

**RESOLUTION NO. 16/17-09**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE LOS ALTOS  
SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF BOND  
ANTICIPATION NOTES IN THE MAXIMUM PRINCIPAL AMOUNT  
OF NOT TO EXCEED \$3,000,000**

**WHEREAS**, a bond election ("Election") was duly and regularly held in the Los Altos School District ("District"), located in the County of Santa Clara ("County"), State of California ("State"), on November 4, 2014, under the procedures specified in Proposition 39 (Article XIII A, Section 1, paragraph (b) of the California Constitution), for the purpose of submitting to the qualified electors of the District the question whether bonds should be issued in the maximum aggregate principal amount of \$150,000,000 ("Measure N Bonds"), and more than 55% of the votes cast at said election were in favor of the issuance of the Measure N Bonds; and

**WHEREAS**, on January 25, 2016, the District, pursuant to Section 15150 of the Education Code ("Authorizing Law") adopted Resolution No. 15-16/15 ("Note Resolution") to authorize the issuance and sale of Los Altos School District (County of Santa Clara, California) 2016 General Obligation Bond Anticipation Notes (Direct Purchase) in the principal amount of not to exceed \$50,000,000 ("Notes") for the purpose of providing funds from time to time to acquire and construct educational facilities and projects which are described in the ballot measure authorizing the issuance of the Measure N Bonds ("Measure N Bonds Proposition"); and

**WHEREAS**, the Notes were authorized to be sold in increments as needed from time to time, via negotiated direct sale to Wells Fargo Bank, National Association ("Purchaser") pursuant to the terms of a Note Purchase Agreement dated February 1, 2016 and the Note Resolution; and

**WHEREAS**, on February 5, 2016, the District issued and the Purchaser purchased an initial note in the amount of \$5,000,000, designated as the Los Altos School District (County of Santa Clara, California) 2016 General Obligation Bond Anticipation Note (Direct Purchase) – Subseries A ("Subseries A Note") under the Note Purchase Agreement and the Note Resolution; and

**WHEREAS**, in accordance with Section 3.01 of the Note Resolution, the Board now desires to issue a new Note in the maximum principal amount of \$3,000,000 in accordance with the terms and conditions of the Note Resolution and Note Purchase Agreement and to request that County of Santa Clara ("County"), through its Director of Finance of the Finance Agency or other designated official ("County Director of Finance") levy and collect a tax on all taxable property within the District sufficient to provide for payment of interest on the Subseries B Note, and intends by the adoption of this Resolution to notify the County Director of Finance that s/he should take such actions as shall be necessary to provide for the levy and collection of such a tax for the payment of interest when due.

**NOW, THEREFORE**, the Board of Trustees of the District hereby finds, determines, declares and resolves as follows:

SECTION 1. *Controlling Provisions.* All capitalized terms contained in this Resolution shall have the meanings ascribed to them in the Note Purchase Agreement unless otherwise defined herein. Unless otherwise specified herein, all terms of the Note Purchase

Agreement and the Note Resolution shall apply to the Subseries B Note, and are hereby incorporated by reference herein. In the event of a conflict or inconsistency between this Resolution, the Note Resolution and the Note Purchase Agreement relating to the terms of the Subseries B Note, the provisions of the Note Purchase Agreement shall be controlling.

*Section 2. Authorization and Purpose of the Note.* The Board hereby approves the direct sale of a Note to the Purchaser in the maximum principal amount of not to exceed \$3,000,000 pursuant to the Authorizing Law, Section 3.01 of the Note Resolution and subject to the terms of the Note Purchase Agreement. The Note shall be designated as the Los Altos School District (County of Santa Clara, California) 2016 General Obligation Bond Anticipation Note (Direct Purchase) – Subseries B (“Subseries B Note”).

The Subseries B Note shall be issued for the purpose of raising money to provide for the acquisition and construction of educational projects and facilities which are described in the Measure N Bonds Proposition, and to pay Costs of Issuance (as defined in Section 3.04 of the Note Resolution).

