

TETON SCHOOL DISTRICT NO. 401
Teton County, Idaho

GENERAL OBLIGATION REFUNDING BOND, SERIES 2022
PRINCIPAL AMOUNT \$3,370,000

TRANSCRIPT INDEX

DOCUMENT
NUMBER

DESCRIPTION

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| 1 | General Certificate of District Clerk. |
| 2 | Resolution Adopted by the Board of Trustees on November 12, 2012, Authorizing the Issuance and Sale of \$9,995,000 General Obligation School Bonds, Series 2012. |

BOND AUTHORIZATION DOCUMENTS

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| 3 | Resolution Adopted by the Board of Trustees on February 14, 2022, Authorizing the Issuance and Sale of General Obligation Refunding Bonds, Series 2022, in an Aggregate Principal Amount Not to Exceed \$3,375,000 to the Bank of Commerce. |
| 4 | Certificate of Eligibility of the Bonds for the Idaho School Bond Guaranty Program, dated February 10, 2022. |

BOND CLOSING DOCUMENTS

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| 5 | Bond Purchase Agreement, between School District No. 401 and Bank of Commerce. |
| 6 | Escrow Agreement, between School District No. 401 and U.S. Bank Trust Company, National Association, as Escrow Agent. |
| 7 | Certificate of Investigation. |
| 8 | Paying Agent Agreement. |
| 9 | Acceptance Certificate of Bond Registrar and Escrow Agent. |
| 10 | Signature and No Litigation Certificate. |
| 11 | District's Receipt for Proceeds and Written Certificate to Trustee. |
| 12 | Receipt for Bond. |

TETON SCHOOL DISTRICT NO. 401
Teton County, Idaho

GENERAL OBLIGATION REFUNDING BOND, SERIES 2022
PRINCIPAL AMOUNT \$3,370,000

GENERAL CERTIFICATE OF DISTRICT CLERK

I, DIANE TEMPLE, do hereby certify that I am the duly appointed, qualified, and acting Treasurer and Clerk of School District No. 401, Teton County, Idaho (the "District"). I further certify, according to the records of the District, as follows:

1. The following persons are the duly elected or appointed incumbent members of the Board of Trustees (the "Board") of the District, together with the Superintendent, Treasurer and Clerk of the District:

<u>NAME</u>	<u>OFFICE</u>	<u>EXPIRATION OF TERM</u>
Shannon Brooks-Hamby	Chairperson	January, 2024
Kathleen Haar	Vice Chairperson	January, 2026
Ray Hinchcliff	Board Member	January, 2026
Ticia Sheets	Board Member	January, 2024
Alexie Hulme	Board Member	January, 2024
Monte Woolstenhulme	Superintendent	Indefinite
Diane Temple	CFO/Treasurer/Clerk	Indefinite

2. Each of the foregoing has taken and filed the appropriate oath of office in the form and manner required by law, and each is the duly qualified and acting officer as aforesaid.

3. The District is, and at all times pertinent hereto has been, a duly existing public school district and political subdivision organized and operating under and pursuant to the laws of the State of Idaho. The name and corporate status of the District have not been changed by any election, resolution, or other action of the District.

4. On February 14, 2022, the Board duly and regularly adopted a resolution authorizing the issuance and sale of General Obligation Refunding Bonds, Series 2022, of the District (the "Bonds"), in the principal amount not to exceed \$3,375,000. A true and correct copy of the resolution of February 14, 2022, is included in this transcript as Document No. 3. Said resolution has not been repealed, in whole or in part, and remains in full force and effect.

5. Included herein as Document No. 4 is a true and correct copy of the Certificate of Eligibility of the Treasurer of the State of Idaho relating to the Idaho School Bond Guaranty Act (the "Act").

6. Included herein as Document No. 5 is a true and correct copy of the Bond Purchase Agreement between the District and The Bank of Commerce.

7. Included in this transcript as Document No. 6 is a true, correct, and complete copy of the Escrow Agreement, relating to the refunding of the District's 2012 bonds, between the District and U.S. Bank National Association, as Escrow Agent.

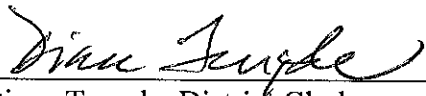
8. The District is a secondary school district within the meaning of the laws of the State of Idaho, and has not been reclassified by the State Board of Education of the State of Idaho as an elementary school district.

9. The total indebtedness of the District, including the Bonds, does not, as of the date of approval by the electors in the school bond election and as of this date, exceed any constitutional or statutory debt limitation applicable to the District, including the limitation provided by Section 33-1103, Idaho Code.

10. The seal affixed below is the official seal of the District.

IN WITNESS WHEREOF, the undersigned has hereunto set her signature and the official seal of School District No. 401 as of the 17th day of June, 2022.

SCHOOL DISTRICT NO. 401
Teton County, Idaho



Diane Temple, District Clerk

(S E A L)

RESOLUTION

A RESOLUTION OF THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 401, TETON COUNTY, IDAHO, AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$9,995,000 FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL OBLIGATION SCHOOL BONDS OF THE DISTRICT; PROVIDING FOR THE SALE OF THE BONDS; MAKING FINDINGS AND COVENANTS; DESCRIBING THE REFUNDING BONDS; PROVIDING FOR THE LEVY OF TAXES TO PAY THE PRINCIPAL OF AND INTEREST ON THE REFUNDING BONDS; PROVIDING FOR THE USE OF THE PROCEEDS OF THE REFUNDING BONDS; ESTABLISHING COVENANTS CONCERNING MAINTENANCE OF THE TAX-EXEMPT STATUS OF THE INTEREST THEREON; ESTABLISHING AN ESCROW FUND AND PROVIDING FOR THE CALL AND REDEMPTION OF THE BONDS TO BE REFUNDED; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, School District No. 401, Teton County, Idaho (the "District"), is a public school district created and operating under the laws of the State of Idaho; and

WHEREAS, the District now has outstanding its General Obligation School Bonds, Series 2006, in the original aggregate principal amount of \$12,000,000 (the "Series 2006 Bonds" or "Refunded Bonds"); and

WHEREAS, the District is authorized by Chapter 11, Title 33, and Section 57-504, Idaho Code, to issue its refunding bonds to refund outstanding bonds whenever its Board of Trustees (the "Board") determines that a saving or other beneficial public objective can be achieved thereby, and to sell its refunding bonds at a public sale; and

WHEREAS, the Board has determined that a portion of the Series 2006 Bonds (the "Refunded Bonds") can be refunded with profit and advantage and with a present value debt service saving to the District and its taxpayers and has determined to issue the refunding bonds of the District for the purpose of refunding its outstanding Refunded Bonds; and

WHEREAS, the Board now desires to provide for the issuance and sale of the refunding general obligation bonds of the District in a principal amount not to exceed \$9,995,000 for the aforesaid purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 401, Teton County, Idaho, as follows:

Section 1: DEFINITIONS

As used in this Bond Resolution, unless the context shall otherwise require, the following terms shall have the following meanings:

Act means, collectively, Chapter 11 of Title 33 and Chapters 2, 5, and 9 of Title 57, Idaho Code, as amended.

Board means the Board of Trustees of the District.

Bond Fund means the Bond Fund established in Section 10 hereof.

Bond Counsel means Moore Smith Buxton & Turcke, Chartered, Boise, Idaho, or another attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions.

Bond Registrar means the Corporate Trust Department of U.S. Bank National Association, as bond registrar, transfer agent, authenticating and paying agent for the Bonds, appointed and designated in Section 6 of this Bond Resolution.

Bond Resolution means this Resolution, adopted on November 12, 2012, authorizing the issuance and sale of the Bonds.

Bonds means the "School District No. 401 General Obligation Refunding Bonds, Series 2012," herein authorized to be issued, sold, and delivered in a principal amount not to exceed \$9,995,000.

Book-Entry-Only System means the system of recordation of ownership of the Bonds on the books of DTC pursuant to Section 4 of this Bond Resolution.

Business Day means any day other than (i) a Saturday, Sunday, or legal holiday, or (ii) a day on which the Bond Registrar is authorized by law to close.

Cede means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds pursuant to Section 4 hereof.

Certificated Bond(s) means a Bond or Bonds evidenced by a printed certificate in the event that the Book-Entry-Only System is discontinued.

Chairperson or Chairman means the chairperson of the Board of the District.

Clerk means the Clerk of the District.

Code means the Internal Revenue Code of 1986, as amended.

Cost of Issuance Fund means the fund created by Section 10(A)(2) of this Bond Resolution for the payment of the costs of issuance of the Bonds as provided in Section 10(E) of this Bond Resolution.

District means School District No. 401, Teton County, Idaho, a public school district of the State of Idaho.

DTC means The Depository Trust Company, New York, New York, and its successors and assigns.

Escrow Agent means U.S. Bank National Association, as escrow agent under the Escrow Agreement.

Escrow Agreement means the Escrow Deposit Agreement between the District and U.S. Bank National Association, as authorized in Section 10(C) hereof.

Escrow Fund means the Escrow Fund established in the Escrow Agreement.

Exchange Bond means any Exchange Bond as defined in Section 7 hereof.

Financial Advisor means Seattle-Northwest Securities Corporation, as financial advisor to the District.

Fiscal Year means the fiscal year of the District, commencing on July 1 of each year.

Government Obligations means direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, including State and Local Government Series Obligations (SLGS).

Interest Payment Date(s) means the payment date(s) set forth in Section 3(B) of this Bond Resolution.

Participants means those broker-dealers, banks, and other financial institutions from time to time for which DTC holds Bonds as securities depository.

Official means the chairman, vice chairman, clerk, superintendent, business manager or any other person designated as such for the purposes of this Resolution by the Board of the District.

Official Notice of Sale means the notice of sale of the Bonds.

Principal Corporate Trust Office means, with respect to the Bond Registrar, the office of the Bond Registrar at Salt Lake City, Utah; provided, however, that with respect to payments on the Bonds and any exchange, transfer, or surrender of the Bonds, Principal Corporate Trust Office shall mean the office of the Bond Registrar at U.S. Bank Trust National Association, 60 Livingston Avenue, St. Paul, MN 55107 or such other or additional office as may be specified by the Bond Registrar.

Purchaser means the purchaser of the Bonds, as determined by the successful bidder at a public sale.

Record Date means in the case of each interest payment date, the Bond Registrar's close of business on the fifteenth day next preceding such interest payment date.

Refunded Bonds means the Series 2006 Bonds maturing on September 15, 2017 through September 15, 2025, inclusive, outstanding in the principal amount of \$9,995,000.

Registered Owner or Owner means the registered owner of any Bond as shown in the registration books of the District kept by the Bond Registrar for such purpose.

Regulations means the Treasury Regulations issued or proposed under Section 103, Section 148, Section 149, or Section 150 of the Code (26 CFR Part 2) or other sections of the Code relating to "arbitrage bonds" or rebate, including without limitation Sections 1.148-0 through 1.148-11 and 1.150-1 of the Treasury Regulations, to the extent applicable, and includes amendments thereto or successor provisions.

Representation Letter means the representation letter from the District to DTC, as authorized in Section 4 hereof.

Series 2006 Bonds means the General Obligation School Bonds, Series 2006, of the District, dated May 17, 2006, issued in the initial aggregate principal amount of \$12,000,000.

Term Bonds means Bonds representing two or more consecutive maturities of Bonds, which Term Bonds shall be subject to mandatory sinking fund deposit.

Treasurer means the Business Manager of the District.

Written Certificate means an instrument in writing on behalf of the District executed by an authorized officer of the District.

Section 2: FINDINGS

The Board hereby finds, determines, and declares:

A. That the District's Refunded Bonds can be refunded at a substantial present-value saving to the District and its taxpayers.

B. That it is desirable and necessary for the benefit of the District and its taxpayers to refund the District's Refunded Bonds for the purpose of achieving a saving and other beneficial public objectives, by the issuance of the Bonds.

Section 3: THE BONDS

A. Authorization. Fully registered general obligation bonds of the District, designated "School District No. 401 General Obligation Refunding Bonds, Series 2012" (the "Bonds"), in an aggregate principal amount not to exceed \$9,995,000 are hereby authorized to be issued, sold, and delivered pursuant to the Act. The Bonds shall be issued in fully registered form only, without coupons.

B. Description of the Bonds. The Bonds shall be issued in accordance with the Book-Entry-Only System described in Section 4, shall be dated as of their date of delivery, and shall be issued in fully registered form in denominations of \$5,000 each or integral multiples thereof, not exceeding the total amount of Bonds maturing in a single maturity (provided that no Bond shall represent more than one maturity). The interest on the bonds shall be such that the District realizes a present value savings of 5.0% savings as a percentage of the Refunded Bonds.

Interest shall be computed on the basis of a twelve-month, 360-day year.

Each Bond shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless it is registered and authenticated as of an interest payment date, in which event it shall bear interest from the date thereof, or unless it is registered and authenticated prior to the first interest payment date, in which event it shall bear interest from its date, or unless, as shown by the records of the Bond Registrar, interest on the Bonds shall be in default, in which event it shall bear interest from the date to which interest has been paid in full. The Bond Registrar shall insert the date of registration and authentication of each Bond in the place provided for such purpose in the form of Bond Registrar's certificate of authentication on each Bond. To the extent permitted by law, the Bonds shall bear interest on overdue principal at the aforesaid respective rates.

The Bonds shall be numbered separately from One (1) upwards in order of issuance with the prefix "R" preceding each number.

After execution, as hereinafter provided, the Bonds shall be authenticated by the Bond Registrar in the manner hereinafter provided.

The Bonds bear interest from their date, payable commencing on March 15, 2013, and semiannually on each September 15 and March 15 thereafter until their maturity or prior

redemption, at the rates of interest set forth in the Official Statement, and shall mature on September 15 of each year.

Section 4: THE BOOK-ENTRY-ONLY SYSTEM

A. Book-Entry-Only System; Limited Obligation of District. The Bonds shall be initially issued in the form of a separate single fully registered Bond substantially in the form of Exhibit "A" which is annexed hereto and incorporated herein by reference for each of the maturities set forth in Section 3 hereof. Each such Bond shall be manually executed by the Chairperson and manually countersigned by the Clerk, and the corporate seal of the District shall be impressed thereon. Each Bond shall also be manually authenticated by the Bond Registrar. Upon initial issuance, the ownership of each Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC. Except as provided in Paragraph 4(C) hereof, all of the outstanding Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC.

With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, the District and the Bond Registrar shall have no responsibility or obligation to any Participant or to any person on behalf of which a Participant holds an interest in the Bonds with respect to (i) the accuracy of the records of DTC, Cede or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person, other than a Registered Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a Registered Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of or interest on the Bonds. The District and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided in Section 7 hereof, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the registration books kept by the Bond Registrar, shall receive a Bond certificate evidencing the obligation of the District to make payments of principal and interest pursuant to this Bond Resolution. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions herein with respect to Record Dates, the word "Cede" in this Bond Resolution shall refer to such new nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Bond Registrar.

B. Representation Letter. The Representation Letter in substantially the form annexed hereto as Exhibit "B" and by reference incorporated herein is hereby approved for use in

connection with the Bonds. The District's execution and delivery of the Representation Letter shall not in any way limit the provisions of Paragraph A of this Section 4 or in any other way impose upon the District any obligation whatsoever with respect to persons having interests in the Bonds other than the Registered Owners, as shown on the registration books kept by the Bond Registrar. In the written acceptance of each Bond Registrar referred to in Section 6 hereof, such Bond Registrar shall agree to take all action necessary for all representations of the District in the Representation Letter with respect to the Bond Registrar to at all times be complied with.

