

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the Agreement), made and entered into by and between Independent School District No. 833 (South Washington County Schools), Minnesota (the District), and Zions Bancorporation, National Association (the Agent);

WITNESSETH, that the parties hereto recite and, in consideration of the mutual covenants and payments referred to and contained herein, covenant and agree as follows:

1. The District has issued its \$133,015,000 General Obligation School Building, Facilities Maintenance and Refunding Bonds, Series 2024A (the Bonds), to refund in advance of maturity and prepay on March 14, 2024, the 2026 through 2028 maturities, aggregating \$14,640,000 in principal amount, of the District's outstanding \$14,840,000 General Obligation Alternative Facilities Bonds, Series 2014A, dated originally as of May 20, 2014 (the Refunded Bonds) and;

2. The District has also, in accordance with a resolution adopted by the School Board of the District on January 18, 2024 (the Bond Resolution), simultaneously with the execution of this Agreement, transmitted Bond proceeds in the amount of \$14,623,757.74 to the Agent for deposit into the Escrow Account (as hereinafter defined) to be used as follows:

(a) \$14,623,757.00 to purchase an equivalent principal amount of State and Local Government Securities (SLGS), as identified in Exhibit A attached hereto; and

(b) \$0.74 to be deposited as a beginning cash balance in the escrow account hereinafter established.

3. The Escrow Agent agrees to apply the funds received from the District in the manner and for the purposes set forth in Section 2 hereof and this Section. The Agent acknowledges receipt of the SLGS and cash described in Section 2 and agrees that it will hold such SLGS and cash in a special escrow account, hereinafter called the Escrow Account, in the name of the District, and will collect and receive on behalf of the District all payments of principal and interest on such SLGS and cash. On the Redemption Date, the Agent will remit to Bond Trust Services Corporation, in Roseville, Minnesota, as paying agent for the Refunded Bonds, the sum of \$14,623,757.74 from the Escrow Account to pay the principal amount of the Refunded Bonds called for redemption on such date in accordance with the attached Exhibit B. Any remaining funds in the Escrow Account after such transfers shall be remitted to the District.

4. In order to ensure continuing compliance with the Internal Revenue Code of 1986, as amended (the Code), and present Treasury Regulations promulgated thereunder, the Agent agrees that (except as provided in the next paragraph hereof) it will not reinvest any moneys received in payment of the principal of and interest on the SLGS and cash held in the Escrow Account. Said prohibition on reinvestment shall continue unless and until an opinion is received from nationally recognized bond counsel that reinvestments in general obligations of the United States or obligations the principal of and interest on which are guaranteed as to payment by the

United States, as specified in said opinion, may be made in a manner consistent with the Code and then existing Treasury Regulations.

5. The Agent acknowledges that arrangements satisfactory to it for payment of its compensation for all services to be performed by it as Agent under this Agreement have been made. The Agent expressly waives any lien upon or claim against any funds in the Escrow Account.

6. Within 60 days following the close of the Escrow Account, the Agent shall submit to the District a report covering all money it shall have received and all payments it shall have made or caused to be made hereunder during the preceding fiscal year or portion thereof.

7. It is recognized that title to the SLGS and cash held in the Escrow Account from time to time shall remain vested in the District but subject always to the prior charge and lien thereon of this Agreement and the use thereof required to be made by the provisions of this Agreement. The Agent shall hold all such SLGS and cash in a special escrow account separate and wholly segregated from all other funds and securities of the Agent or deposited therein. It is understood and agreed that the responsibility of the Agent under this Agreement is limited to the safekeeping and segregation of the SLGS and cash deposited with it in the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

8. This Agreement is made by the District for the benefit of the holders of the Bonds and the Refunded Bonds, as their interests may appear, under and pursuant to Minnesota Statutes, Section 475.67, and is not revocable by the District, and the SLGS and cash deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment and redemption of the Refunded Bonds on said date, in accordance with this Agreement. This Agreement may not be amended except to (i) sever any clause herein deemed to be illegal, (ii) provide for the reinvestment of moneys or the substitution of securities as permitted by Section 4 hereof or (iii) cure any ambiguity or correct or supplement any provision herein which may be inconsistent with any other provision, provided that the Agent shall determine that any such amendment shall not adversely affect the owners of the Refunded Bonds. In the event an amendment to this Agreement is proposed to be made pursuant to this Section 8, prior notice shall be given by first class mail, postage prepaid, to the following organization at the following address (or such other address as may be provided by the addressee) and shall be deemed effective upon receipt: Moody's Municipal Rating Desk/Refunded Bonds, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007.

9. This Agreement shall be binding upon and shall inure to the benefit of the District and the Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the registered of the Bonds and Refunded Bonds, as their interests may appear. Said third party beneficiaries shall be entitled to enforce performance and observance by the District and the Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

10. Upon merger or consolidation of the Agent, 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 Agent. Upon the resignation of the Agent, which shall be communicated in writing to the District, or in the event the Agent becomes incapable of acting hereunder, the District reserves the power to appoint a successor Agent. No resignation shall become effective until the appointment of a successor Agent by the District.

11. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed by their duly authorized officers, on February 8, 2024.

INDEPENDENT SCHOOL DISTRICT NO. 833
(SOUTH WASHINGTON COUNTY SCHOOLS),
MINNESOTA

By _____
Board Chair

And _____
School District Clerk

[Signature page to the Escrow Agreement]

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, Agent

By _____

Its _____

[Counterpart signature page to the Escrow Agreement]

Exhibit A

**ESCROW ACCOUNT CASH RECEIPTS FROM SLGS ALLOCATED TO THE
REFUNDED BONDS PURCHASED WITH BOND PROCEEDS**

Escrow Summary Cost

Maturity	Type	Coupon	Yield	\$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Escrow								
03/14/2024	SLGS-CI	5.510%	5.510%	100.0000000%	14,623,757	14,623,757.00	-	14,623,757.00
Subtotal		-	-	-	\$14,623,757	\$14,623,757.00	-	\$14,623,757.00
Total		-	-	-	\$14,623,757	\$14,623,757.00	-	\$14,623,757.00

Escrow

Cash Deposit	0.74
Cost of Investments Purchased with Bond Proceeds	144,501,073.78
Total Cost of Investments	\$144,501,074.52

Delivery Date 2/08/2024

EXHIBIT B

ESCROW ACCOUNT CASH FLOW

Current Refunding Escrow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
02/08/2024	-	-	-	0.74	-	0.74
03/14/2024	14,623,757.00	5.510%	77,054.41	14,700,811.41	14,700,812.15	-
Total	\$14,623,757.00	-	\$77,054.41	\$14,700,812.15	\$14,700,812.15	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted

Cash Deposit	0.74
Cost of Investments Purchased with Bond Proceeds	14,623,757.00
Total Cost of Investments	\$14,623,757.74

Target Cost of Investments at bond yield	\$14,652,740.62
Actual positive or (negative) arbitrage	28,982.88

Yield to Receipt	5.3249462%
Yield for Arbitrage Purposes	3.3023165%

State and Local Government Series (SLGS) rates for	1/18/2024
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