

LOAN AGREEMENT

U.S. Bank National Association (“Lender”) and La Center School District No. 101, Clark County, Washington (“Borrower”) are entering into this Loan Agreement (“Agreement”) as of August 25, 2020, upon the terms and conditions described below for the purpose of the Lender’s making a loan in the amount of \$3,021,295.93 to the Borrower, as evidenced by the Bond.

1. Definitions

For purposes of this Agreement, the following capitalized terms shall have the following meanings, unless the context clearly requires otherwise:

“Bond” means the \$3,021,295.93 principal amount La Center School District No. 101, Clark County, Washington, Unlimited Tax General Obligation Refunding Bond, 2020.

“Borrower’s Certificate” means the certificate, in substantially the form attached hereto as Schedule B, to be delivered by the Borrower at the delivery of the Bond.

“Closing” means the date of the execution and delivery of the Bond; provided, however, that if the execution and delivery occurs but funding does not occur on that date, “Closing” shall mean the date of the initial funding of the loan.

“Code” means the Internal Revenue Code of 1986, as amended, and as it exists on the dated date of this Agreement.

“Event of Default” means the declaration by the Lender of an event as a result of determination by the Lender that: (i) the Borrower has failed to pay principal or interest on the Bond within 30 days after written notice provided by the Lender of such failure to pay as provided in this Agreement (“Payment Default”); (ii) the Borrower has failed to comply with any of its obligations or to perform any of its duties (other than the obligation to pay principal and interest) under this Agreement, the Resolution or the Bond, which failure continues, and is not cured, for a period of more than 30 days after the Lender has made written demand on the Borrower to cure such failure; or (iii) there has been a material misrepresentation by the Borrower in this Agreement, the Resolution or the Bond.

“Lender” means, initially, U.S. Bank National Association and its legal successors or assignees.

“Receipt and Certificate” means the certificate, in substantially the form attached hereto as Schedule C, to be delivered by the Lender at the delivery of the Bond.

“Resolution” means Resolution No. 2019/2020-09 adopted by the Board of Directors of the Borrower on August 25, 2020, authorizing the issuance of the Bond.

2. Terms

The Lender hereby agrees to lend \$3,021,295.93 to the Borrower through the purchase of the Bond for a purchase price of the par amount of the Bond of \$3,021,295.93 (less \$500 Set-Up Fee as defined herein), subject to the terms and conditions contained in this Agreement, including Schedule A, which by this reference is incorporated herein.

The Borrower agrees to repay the principal amount of the Bond in accordance with the Resolution. This Agreement is subject to the terms and conditions of the Resolution, which Resolution is incorporated herein by this reference. If any provision of this Agreement conflicts with the Resolution, the Resolution shall control.

1. Security for Agreement. For as long as any principal of the Bond is outstanding, the Borrower has irrevocably pledged to levy taxes annually without limitation as to rate or amount on all of the taxable property within the Borrower in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the Bond, and the full faith, credit and resources of the Borrower have been pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest. Further, the payment of principal of and interest on the Bond when due is guaranteed by the full faith, credit, and taxing power of the State of Washington under the provisions of the Washington State School District Credit Enhancement Program.

2. Closing. The Lender shall purchase the Bond upon execution of this Agreement and the Bond, and upon satisfaction of the conditions specified in Section 6 below.

3. Default and Remedies. If an Event of Default occurs, the Lender may exercise any remedy available at law or in equity. In addition to all other remedies, the Lender may bring suit to compel the Borrower to appropriate funds to pay the principal, premium, if any, and interest due on the Bond. No remedy shall be exclusive. The Lender may waive any Event of Default, but no such waiver shall extend to a subsequent Event of Default. No delay or omission of the Lender to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or to be an acquiescence therein; and every power and remedy given by this Section to the Lender may be exercised from time to time and as often as may be deemed expedient by the Lender.

4. Waiver of Jury Trial. To the extent permitted by applicable laws, the Lender and the Borrower, as applicable, hereby waive its right to a trial by jury in any action or proceeding arising out of or relating to this Agreement, the Bond, or the Resolution.

5. Fees, Costs and Expenses

(a) *Set-Up Fee.* The Borrower agrees to pay the Lender a set-up fee of \$500 (the "Set-Up Fee") which shall be payable at Closing. The Lender shall retain the Set-Up Fee from the purchase price paid to the Borrower for the Bond.