C. Transfers Outside Book-Entry-Only System. In the event that (a) the District determines that DTC is incapable of discharging or is unwilling to discharge its responsibilities described herein and in the Representation Letter, (b) DTC determines to discontinue providing its service as securities depository with respect to the Bonds at any time as provided in the Representation Letter, or (c) the District determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain Certificated Bonds or in certificated form, and an alternative book-entry system is not available or is not selected as provided in the succeeding sentence, the District shall notify DTC and direct DTC to notify the Participants of the availability through DTC of Bond certificates, and the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC. At that time, the District may determine that the Bonds and shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the District, or such depository's agent or designee, and if the District does not select such alternate universal book-entry system, then the Bonds and shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, but may be registered in whatever name or names Registered Owners transferring or exchanging Bonds and shall designate, in accordance with the provisions of Section 7 hereof.

D. Payments to Cede. Notwithstanding any other provision of this Bond Resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 5: EXECUTION OF CERTIFICATED BONDS

In the event that the Book-Entry-Only System is discontinued with respect to the Bonds, the District shall cause Certificated Bonds in certificated form to be prepared, executed, authenticated, and delivered. The Certificated Bonds shall be substantially in the form set forth as Exhibit "C" annexed hereto and by reference made a part hereof. The Certificated Bonds shall be numbered separately in the manner and with such additional designation as the Bond Registrar shall deem necessary for purposes of identification.

Certificated Bonds shall be executed on behalf of the District by the Chairperson and countersigned by the Clerk (the signatures of said Chairperson and Clerk being either manual or

by facsimile) and the corporate seal of the District shall be impressed thereon or the facsimile of the corporate seal of the District shall be printed thereon. The said officials and each of them are hereby authorized and instructed to execute the Certificated Bonds in certificated form accordingly, and the use of such facsimile signatures of said Chairperson and Clerk and such facsimile of the seal of the District on the Certificated Bonds are hereby authorized, approved, and adopted as the authorized and authentic execution, countersigning, and sealing of the Certificated Bonds by said officials. The Certificated Bonds shall then be delivered to the Bond Registrar for manual authentication. Only such of the Certificated Bonds shall bear thereon a certificate of authentication, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Bond Resolution, and such certificate of the Bond Registrar shall be conclusive evidence that the Certificated Bonds so authenticated have been duly authenticated and delivered under, and are entitled to the benefits of, this Bond Resolution and that the Registered Owner thereof is entitled to the benefits of this Bond Resolution. The certificate of authentication of the Bond Registrar on any Certificated Bond shall be deemed to have been executed by it if (a) such Certificated Bond is signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Certificated Bonds issued hereunder or that all of the Certificated Bonds hereunder be authenticated by the same Bond Registrar, and (b) the date of registration and authentication of the Certificated Bond is inserted in the place provided therefor on the certificate of authentication.

The Chairperson and Clerk are authorized to execute, countersign, and seal from time to time, in the manner described above, Certificated Bonds (the "Exchange Bonds") to be issued and delivered for the purpose of effecting transfers and exchanges of Bonds pursuant to Section 7 hereof. At the time of the execution, countersigning, and sealing of the Exchange Bonds by the District, the payee, maturity, or due date, as applicable, and interest rate, if applicable, shall be in blank. All Exchange Bonds shall be in the denomination of \$5,000 or integral multiples thereof. Upon any transfer or exchange of Bonds pursuant to Section 7 hereof, the Bond Registrar shall cause to be inserted in appropriate Exchange Bonds the appropriate payee, maturity, or due date, as applicable, and interest rate. The Bond Registrar is hereby authorized and directed to hold the Exchange Bonds, and to complete, authenticate, and deliver the Exchange Bonds, for the purpose of effecting transfers and exchanges of Certificated Bonds; provided that any Exchange Bonds authenticated and delivered by the Bond Registrar shall bear the same series, maturity, or due date, as applicable, and interest rate as Bonds delivered to the Bond Registrar for exchange or transfer, and shall bear the name of such payee as the Registered Owner requesting an exchange or transfer shall designate; and provided further that upon the delivery of any Exchange Bonds by the Bond Registrar a like principal amount, if applicable, of Certificated Bonds submitted for transfer or exchange, and of like series and having like maturities and interest rates, if applicable, shall be canceled. The execution, countersigning, and sealing by the District and delivery to the Bond Registrar of any Exchange Bond shall constitute full and due authorization of such Certificated Bond containing such payee, maturity, or due date, as applicable, and interest rate, if applicable, as the Bond Registrar shall cause to be inserted, and the Bond Registrar shall thereby be authorized to authenticate and deliver such Exchange Bond in accordance with the provisions hereof.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond (including any Exchange Bond) shall cease to be such officer before the issuance or delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such issuance or delivery, respectively.

Section 6: BOND REGISTRAR

U.S. Bank National Association is hereby appointed the Bond Registrar for the Bonds. The District may remove the Bond Registrar, and any successor thereto, and appoint a successor or successors thereto. Each Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution by executing and delivering to the District a written acceptance thereof. The principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Principal of the Bonds shall be payable when due to the Registered Owner of each Bond at the principal corporate trust office of the Bond Registrar. Payment of interest on each Bond shall be made to the person who, as of the Record Date, is the Registered Owner of the Bond and shall be made by check or draft mailed to the Registered Owner, at the address of such Registered Owner as it appears on the registration books of the District kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such Registered Owner on or prior to the Record Date.

Section 7: TRANSFER AND EXCHANGE OF BONDS

A. Transfer of Bonds.

(1) Any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar pursuant to Paragraph C of this Section 7, by the Registered Owner, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The District and the Bond Registrar may treat and consider the Registered Owner as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal, if any, or redemption price thereof and interest due thereon and for all other purposes whatsoever.

(2) Whenever any Bond shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully registered Bond (which may be an Exchange Bond pursuant to Paragraph B of this Section 7) of the same series, designation, maturity, or due date, as applicable, and interest rate and of authorized denominations duly executed by the District, for a like aggregate principal amount or interest amount, as applicable. The Bond Registrar shall require the payment by the Registered Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made after the Record Date with respect to any

Interest Payment Date to and including such Interest Payment Date. If Exchange Bonds are prepared in connection with transfers outside the book-entry registration system as provided in Section 4(C), the foregoing provisions of this Section 7 shall apply to such transfers or exchanges.

B. Exchange of Bonds. Bonds may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of fully registered Bonds (which may be an Exchange Bond) of the same series, designation, maturity, or due date, as applicable, and interest rate of other authorized denominations or amounts, as applicable. The Bond Registrar shall require the payment by the Registered Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. With respect to each Bond, no such exchange shall be required to be made after the Record Date with respect to any Interest Payment Date to and including such interest payment date.

C. Bond Registration Books. This Bond Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act of Idaho, Chapter 9 of Title 57, Idaho Code. The Bond Registrar shall keep or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the District; and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein provided.

D. List of Registered Owners. The Bond Registrar shall maintain a list of the names and addresses of the Registered Owners of all Bonds and upon any transfer shall add the name and address of the new Registered Owners and eliminate the name and address of the transferor Registered Owner.

E. Duties of Bond Registrar. If requested by the Bond Registrar, the Chairperson and Clerk are authorized to execute the Bond Registrar's standard form of agreement between the District and the Bond Registrar with respect to the compensation, obligations, and duties of the Bond Registrar hereunder which may include the following:

- (1) to act as bond registrar, authenticating agent, paying agent, and transfer agent as provided herein;
- (2) to maintain a list of Registered Owners as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential;
- (3) to give notice of redemption of Bonds as provided herein;
- (4) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(5) to furnish the District at least annually, if requested, an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds; and

(6) to comply with all applicable provisions of the Representation Letter, as called for in Section 4(B) hereof.

Section 8: REDEMPTION PRIOR TO MATURITY

A. Optional Redemption. The Bonds maturing on or before September 15, 2022, shall not be subject to call or redemption prior to their stated dates of maturity. On any date on or after September 15, 2022, the Bonds maturing on or after September 15, 2023, shall be subject to redemption, at the option of the District, in whole or in part (and by lot selected by the Bond Registrar if less than the entire maturity is being redeemed), upon notice as hereinafter provided, at the redemption price of 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

B. Notice of Redemption. Notice of redemption of any Bonds prior to their stated maturity shall be given by mailing of notice by the Bond Registrar to the registered owner of any Bond being called for redemption not less than thirty nor more than sixty days prior to the redemption date by first class mail, postage prepaid, at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such registered owner to the Bond Registrar. The foregoing requirements shall be deemed to be complied with when notice is mailed as provided herein, regardless of whether or not it is actually received by the owner of such Bond. Notice shall also be given by one (1) publication not less than thirty (30) days prior to said redemption date, in a newspaper of general circulation in the District, and by mailing of a copy of the notice to The Bond Buyer, a publication printed in New York City. The notice shall specify the Bonds to be redeemed, the date and place of redemption, and shall provide that the Bonds so called for redemption shall cease to accrue interest on the specified redemption date, provided funds for such redemption are on deposit at the place of payment at such time, and shall not be deemed to be outstanding as of such redemption date.

C. Other Redemption Provisions. Portions of any Bond of a denomination of more than \$5,000 may be redeemed. The portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or any integral multiple of \$5,000, and in selecting portions of such Bonds for redemption, the Bond Registrar will treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such bond by \$5,000.

Section 9: DEFEASANCE OF THE BONDS

In the event that money and/or government obligations, maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in such amounts as are sufficient (together with any resulting cash balances) to redeem and retire part or all of the Bonds in accordance with its terms, are hereafter irrevocably

set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on the Bonds so provided for, and the Bonds and interest accrued thereon shall then cease to be entitled to any lien, benefit, or security of this Bond Resolution, except the right to receive the funds so set aside and pledged, and the Bonds and interest accrued thereon shall no longer be deemed to be outstanding hereunder.

Section 10: FUNDS AND ACCOUNTS

A. Establishment of Accounts and Funds. The following accounts and funds on the accounting records of the District are hereby created with respect to the Bonds:

- (1) Bond Fund, to be held by the District.
- (2) Cost of Issuance Fund, to be held by the Escrow Agent.
- (3) Escrow Fund, to be held by the Escrow Agent.

B. Delivery of Bonds; Application of Proceeds. The Clerk of the District is hereby instructed to make delivery of the Bonds to the Purchaser and to receive payment therefor and to deposit the proceeds of sale as follows:

- (1) A portion of the proceeds of sale of the Bonds shall be deposited in the Cost of Issuance Fund to be used as described in Section 10(E).
- (2) Accrued interest on the Bonds from their date to their date of delivery, if any, shall be deposited into the Bond Fund.
- (3) The remaining proceeds of sale of the Bonds shall be deposited into the Escrow Fund to be used as described in Sections 10(C) and 10(D).

C. Approval of Escrow Agreement; Deposits into Escrow Fund.

(1) The Escrow Agreement, in substantially the form set forth in Exhibit "D" which is annexed hereto and by reference incorporated herein, with such changes, omissions, insertions, and revisions as the Chairperson shall approve, is hereby authorized, and the Chairperson and Clerk shall sign such Escrow Agreement, which signature shall evidence such approval. The Chairperson and the Clerk are, and each of them is, hereby authorized to do or perform all such acts as may be necessary or advisable to comply with the Escrow Agreement and to carry the same into effect.

(2) The portion of the proceeds of the sale of the Bonds specified in Section 10(B)(3) hereof, together with other funds of the District as shall be specified in a Written Certificate to be filed with the Escrow Agent at the time of the delivery of the Bonds, shall,

simultaneously with the delivery of the Bonds be invested or reinvested as contemplated in the Act (except for any amount to be retained as cash) and the obligations in which such moneys are so invested and any remaining cash shall be deposited in trust with the Escrow Agent in accordance with the provisions of the Escrow Agreement.

D. Redemption of Refunded Bonds; Pledge, Etc. of Escrow Fund.

(1) The Refunded Bonds maturing on and after September 15, 2017, are hereby irrevocably called for redemption on September 15, 2016. Notice of such redemption shall be given as provided in the resolution authorizing the Series 2006 Bonds and in accordance with the Act. The Refunded Bonds are being redeemed at a redemption price of par plus accrued interest to the date of redemption.

(2) Moneys in the Escrow Fund shall be utilized exclusively for the purposes of (i) paying the interest on the Refunded Bonds through and including September 15, 2016; and (ii) on September 15, 2016, paying and redeeming the principal of the Refunded Bonds; and the Escrow Fund is hereby irrevocably pledged to such purposes.

(3) Moneys in the Escrow Fund shall be invested, until needed for the purposes of the Escrow Fund, in cash and Government Obligations, as permitted in the Escrow Agreement. It is hereby found and determined by the District, pursuant to Section 57-504, Idaho Code, that moneys in the Escrow Fund, together with other funds of the District pledged to the payment of the Refunded Bonds, will be sufficient to pay, when due, pursuant to stated maturity or call for redemption, the principal of and interest due and to become due on the Refunded Bonds, and provision has been made in the Escrow Fund for the refunding of the Refunded Bonds.

(4) Any moneys remaining in the Escrow Fund and not needed for refunding of the Refunded Bonds shall be applied to pay any costs of issuance of the Bonds that remain unpaid, if any, and any moneys remaining thereafter may be used by the District for any lawful purpose.

(5) It is hereby found and determined that, upon compliance by the District and the Escrow Agent with the foregoing provisions of this Section 10(D), adequate provision shall have been made for the payment of the principal amount of the Refunded Bonds.

E. Cost of Issuance Fund. There is hereby established in the hands of the Escrow Agent a separate account designated as the "Cost of Issuance Fund." At the time of the delivery of the Bonds the Escrow Agent shall deposit into the Cost of Issuance Fund such amount as shall be required to pay the reasonable and necessary costs of issuance of the Bonds. Moneys in the Cost of Issuance Fund shall be used for the payment of costs of issuance of the Bonds. Any moneys remaining in the Cost of Issuance Fund on the date of the full and final payment of all costs of issuance of the Bonds shall be transferred into the Bond Fund.

F. Bond Fund. The proceeds of taxes levied without limitation as to rate or amount to pay the principal of and interest on the Bonds, as set forth in Section 12 of this Resolution, shall be kept by the Clerk of the District in a special fund, which is hereby created, separate and apart from all other funds of the District which is hereby designated the "General Obligation Refunding Bonds, Series 2012, Bond Fund" (the "Bond Fund") or such other designation as shall conform to banking requirements and good accounting practices, which Bond Fund shall be used for no other purpose than the payment of the principal of and interest on the Bonds as the same fall due. Monies sufficient to make each payment of interest, or principal and interest, as the same falls due shall be transferred by the Clerk to the Bond Registrar not less than fifteen days prior to each Interest Payment Date. Monies in the Bond Fund may be invested in lawful investments until needed for the purposes of the Bond Fund, and all investment earnings shall accrue to and be used solely for the purposes of the Bond Fund. The Bond Fund shall be maintained by the Clerk until the principal of and interest on the Bonds has been paid in full.

Section 11: NOTICE OF SALE AND SALE OF THE BONDS

None of the Bonds shall be sold at less than par plus accrued interest, if any, to their date of delivery. The Bonds shall be sold at public sale on a date determined by an Official. The bids will be publicly examined and considered by an Official. No later than 24 hours after the expiration of the time specified in the Official Notice of Sale for the receipt of bids, unless such time of award is waived by the successful bidder, an Official shall accept the bid providing the lowest true interest cost to the District. Said sale shall be held, and notice thereof given, in accordance with Title 33, Chapter 11, Idaho Code. The successful bidder for the Bonds shall deliver a good faith deposit in an amount to be determined by federal funds wire transfer to an agent of the District as set forth in the Official Notice of Sale.