*SECTION 4. Terms of the Subseries B Note.*

(a) General Provisions. The Subseries B Note shall be dated as of the Date of Purchase and shall mature on August 1, 2019, unless prepaid in accordance with the terms of the Subseries B Note, the Note Resolution and the Note Purchase Agreement. The Subseries B Note shall be issued at a fixed rate of interest not to exceed three percent (3%) and shall be issued upon receipt by the Purchaser of a Request for Purchase executed by the Superintendent or Assistant Superintendent, Business Services in the form as substantially set forth herein as **Exhibit A** and the satisfaction of all other conditions precedent to the purchase of such Note as set forth in the Note Purchase Agreement and the Note Resolution. Pursuant to the Note Purchase Agreement, the District may purchase a par call option for the Note, which, if purchased, shall be reflected in the Subseries B Note. The Subseries B Note shall bear interest at the rate which is determined upon the sale thereof, as set forth in the Note Purchase Agreement, and interest shall be paid on such Note on the first February 1 following the first August 1 occurring after the Date of Purchase of such Note, and on each August 1 and February 1 thereafter until the Maturity Date.

(b) Payment of Principal. Principal of the Note is payable when due in lawful money of the United States of America upon presentation and surrender at the office of U.S. Bank National Association, as Paying Agent (“Paying Agent”).

*SECTION 5. Form of Note.* The Subseries B Note shall be substantially in the form as set forth in **Exhibit B** attached hereto, with necessary or appropriate variations, omissions and insertions, as permitted or required by the Note Resolution or the Note Purchase Agreement.

*SECTION 6. Execution of Notes.* The Subseries B Note shall be delivered as a single Note in physical form, signed by the facsimile signature of the President of the Board and shall be attested by the facsimile signature of the Clerk of the Board. The Subseries B Note shall not be valid or obligatory for any purpose or shall be entitled to any security or benefit under the Note Resolution unless and until the certificate of authentication printed on the Subseries B Note is manually signed by the Paying Agent as authenticating agent.

*Section 7. Delivery of the Notes.* An Authorized Officer (as defined in Section 13 hereof) is hereby directed to cause the Subseries B Note to be printed, signed and sealed, and released and delivered to the Purchaser upon the County Director of Finance's receipt of the purchase price therefor and upon the Purchaser's performance of the conditions set forth in the Note Purchase Agreement.

*SECTION 8. Application of Proceeds of Sale of Note.* On the Date of Purchase, the proceeds of sale of the Subseries B Note shall be paid by the Purchaser as follows:

(a) The portion of the proceeds of the Subseries B Note to be used for the payment of Costs of Issuance shall be deposited in the Costs of Issuance Fund to be established by the Paying Agent as set forth in Section 3.04 of the Note Resolution.

(b) The portion of the proceeds of the Subseries B Note to be used for the purposes set forth in the Measure N Bonds Proposition shall be deposited in the Building Fund to be applied as set forth in Section 3.03 of the Note Resolution.

(c) The portion of the proceeds of the Notes representing premium, if any, and not required to pay Costs of Issuance, shall be deposited with the County Director of Finance in the Note Repayment Fund (as defined in Section 4.04 of the Note Resolution).

*SECTION 9. Building Fund.* Amounts credited to the Building Fund for the Subseries B Note shall be expended by the District solely for the acquisition and construction of educational projects and facilities (or reimbursement thereof) which are described in the Measure N Bonds Proposition, and for payment of Costs of Issuance to the extent not paid from amounts in the Costs of Issuance Fund. All interest and other gains arising from the investment of proceeds of the Subseries B Notes shall be retained in the Building Fund and used for the purposes thereof. At the written request of the Superintendent or Assistant Superintendent, Business Services of the District filed with the County Director of Finance, any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof shall be withdrawn from said account and transferred to the Note Repayment Fund, to be applied to pay the principal of and interest on the Subseries B Note.

*SECTION 10. Costs of Issuance Fund.* The Paying Agent shall establish a fund known as the "Costs of Issuance Fund," into which shall be deposited a portion of the proceeds from the sale of the Notes described in Section 3.02(a) of the Note Resolution for the payment of Costs of Issuance. "Costs of Issuance" shall include all the costs of issuing the Subseries B Note, including but not limited to, all printing and document preparation expenses, financial advisor fees and expenses, fees and expenses of District's legal counsel, and Purchaser's fees and expenses as described in the Note Purchase Agreement.

