use of the records will be limited to the purposes of this agreement and Agent will make no private use of or permit any private access thereto, unless as otherwise mandated under the Minnesota Data Practices Act, Minnesota Statute, Chapter 13, as amended.

Dated: December 27, 2023


ISSUER

By _____

Its _____

(SEAL)

NORTHLAND TRUST SERVICES, INC.

By  _____
Its Chief Operating Officer, Cashier

(SEAL)