The Official Notice of Sale and the Notice of Sale for publication is to be approved by an Official. The Clerk is hereby directed to execute the Notice of Sale on behalf of the District, and to call for bids for the sale of the Bonds, all in the manner more particularly set forth in the Notice of Sale. The Notice of Sale shall be published once in the official newspaper of the District at least one (1) week prior to the day the bids are opened. The District's Financial Advisor is authorized and directed to cause the Official Notice of Sale and a Preliminary Official Statement pertaining to the sale of the Bonds, upon prior approval by an Official, to be distributed to such municipal bond broker-dealers, such banking institutions, and to such other persons as may be interested in purchasing the Bonds herein offered for sale.

The use of the Preliminary Official Statement by the Financial Advisor, and the actions of the District, including the certification by the Chairperson, Superintendent, or other Official as to the "deemed finality" of the Preliminary Official Statement pursuant to SEC Rule 15c2-12 in connection with the offering of the Bonds, are hereby acknowledged, approved, and ratified.

The Chairperson, Superintendent, or other Official is authorized to approve the final Official Statement of the District for the sale of the Bonds, with such changes, omissions, insertions, and revisions as needed, and an Official shall sign such final Official Statement and

deliver such final Official Statement to the Financial Advisor for distribution to the Purchaser of the Bonds and other interested persons, which signature shall evidence such approval.

Section 12: COVENANTS AND UNDERTAKINGS

A. Levy of Taxes. In accordance with the provisions of Sections 33-802 and 57-222, Idaho Code, as amended, there shall be levied on all taxable property in the District, in addition to all other taxes, a direct annual ad valorem tax in an amount sufficient to pay the principal of and interest on the Series 2012 Refunding Bonds, and (2) to meet the payment of the principal of and interest on the Bonds as the same mature, and to constitute a sinking fund for the payment of the principal thereof.

Said taxes in each of said years shall be levied, assessed, certified, extended, and collected by the proper officers and at the times, all as fixed by law, and as other taxes are levied, assessed, certified, extended, and collected in, for and by the District and by the same officers thereof and are hereby appropriated for the purpose of paying any of the Bonds until the Bonds shall be fully paid.

Principal of or interest on the Bonds falling due at any time when the proceeds of said tax levy may not be available shall be paid from other funds of the District and shall be reimbursed from the proceeds of said taxes when said taxes shall have been collected. Said taxes in each of the several years shall be and are hereby certified to the Board of County Commissioners of Teton County as being taxes necessary to be levied on all of the taxable property in the District for the purpose of paying the principal of and the interest on the Bonds as the same become due. Said taxes when collected shall be placed in the Bond Fund and shall be used for no other purpose than for the payment of the principal of and the interest on the Bonds as the same become due, so long as any of the Bonds remain outstanding and unpaid, but nothing herein contained shall be construed to prevent the District from paying the interest on or the principal of the Bonds from any other funds in its hands and available for that purpose, or to prevent the District from levying any further or additional taxes which may be necessary to fully pay the interest on or the principal of the Bonds.

The full faith and credit and all taxable property in the District are hereby pledged for the prompt payment of the principal of and the interest on the Bonds as the same become due and the tax levies to that end herein provided shall be in full force and effect, and forever remain so until the indebtedness hereby incurred, principal and interest, shall have been fully paid, satisfied and discharged, except as hereinbefore provided, and any collection fees or charges made in connection with the payment of the Bonds and interest thereon are to be paid by the District.

B. Approval of Plan and Form of Bonds. It is hereby found, determined, and declared that in the judgment of the Board any departure from the plan and form of bonds as provided for in Chapter 11 of Title 33, Idaho Code, as set forth in the Bond Resolution, will result to the benefit and advantage of the District, and therefore pursuant to the provisions of Section 33-1107, Idaho Code, the Bonds shall be sold and delivered to the Purchaser upon the

payment of the agreed purchase price, after the plan and form thereof shall have been approved by the State Superintendent of Public Instruction.

C. Arbitrage Covenant; Covenant to Maintain Tax Exemption.

(1) The Clerk and other appropriate officials of the District are each hereby authorized and directed to execute from time to time such Tax Certificates as shall be necessary to establish that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations and to establish that interest on the Bonds is not and will not become subject to taxation under the Code and applicable regulations. The District covenants and certifies to and for the benefit of the Registered Owners that no use will be made of the proceeds of the issue and sale of the Bonds, or any funds or accounts of the District which may be deemed to be proceeds of the Bonds, pursuant to Section 148 of the Code and the Regulations which use, if it had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to this covenant, the District obligates itself to comply throughout the term of the Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder.

(2) The District further covenants and agrees to and for the benefit of the Registered Owners that the District (i) will not take any action that would cause interest on the bonds to be or to become ineligible for the exclusion from gross income of the Registered Owners as provided in Section 103 of the Code, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause interest on the Bonds to be or to become ineligible for the exclusion from gross income of the Registered Owners as provided in Section 103 of the Code and (iii) without limiting the generality of the foregoing, (a) will not take any action which would cause the Bonds, or any Bond, to be a "private activity bond" within the meaning of Section 141 of the Code or to fail to meet any applicable requirement of Section 149 of the Code and (b) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the Bonds, or any Bond, to be a "private activity bond" or to fail to meet any applicable requirement of Section 149 of the Code. The Chairperson, Clerk, and Clerk of the District and other appropriate officials of the District are each hereby authorized and directed to execute from time to time such Tax Certificates as shall be necessary to establish that the Bonds are not and will not become "private activity bonds," that all applicable requirements of Section 149 of the Code are and will be met, and that the covenants of the District contained in this Section 11 will be complied with.

(3) The District covenants and certifies to and for the benefit of the Registered Owners that: (i) the District will at all times comply with the provisions of any Tax Certificate and (ii) no bonds or other evidences of indebtedness of the District have been or will be sold within a period beginning 31 days prior to the sale of the Bonds and ending 31 days following the date of sale of the Bonds and (iii) that no bonds or other evidences of indebtedness of the District have been or will be issued or delivered within a period beginning 31 days prior to the issuance

and delivery of the Bonds and ending 31 days following the date of delivery of and payment for the Bonds.

(4) A Tax Certificate, in the form acceptable to Bond Counsel is hereby authorized and approved to be delivered in connection with the initial delivery of the Bonds. The Chairperson, Clerk, or Clerk of the District, or their duly authorized deputies, are hereby authorized to execute such Tax Certificate. Approval of said Tax Certificate by said Chairperson, Clerk, or Clerk shall be conclusively established by their execution of the Tax Certificate in its final form.

The District hereby covenants to adopt, make, execute, and enter into (and to take such actions, if any, as may be necessary to enable it to do so) any resolution or Tax Certificate necessary to comply with any changes in Regulations in order to preserve the exclusion of interest on the Bonds from gross income of the Registered Owners thereof for purposes of the federal income tax to the extent that it may lawfully do so. The District further covenants to (a) impose such limitations on the investment or use of moneys or investment related to the Bonds, (b) make such payments to the United States Treasury, (c) maintain such records, (d) perform such calculations and (e) perform such other acts as may be necessary to preserve the exclusion of interest on the Bonds from gross income of the Registered Owners thereof for purposes of the federal income tax and which it may lawfully do.

The District hereby covenants that it will take all steps to comply with the requirements of the Code to the extent necessary to maintain the exclusion of interest on the Bonds from gross income and alternative minimum taxable income (except to the extent of certain adjustments applicable to corporations) under present federal income tax laws.

Pursuant to these covenants, the District obligates itself to comply throughout the term of the issue of the Bonds with the requirements of Section 103 of the Code and the Regulations.

D. Bonds in Registered Form. The District recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer form.

E. Continuing Disclosure. The District will comply with the requirements of Rule 15c2-12(a)(5) of the U.S. Securities and Exchange Commission with respect to the continuing disclosure of financial information and operating data and of certain material events with respect to the Bonds, as more fully set forth in the Information Reporting Agreement which is annexed hereto as Exhibit "E." The Corporate Trust Department of U.S. Bank National Association is hereby designated as agent of the district for purposes of Rule 15c2-12(a)(5).

F. Idaho State Bond Guaranty. Payment of the principal of and interest on the Bonds is guaranteed by the State of Idaho pursuant to the provisions of the Idaho School Bond Guaranty Act, Title 33, Chapter 53, Idaho Code (the "Guaranty Program"), and the Credit Enhancement

Program established pursuant to Section 57-728, Idaho Code (the "Credit Enhancement Program"). The District covenants to comply with all applicable provisions of the Guaranty Program and the Credit Enhancement Program.

Section 13: FURTHER AUTHORITY

The Chairperson or the Vice Chairperson, the Superintendent, the Business Manager, and other Officials are, and each of them is, hereby authorized to do or perform all such acts and to approve such actions and execute all such certificates, documents, and other instruments as may be necessary or advisable to provide for the issuance, sale, and delivery of the Bonds and the fulfillment of the covenants and obligations of the District contained herein and therein.

Section 14: MISCELLANEOUS

A. Ratification. All proceedings, resolutions, and actions of the Board, the District, and their officers, agents, and employees taken in connection with the authorization, sale, and issuance of the Bonds are hereby in all respects ratified, confirmed, and approved.

B. Submission of Resolution to State Superintendent of Public Instruction. The Clerk of the Board is hereby directed to submit a copy of this Bond Resolution to the State Superintendent of Public Instruction together with a request that such Superintendent approve the plan and form of bonds herein contained, all as provided in Section 33-1107, Idaho Code.

C. Severability. It is hereby declared that all parts of this Bond Resolution are severable, and if any section, paragraph, clause, or provision of this Bond Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause, or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Bond Resolution.

D. Conflict. All resolutions, orders, and regulations or parts thereof heretofore adopted or passed which are in conflict with any of the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

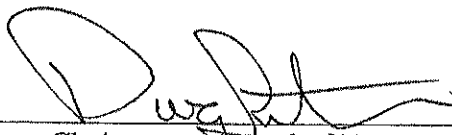
E. Captions. The table of contents and captions or headings herein are for convenience of reference only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Bond Resolution.

F. Effective Date. This Bond Resolution shall take effect immediately upon its passage and approval.

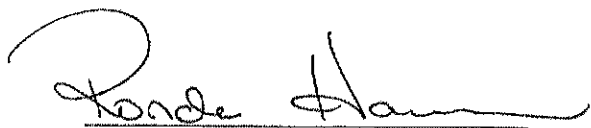
DATED this 12th day of November, 2012.

SCHOOL DISTRICT NO. 401
Teton County, Idaho

By


Chairperson, Board of Trustees

ATTEST:


District Clerk

(S E A L)

CUSIP:

Number

R-___

Dollars

\$_____

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF IDAHO
COUNTY OF TETON

SCHOOL DISTRICT NO. 401
GENERAL OBLIGATION REFUNDING BOND, SERIES 2012

SCHOOL DISTRICT NO. 401, Teton County, Idaho (the "District"), for value received, promises to pay from the Bond Fund, created by a Resolution of the District adopted on November 12, 2012 (the "Bond Resolution"), to CEDE & CO., or registered assigns, on September 15, 201____, the principal sum of

DOLLARS

and to pay interest thereon from the aforesaid Bond Fund from December 21, 2012, or the most recent date to which interest has been paid or duly provided for, at the rate of _____ percent (____%) per annum, payable on March 15, 2013, and semi-annually on each September 15 and March 15, thereafter, until the date of maturity or prior redemption of this Bond. Interest shall be computed on the basis of a 12-month, 360-day year.

Both principal of and interest on this Bond are payable in lawful money of the United States of America to the registered owner hereof whose name and address shall appear on the registration books of the District maintained by the Corporate Trust Department of U.S. Bank National Association (the "Bond Registrar"). Interest shall be paid to the registered owner whose name appears on the Bond Register on the fifteenth day next preceding the interest payment date, at the address appearing on the Bond Register, and shall be paid by check or draft of the Bond Registrar mailed to such registered owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such registered owner to the Bond Registrar. Principal shall be paid to the registered owner upon presentation and surrender of this Bond at the principal corporate trust office of the Bond Registrar, on or after the date of maturity or prior redemption.

EXHIBIT "A"

Page 1

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

This Bond is one of a duly authorized issue of Bonds of like date, tenor, and effect, except for variations required to state numbers, denominations, rates of interest, and dates of maturity, aggregating \$9,995,000 in principal amount. The Bonds are issued pursuant to and in full compliance with the Constitution and statutes of the State of Idaho, particularly Chapter 11 of Title 33 and Chapters 2, 5, and 9 of Title 57, Idaho Code, and proceedings duly adopted and authorized by the Board of Trustees of the District acting for and on behalf of the District, more particularly the Bond Resolution, for the purpose of providing funds to refund and redeem certain outstanding Series 2006 Bonds of the District, as more particularly defined in the Bond Resolution. The full faith and credit of the District have been pledged for the punctual and full payment of the principal of and interest on this Bond and the Bonds of this issue. The Bonds are payable from ad valorem taxes levied and to be levied upon all the taxable property within said District without limitation as to rate or amount.

The bonds maturing on and after September 15, 2017 are subject to redemption at the option of the District, in whole or in part on September 15, 2016, and any date thereafter at the price of par plus accrued interest, if any, to the date of redemption.

This Bond is transferable by the registered owner hereof in person, or by his attorney duly authorized in writing, upon presentation and surrender of this Bond at the principal corporate trust office of the Bond Registrar. Upon such transfer, a new Bond, of the same denomination, maturity, and interest rate, will be issued to the transferee, in exchange therefor.

Reference is hereby made to the Bond Resolution for the covenants and declarations of the District and other terms and conditions under which this Bond and the Bonds of this issue have been issued. The covenants contained herein and in the Bond Resolution may be discharged by making provision, at any time, for the payment of the principal of and interest on this Bond in the manner provided in the Bond Resolution.

The District and the Bond Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payments of principal hereof and interest due hereon and for all other purposes, and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions, and things required by the Constitution and statutes of the State of Idaho to exist, to have happened, been done, and performed precedent to and in the issuance of this Bond have happened, been done, and performed, and that the issuance of this Bond and the Bonds of this issue does not violate any Constitutional, statutory, or other limitation upon the amount of bonded indebtedness that the District may incur.

IN WITNESS WHEREOF, School District No. 401, Teton County, Idaho, has caused this Bond to be executed by the manual signature of the Chairperson and countersigned by the manual signature of its Clerk, and the seal of the District to be impressed hereon, as of the 21st day of December, 2012.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

Name of Transferee: _____

Address: _____

Tax Identification No. _____

the within Bond and hereby irrevocably constitutes and appoints

of _____

to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Registered Owner

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

Bank, Trust Company or Member
Firm of the New York Stock
Exchange

Authorized Officer

The Depository Trust Company
A subsidiary of The Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

[To be Completed by Issuer]

TETON COUNTY SCHOOL DISTRICT NO. 401

Teton County, Idaho

[Name of Issuer]

April 1, 2004

[Date]

[For Municipal Issues:

Underwriting Department—Eligibility; 50th Floor]

[For Corporate Issues:

General Counsel's Office; 49th Floor]

The Depository Trust Company

55 Water Street

New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

Teton County School District No. 401
(Issuer)

By: Gordon T. Woolley

(Authorized Officer's Signature)

Gordon T. Woolley, Superintendent

(Print Name)

210 North Main

(Street Address)

Driggs, Idaho 83422

(City) (State) (Country)

(Zip Code)

(208) 354-2207

(Phone Number)

gwool1@401-K12-ID.US

(E-mail Address)

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By: Danise Russo



The Depository Trust &
Clearing Corporation

(To Blanket Issuer Letter of Representations)

**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest depository, 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 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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 Standard & Poor's highest rating: AAA. 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.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities 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 Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity

of the Direct Participants to whose accounts such Securities 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.