(b) *Other Fees and Costs.* The Borrower shall pay the fees and costs of bond counsel, Lender Counsel (in an amount up to \$2,500), and any other expenses and costs which the Borrower incurs in connection with the execution and delivery of the Bond and this Agreement. The Refunding Trustee, as defined in the Resolution, shall pay, on behalf of the Borrower, the costs and fees from proceeds of the Bond deposited with the Refunding Trustee.

(c) *Costs of Enforcement.* If a Payment Default occurs and is continuing, and the Lender incurs any expenses in connection with enforcing this Agreement or the Bond, or if the Borrower takes collection action under this Agreement or the Bond, the Borrower shall pay to the Lender, on demand, the Lender's reasonable costs and reasonable attorneys' fees, whether at trial, on appeal or otherwise, including any allocated costs of in-house counsel, subject to a limit of \$10,000.

6. Closing/Funding Conditions. The Lender may refuse to advance funds under this Agreement and the Bond unless, on or prior to the date of Closing, the Lender shall have received:

(a) a certified copy of the duly authorized Resolution, a signed original of this Agreement the Bond, and the Borrower's Certificate;

(b) an opinion of Bond Counsel as to (i) the Resolution, this Agreement, and the Bond being valid and legally binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms, (ii) the interest payable under the Bond being excludable from gross income for Federal income tax purposes under the Code, and (iii) the Bond has been designated in the Resolution as a "qualified tax-exempt obligation" under Section 265(b) of the Code;

(c) a copy of the Borrower's (i) unaudited annual financial report (F-196) for the 2018-19 fiscal year, ending August 31, 2019, (ii) the most recent audited financial statement, and (iii) the adopted budget for the 2019-20 fiscal year, ending August 31, 2020; and

(d) such additional legal opinions, certificates, proceedings, instruments or other documents as the Lender, its counsel or the Bond counsel may reasonably request to evidence compliance by the Borrower with the legal requirements for execution and delivery of this Agreement and the Bond and the due performance or satisfaction by the Borrower of all agreements then to be performed and all conditions then to be satisfied by the Borrower.

7. Notices. Any notices required to be given pursuant to this Agreement or the Bond shall be given to the addresses shown on Schedule A hereto.

8. Assignment by Lender. As the initial Lender, U.S. Bank National Association may assign its rights and obligations under this Agreement to a successor that is a Qualified Lender. The Lender shall notify the Borrower of any assignment or participation of its interest in this Agreement. Except as provided above in this Section 8, the Lender may not assign its rights or obligations under this Agreement to any person or entity unless it obtains the prior written consent of the Borrower, which consent shall not be unreasonably withheld. The Borrower may not assign its rights and obligations under this Agreement without the prior written consent of the Lender. The right to receive principal and interest due on the Bond may only be assigned or transferred pursuant to this Section 8 and the Resolution.

For purposes of this section of the Agreement, the term, "Qualified Lender" means (a) a bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "1933 Act"), (b) a savings and loan association or other institution described in Section 3(a)(5)(A) of the 1933 Act, or (c) a "Qualified Institutional Buyer" as that term is defined in Rule 144A promulgated by the Securities and Exchange Commission pursuant to the 1933 Act.

9. Reporting Requirements. While any amounts remain outstanding under the Bond, the Borrower agrees to comply with the following covenants:

(a) Within 330 days after the end of the fiscal year, the Borrower shall provide its unaudited annual financial report (F-196) to the Lender (for example, for fiscal year ending August 31, 2020, the Borrower must provide its unaudited annual financial report (F-196) to Lender by July 27, 2021). Within 30 days after publication, the Borrower shall provide the Lender with a copy of, or notification of the repository where the Lender may reasonably obtain, the Borrower's CPA or other statutorily mandated State agency audited financial statements. The Borrower is currently audited biennially.

(b) The Borrower shall notify the Lender promptly of any development which, in the opinion of the Borrower, is likely to have a material, adverse effect on the Borrower's ability fulfill its obligations for payment of amounts outstanding under the Bond.

(c) The Borrower shall provide the Lender with its adopted budget, upon request, which request shall be no sooner than 45 days after the end of the prior fiscal year.