*SECTION 11. Paying Agent Services.* U.S. Bank National Association shall serve as Paying Agent for the Subseries B Note in accordance with the Note Resolution and Paying Agent Agreement executed by and between the District and the Paying Agent dated February 1, 2016 ("Paying Agent Agreement"). The obligations of the District and the Paying Agent with regard to the Subseries B Note shall be as described in the Note Resolution and the Paying Agent Agreement.

*SECTION 12. Authority for this Resolution; Findings.* The Board has reviewed all proceedings heretofore taken relative to the authorization of the Subseries B Note and has found, as a result of such review, and hereby finds and determines that all things, conditions, and acts required by law to exist, happen and be performed precedent to and in

the issuance of the Subseries B Note do exist, have happened and have been performed in due time, form and manner as required by law, and the District is now authorized to issue the Subseries B Note in the manner and form provided in this Resolution.

*Section 13. Actions to Close Note Issuance.* The Superintendent, the Assistant Superintendent, Business Services, the President and Clerk of the Board (each, an "Authorized Officer") are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Subseries B Note.

The foregoing Resolution was passed and adopted by the Board of Trustees of the Los Altos School District at a regular meeting thereof duly held on November 14, 2016, by a vote of a majority of its members.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

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President of the Board

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Clerk of the Board

## **EXHIBIT A**

### **[FORM OF REQUEST FOR PURCHASE]**

#### **Wells Fargo Bank, National Association**

333 Market Street, Floor 15  
MAC A0109-152  
San Francisco, CA 94105-2102

Attn: Shelley Rintala  
Email: [shelleyr@wellsfargo.com](mailto:shelleyr@wellsfargo.com)

Attn: Readie Callahan  
Email: [readie.callahan@wellsfargo.com](mailto:readie.callahan@wellsfargo.com)

#### **Wells Fargo Bank, National Association**

375 Park Avenue  
New York, New York 10152

Attn: Matthew Antunes  
Email: [matthew.antunes@wellsfargo.com](mailto:matthew.antunes@wellsfargo.com)

#### **U.S. Bank National Association**

One California Street, Suite 1000  
San Francisco, CA 94111

Attn: Global Corporate Trust Services  
Email: [Marianne.diaz@usbank.com](mailto:Marianne.diaz@usbank.com)

### **LOS ALTOS SCHOOL DISTRICT (COUNTY OF SANTA CLARA, CALIFORNIA) 2016 GENERAL OBLIGATION BOND ANTICIPATION NOTES (DIRECT PURCHASE) – Subseries B**

Ladies and Gentlemen:

The undersigned Assistant Superintendent, Business Services of the Los Altos School District (the "District") refers to that certain Note Purchase Agreement dated as of February 1, 2016 (the "Agreement"), between the District and Wells Fargo Bank, National Association (the "Purchaser"), the terms defined therein being used herein as therein defined, and hereby gives the Purchaser and the Paying Agent notice irrevocably, pursuant to Section 2.01(c) of the Agreement, of the purchase of Notes specified below:

1. The Business Day of the proposed purchase of Notes is November 22, 2016.
2. The principal amount of the proposed purchase of Notes is \$3,000,000, which is not more than the Available Commitment on the date set forth in 1 above.
3. A call option for the Note, if applicable, shall be available at such rate and with such call feature as to be determined on the Pricing Call and reflected in the Note.

Exhibit A-1

4. The purchase price of the Note will be paid by the Purchaser to the Santa Clara County Director of Finance through the federal wire system, at the wiring instructions set forth below:

Bank: Wells Fargo Bank, SF  
ABA #: 121-000-248  
Acct Name: County of Santa Clara - Los Altos School District  
Acct #: 456-950-783-3  
Attention: Paul McDonough (408-299-6750)  
Tina Zhuo (408-299-5259)

5. The costs of issuance for the Note will be paid by the Purchaser to U.S. Bank National Association, as Paying Agent, through the federal wire system, at the wiring instructions set forth below:

Bank: U.S. BANK NATIONAL ASSOCIATION  
ABA#: 091000022  
FBO: U.S. BANK NATIONAL ASSOCIATION  
Acct: 180121167365  
Ref: [Los Altos SD 2016 GO BAN]

6. The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the Date of Purchase, before and after giving effect thereto:

(a) the representations and warranties of the District set forth in Article V of the Agreement shall be true and correct in all material respects on such Date of Purchase (except to the extent any such representation or warranty expressly relates to an earlier date);

(b) the District is not aware of any fact or circumstance that would negatively impact the delivery of the approval of this Purchase; and

(c) no Default or Event of Default shall have occurred and be continuing on such Date of Purchase.