5. 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. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities 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.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 Issuer or Agent, on 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 [nor its nominee], Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, 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.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

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

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

[Form of Certificated Bond]

UNITED STATES OF AMERICA
STATE OF IDAHO
COUNTY OF TETON

SCHOOL DISTRICT NO. 401
GENERAL OBLIGATION REFUNDING BOND, SERIES 2012

Number
R-_____

Dollars

See Reverse Side for
Additional Provisions

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
_____, 2012

Registered Owner:

Principal Amount: DOLLARS

SCHOOL DISTRICT NO. 401, Teton County, Idaho (the "District"), for value received, promises to pay from the Bond Fund, created by a Resolution of the District adopted on November 12, 2012 (the "Bond Resolution"), to the registered owner identified above, or registered assigns, on the maturity date specified above, the principal sum indicated above, and to pay interest thereon from the aforesaid Bond Fund from December 21, 2012, or the most recent date to which interest has been paid or duly provided for, at the rate per annum specified above, payable on March 15, 2013, and semiannually on each September 15 and March 15 thereafter, until the date of maturity or prior redemption of this Bond.

Both principal of and interest on this Bond are payable in lawful money of the United States of America to the registered owner hereof whose name and address shall appear on the registration books of the District maintained by the Corporate Trust Department of U.S. Bank National Association (the "Bond Registrar"). Interest shall be paid to the registered owner whose name appears on the Bond Register on the fifteenth day next preceding the interest payment date, at the address appearing on the Bond Register, and shall be paid by check or draft of the Bond Registrar mailed to such registered owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such registered owner to the Bond Registrar. Principal shall be paid to the registered owner upon presentation and surrender of this Bond at the principal corporate trust office of the Bond Registrar, on or after the date of maturity or prior redemption.

Reference is hereby made to additional provisions of this Bond set forth on the reverse side hereof, and such additional provisions shall for all purposes have the same effect as if set forth in this space.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions, and things required by the Constitution and statutes of the State of Idaho to exist, to have happened, been done, and performed precedent to and in the issuance of this Bond have happened, been done, and performed, and that the issuance of this Bond and the Bonds of this issue does not violate any Constitutional, statutory, or other limitation upon the amount of bonded indebtedness that the District may incur.

IN WITNESS WHEREOF, School District No. 401, Teton County, Idaho, has caused this Bond to be executed by the facsimile signatures of the Chairperson of the Board of Trustees and its Clerk, and a facsimile of the seal of the District to be imprinted hereon, as of this 21st day of December, 2012.

SCHOOL DISTRICT NO. 401
Teton County, Idaho

[facsimile signature]
Chairperson of the Board of Trustees

COUNTERSIGNED:

[facsimile signature]
District Clerk

[FACSIMILE SEAL]

CERTIFICATION OF AUTHENTICATION

Date of Authentication:

This Bond is one of the School District No. 401 General Obligation Refunding Bonds, Series 2012, dated as of December 21, 2012, described in the within-mentioned Bond Resolution.

U.S. BANK NATIONAL ASSOCIATION
as Bond Registrar

By: _____
Authorized Signature

[Reverse Side of Bond]

ADDITIONAL BOND PROVISIONS

This Bond is one of a duly authorized issue of Bonds of like date, tenor, and effect, except for variations required to state numbers, denominations, rates of interest, and dates of maturity, aggregating \$9,995,000 in principal amount. The Bonds are issued pursuant to and in full compliance with the Constitution and statutes of the State of Idaho, particularly Chapter 11 of Title 33 and Chapters 2, 5, and 9 of Title 57, Idaho Code, and proceedings duly adopted and authorized by the Board of Trustees of the District acting for and on behalf of the District, more particularly the Bond Resolution, for the purpose of providing funds to refund and redeem certain outstanding Series 2006 Bonds of the District, as more particularly defined in the Bond Resolution. The full faith and credit of the District have been pledged for the punctual and full payment of the principal of and interest on this Bond and the Bonds of this issue. The Bonds are payable from ad valorem taxes levied and to be levied upon all the taxable property within said District without limitation as to rate or amount.

It is hereby certified by the District that the whole indebtedness of said District, including this issue of Bonds, does not exceed any limitation of indebtedness fixed by the Constitution or statutes of the State of Idaho, and that all things necessary to the validity of this issue of Bonds have existed, and do exist, and that all things requisite to such validity have been accomplished and have been done and fulfilled prior to and in the issuance of this Bond.

The Bonds maturing on and after September 15, 2017 are subject to redemption at the option of the District, in whole or in part on September 15, 2016, and any date thereafter at the price of par plus accrued interest, if any, to the date of redemption.

The Bonds are issued in fully registered form in the denomination of \$5,000 each, or integral multiples thereof not exceeding the total amount of Bonds maturing in a single maturity, provided that no Bond shall represent more than one maturity. This Bond is transferable by the registered owner hereof in person, or by his attorney duly authorized in writing, upon presentation and surrender of this Bond at the principal corporate trust office of the Bond Registrar. Upon such transfer, a new Bond, of the same denomination, maturity, and interest rate, will be issued to the transferee, in exchange therefor.

Reference is hereby made to the Bond Resolution for the covenants and declarations of the District and other terms and conditions under which this Bond and the Bonds of this issue have been issued. The covenants contained herein and in the Bond Resolution may be

discharged by making provision, at any time, for the payment of the principal of and interest on this Bond in the manner provided in the Bond Resolution.

The District and the Bond Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payments of principal hereof and interest due hereon and for all other purposes, and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

LEGAL OPINION

It is hereby certified that the following is a true and complete copy of the legal opinion of Moore Smith Buxton & Turcke, Chartered, of Boise, Idaho, which opinion was dated the date of delivery of and payment for the Bonds described therein, an original of which was delivered to me on said date, and is a part of the permanent records of School District No. 401, of Teton County, Idaho.

SCHOOL DISTRICT NO. 401
Teton County, Idaho

[facsimile signature]
District Clerk

[INSERT LEGAL OPINION OF MOORE SMITH BUXTON & TURCKE, CHARTERED]

IDAHO SCHOOL BOND GUARANTY

Payment of the principal of and interest on this Bond and the Bonds of this series is fully guaranteed by the State of Idaho under the "Idaho School Bond Guaranty Act," the same being Title 33, Chapter 53, Idaho Code.

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	UNIF TRFS MIN ACT.....	(Cust)	(Minor)
TEN ENT -- as tenants by the entireties	under Uniform Transfer to Minors Act	(State)	
JT TEN -- as joint tenants with right of survivorship and not as tenants in common			

Additional abbreviations may also be used although not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

Name of Transferee: _____

Address: _____

Tax Identification No. _____

the within Bond and hereby irrevocably constitutes and appoints

of _____

to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Registered Owner

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

Bank, Trust Company or Member
Firm of the New York Stock
Exchange

Authorized Officer

ESCROW DEPOSIT AGREEMENT

BETWEEN

**SCHOOL DISTRICT No. 401
TETON COUNTY, IDAHO**

AND

U.S. BANK NATIONAL ASSOCIATION

DATED AS OF DECEMBER 21, 2012

EXHIBIT "D"

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Exhibit B - Description of the Refunded Bonds

Exhibit C - Schedule of Debt Service on Refunded Bonds

Exhibit D - Description of Beginning Cash Deposit (if any) and Escrowed Securities

Exhibit E - Escrow Fund Cash Flow

Appendix A- Notice of Redemption

EXHIBIT "D"

ESCROW DEPOSIT AGREEMENT

**School District No. 401
Teton County, Idaho
General Obligation Refunding Bonds
Series 2012**

THIS ESCROW AGREEMENT, dated as of December 21, 2012, (herein, together with any amendments or supplements hereto, called the "Agreement"), is entered into by and between School District No. 401, Teton County, Idaho (herein called the "Issuer") and U.S. Bank National Association, as escrow agent (herein, together with any successor in such capacity, called the "Escrow Agent"). The notice addresses of the Issuer and the Escrow Agent are shown on Exhibit A attached hereto and made a part hereof.

WITNESSETH:

WHEREAS, the Issuer heretofore has issued and there presently remain outstanding the obligations described in Exhibit B attached hereto (the "Refunded Bonds"); and

WHEREAS, pursuant to a Resolution of the Issuer adopted on November 12, 2012 (the "Authorizing Action"), the Issuer has determined to issue its General Obligation Refunding Bonds, Series 2012 (the "Refunding Bonds") for the purpose of providing funds to pay the costs of (i) paying the interest on the Refunded Bonds, as the same falls due, through and including September 15, 2016, and (2) paying the principal of the Refunded Bonds on September 15, 2016 (the "Date Fixed for Redemption"); and

WHEREAS, the Escrow Agent has reviewed the Authorizing Action and this Agreement, and is willing to serve as Escrow Agent hereunder.

WHEREAS, Grant Thornton LLP, Certified Public Accountants, have prepared a verification report (the "Verification Report") relating to the source and use of funds available to accomplish the refunding of the Refunded Bonds, the investment of such funds, and the adequacy of such funds and investments to provide for the payment of the interest on the Refunded Bonds as the same falls due and the principal due on the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, pursuant to the Authorizing Action, all or a portion of the Refunded Bonds have been designated for redemption prior to their scheduled maturity dates and, after provision is made for such redemption, the Refunded Bonds will come due in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in Exhibit C attached hereto and made a part hereof; and

WHEREAS, the Issuer's Authorizing Action authorizes the Issuer to issue Refunding Bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, with the Escrow Agent the payment of the interest on the Refunded Bonds as the same falls due and for the discharge and final payment of the principal of the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, the Authorizing Action further authorizes the Issuer to enter into an escrow agreement with the Escrow Agent with respect to the safekeeping, investment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and the Escrow Agent may agree, provided that such deposits may be invested only in direct obligations of the United States of America, including obligations the principal of and interest on which are

unconditionally guaranteed by the United States of America, and which may be in book entry form, and which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payments of interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, the Refunding Bonds have been duly authorized to be issued, sold, and delivered for the purpose of obtaining the funds required to provide for the payment of interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption as shown on Exhibit "C" attached hereto; and

WHEREAS, the Issuer desires that, concurrently with the delivery of the Refunding Bonds to the purchasers thereof, certain proceeds of the Refunding Bonds, together with certain other available funds of the Issuer, shall be applied to purchase certain direct obligations of the United States of America, hereinafter defined as the "Escrowed Securities," for deposit to the credit of the Escrow Fund created pursuant to the terms of this Agreement and to establish a beginning cash balance (if needed) in such Escrow Fund; and

WHEREAS, the Escrowed Securities shall mature and the interest thereon shall be payable at such times and in such amounts so as to provide moneys which, together with cash balances from time to time on deposit in the Escrow Fund, will be sufficient to pay the interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, to facilitate the receipt and transfer of proceeds of the Escrowed Securities, particularly those in book entry form, the Issuer desires to establish the Escrow Fund at the principal corporate trust office of the Escrow Agent; and

WHEREAS, the Escrow Agent is a party to this Agreement to acknowledge its acceptance of the terms and provisions hereof;

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which hereby are acknowledged, and to secure the full and timely payment of the interest on the Refunded Bonds as the same falls due and the payment of the principal of the Refunded Bonds on the Date Fixed for Redemption, the Issuer and the Escrow Agent mutually undertake, promise and agree for themselves and their respective representatives and successors, as follows:

Article 1. Definitions and Interpretations.

Section 1.1. Definitions.

Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

"Cost of Issuance Fund" means the fund by that name created by the Authorizing Action, to be held by the Escrow Agent and administered pursuant to the provisions of this Agreement.

"Escrow Fund" means the fund created by this Agreement to be established, held and administered by the Escrow Agent pursuant to the provisions of this Agreement.

"Escrowed Securities" means the noncallable Government Obligations described in Exhibit D attached to this Agreement, or cash or other Government Obligations substituted therefor pursuant to Section 4.2 of this Agreement.

"Government Obligations" means (a) direct, noncallable United States Treasury Obligations, and (b) United States Treasury Obligations - State and Local Government Series.

"Paying Agent" means U.S. Bank National Association, as the paying agent for the Refunded Bonds.

Section 1.2. Other Definitions.

The terms "Agreement," "Issuer," "Escrow Agent," "Authorizing Action," "Verification Report," "Refunded Bonds," and "Refunding Bonds" when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

Section 1.3. Interpretations.

The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Bonds in accordance with applicable law.

Article 2. Deposit of Funds and Escrowed Securities.

Section 2.1. Deposits in the Escrow Fund.

Concurrently with the sale and delivery of the Refunding Bonds the Issuer shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Escrow Fund, the funds and Escrowed Securities described in Exhibit "D" attached hereto, and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the Issuer in writing.

Section 2.2 Deposits in the Cost of Issuance Fund.

Concurrently with the sale and delivery of the Refunding Bonds, the Issuer shall cause to be deposited with the Escrow Agent, for deposit into the Cost of Issuance Fund, such amount as shall be specified in a written certificate of the Issuer, to be utilized by the Escrow Agent in accordance with Section 10(E) of the Authorizing Action. Any monies remaining in the Cost of Issuance Fund after full and final payment of all costs of issuance of the Bonds shall be transferred to the Issuer for deposit into the Bond Fund in accordance with the Authorizing Action.

Article 3. Creation and Operation of Escrow Fund.

Section 3.1. Escrow Fund.

The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the School District No. 401, Teton County, Idaho General Obligation Refunding Bonds, Series 2012 Escrow Fund (the "Escrow Fund"). The Escrow Agent hereby agrees that upon receipt thereof it will deposit to the credit of the Escrow Fund the funds and the Escrowed Securities described in Exhibit "D" attached hereto. Such deposit, all proceeds therefrom, and all

cash balances from time to time on deposit therein (a) shall be the property of the Escrow Fund, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption, which payments shall be made by timely transfers of such amounts at such times as are provided for in Section 3.2 hereof. When the final transfers have been made for such payments, any balance then remaining in the Escrow Fund shall be transferred to the Issuer, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.2. Payment of Principal and Interest.

The Escrow Agent is hereby irrevocably instructed to transfer to the Paying Agent from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption in the amounts and at the times shown in Exhibit C attached hereto.

Section 3.3. Sufficiency of Escrow Fund.

The Issuer represents that, based upon the information provided in the Verification Report, the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption, all as more fully set forth in Exhibit E attached hereto. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the amounts required by the Paying Agent to make the payments set forth in Section 3.2 hereof, the Issuer shall timely deposit in the Escrow Fund, from any funds that are lawfully available therefor, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Escrow Fund or the Issuer's failure to make additional deposits thereto.

Section 3.4. Trust Fund.

The Escrow Agent shall hold at all times the Escrow Fund, the Escrowed Securities and all other assets of the Escrow Fund, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Bonds; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Bonds shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Fund to which they are entitled as owners of the Refunded Bonds. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Issuer, and the Escrow Agent shall have no right to title with respect thereto except as a trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the Issuer or, except to the extent expressly herein provided, by the Paying Agent.

Section 3.5. Security for Cash Balances.

Cash balances from time to time on deposit in the Escrow Fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a pledge of direct obligations of, or obligations unconditionally guaranteed by, the United States of America, having a market value at least equal to such cash balances.

Article 4. Limitation on Investments.

Section 4.1. Investments.

Except for the initial investment in the Escrowed Securities, and except as provided in Section 4.2 hereof, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, or to make substitutions of the Escrowed Securities, or to sell, transfer, or otherwise dispose of the Escrowed Securities.

Section 4.2. Substitution of Securities.

At the written request of the Issuer, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall utilize cash balances in the Escrow Fund, or sell, transfer, otherwise dispose of or request the redemption of the Escrowed Securities and apply the proceeds therefrom to purchase Refunded Bonds or Government Obligations which do not permit the redemption thereof at the option of the obligor, and in connection therewith the issuer reserves the right to call for redemption prior to maturity any of the Refunded Bonds to the extent permitted by their authorizing order. The Issuer may, in connection with such transaction, withdraw funds or Escrowed Securities from the Escrow Fund. Any such transaction may be effected by the Escrow Agent only if (a) the Escrow Agent shall have received a written opinion from a nationally recognized firm of certified public accountants that such transaction will not cause the amount of money and securities in the Escrow Fund to be reduced below an amount sufficient to provide for the full and timely payments required hereunder, taking into account any optional redemption of the Refunded Bonds exercised by the Issuer in connection with such transaction; (b) the Escrow Agent shall have received the unqualified written legal opinion of nationally recognized bond counsel or tax counsel to the effect that such transaction will not cause any of the Refunding Bonds or Refunded Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended or, if applicable, Section 103(c) of the Internal Revenue Code of 1954, as amended and (c) notice of such transaction is provided to the rating agencies, if any, which have rated the Refunded Bonds.