(d) The Borrower shall notify the Lender promptly of any litigation or proceeding in which the Borrower is a party or the existence of a dispute between the Borrower and any governmental authority or law enforcement authority which in the reasonable judgement of the Borrower, would have a material and adverse effect on the ability of the Borrower to pay the amounts due under the Bond.

(e) The Borrower shall provide the Lender with such other information regarding the Borrower as the Lender may from time to time reasonably request.

(f) The Borrower understands that the Lender may be required, pursuant to the requirements of the Patriot Act; to obtain, verify and record information that identifies the Borrower which information includes the name and address of the Borrower and other information that will allow the Lender to identify the Borrower in accordance with the Patriot Act. The Borrower hereby agrees that it shall promptly provide such information upon request by the Lender.

10. Indemnification. To the extent permitted by law, and subject to a limit of \$100,000, the Borrower agrees to indemnify and hold harmless the Lender and all of its agents and employees against any and all losses, claims, damages, liabilities and expenses arising out of any statement made by the Borrower to the Lender, its agents or employees, which relates to the Agreement or the Bond, and which is untrue or incorrect in any material respect.

11. Tax Covenants. The Borrower represents and warrants that interest due on the Bond is excludable from gross income under Section 103 of the Code, and hereby covenants for the benefit of the Lender that it will not take any action, or omit to take any action, if the taking or omission would cause interest on the Bond to become includable in gross income under the Code or, if the Bond has been designated a "qualified tax-exempt obligation" under the Code, would otherwise affect such designation. The Borrower also covenants for the benefit of the Lender that it will comply with any covenants and agreements in the Tax Certificate that it has executed in connection with the closing of the sale of the Bond.

12. Miscellaneous.

(a) No official statement or other disclosure document has been prepared in connection with this Agreement and the Bond, and the Borrower has no obligation in connection with this Agreement and the Bond to provide any disclosure regarding operating information or material events to the Municipal Securities Rulemaking Board or any dissemination agent. The Borrower is obligated to provide information to the Lender in connection with this Agreement only as specifically stated in this Agreement.

(b) The Borrower has not requested, and shall not request, a rating from any nationally

recognized statistical rating organization for the Bond.

(c) Neither the Borrower nor the Lender shall request assignment of CUSIP numbers or permit such numbers to be assigned or printed on the Bond.

(d) The Bond shall be issued as fully registered Bond and shall be registered in the name of the Lender, with no reference to any securities depository or nominee.

(e) All representations, warranties and agreements contained in this Agreement shall survive the execution, delivery and payment of the Bond. This Agreement and the Bond shall constitute a contract between the Borrower and the Lender.

(f) The Lender may at any time pledge or grant a security interest in all or any portion of its rights under the Bond and this Agreement to secure obligations of the Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for Lender as party hereto.

(g) This Agreement shall be governed and interpreted in accordance with the laws of the State of Washington.

(h) If any part of this Agreement is not enforceable, the rest of the Agreement may be enforced. The Lender retains all rights, even if it makes a loan after default. If the Lender waives a default, it may enforce a later default. Any consent or waiver under this Agreement must be in writing.

(i) This Agreement, including the Resolution and the Bond, constitutes the entire agreement between the Lender and Borrower, supersedes any other prior commitments, offers, agreements, representations, understandings or communications between the Lender and Borrower or their representatives, and may be amended only in a writing signed by the Lender and Borrower. This Agreement may not be changed or terminated orally. This Agreement is intended solely for the benefit of the Lender and Borrower (including any successors and assigns thereof but not any holder of any Bonds). No other person shall acquire or have any rights hereunder or by virtue hereof.

13. Counterparts. This Agreement may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same agreement.

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DATED as of this 25th day of August, 2020.

U.S. BANK NATIONAL ASSOCIATION

By: _____

LA CENTER SCHOOL DISTRICT NO. 101,
CLARK COUNTY, WASHINGTON

By: _____
David Holmes, Superintendent and Secretary
to the Board of Directors

Schedule A

Loan Amount: \$3,021,295.93

Closing Date: September 3, 2020

Borrower: La Center School District No. 101
Clark County, Washington
725 Highland Road, P.O. Box 1840
La Center, WA 98629
ATTN: Nancy Carner, Business Manager

Lender: U.S. Bank National Association
425 Walnut Street
Cincinnati, OH 45202
ATTN: Government Banking Division

Principal Payment Date: Annually on each December 1, commencing December 1, 2020 until Maturity Date.