Additionally, as a condition precedent to the Purchaser's obligation to honor this Request for Purchase, each of the conditions set forth in Section 4.02 of the Note Purchase Agreement shall be satisfied or waived by the Purchaser.

LOS ALTOS SCHOOL DISTRICT

By: \_\_\_\_\_  
Randy Kenyon, Assistant Superintendent,  
Business Services

**EXHIBIT B**

**[FORM OF NOTE]**

**THIS NOTE MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH  
SECTION 2.05 OF THE RESOLUTION AND AS PROVIDED HEREIN**

No. R-01

CUSIP No. \_\_\_\_\_

\$ \_\_\_\_\_

**LOS ALTOS SCHOOL DISTRICT  
(COUNTY OF SANTA CLARA, CALIFORNIA)  
2016 GENERAL OBLIGATION BOND ANTICIPATION NOTE (DIRECT PURCHASE)  
SUBSERIES B**

**RATE OF INTEREST:**

**MATURITY DATE:**

**DATE OF PURCHASE:**

August 1, 2019

November 22, 2016

**PURCHASER:** WELLS FARGO BANK, NATIONAL ASSOCIATION

**PRINCIPAL AMOUNT:** THREE MILLION DOLLARS

The LOS ALTOS SCHOOL DISTRICT, a school district organized and existing under the Constitution and laws of the State of California ("District"), for value received, hereby promises to pay to the Purchaser identified above or its assigns ("Noteholder"), on the Maturity Date identified above, together with interest thereon from the Date of Purchase set forth above until the Principal Amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the interest rate set forth above. Interest on this Note is payable on February 1, 2018, and semiannually thereafter on the first day of February and August (each, an "Interest Payment Date") in each year to the Noteholder until the Maturity Date.

The Principal Amount hereof is payable upon presentation hereof at the office of U.S. Bank National Association in San Francisco, California, as Paying Agent ("Paying Agent"). Interest hereon is payable by the Paying Agent to the Noteholder at the address of the Noteholder as it appears on the Registration Books of the Paying Agent as of the fifteenth calendar day of the month preceding each Interest Payment Date (the "Record Date"); except that at the written request of the Noteholder, interest on and principal of such Note shall be paid to the Noteholder by wire transfer of immediately available funds to an account in the United States designated in such written request.

This Note is one of a duly authorized issue of bond anticipation notes of the District designated the "Los Altos School District (County of Santa Clara, California) 2016 General Obligation Bond Anticipation Notes (Direct Purchase)" ("Notes"), limited in aggregate principal amount to \$50,000,000, issued under and secured by a Resolution adopted by the Board of Trustees of the District on January 25, 2016 ("Note Resolution") and a Resolution adopted by the Board of Trustees of the District on November 14, 2016 authorizing the Subseries B Note ("Resolution"). Reference is hereby made to the Note Resolution and to the

Exhibit B-1

Note Purchase Agreement, dated February 4, 2016 by and between the District and Wells Fargo Bank, National Association, as Purchaser ("Note Purchase Agreement") for a description of the rights thereunder of the Noteholder, of the nature and extent of the security for this Note and of the rights and obligations of the District thereunder; and all of the terms of the Note Resolution and the Note Purchase Agreement are hereby incorporated herein and constitute a contract between the District and the Noteholder, and to all of the provisions of which Resolution and Note Purchase Agreement the Noteholder, by acceptance hereof, assents and agrees.