Article 5. Application of Cash Balances.

Section 5.1. In General.

Except as provided in Section 3.2 and 4.2 hereof, no withdrawals, transfers, or reinvestment shall be made of cash balances in the Escrow Fund. Cash balances shall be held by the Escrow Agent as cash and as cash balances as shown on the books and records of the Escrow Agent and shall not be reinvested by the Escrow Agent.

Article 6. Redemption of Refunded Bonds.

Section 6.1. Call for Redemption.

The Issuer hereby irrevocably calls the Refunded Bonds maturing on and after September 15, 2017, for redemption on September 15, 2016, which is their earliest redemption date, as shown in the Verification Report and on Appendix "A" attached hereto.

Section 6.2. Notice of Redemption.

The Escrow Agent agrees to give notice of the redemption of the Refunded Bonds maturing on and after September 15, 2017, pursuant to the terms of the Refunded Bonds and in substantially the form attached hereto as Appendix A. The Escrow Agent hereby acknowledges that provision satisfactory and acceptable to the Escrow Agent has been made for the giving of notice of redemption of the Refunded Bonds.

Article 7. Records and Reports.

Section 7.1. Records.

The Escrow Agent will keep books of record and account in which complete and accurate entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrowed Securities deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection during business hours and after reasonable notice.

Section 7.2. Reports.

While this Agreement remains in effect, the Escrow Agent annually shall prepare and send to the Issuer a written report summarizing all transactions relating to the Escrow Fund during the preceding year, including, without limitation, credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund for payments on the Refunded Bonds and Refunding Bonds or otherwise, together with a detailed statement of all Escrowed Securities and the cash balance on deposit in the Escrow Fund as of the end of such period.

Article 8. Concerning the Paying Agents and Escrow Agent

Section 8.1. Representations.

The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

Section 8.2. Limitation on Liability.

The liability of the Escrow Agent to transfer funds for the payment of the interest on and principal of the Refunded Bonds shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall have no liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund or any failure of the obligors

of the Escrowed Securities to make timely payment thereon, except for the obligation to notify the Issuer promptly of any such occurrence.

The recitals herein and in the proceedings authorizing the Refunding Bonds shall be taken as the statements of the Issuer and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent.

The Escrow Agent is not a party to the proceedings authorizing the Refunding Bonds or the Refunded Bonds and is not responsible for nor bound by any of the provisions thereof (except to the extent that the Escrow Agent may be a place of payment and paying agent and/or a paying agent/registrars therefor). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its negligence or want of good faith.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the Issuer with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the Issuer or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the Issuer at any time.

Section 8.3. Compensation.

The Issuer shall pay to the Escrow Agent fees for performing the services hereunder and for the expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement pursuant to the terms of its fee schedule. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses as Escrow Agent or in any other capacity.

Section 8.4. Successor Escrow Agents.

If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the Issuer within 60 days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Bonds then outstanding by an instrument or instruments in writing filed with the Issuer, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Obligation may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation authorized to exercise corporate trust powers, having a combined capital and surplus of at least \$25,000,000, and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The obligations assumed by the Escrow Agent pursuant to this Agreement may be transferred by the Escrow Agent to a successor Escrow Agent if (a) the requirements of this Section 8.4 are satisfied; (b) the successor Escrow Agent has assumed all the obligations of the Escrow Agent under this Agreement; and (c) all of the Escrowed Securities and money held by the Escrow Agent pursuant to this Agreement have been duly transferred to such successor Escrow Agent.

Article 9. Miscellaneous

Section 9.1. Notice.

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the Issuer or the Escrow Agent at the address shown on Exhibit A attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

Section 9.2. Termination of Responsibilities.

Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the Issuer, the owners of the Refunded Bonds or to any other person or persons in connection with this Agreement.

Section 9.3. Binding Agreement.

This Agreement shall be binding upon the Issuer and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Bonds, the Issuer, the Escrow Agent and their respective successors and legal representatives.

Section 9.4. Severability.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 9.5. Idaho Law Governs.

This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Idaho.

Section 9.6. Time of the Essence.

Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 9.7. Amendments.

This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunding Bonds or the Refunded Bonds. No such amendment shall be made without first receiving written confirmation from the rating agencies, (if any) which have rated the Refunded Bonds that such administrative changes will not result in a withdrawal or reduction of its rating then assigned to the Refunded Bonds. If this Agreement is amended, prior written notice and copies of the proposed changes shall be given to the rating agencies which have rated the Refunded Bonds.

EXECUTED as of the date first written above.

School District No. 401
Teton County, Idaho

Chairperson, Board of Trustees

ATTEST:

District Clerk

[S E A L]

U.S. BANK NATIONAL ASSOCIATION
as Escrow Agent

Authorized Officer

EXHIBIT B
Description of the Refunded Bonds

School District No. 401, Teton County, Idaho, General Obligation School Bonds, Series 2006, maturing on and after September 15, 2017.

The Escrow Fund will be applied to pay the interest on the Refunded Bonds as the same falls due and the principal due on the Refunded Bonds in the par amount of \$9,995,000 on September 15, 2016 (the "Date Fixed for Redemption").

EXHIBIT C

Schedule of Interest and Principal Due on Refunded Bonds

Date Payable

Principal

Interest

EXHIBIT D
Escrow Deposit

I. Cash \$

II. U.S. Government Securities,

<u>Type of Securities</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Yield</u>
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Total SLGS Purchase Price: \$

EXHIBIT E
Escrow Fund Cash Flow

[See Exhibit A of Verification Report of Grant Thornton LLP, Document No. _____ of this Transcript.]

APPENDIX A(1)

Notice of Redemption
School District No. 401
Teton County, Idaho
General Obligation School Bonds, Series 2006

NOTICE IS HEREBY GIVEN that School District No. 401, Teton County, Idaho, has called for redemption on September 15, 2016, all of its then outstanding General Obligation School Bonds Series 2006, maturing on and after September 15, 2017 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus interest accrued to September 15, 2016. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

U.S. Bank National Association
170 South Main Street, Suite 200
Salt Lake City, UT 84101

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on September 15, 2016.

The following Bonds are being redeemed:

Bond Number	Principal Amount	Date of Maturity	Cusip Number
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By Order of School District No. 401, Teton County, Idaho

U.S. Bank National Association, as Paying Agent

Dated: _____.

Under the Interest and Dividend Tax Compliance Act of 1983, payor may be required to withhold 31% of the redemption price from any Bondowner who fails to provide to payor and certify under penalties of perjury, a correct taxpayer identifying number (employer identification number or social security number, as appropriate) or an exemption certificate on or before the date the Bonds are presented for payment. Bondowners who wish to avoid the application of these provisions should submit a completed Form W-9 when presenting their Bonds.

INFORMATION REPORTING AGREEMENT

AGREEMENT, made and executed as of the 21st day of December, 2012, between SCHOOL DISTRICT NO. 401, Teton County, Idaho (the "Issuer"), and U.S. BANK NATIONAL ASSOCIATION, Salt Lake City, Utah (the "Agent").

The parties agree:

FIRST:DEFINITIONS

For purposes of this Agreement, the following terms shall have the following definitions:

"Agent" means the Corporate Trust Department of U.S. Bank National Association, Salt Lake City, Utah, or such successor agent as the Issuer may designate.

"Agreement" means this Information Reporting Agreement between the Issuer and the Agent.

"Annual Financial Information" means the Financial Statements and other financial information and operating data set forth in Paragraph THIRD of this Agreement.

"Bonds" means the School District No. 401, Teton County, Idaho, General Obligation Refunding Bonds, Series 2012, dated December 21, 2012, and issued in the initial principal amount of \$9,995,000 pursuant to the Resolution.

"EMMA" means the Electronic Municipal Market Access System maintained by the MSRB or such other repository for filings that is approved by the SEC if EMMA is no longer approved by the SEC and MSRB.

"Financial Statements" means within the annual financial statements of the Issuer for the most current Fiscal Year, prepared in accordance with generally accepted accounting principles applicable to governmental units, as such principles may be changed from time to time, and audited in accordance with generally accepted auditing standards.

"Fiscal Year" means the fiscal year of the Issuer, commencing July 1 of each year and ending on June 30 of the following year.

"Issuer" means School District No. 401, Teton County, Idaho, a political subdivision of the State of Idaho.

"Material Event" means any of the events listed in paragraph FOURTH of this Agreement.

"MSRB" means the Municipal Securities Rulemaking Board, Washington, D.C.

"Owners" means the beneficial owners, registered owners, and holders of the Bonds.

"Repository" means EMMA.

"Resolution" means the resolution of the Issuer adopted on November 12, 2012, authorizing the issuance and sale of the Bonds.

"Rule" means SEC Rule 15c2-12(b)(5), as amended or interpreted by the SEC.

"SEC" means the U.S. Securities and Exchange Commission.

SECOND: PURPOSE

This Agreement is being executed for the benefit of the Owners of the Bonds in accordance with the Rule. The Agent hereby accepts appointment, pursuant to the Resolution, as agent of the Issuer for purposes of the Rule.

THIRD: PROVISION OF ANNUAL FINANCIAL INFORMATION

The Issuer, through the Agent, shall file annually, through the Repository, not later than 180 days following the end of each Fiscal Year of the Issuer, beginning with the Fiscal Year which ends on June 30, 2012, the following financial information and operating data:

- (1) Financial Statements of the Issuer:
- (2) Other financial, statistical, and operating data for the Fiscal Year of the Issuer in the form and scope similar to the financial, statistical, and operating data contained in the Official Statement of the Issuer relating to the Bonds, specifically the tables and/or information contained under the following headings and subheadings of the Official Statement:
 - Outstanding Long-Term Debt
 - Property Values
 - Tax Collection Record
 - Ad Valorem Tax Levies for the Issuer
 - Major Taxpayers
 - Enrollment
 - State Support

If the Issuer fails to provide the required Annual Financial Information, the Agent shall provide notice of such failure to the Repository.

The Issuer reserves the right to modify from time to time the specific types of information provided, or the format of the presentation of such information, in a manner consistent with the Rule.

FOURTH: REPORTING OF MATERIAL EVENTS

The Issuer shall provide, through the Agent, not more than 10 business days after the occurrence of the event, notice of the occurrence of any of the following events, if material, with respect to the Bonds:

1. Principal and interest payment delinquencies on the Bonds;
2. Nonpayment related defaults under the Resolution;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, IRS notices or material events affecting the tax status of the security.
7. Modifications to rights of Bondholders;
8. Bond calls;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Bonds;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or a similar proceeding;
13. Merger, consolidation, or acquisition of the obligated person; and
14. Appointment of a successor or additional trustee, or the change of name of a trustee.

Whenever the Issuer obtains knowledge of the occurrence of a Material Event, the Issuer shall, as soon as possible, determine whether such event would constitute material information for Owners of the Bonds; provided, that any event listed under 1, 3, 4, 5, 6, 9, 11, and 12, above will always be deemed to be material and must be reported.

FIFTH: AMENDMENTS

This Agreement may be amended only if the Issuer receives an opinion of independent bond counsel to the effect that:

1. such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the types of activities in which the Issuer is engaged;
2. this Agreement, as so amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule as well as any change in circumstances; and
3. such amendment does not materially impair the interest of the Owners of the Bonds.

If the amendment results in a change of the annual financial information and operating data required to be reported pursuant to this Agreement, the first annual report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. If the amendment involves a change in the accounting principles to be followed in preparing financial statements, the first annual report shall present a comparison between the financial statements or information based on the new accounting principles and those prepared based on the former accounting principles. Further, if the annual financial information required to be provided in the annual report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first annual report that does not include such information.

SIXTH: DUTIES, IMMUNITIES, AND LIABILITIES OF AGENT

The Agent shall have only such duties as are specifically set forth in this Agreement, and the Issuer agrees to indemnify and save the Agent and its respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to Agent's gross negligence or willful misconduct. The Agent shall have no duty or obligation to review or verify any information provided to it by the Issuer or to determine the materiality of a listed material event and shall not be deemed to be acting in any fiduciary capacity for the Issuer, Owners or any other party. The Agent shall have no responsibility for the Issuer's failure to comply with this Agreement or the Rule. The obligations of the Issuer under this Section shall survive resignation or removal of the Agent and payment of the Bonds.

SEVENTH: TERMINATION

The Issuer reserves the right to terminate its obligation to provide Annual Financial Information and notices of Material Events, as set forth above, if and when the Issuer no longer remains an "obligated person" with respect to the Bonds within the meaning of the Rule.

EIGHTH: REMEDIES

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

NINTH: ADDITIONAL INFORMATION

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

TENTH: BENEFICIARIES

This Agreement shall inure solely for the benefit of the Issuer and the Owners of the Bonds, and shall create no rights in any other person or entities.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SCHOOL DISTRICT NO. 401
Teton County, Idaho

By: _____
Chairperson, Board of Trustees

ATTEST:

District Clerk

U.S. BANK NATIONAL ASSOCIATION

By: _____
Corporate Trust Officer

3

RESOLUTION

A RESOLUTION OF THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 401, TETON COUNTY, IDAHO, AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,375,000 FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE DISTRICT; PROVIDING FOR THE SALE OF THE BONDS; MAKING FINDINGS AND COVENANTS; DESCRIBING THE REFUNDING BONDS; PROVIDING FOR THE LEVY OF TAXES TO PAY THE PRINCIPAL OF AND INTEREST ON THE REFUNDING BONDS; PROVIDING FOR THE USE OF THE PROCEEDS OF THE REFUNDING BONDS; ESTABLISHING AN ESCROW FUND AND PROVIDING FOR THE CALL AND REDEMPTION OF THE BONDS TO BE REFUNDED; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, School District No. 401, Teton County, Idaho (the "District"), is a public school district created and operating under the laws of the State of Idaho; and

WHEREAS, the District now has outstanding its General Obligation Refunding Bonds, Series 2012, in the original aggregate principal amount of \$9,855,000 (the "Series 2012 Bonds" or "Refunded Bonds"); and

WHEREAS, the District is authorized by Chapter 11, Title 33, and Section 57-504, Idaho Code, to issue its refunding bonds to refund outstanding bonds whenever its Board of Trustees (the "Board") determines that a saving or other beneficial public objective can be achieved thereby, and to sell its refunding bonds; and

WHEREAS, the Board has determined that a portion of the Series 2012 Bonds (the "Refunded Bonds") can be refunded with profit and advantage and with a present value debt service saving to the District and its taxpayers and has determined to issue the refunding bonds of the District for the purpose of refunding its outstanding Refunded Bonds; and

WHEREAS, the Board now desires to provide for the issuance and sale of the general obligation refunding bonds of the District in an aggregate principal amount not to exceed \$3,375,000 for the aforesaid purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 401, Teton County, Idaho, as follows:

Section 1: DEFINITIONS

As used in this Bond Resolution, unless the context shall otherwise require, the following terms shall have the following meanings:

Act means, collectively, Chapter 11 of Title 33 and Chapters 2, 5, and 9 of Title 57, Idaho Code, as amended.

Board means the Board of Trustees of the District.

Bond Fund means the Bond Fund established in Section 7 hereof.

Bond Counsel means MSBT Law, Chartered, Boise, Idaho, or another attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions.

Bond Purchase Agreement means the agreement between the District and the Purchaser for the purchase of the Bonds as provided in this Bond Resolution.