Interest Payment Date: Semiannually on each June 1 and December 1, commencing December 1, 2020 until Maturity Date.

Maturity Date: December 1, 2022

Initial Rate: 1.05%

Debt Service Schedule: Attached to the Resolution

Bond Counsel: Foster Garvey P.C.
1111 Third Ave., Suite 3000
Seattle WA 98101
ATTN: Jim McNeill
email: jim.mcneill@foster.com; phone: 206.447.5339

Lender Counsel: Chapman & Cutler, LLP
111 West Monroe Street
Chicago, IL 60603-4080
ATTN: David M. Field
email: dfield@chapman.com; phone: 312.845.3792

Placement Agent: Piper Sandler & Co.
1420 Fifth Ave., Suite 1425,
Seattle, WA 98101
ATTN: Ryan L. Swanson
Senior Vice President | Public Finance Investment Banking
D: (206) 628-2852; ryan.swanson@psc.com

BORROWER'S CERTIFICATE
UNLIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 2020

In connection with the execution and delivery of the above-referenced bond (the "Bond"), La Center School District No. 101, Clark County, Washington (the "Borrower") represents and warrants to, and agrees with, U.S. Bank National Association (the "Lender"), that:

a) The Borrower is duly created and existing under the laws of the State of Washington, has all necessary power and authority to enter into this Agreement and perform its duties under Resolution No. 2019/2020-09 adopted by the Board of Directors of the Borrower on August 25, 2020 (the "Resolution") and the Loan Agreement, dated August 25, 2020, between the Borrower and the Lender (the "Agreement"), and that the Resolution, the Agreement and the Bond will constitute legal, valid and binding obligations of the Borrower which are enforceable in accordance with their terms.

b) The acceptance of the Agreement, the adoption of the Resolution and the execution and delivery of the Bond will not conflict in any material respect with, or constitute a material breach of or default under, any law, charter provision, court decree, administrative regulation, order, ordinance or other agreement to which the Borrower is a party or by which it is bound.

c) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental body pending or, to the best of the knowledge of the Borrower, threatened against the Borrower to restrain or enjoin the acceptance of the Agreement, the adoption of the Resolution or the execution and delivery of the Bond, or the collection and application of the funds as contemplated by the Resolution and the Agreement, which, in the reasonable judgment of the Borrower, would have a material and adverse effect on the ability of the Borrower to pay the amounts due under the Agreement.

d) The Borrower has designated the Bond as a "qualified tax exempt obligation" pursuant to Section 265(b)(3) of the Code.

Executed and delivered as of the date set forth below.

LA CENTER SCHOOL DISTRICT NO. 101,
CLARK COUNTY, WASHINGTON

By: _____
David Holmes, Superintendent and Secretary
to the Board of Directors

Closing Date: September 3, 2020

Purchaser's Receipt and Certificate

September 3, 2020

La Center School District No. 101
Clark County, Washington

and

Piper Sandler & Co.
Seattle, Washington

La Center School District No. 101, Clark County, Washington
\$3,021,295.93 Unlimited Tax General Obligation Refunding Bond, 2020

Ladies and Gentlemen:

U.S. Bank National Association ("Purchaser") has agreed to purchase the above-referenced bond (the "Bond") issued in the aggregate principal amount of \$3,021,295.93 by La Center School District No. 101, Clark County, Washington (the "Issuer") pursuant to the Resolution No. 2019/2020-09, adopted by the Board of Directors of the Issuer on August 25, 2020 (the "Resolution"). All capitalized terms used herein, but not defined herein, shall have the respective meanings set forth in the Resolution. The undersigned, an authorized representative of the Purchaser, hereby represents and certifies to you that:

1. The Purchaser acknowledges receipt this day of the Bond.
2. The Purchaser is purchasing the Bond at a price equal to 100% of the principal amount thereof. The Bond is not being issued in exchange for property.
3. The Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits represented by the purchase of the Bond.
4. The Purchaser has authority to purchase the Bond and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bond.
5. The Purchaser: (a) is a lender that regularly extends credit by purchasing loans in the form of state and local government obligations such as the Bond; (b) has knowledge and experience in financial and business matters that make it capable of evaluating the Issuer, the Bond and the risks associated with the purchase of the Bond; (c) has the ability to bear the economic risk of extending the credit evidenced by the Bond; (d) has total assets in excess of \$100 million; and (e) is a bank or a "qualified institutional buyer" as such term is defined in the United States Securities and Exchange Rule 144A.
6. The Purchaser understands that an official statement, prospectus, offering circular, or other comprehensive offering statement has not been provided with respect to the Bond. The Purchaser has made its own inquiry and analysis with respect to the Issuer, the purpose of the Bond, the Bond and

the security therefor, and other material factors affecting the security for and payment of the Bond.

7. The Purchaser acknowledges that it has reviewed information, including financial statements and other financial information, regarding the Issuer and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the purpose of the Bond, the Bond and the security therefor, so that it has been able to make an informed decision to purchase the Bond; provided, however, that this letter shall not constitute a waiver of any rights or remedies the Purchaser may have with respect to any untrue information it may have received or any material information which was withheld from its review.

8. The Purchaser is purchasing the Bond as a vehicle for making a commercial loan for its own loan account and without any present intention of distributing or selling any interest therein or portion thereof; provided that the Purchaser retains the right at any time to sell, transfer or assign the Bond or any interest therein or portion thereof, but agrees that any such sale, transfer or assignment by the Purchaser shall be made in accordance with applicable law and the transfer restrictions contained in the Bond, the Bond Resolution, the Loan Agreement, dated August 25, 2020, between the Purchaser and the Issuer (“Loan Agreement”), and related documents.

9. The Purchaser acknowledges that: (a) the Bond has not been registered under the Securities Act of 1933, as amended; (b) the Bond has not been registered or otherwise qualified for sale under the securities laws of any state, (c) the Bond will not be listed on any securities exchange and there is no established market for the Bond and that none is likely to develop; (d) the Bond carries no rating from any credit rating agency; (e) the purchase and sale of the Bond is not intended to be subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended; (f) the Issuer has not prepared or caused to be prepared, any official statement, private placement memorandum or other offering document; and (g) no application has been made for CUSIP or Depository Trust Company eligibility for the Bond.

10. The Purchaser is acting solely for its own loan account and not as a fiduciary for the Issuer or in the capacity of broker, dealer, placement agent, municipal securities underwriter, municipal advisor, or fiduciary. The Purchaser has not provided, and will not provide, financial, legal (including securities law), tax, accounting, or other advice to or on behalf of the Issuer (including to Piper Sandler & Co., as the “Placement Agent”) with respect to the structuring, issuance, sale, or delivery of the Bond. The Purchaser has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934, as amended, to the Issuer with respect to the transactions relating to the structuring, issuance, sale, or delivery of the Bond and the discussions, undertakings, and procedures leading thereto.

11. The Purchaser intends that the purchase of the Bond be exempt from the requirements for CUSIP numbers under Municipal Securities Rulemaking Board Rule G-34. The Purchaser represents and warrants that (a) it is a bank or an entity directly or indirectly controlled by a bank or under common control with a bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, and (b) the present intent of the Purchaser is to hold the Bond to maturity or earlier redemption or mandatory tender.

12. The Purchaser acknowledges that in connection with the offering of the Bond: (a) the Placement Agent, has acted at arm’s length, is not an agent or financial advisor of, and owes no fiduciary duties to the Purchaser or any other person irrespective of whether the Placement Agent has advised or is advising the Purchaser on other matters, and (b) the Purchaser represents it has had the opportunity to consult with its own legal counsel and to negotiate this letter prior to execution. The Purchaser waives to the fullest extent permitted by law any claims it may have against the Placement Agent arising from an alleged breach of fiduciary duty in connection with the placement of the Bond.

13. The Purchaser understands that the Issuer, the Placement Agent, their respective counsel and the Issuer's Bond Counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

14. The transactions between the Issuer and the Purchaser are arm's length, commercial transactions in which the Purchaser is acting and has acted solely as a principal and for its own interest, and the Purchaser has not made recommendations to the Issuer with respect to the transactions relating to the Bond.

15. All closing conditions set forth in the Loan Agreement have been met or provided to the satisfaction of the Purchaser.

U.S. BANK NATIONAL ASSOCIATION

By: _____