This Note is authorized to be issued under the provisions of the Resolution in accordance with Article 3 (commencing with Section 15150) of Chapter 1 of Part 1, Division 1, Title 1 of the Education Code of the State of California, and all acts, conditions and things required to exist, happen and be performed in regular and due time, form and manner as required by law, and that this Note, together with all other indebtedness and obligations of the District, does not exceed any limit prescribed by the Constitution or the statutes of the State of California. The Note is a special obligations of the District and, as and to the extent set forth in the Resolution, is payable solely from and secured by a pledge of general obligation bonds to be issued in accordance with Proposition 39 (Article XIII A Section 1 paragraph (b) of the California Constitution), as authorized by an election held on November 4, 2014 for the purpose of submitting to the qualified electors of the District the question whether bonds should be issued in the maximum aggregate principal amount of \$150,000,000 ("General Obligation Bonds") and certain other moneys and securities held by the District as provided in the Resolution. All of the Notes are equally secured by a pledge of, and charge and lien upon, all of the General Obligation Bond proceeds and such other moneys and securities, and the General Obligation Bond proceeds and such other moneys and securities constitute a trust fund for the security and payment of the principal of and interest on the Note. The full faith and credit of the District is not pledged for the payment of the principal of or interest on the Note. The Note is not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the District or any of its income or receipts, except the General Obligation Bond proceeds and such other moneys and securities as provided in the Resolution. The District may issue other obligations on a parity with the General Obligation Bond proceeds subject to the terms and conditions of the Resolution and the Note Purchase Agreement.

[INCLUDE IF A PAR CALL OPTION IS PURCHASED BY THE DISTRICT FOR THE NOTE: This Note is subject to option redemption, in whole, on any Business Day occurring on or after [DATE] (the "Par Call Date"), at a price of 100% of the principal amount of this Note plus all accrued but unpaid interest hereon to the date of redemption. Prior to the Par Call Date, this [This] Note is subject to optional redemption, in whole, on any Business Day at a price of 100% of the principal amount of this Note, plus all accrued but unpaid hereon to the date of redemption, plus the Breakage Fee (as determined pursuant to Annex I hereto), if any, due to the Purchaser as a result of such redemption. The District shall provide to the Purchaser and the Paying Agent with at least 10 Business Day's prior written notice of any optional redemption of this Note.

This Note is transferable by the Noteholder hereof only in the manner set forth in Section 2.03 of the Note Resolution.

The principal of and interest on the Notes do not constitute a debt of the County of Santa Clara ("County"), the State of California, or any of its political subdivisions other than the District, or any of the officers, agents or employees thereof, and neither the County, the State of California, any of its political subdivisions nor any of the officers, agents or

Exhibit B-2



employees thereof shall be liable thereon. In no event shall the principal of and interest on Notes be payable out of any funds or properties of the District other than the proceeds of the Measure N Bonds issued for such purpose, from the proceeds of ad valorem property taxes levied to pay interest on the Notes, and from amounts held in the funds and accounts established under the Resolution.

The Resolution and the rights and obligations of the District and of the Purchaser may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Resolution.

It is hereby certified that all things, conditions and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California, and that the amount of this Note, together with all other indebtedness of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

This Note shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication hereon has been manually signed by the Paying Agent.

IN WITNESS WHEREOF, the District has caused this Note to be executed in its name and on its behalf by the facsimile signatures of its President and Clerk of the Board of Trustees of the District, all as of the Original Issue Date identified above.

#### **LOS ALTOS SCHOOL DISTRICT**

By \_\_\_\_\_  
President of the Board of Trustees

[S E A L]

Attest:

By \_\_\_\_\_  
Clerk of the Board of Trustees

#### **CERTIFICATE OF AUTHENTICATION**

This is one of the Los Altos School District (County of Santa Clara, California) 2016 General Obligation Bond Anticipation Notes (Direct Purchase) Subseries B, described in the within-mentioned Resolution.

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION  
*as Paying Agent*

\_\_\_\_\_

Authorized Signatory

## ANNEX I TO SUBSERIES B NOTE

### BREAKAGE FEE CALCULATION

Upon the occurrence of a Break Event, the Breakage Fee shall be calculated and paid as follows:

*"Break Date"* means any date that an optional redemption is made [prior to the Par Call Date].

*"Break Event"* means any optional redemption.

*"Calculation Agent"* will be Wells Fargo Bank, National Association. If for any reason Wells Fargo Bank, National Association is unable or unwilling to calculate the Breakage Fee, the Calculation Agent shall be an independent financial advisor or investment banker appointed by the District with the consent of the Purchaser.