Bond Registrar means the Corporate Trust Department of U.S. Bank National Association, as bond registrar, transfer agent, authenticating and paying agent for the Bonds, appointed and designated in Section 4 of this Bond Resolution.

Bond Resolution means this Resolution, adopted on February 14, 2022, authorizing the issuance and sale of the Bonds.

Bonds means the "School District No. 401 General Obligation Refunding Bonds, Series 2022," herein authorized to be issued, sold, and delivered in a principal amount not to exceed \$3,375,000.

Business Day means any day other than (i) a Saturday, Sunday, or legal holiday, or (ii) a day on which the Bond Registrar is authorized by law to close.

Chairperson or Chairman means the chairperson of the Board of the District.

Clerk means the clerk of the District.

Code means the Internal Revenue Code of 1986, as amended.

Cost of Issuance Fund means the fund created by Section 7(A)(2) of this Bond Resolution for the payment of the costs of issuance of the Bonds as provided in Section 7(H) of this Bond Resolution.

District means School District No. 401, Teton County, Idaho, a public school district of the State of Idaho.

Escrow Agent means U.S. Bank National Association, as escrow agent under the Escrow Agreement.

Fiscal Year means the fiscal year of the District, commencing on July 1 of each year.

Government Obligations means direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, including State and Local Government Series Obligations (SLGS).

Interest Payment Date(s) means March 15 and September 15, beginning September 15, 2022.

Official means the chairman, vice chairman, clerk, superintendent, business manager or any other person designated as such for the purposes of this Resolution by the Board of the District.

Principal Corporate Trust Office means, with respect to the Bond Registrar, the office of the Bond Registrar at Salt Lake City, Utah; provided, however, that with respect to payments on the Bonds and any exchange, transfer, or surrender of the Bonds, Principal Corporate Trust Office shall mean the office of the Bond Registrar at U.S. Bank Trust National Association, 60 Livingston Avenue, St. Paul, MN 55107 or such other or additional office as may be specified by the Bond Registrar.

Purchaser means the initial purchaser of the Bonds.

Record Date means in the case of each interest payment date, the Bond Registrar's close of business on the fifteenth day next preceding such interest payment date.

Refunded Bonds means the Series 2012 Bonds maturing on September 15, 2023 through September 15, 2025, inclusive, outstanding in the par amount of \$3,375,000.

Registered Owner or Owner means the registered owner of any Bond as shown in the registration books of the District kept by the Bond Registrar for such purpose.

Series 2012 Bonds means the General Obligation Refunding Bonds, Series 2012, of the District, dated December 21, 2012, issued in the initial aggregate principal amount of \$9,855,000.

Term Bonds means Bonds representing two or more consecutive maturities of Bonds, which Term Bonds shall be subject to mandatory sinking fund deposit.

Treasurer means the treasurer of the District.

Written Certificate means an instrument in writing on behalf of the District executed by an authorized officer of the District.

Section 2: FINDINGS

The Board hereby finds, determines, and declares:

A. That the District's Refunded Bonds can be refunded at a substantial present-value saving to the District and its taxpayers.

B. That it is desirable and necessary for the benefit of the District and its taxpayers to refund the District's Refunded Bonds for the purpose of achieving a saving and other beneficial public objectives, by the issuance of the Bonds.

Section 3: THE BONDS

A. Authorization. General obligation refunding bonds of the District, designated "School District No. 401 General Obligation Refunding Bonds, Series 2022" (the "Bonds"), in an aggregate principal amount not to exceed \$3,375,000 are hereby authorized to be issued, sold, and delivered pursuant to the Act. The Bonds shall be issued, sold, and delivered to the Purchaser pursuant to the Bond Purchase Agreement. The Chairman is authorized to execute the Bond Purchase Agreement provided the net present savings value of the Bonds is at least two percent (2.0%) of the aggregate principal amount of the Refunded Bonds.

B. Description of the Bonds. The Bonds shall be dated as of their date of delivery and shall be issued in denominations of \$1,000 each or integral multiples thereof, not exceeding the total amount of Bonds maturing in a single maturity (provided that no Bond shall represent more than one maturity).

Interest shall be computed on the basis of a twelve-month, 360-day year. Interest shall be payable on the Interest Payment Dates. Principal shall be payable annually on September 15, beginning on September 15, 2023.

C. The Board hereby delegates to the Chairman, Superintendent, and Business Manager of the District, each with the authority to act alone, the power to make the following determinations on or before the date of the sale of the Bonds to the Purchaser, without any requirement that the members of the Board meet to approve such determinations, but subject to the limitations provided:

- (1) The Purchaser of the Bonds, provided the terms of the sale comply with this Bond Resolution.
- (2) The true interest cost of the rate of interest to be borne by the Bonds, provided that the aggregate true interest cost does not exceed 1.7%.
- (3) The aggregate principal amount of the Bonds, provided that the total par amount does not exceed the amount of \$3,375,000.
- (4) The final maturity date of the Bonds, provided it does not exceed September 15, 2025.
- (5) The amount of principal of the Bonds maturing in any particular year, and the rate of interest accruing thereon.
- (6) The dates, if any, on which, and the prices at which, the Bonds will be subject to mandatory or sinking fund redemption.
- (7) The amount of proceeds of the Bonds to be deposited into the Escrow Fund.
- (8) The amount of other funds of the District to be deposited into the Escrow Fund.
- (9) The amount of proceeds of the Bonds to be deposited into the Cost of Issuance Fund.
- (10) The maturities and amounts of the Refunded Bonds to be redeemed and refunded.
- (11) The interest payment dates of the Bonds.
- (12) The tax status of the Bonds.
- (13) The closing date for the sale of the Bonds.

Section 6: BOND REGISTRAR

U.S. Bank National Association is hereby appointed the Bond Registrar for the Bonds. The District may remove the Bond Registrar, and any successor thereto, and appoint a successor

or successors thereto. Each Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution by executing and delivering to the District a written acceptance thereof. The principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Principal of the Bonds shall be payable when due to the Registered Owner of each Bond at the principal corporate trust office of the Bond Registrar. Payment of interest on each Bond shall be made to the person who, as of the Record Date, is the Registered Owner of the Bond and shall be made by check or draft mailed to the Registered Owner, at the address of such Registered Owner as it appears on the registration books of the District kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such Registered Owner on or prior to the Record Date.

Section 8: NO REDEMPTION PRIOR TO MATURITY

The Bonds are not redeemable prior to maturity.

Section 9: DEFEASANCE OF THE BONDS

In the event that money and/or government obligations, maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in such amounts as are sufficient (together with any resulting cash balances) to redeem and retire part or all of the Bonds in accordance with its terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on the Bonds so provided for, and the Bonds and interest accrued thereon shall then cease to be entitled to any lien, benefit, or security of this Bond Resolution, except the right to receive the funds so set aside and pledged, and the Bonds and interest accrued thereon shall no longer be deemed to be outstanding hereunder.

Section 7: FUNDS AND ACCOUNTS

A. Establishment of Accounts and Funds. The following accounts and funds on the accounting records of the District are hereby created with respect to the Bonds:

- (1) Bond Fund, to be held by the District.
- (2) Cost of Issuance Fund, to be held by the Escrow Agent.
- (3) Escrow Fund, to be held by the Escrow Agent.

B. Delivery of Bonds; Application of Proceeds. The Clerk of the District is hereby instructed to make delivery of the Bonds to the Purchaser and to receive payment therefor in accordance with the terms of the Bond Purchase Agreement and to deposit the proceeds of sale (after deduction of Purchaser's discount) as follows:

(1) A portion of the proceeds of the sale of the Bonds shall be deposited in the Cost of Issuance Fund to be used as described in Section 7(E).

(2) Accrued interest on the Bonds from their date to their date of delivery, if any, shall be deposited into the Bond Fund.

(3) The remaining proceeds of the sale of the Bonds shall be deposited into the Escrow Fund to be used as described in Sections 7(C) and 7(D).

C. Approval of Escrow Agreement; Deposits into Escrow Fund.

(1) The Escrow Agreement, in substantially the form set forth in Exhibit "A" which is annexed hereto and by reference incorporated herein, with such changes, omissions, insertions, and revisions as the Chairperson shall approve, is hereby authorized, and the Chairperson and Clerk shall sign such Escrow Agreement, which signature shall evidence such approval. The Chairperson and the Clerk are, and each of them is, hereby authorized to do or perform all such acts as may be necessary or advisable to comply with the Escrow Agreement and to carry the same into effect.

(2) The portion of the proceeds of the sale of the Bonds specified in Section 7(B)(3) hereof, together with other funds of the District as may be specified in a Written Certificate to be filed with the Escrow Agent at the time of the delivery of the Bonds, shall, simultaneously with the delivery of the Bonds be invested or reinvested as contemplated in the Act (except for any amount to be retained as cash) and the obligations in which such moneys are so invested and any remaining cash shall be deposited in trust with the Escrow Agent in accordance with the provisions of the Escrow Agreement.

D. Redemption of Refunded Bonds; Pledge, Etc. of Escrow Fund.

(1) The Refunded Bonds maturing on and after September 15, 2023, are hereby irrevocably called for redemption on September 15, 2022. Notice of such redemption shall be given as provided in the resolution authorizing the Series 2012 Bonds and in accordance with the Act. The Refunded Bonds are being redeemed at a redemption price of par plus accrued interest to the date of redemption.

(2) Moneys in the Escrow Fund shall be utilized exclusively for the purposes of (i) paying the interest on the Refunded Bonds through and including September 15, 2022; and

(ii) on September 15, 2022, paying and redeeming the principal of the Refunded Bonds; and the Escrow Fund is hereby irrevocably pledged to such purposes.

(3) Moneys in the Escrow Fund shall be invested, until needed for the purposes of the Escrow Fund, in cash and Government Obligations, as permitted in the Escrow Agreement. It is hereby found and determined by the District, pursuant to Section 57-504, Idaho Code, that moneys in the Escrow Fund, together with other funds of the District pledged to the payment of the Refunded Bonds, will be sufficient to pay, when due, pursuant to stated maturity or call for redemption, the principal of and interest due and to become due on the Refunded Bonds, and provision has been made in the Escrow Fund for the refunding of the Refunded Bonds.

(4) Any moneys remaining in the Escrow Fund and not needed for refunding of the Refunded Bonds shall be applied to pay any costs of issuance of the Bonds that remain unpaid, if any, and any moneys remaining thereafter may be used by the District for any lawful purpose.

(5) It is hereby found and determined that, upon compliance by the District and the Escrow Agent with the foregoing provisions of this Section 7(D), adequate provision shall have been made for the payment of the principal amount of the Refunded Bonds.

E. Cost of Issuance Fund. There is hereby established in the hands of the Escrow Agent a separate account designated as the "Cost of Issuance Fund." At the time of the delivery of the Bonds the Escrow Agent shall deposit into the Cost of Issuance Fund such amount as shall be required to pay the reasonable and necessary costs of issuance of the Bonds. Moneys in the Cost of Issuance Fund shall be used for the payment of costs of issuance of the Bonds. Any moneys remaining in the Cost of Issuance Fund on the date of the full and final payment of all costs of issuance of the Bonds shall be transferred into the Bond Fund.

F. Bond Fund. The proceeds of taxes levied without limitation as to rate or amount to pay the principal of and interest on the Bonds, as set forth in Section 7 of this Resolution, shall be kept by the Clerk of the District in a special fund, which is hereby created, separate and apart from all other funds of the District which is hereby designated the "General Obligation Refunding Bonds, Series 2022, Bond Fund" (the "Bond Fund") or such other designation as shall conform to banking requirements and good accounting practices, which Bond Fund shall be used for no other purpose than the payment of the principal of and interest on the Bonds as the same fall due. Monies sufficient to make each payment of interest, or principal and interest, as the same falls due shall be transferred by the Clerk to the Bond Registrar not less than fifteen days prior to each interest payment date. Monies in the Bond Fund may be invested in lawful investments until needed for the purposes of the Bond Fund, and all investment earnings shall accrue to and be used solely for the purposes of the Bond Fund. The Bond Fund shall be maintained by the Clerk until the principal of and interest on the Bonds has been paid in full.

Section 8: SALE OF THE BONDS

The Bonds are hereby sold to the Purchaser upon the terms and conditions set forth in the Bond Purchase Agreement, a form of which is annexed hereto as Exhibit "B".

Officials of the District, including the Chairperson and the Clerk, are and each of them is, hereby authorized to do or perform all such acts as may be necessary or advisable to comply with the Bond Purchase Agreement and to carry the same into effect.

Section 9: COVENANTS AND UNDERTAKINGS

A. Levy of Taxes. In accordance with the provisions of Sections 33-802 and 57-222, Idaho Code, as amended, there shall be levied on all taxable property in the District, in addition to all other taxes, a direct annual ad valorem tax in an amount sufficient to pay the principal of and interest on the Bonds, and (2) to meet the payment of the principal of and interest on the Bonds as the same mature, and to constitute a sinking fund for the payment of the principal thereof.

Said taxes in each of said years shall be levied, assessed, certified, extended, and collected by the proper officers and at the times, all as fixed by law, and as other taxes are levied, assessed, certified, extended, and collected in, for and by the District and by the same officers thereof and are hereby appropriated for the purpose of paying any of the Bonds until the Bonds shall be fully paid.

Principal of or interest on the Bonds falling due at any time when the proceeds of said tax levy may not be available shall be paid from other funds of the District and shall be reimbursed from the proceeds of said taxes when said taxes shall have been collected. Said taxes in each of the several years shall be and are hereby certified to the Board of County Commissioners of Teton County as being taxes necessary to be levied on all of the taxable property in the District for the purpose of paying the principal of and the interest on the Bonds as the same become due. Said taxes when collected shall be placed in the Bond Fund and shall be used for no other purpose than for the payment of the principal of and the interest on the Bonds as the same become due, so long as any of the Bonds remain outstanding and unpaid, but nothing herein contained shall be construed to prevent the District from paying the interest on or the principal of the Bonds from any other funds in its hands and available for that purpose, or to prevent the District from levying any further or additional taxes which may be necessary to fully pay the interest on or the principal of the Bonds.

The full faith and credit and all taxable property in the District are hereby pledged for the prompt payment of the principal of and the interest on the Bonds as the same become due and the tax levies to that end herein provided shall be in full force and effect, and forever remain so until the indebtedness hereby incurred, principal and interest, shall have been fully paid, satisfied and

discharged, except as hereinbefore provided, and any collection fees or charges made in connection with the payment of the Bonds and interest thereon are to be paid by the District.

B. Idaho State Bond Guaranty. Payment of the principal of and interest on the Bonds is guaranteed by the State of Idaho pursuant to the provisions of the Idaho School Bond Guaranty Act, Title 33, Chapter 53, Idaho Code (the "Guaranty Program"). The District covenants to comply with all applicable provisions of the Guaranty Program.

Section 10: FURTHER AUTHORITY

The Chairperson or the Vice Chairperson, the Clerk, and Treasurer, and other Officials are, and each of them is, hereby authorized to do or perform all such acts and to approve such actions and execute all such certificates, documents, and other instruments as may be necessary or advisable to provide for the issuance, sale, and delivery of the Bonds and the fulfillment of the covenants and obligations of the District contained herein and therein.

Section 11: MISCELLANEOUS

A. Ratification. All proceedings, resolutions, and actions of the Board, the District, and their officers, agents, and employees taken in connection with the authorization, sale, and issuance of the Bonds are hereby in all respects ratified, confirmed, and approved.

B. Severability. It is hereby declared that all parts of this Bond Resolution are severable, and if any section, paragraph, clause, or provision of this Bond Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause, or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Bond Resolution.

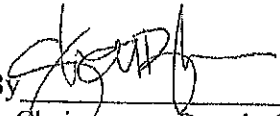
C. Conflict. All resolutions, orders, and regulations or parts thereof heretofore adopted or passed which are in conflict with any of the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

D. Captions. The table of contents and captions or headings herein are for convenience of reference only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Bond Resolution.

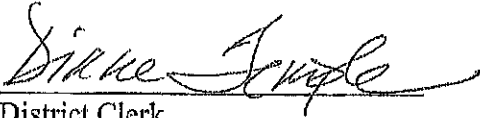
E. Effective Date. This Bond Resolution shall take effect immediately upon its passage and approval.

DATED this 14th day of February, 2022.

SCHOOL DISTRICT NO. 401
Teton County, Idaho

By  2/14/22
Chairperson, Board of Trustees

ATTEST:


District Clerk

(S E A L)

ESCROW DEPOSIT AGREEMENT

BETWEEN

**SCHOOL DISTRICT NO. 401
TETON COUNTY, IDAHO**

AND

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

DATED AS OF JUNE 17, 2022

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Exhibit A - Addresses of the Issuer and Escrow Agent

Exhibit B - Description of the Refunded Bonds

Exhibit C - Schedule of Debt Service on Refunded Bonds

Exhibit D - Description of Beginning Cash Deposit (if any) and Escrowed Securities

Exhibit E - Escrow Fund Cash Flow

Appendix A- Form of Notice of Redemption

ESCROW DEPOSIT AGREEMENT

**Teton School District No. 401
Teton County, Idaho
General Obligation Refunding Bond
Series 2022**

THIS ESCROW AGREEMENT, dated as of June 17, 2022, (herein, together with any amendments or supplements hereto, called the "Agreement"), is entered into by and between Teton School District No. 401, Teton County, Idaho (herein called the "Issuer") and U.S. Bank Trust Company, National Association, as escrow agent (herein, together with any successor in such capacity, called the "Escrow Agent"). The notice addresses of the Issuer and the Escrow Agent are shown on Exhibit A attached hereto and made a part hereof.

WITNESSETH:

WHEREAS, the Issuer heretofore has issued and there presently remain outstanding the obligations described in Exhibit B attached hereto (the "Refunded Bonds"); and

WHEREAS, pursuant to a Resolution of the Issuer adopted on February 14, 2022 (the "Authorizing Action"), the Issuer has determined to issue its General Obligation Refunding Bond, Series 2022 (the "Refunding Bond") for the purpose of providing funds to pay the costs of (i) paying the interest on the Refunded Bonds, as the same falls due, through and including September 15, 2022, and (2) paying the principal of the outstanding Refunded Bonds on September 15, 2022 (the "Date Fixed for Redemption"); and

WHEREAS, the Escrow Agent has reviewed the Authorizing Action and this Agreement, and is willing to serve as Escrow Agent hereunder; and

WHEREAS, pursuant to the Authorizing Action, all of the Refunded Bonds have been designated for redemption prior to their scheduled maturity dates and, after provision is made for such redemption, the Refunded Bonds will come due in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in Exhibit "C" attached hereto and made a part hereof; and

WHEREAS, the Issuer's Authorizing Action authorizes the Issuer to issue Refunding Bond and to deposit the proceeds from the sale thereof, and any other available funds or resources, with the Escrow Agent for the payment of the interest on the Refunded Bonds as the same falls due and for the discharge and final payment of the principal of the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, the Authorizing Action further authorizes the Issuer to enter into an escrow agreement with the Escrow Agent with respect to the safekeeping, investment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and the Escrow Agent

may agree, provided that such deposits may be invested only in direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and which may be in book entry form, and which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payments of interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, the Refunding Bond has been duly authorized to be issued, sold, and delivered for the purpose of obtaining the funds required to provide for the payment of interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption as shown on Exhibit "C" attached hereto; and

WHEREAS, the Issuer desires that, concurrently with the delivery of the Refunding Bond to the purchasers thereof, certain proceeds of the Refunding Bond, together with certain other available funds of the Issuer, shall be applied to purchase certain direct obligations of the United States of America, hereinafter defined as the "Escrowed Securities," for deposit to the credit of the Escrow Fund created pursuant to the terms of this Agreement and to establish a beginning cash balance (if needed) in such Escrow Fund; and

WHEREAS, the Escrowed Securities shall mature and the interest thereon shall be payable at such times and in such amounts so as to provide moneys which, together with cash balances from time to time on deposit in the Escrow Fund, will be sufficient to pay the interest on the Refunded Bonds as the same falls due and the principal of the Refunded Bonds on the Date Fixed for Redemption; and

WHEREAS, to facilitate the receipt and transfer of proceeds of the Escrowed Securities, particularly those in book entry form, the Issuer desires to establish the Escrow Fund at the principal corporate trust office of the Escrow Agent; and

WHEREAS, the Escrow Agent is a party to this Agreement to acknowledge its acceptance of the terms and provisions hereof;

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which hereby are acknowledged, and to secure the full and timely payment of the interest on the Refunded Bonds as the same falls due and the payment of the principal of the Refunded Bonds on the Date Fixed for Redemption, the Issuer and the Escrow Agent mutually undertake, promise and agree for themselves and their respective representatives and successors, as follows:

Article 1. Definitions and Interpretations.

Section 1.1. Definitions.

Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

“Cost of Issuance Fund” means the fund by that name created by the Authorizing Action, to be held by the Escrow Agent and administered pursuant to the provisions of this Agreement.

“Escrow Fund” means the fund created by this Agreement to be established, held and administered by the Escrow Agent pursuant to the provisions of this Agreement.

“Escrowed Securities” means the noncallable Government Obligations described in Exhibit D attached to this Agreement, or cash or other Government Obligations substituted therefor pursuant to Section 4.2 of this Agreement.

“Government Obligations” means (a) direct, noncallable United States Treasury Obligations, and (b) United States Treasury Obligations - State and Local Government Series.

“Paying Agent” means U.S. Bank Trust Company, National Association, as the paying agent for the Refunded Bonds.

Section 1.2. Other Definitions.

The terms “Agreement,” “Issuer,” “Escrow Agent,” “Authorizing Action,” “Refunded Bonds,” and “Refunding Bond” when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

Section 1.3. Interpretations.

The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Bonds in accordance with applicable law.

Article 2. Deposit of Funds and Escrowed Securities.

Section 2.1. Deposits in the Escrow Fund.

Concurrently with the sale and delivery of the Refunding Bond the Issuer shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Escrow Fund, the funds and Escrowed Securities described in Exhibit “D” attached hereto, and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the Issuer in writing.

Section 2.2 Deposits in the Cost of Issuance Fund.

Concurrently with the sale and delivery of the Refunding Bond, the Issuer shall cause to be deposited with the Escrow Agent, for deposit into the Cost of Issuance Fund, such amount as shall be specified in a written certificate of the Issuer, to be utilized by the Escrow Agent in accordance with Section 9(E) of the Authorizing Action. Any monies remaining in the Cost of Issuance Fund after full and final payment of all costs of issuance of the Bonds shall be transferred to the Issuer for deposit into the Bond Fund in accordance with the Authorizing Action.

Article 3. Creation and Operation of Escrow Fund.

Section 3.1. Escrow Fund.

The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the Teton School District No. 401, Teton County, Idaho General Obligation Refunding Bond, Series 2022 Escrow Fund (the "Escrow Fund"). The Escrow Agent hereby agrees that upon receipt thereof it will deposit to the credit of the Escrow Fund the funds and the Escrowed Securities described in Exhibit "D" attached hereto. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) shall be the property of the Escrow Fund, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the interest on the Refunded Bonds as the same falls due and the principal of the outstanding Refunded Bonds on the Date Fixed for Redemption, which payments shall be made by timely transfers of such amounts at such times as are provided for in Section 3.2 hereof. When the final transfers have been made for such payments, any balance then remaining in the Escrow Fund shall be transferred to the Issuer, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.2. Payment of Principal and Interest.

The Escrow Agent is hereby irrevocably instructed to transfer to the Paying Agent from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay interest on the Refunded Bonds as the same falls due and the principal of the outstanding Refunded Bonds on the Date Fixed for Redemption in the amounts and at the times shown in Exhibit "C" attached hereto.

Section 3.3. Sufficiency of Escrow Fund.

The Issuer represents that the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Bonds as the same falls due and the principal of the outstanding Refunded Bonds on the Date Fixed for Redemption, all as more fully set forth in Exhibit E attached hereto. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the

amounts required by the Paying Agent to make the payments set forth in Section 3.2 hereof, the Issuer shall timely deposit in the Escrow Fund, from any funds that are lawfully available therefor, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Escrow Fund or the Issuer's failure to make additional deposits thereto.

Section 3.4. Trust Fund.

The Escrow Agent shall hold at all times the Escrow Fund, the Escrowed Securities and all other assets of the Escrow Fund, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Bonds; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Bonds shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Fund to which they are entitled as owners of the Refunded Bonds. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Issuer, and the Escrow Agent shall have no right to title with respect thereto except as a trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the Issuer or, except to the extent expressly herein provided, by the Paying Agent.

Section 3.5. Security for Cash Balances.

Cash balances from time to time on deposit in the Escrow Fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a pledge of direct obligations of, or obligations unconditionally guaranteed by, the United States of America, having a market value at least equal to such cash balances.

Article 4. Limitation on Investments.

Section 4.1. Investments.

Except for the initial investment in the Escrowed Securities, and except as provided in Section 4.2 hereof, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, or to make substitutions of the Escrowed Securities, or to sell, transfer, or otherwise dispose of the Escrowed Securities.

Section 4.2. Substitution of Securities.

At the written request of the Issuer, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall utilize cash balances in the Escrow Fund, or sell, transfer, otherwise dispose of or request the redemption of the Escrowed Securities and apply the proceeds therefrom to purchase Refunded Bonds or Government Obligations which do not permit the redemption thereof at the option of the obligor, and in connection therewith the issuer reserves the right to call for redemption prior to maturity any of the Refunded Bonds to the extent permitted by their authorizing order. The Issuer may, in connection with such transaction, withdraw funds or Escrowed Securities from the Escrow Fund. Any such transaction may be effected by the Escrow Agent only if (a) the Escrow Agent shall have received a written opinion from a nationally recognized firm of certified public accountants that such transaction will not cause the amount of money and securities in the Escrow Fund to be reduced below an amount sufficient to provide for the full and timely payments required hereunder, taking into account any optional redemption of the Refunded Bonds exercised by the Issuer in connection with such transaction; (b) the Escrow Agent shall have received the unqualified written legal opinion of nationally recognized bond counsel or tax counsel to the effect that such transaction will not cause any of the Refunded Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended or, if applicable, Section 103(c) of the Internal Revenue Code of 1954, as amended and (c) notice of such transaction is provided to the rating agencies, if any, which have rated the Refunded Bonds.

Article 5. Application of Cash Balances.

Section 5.1. In General.

Except as provided in Section 3.2 and 4.2 hereof, no withdrawals, transfers, or reinvestment shall be made of cash balances in the Escrow Fund. Cash balances shall be held by the Escrow Agent as cash and as cash balances as shown on the books and records of the Escrow Agent and shall not be reinvested by the Escrow Agent.

Article 6. Defeasance and Redemption of Refunded Bonds.

Section 6.1. Call for Redemption.

The Issuer hereby irrevocably calls the Refunded Bonds for redemption on September 15, 2022, which is their earliest redemption date, as shown on Appendix "A" attached hereto.

Section 6.2. Notice of Redemption.

The Escrow Agent agrees to give notice of the redemption of the Refunded Bonds pursuant to the terms of the Refunded Bonds and in substantially the form attached hereto as Appendix A.

The Escrow Agent hereby acknowledges that provision satisfactory and acceptable to the Escrow Agent has been made for the giving of notice of redemption of the Refunded Bonds.

Section. 6.3 Notice of Defeasance.

The Escrow Agent agrees to give notice of the defeasance of the Refunded Bonds. The Escrow Agent hereby acknowledges that provision satisfactory and acceptable to the Escrow Agent has been made for the giving of notice of defeasance of the Refunded Bonds.

Article 7. Records and Reports.

Section 7.1. Records.

The Escrow Agent will keep books of record and account in which complete and accurate entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrowed Securities deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection during business hours and after reasonable notice.

Section 7.2. Reports.

While this Agreement remains in effect, the Escrow Agent annually shall prepare and send to the Issuer a written report summarizing all transactions relating to the Escrow Fund during the preceding year, including, without limitation, credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund for payments on the Refunded Bonds and Refunding Bond or otherwise, together with a detailed statement of all Escrowed Securities and the cash balance on deposit in the Escrow Fund as of the end of such period.

Article 8. Concerning the Paying Agents and Escrow Agent

Section 8.1. Representations.

The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

Section 8.2. Limitation on Liability.

The liability of the Escrow Agent to transfer funds for the payment of the interest on and principal of the Refunded Bonds shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall have no liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund or any failure of the obligors of the

Escrowed Securities to make timely payment thereon, except for the obligation to notify the Issuer promptly of any such occurrence.

The recitals herein and in the proceedings authorizing the Refunding Bond shall be taken as the statements of the Issuer and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent.

The Escrow Agent is not a party to the proceedings authorizing the Refunding Bond or the Refunded Bonds and is not responsible for nor bound by any of the provisions thereof (except to the extent that the Escrow Agent may be a place of payment and paying agent and/or a paying agent/registrars therefor). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its negligence or want of good faith.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the Issuer with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the Issuer or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the Issuer at any time.

Section 8.3. Compensation.

The Issuer shall pay to the Escrow Agent fees for performing the services hereunder and for the expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement pursuant to the terms of its fee schedule. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses as Escrow Agent or in any other capacity.

Section 8.4. Successor Escrow Agents.

If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the Issuer within sixty (60) days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Bonds then outstanding by an instrument or instruments in writing filed with the Issuer, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Obligation may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation authorized to exercise corporate trust powers, having a combined capital and surplus of at least \$25,000,000, and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The obligations assumed by the Escrow Agent pursuant to this Agreement may be transferred by the Escrow Agent to a successor Escrow Agent if (a) the requirements of this Section 8.4 are satisfied; (b) the successor Escrow Agent has assumed all the obligations of the Escrow Agent under this Agreement; and (c) all of the Escrowed Securities and money held by the Escrow Agent pursuant to this Agreement have been duly transferred to such successor Escrow Agent.

Article 9. Miscellaneous

Section 9.1. Notice.

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the Issuer or the Escrow Agent at the address shown on Exhibit A attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

Section 9.2. Termination of Responsibilities.

Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the Issuer, the owners of the Refunded Bonds or to any other person or persons in connection with this Agreement.

Section 9.3. Binding Agreement.

This Agreement shall be binding upon the Issuer and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Bonds, the Issuer, the Escrow Agent and their respective successors and legal representatives.

Section 9.4. Severability.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 9.5. Idaho Law Governs.

This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Idaho.

Section 9.6. Time of the Essence.

Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 9.7. Amendments.

This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunding Bond or the Refunded Bonds. No such amendment shall be made without first receiving written confirmation from the rating agencies, (if any) which have rated the Refunded Bonds that such administrative changes will not result in a withdrawal or reduction of its rating then assigned to the Refunded Bonds. If this Agreement is amended, prior written notice and copies of the proposed changes shall be given to the rating agencies which have rated the Refunded Bonds.

EXECUTED as of the date first written above.

Teton School District No. 401
Teton County, Idaho

Chairperson, Board of Trustees

ATTEST:

District Clerk

[S E A L]

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION
as Escrow Agent

Authorized Officer

EXHIBIT A
Addresses of the Issuer and Escrow Agent

Issuer:

Teton School District No. 401
Attention: Diane Temple
481 N. Main Street
Driggs, ID 83422

Escrow Agent:

U.S. Bank Trust Company, National Association
170 South Main Street, Suite 200
Salt Lake City, UT 84101
Attention: Corporate Trust Services

EXHIBIT B
Description of the Refunded Bonds

School District No. 401, Teton County, Idaho, General Obligation Bonds, Series 2012, maturing on and after September 15, 2023.