*"Day Count Fraction"* means the anticipated basis on which interest is to be computed on each of the Note. The Day Count Fraction utilizes a 360-day year and consisting of twelve 30-day months.

*"Maturity Date"* means August 1, 2019.

[*"Par Call Date"* means [DATE].]

*"Reference Rate"* means the \_\_\_\_\_% per annum.

*"Scheduled Due Date"* means each date specified on the Amortization Schedule attached as Schedule 1 to this Annex I of the Note.

*"Schedule of Principal Amount"* means the anticipated principal amount of the Note scheduled to be outstanding on the date the Note is funded and on the Scheduled Due Date. The Schedule of Principal Amounts for the Scheduled Due Dates is specified on the Amortization Schedule attached as Schedule 1 to this Annex I to the Note.

1. In connection with any Break Event, a Breakage Fee shall be paid by District if the Breakage Fee is a positive number. No Breakage Fee shall be payable for a Break Event if the Breakage Fee for that Break Event is a negative number. Breakage Fees will be determined by the Calculation Agent, on the Business Day next preceding any Break Date and will be calculated for the Note as follows:

*"Breakage Fee"* for any Break Event is the difference of:

(i) the sum of the present values of a series of amounts computed for each Scheduled Due Date after the Break Date through the Maturity Date for the

Exhibit B-5

Note, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on the Scheduled Due Date, times (B) the Reference Rate, times (C) the Day Count Fraction for such Affected Principal Period,

minus

(ii) the sum of the present values of a series of amounts computed for each Scheduled Due Date after the Break Date through the Maturity Date for the Note, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on the Scheduled Due Date, times (B) the Break Rate, times (C) the Day Count Fraction for such Affected Principal Period,

where:

(1) the Calculation Agent computes such present values by discounting each such series of amounts described in clause (i) and (ii) above from the Scheduled Due Date to the Break Date using a series of discount factors corresponding to the Scheduled Due Date as determined by the Calculation Agent from the swap yield curve that the Calculation Agent would use as of the Break Date in valuing a series of fixed rate interest rate swap payments similar to such series of amounts;

(2) the *"Affected Principal Amount"* for an Affected Principal Period is the principal amount of the Note reflected in the Schedule of Principal Amounts scheduled to be outstanding during that Affected Principal Period determined as of the relevant Break Date by the reference to such Schedule of Principal Amounts before giving effect to any Break Event on that Break Date, and for any Break Event, multiplying each such principal amount times the Prepayment Fraction;

(3) *"Affected Principal Period"* is each period from and including a Scheduled Due Date to but not excluding the next succeeding Scheduled Due Date; provided, however, if the Break Date is not a Scheduled Due Date, the initial Affected Principal Period shall be the period from and including the Break Date to but excluding the next succeeding Scheduled Due Date and the Affected Principal Period for such initial Affected Principal Period shall be the amount stated in the Schedule of Principal Amounts outstanding for the Scheduled Due Date next preceding the Break Date;

(4) *"Prepayment Fraction"* means, for each Scheduled Due Date, a fraction the numerator of which is the amount of the credit to be applied pursuant to the applicable provisions of the Note and the Resolution to reduce the amount of the prepayment otherwise due on such date and the denominator of which is the amount of the payment otherwise due on such date (without regard to such credit); and

Exhibit B-6

(5) *"Break Rate"* means, for any Break Date, and with respect to the Note, the fixed rate the Calculation Agent determines is representative of what swap dealers would be willing to pay to the Calculation Agent (or, if required to be cleared under the Commodity Exchange Act or a Commodity Futures Trading Commission rule or regulation promulgated thereunder, to a swap clearinghouse) as fixed rate payors on a semi-annually basis in return for receiving one-month LIBOR-based payments monthly under interest rate swap transactions that would commence on such Break Date, and mature on, or as close as commercially practicable to, the Maturity Date for the Note;

2. The Calculation Agent shall determine the Breakage Fee hereunder in good faith using such methodology as the Calculation Agent deems appropriate under the circumstance, and the Calculation Agent's determination shall be conclusive and binding in the absence of manifest error.

SCHEDULE 1 TO ANNEX I  
AMORTIZATION SCHEDULE

<u>Date</u>	<u>Schedule of Principal Amounts</u>
November 22, 2016	\$3,000,000
August 1, 2019	\$0