The Escrow Fund will be applied to pay the interest on the Refunded Bonds as the same falls due and the principal due on the outstanding Refunded Bonds on September 15, 2022 (the "Date Fixed for Redemption").

EXHIBIT "C"

Schedule of Interest and Principal Due on Refunded Bonds

Period Ending	Interest	Principal Redeemed	Total
09/15/2022	63,112.50	3,375,000	3,438,112.50
	63,112.50	3,375,000	3,438,112.50

EXHIBIT D
Escrow Deposit

I. Cash \$0.50

II. Escrowed Securities, \$3,438,112.00

	Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Jun 17, 2022:							
	SLGS	Certificate	09/15/2022	09/15/2022	3,438,112	0.600%	0.600%
					3,438,112		

EXHIBIT E
Escrow Fund Cash Flow

Date	Principal	Interest	Net Escrow Receipts	Present Value to 06/17/2022 @ 0.6056982%
09/15/2022	3,438,112.00	5,086.52	3,443,198.52	3,438,112.00
	3,438,112.00	5,086.52	3,443,198.52	3,438,112.00

Escrow Cost Summary

Purchase date	06/17/2022
Purchase cost of securities	3,438,112.00
Target for yield calculation	3,438,112.00

APPENDIX A(1)

Notice of Redemption
School District No. 401
Teton County, Idaho
General Obligation School Bonds, Series 2012

NOTICE IS HEREBY GIVEN that School District No. 401, Teton County, Idaho, has called for redemption on September 15, 2022, all of its then outstanding General Obligation School Bonds Series 2012, maturing on and after September 15, 2023 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus interest accrued to September 15, 2022. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

U.S. Bank Trust Company, National Association
170 South Main Street, Suite 200
Salt Lake City, UT 84101

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on September 15, 2022.

The following Bonds are being redeemed:

Refunded Maturities	Amount Refunded	CUSIP 88161Y
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By Order of School District No. 401, Teton County, Idaho

U.S. Bank Trust Company, National Association, successor in interest to U.S. Bank National Association, as Paying Agent

Dated: _____.

Under the Interest and Dividend Tax Compliance Act of 1983, payor may be required to withhold 31% of the redemption price from any Bondowner who fails to provide to payor and certify under penalties of perjury, a correct taxpayer identifying number (employer identification number or social security number, as appropriate) or an exemption certificate on or before the date the Bonds are presented for payment. Bondowners who wish to avoid the application of these provisions should submit a completed Form W-9 when presenting their Bonds.

BOND PURCHASE AGREEMENT

BETWEEN

TETON SCHOOL DISTRICT NO. 401
Teton County, Idaho

AND

THE BANK OF COMMERCE

\$3,370,000 PAR AMOUNT

TETON SCHOOL DISTRICT NO. 401
GENERAL OBLIGATION REFUNDING BOND
SERIES 2022

DATED JUNE 17, 2022

BOND PURCHASE AGREEMENT

June 17, 2022

Teton School District No. 401
Board of Trustees
445 North Main Street
Driggs, ID 83422

Dear Board of Trustees:

The undersigned, The Bank of Commerce (the "Purchaser"), hereby offers to enter into with the Teton School District No. 401, Teton County, Idaho, an Idaho political subdivision (the "Issuer"), this Bond Purchase Agreement (this "Agreement"). This Agreement authorizes the purchase by the Purchaser of your Series 2022 Bond described below. This Agreement is made subject to acceptance by the Issuer. Upon such acceptance, this Agreement shall be in full force and effect according to its terms and shall bind the Issuer and the Purchaser. If not so accepted, this Agreement will be subject to withdrawal by the Purchaser upon notice delivered by the Purchaser to the Issuer any time before the acceptance hereof by the Issuer.

1. **Purchase and Sale.** Subject to (i) the satisfaction by the Issuer of the terms and conditions set forth herein, (ii) the conditions precedent set forth herein and in reliance upon the representations herein set forth or incorporated herein, the Purchaser hereby agrees to purchase, upon the terms and conditions set forth herein, in Exhibit A attached hereto, the Teton School District No. 401 General Obligation Refunding Bond, Series 2022 in the aggregate original principal sum of \$3,370,000, (the "Bond"). The Bond shall be as described in Exhibit A attached hereto, and shall be issued and secured pursuant to the Resolution of the Issuer adopted on February 14, 2022 (the "Resolution") approving the issuance of such Bond. This Agreement shall constitute the Loan Agreement authorized by, and as defined in, the Resolution.

2. **Representations.**

A. The Issuer represents to and agrees with the Purchaser as follows, provided, however, that the representations contained in the subparagraphs (3) and (4) below are based solely upon the opinion of Bond Counsel rendered in accordance with Section 4.D.1. hereof:

1. The Issuer is a political subdivision organized and existing under the Constitution and laws of the State of Idaho, and the Issuer has full legal right, power, and authority pursuant to the Constitution and laws of the State of Idaho, to sell and deliver its Bond for the purpose of financing community infrastructure.

2. To the knowledge of the Issuer, the execution and delivery of this

Agreement does not, and the execution and delivery of the Bond and the adoption of the Resolution and compliance with the provisions of each of them, under the circumstances contemplated thereby, will not, in any material respect, conflict with or constitute on the part of the Issuer a breach of or default under any other agreement or instrument to which the Issuer is a party or any existing law, administrative regulation, court order or consent decree to which the Issuer is subject.

3. Based solely upon the opinion of Bond Counsel, the Bond when duly issued, authenticated, delivered and paid for in accordance with the Resolution and purchased by the Purchaser as provided herein, will be the validly issued and outstanding general obligation bond of the Issuer.

4. Based upon the opinion of Bond Counsel, the Resolution, and this Agreement, when each of them has been executed and delivered by the Issuer, will, assuming due authorization, execution and delivery by all other parties thereto, each constitute a valid and binding obligation of the Issuer, provided, however, that the enforceability of such obligations may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases and to general principles of equity.

5. To the knowledge of the Issuer after due inquiry, no litigation is pending or, threatened against or affecting the Issuer and to which the Issuer is a party (i) seeking to restrain or enjoin the issuance or delivery of any of the Bond or the application of proceeds of the Bond as provided in the Resolution or the collection of taxes of the Issuer pledged under the Resolution, (ii) in any way contesting or affecting any authority for the issuance of the Bond or the validity of the Bond, the Resolution or this Agreement, or (iii) in any way contesting the existence or powers of the Issuer.

3. **Closing.** On June 17, 2022, or such later date as we mutually agree upon (the "Closing"), the Issuer, subject to the terms and conditions herein, will deliver or cause to be delivered, at the offices of the Purchaser or other such place as may be mutually agreed upon, the Bond, duly executed and authenticated. In addition, the other documents hereinafter mentioned will be delivered at the offices of Bond Counsel and the Purchaser will accept such delivery and pay the purchase price thereof in federal funds to the account of the Issuer.

4. **Conditions Precedent.** The Purchaser has entered into this Agreement in reliance upon (i) the representations, warranties and agreements of the Issuer contained herein and in the Resolution and (ii) the performance by the Issuer of their obligations hereunder, if any, and under the above-mentioned documents, both as of the date hereof

and as of the date of the Closing. The Purchaser's obligation under this Agreement is and shall be subject to the following further conditions:

A. The representations and warranties of the Issuer contained herein shall be true, complete and correct on the date of acceptance hereof and as of the date of Closing with the same effect as if made on the date of Closing.

B. At the time of the Closing, the Resolution shall be in full force and effect, shall be in form and substance acceptable to the Purchaser in all respects, and shall not have been amended, modified or supplemented except as may have been agreed to in writing; and shall have duly adopted or entered into and there shall be in full force and effect, such Resolutions and agreements, as, in the opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby or the documentation of security for the Bond.

C. The Purchaser may terminate this Agreement by notification in writing to the Issuer if at any time subsequent to the date hereof and at or prior to the Closing: (i) legislation shall be enacted by, or favorably reported out of committee to, either House of the Congress of the United States, or a decision by a court of the United States shall be entered or a regulation or ruling shall be issued or proposed by or on behalf of the Treasury Department, the Internal Revenue Service of the United States, or any other agency of the federal government having jurisdiction, with respect to federal taxation upon interest received on obligations of the character of the Bond or the sale, at the contemplated offering prices, by the Purchaser of the Bond; or (ii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the character of the Bonds is in violation or any provision of the Securities Act or the Trust Act of 1939; or (iii) the Congress of the United States shall enact a law, or a bill shall be favorably reported out of committee of either House of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other agency of the Federal government having jurisdiction of the subject matter shall be made, to the effect that securities of the Issuer or of any similar public body are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Act of 1939; or (iv) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency; or (v) there shall have occurred a general suspension of trading on the New York Stock Exchange; or (vi) a general banking moratorium shall have been declared by the United States, State of New York or State of Idaho authorities; or (vii) an event shall occur which in the reasonable judgment of the Purchaser materially adversely affects the market for the Bond, or the sale, at the contemplated offering prices, by the Purchaser of the Bond; or (viii) any documentation in connection with the issuance of the Bond shall not be satisfactory in form and substance to the Purchaser or its counsel; or (ix) economic, market or other conditions shall occur or exist

which, in the judgment of the Purchaser, render, the Bond incapable of being sold on terms acceptable to the Purchaser or materially affects, in the Purchaser's opinion, the market price of the Bond; or (x) the results of any due diligence efforts by the Purchaser with respect to the proposed issuance of the Bond shall not, in the sole discretion of the Purchaser, be satisfactory to the Purchaser; or (xi) any suit, proceeding, litigation or other action shall be commenced, or, if commenced prior to the date hereof, shall be continuing or have been adjudicated, which, in any event, in the reasonable judgment of the Purchaser, may affect the marketing, sale or delivery of the Bond; or (xii) the Purchaser and the Issuer shall not have reached agreement as to the terms of any of the agreements referred to in this Agreement; or (xiii) there has been a material adverse change in the financial condition of the Issuer.

D. At or prior to the Closing, the Purchaser shall have received the following documents (in each case with such changes as the Purchaser shall approve):

1. The unqualified approving opinion of MSBT Law, Chartered, Bond Counsel, dated the date of the Closing, in form acceptable in all respects to the Purchaser.
2. A certificate of the Issuer, signed by the Chairman and Clerk of the Issuer, dated the date of the Closing, to the effect that (a) the representations, warranties and agreements of the Issuer contained herein and in the Resolution are true and correct in all material respects as of the date of the Closing; (b) to the knowledge of the Issuer without independent investigation, no litigation is pending or threatened (1) seeking to restrain or enjoin the issuance or delivery of any of the Bond, or the collection of revenues or other security pledged under the Resolution, or (2) in any way contesting or affecting any authority for the issuance of the Bond or the validity of the Bond, the Resolution or this Agreement, or (3) in any way contesting the existence or powers of the Issuer; and with respect to the Bond, the Resolution or this Agreement.
3. A certificate of the Issuer, dated the date of the Closing, in a form acceptable in all respects to the Purchaser, providing for the tax exempt status of the Bond and providing covenants to maintain such tax exempt status.

If the Issuer shall be unable for any reason to satisfy the conditions of the Purchaser's obligation contained in this Agreement or if the Purchaser's obligation shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Purchaser nor the Issuer shall have any further obligations or liability hereunder, except that any respective obligations of the Purchaser or the Issuer for payment of Bond Counsel costs and expenses incurred prior to termination of the Agreement, shall continue in full force and effect.

5. **Reporting Requirements.** The Issuer will be required to provide the Purchaser audited annual financial statements, free of significant deficiencies or material weakness, and prepared by an independent Certified Public Accountant, within 270 days of the close of its fiscal year. The Issuer shall also provide the Purchaser any other financial information that the Purchaser may reasonably request from time to time.

6. **Notices.** Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to the addresses set forth above and any such notice or other communication to be given to the Purchaser may be given by delivering the same in writing to the Purchaser, Bank of Commerce, 3385 S. Holmes Avenue, Idaho Falls, ID 83404.

7. **Benefit.** This Agreement is made solely for the benefit of the Issuer and the Purchaser (including their successors or assigns), and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof.

8. **Approval.** The approval of the Purchaser when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the undersigned and delivered to you.

9. **Governing Law; Counterpart.** This Agreement shall be governed by the laws of the State of Idaho applicable to agreements made and to be performed in the State of Idaho; without regard or effect given to conflict of law rules which would require the application of laws of any other jurisdiction. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

10. **Survival.** All agreements, covenants and representations and all other statements of the Issuer and the Purchaser and their respective officers set forth in or made pursuant to this Agreement will survive the Closing and the delivery of and payment for the Bonds.

11. **Severability.** If any section, paragraph, clause or provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Agreement.

12. **Remedies.** Except as otherwise provided in the Resolution, no right or remedy conferred on any party in this Agreement is intended to be exclusive of any other right or remedy. Each such right or remedy is in addition to every other right or remedy provided in this Agreement, the Bond Resolution or by law. No delay or omission of any party to exercise any such right or remedy will impair any such right or remedy or be construed to be a waiver. Every such right or remedy may be exercised from time to time and as often as the relevant party may deem expedient. No waiver by any party of any right or remedy with respect to any Event of Default will extend to or affect any other existing or subsequent Event of Default.

13. **Non-Merger.** The provisions of this Agreement shall survive all other performances hereunder, and shall not be deemed merged in any deed or other instrument or document delivered hereunder.

14. **Obligations of Issuer Not Obligations of Officials Individually.** All obligations of the Issuer under the Bond Documents, the Bonds will be deemed to be obligations of the Issuer to the full extent permitted by the Constitution and laws of the State. No obligation under any of the Bond Documents will be deemed to be an obligation of any present or future officer or employee of the Issuer in his or her individual capacity, and no officer of the Issuer who executes the Bonds will be personally liable on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

15. **Waiver of Jury Trial.** Both Issuer and Purchaser each waives their right to trial by jury in any action, proceeding, or counterclaim arising out of or in any way concerned with this Agreement, the Bond Resolution, or the Bond. Both Issuer and Purchaser agree that it will not seek a jury trial in any lawsuit, proceeding, counterclaim, or any other litigation procedure based upon or arising out of this Agreement, the Bond Resolution, or the Bond. Both the Issuer and Purchaser further agree that it will not seek to consolidate any such action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

THE BANK OF COMMERCE
as Purchaser herein specified

BY: _____

Its: _____

Approved and Agreed to:

TETON SCHOOL DISTRICT NO. 401

BY: _____
Chairman

Attest:

District Clerk

EXHIBIT A
TO THE BOND PURCHASE AGREEMENT
\$3,370,000 PAR AMOUNT
GENERAL OBLIGATION BOND

- A. Payment: \$3,370,000
- B. Dated Date: June 17, 2022
- C. Maturity Date: Final maturity is September 15, 2025.
- D. Interest Rate: 1.350%
- E. Redemption: The Bonds are not redeemable.
- F. Covenants and Conditions: As set forth in the Resolution and this Agreement.
- G. Estimated Closing Date: June 17, 2022, or such other date mutually agreed to by the parties to this Purchase Agreement.
- H. Bond Counsel: MSBT Law, Chartered, Boise, Idaho.
- I. Method of Payment: Federal Funds draft or wire.
- J. 8038: Issuer shall make all necessary filings.
- K. Tax Exemption: An opinion from Bond Counsel that interest on the Bonds is excluded from gross income for federal and state tax purposes.
- L. Interest Payment: Interest on the Bonds is payable with semi-annual payments of interest due each March 15 and September 15, beginning September 15, 2022, until maturity, and annual payments of principal on September 15, beginning September 15, 2023.
- M. Closing Costs: The District is responsible for paying the costs of issuance, including \$850.00 for the Purchaser's Attorney's fee.