

Stock Growers Public Finance, LLC Borrower Cover Letter

Date: February 28, 2025

To: Onamia Public Schools ISD #480

Dear Superintendent Jason Vold:

Enclosed you will find the documentation for the lease-purchase agreement transaction with Stock Growers Public Finance, LLC. Please have each of the documents completed and signed as indicated and returned to my attention at your earliest convenience.

1. **Lease-Purchase Agreement:** To be reviewed, signed, and dated by an authorized officer of the Lessee.
2. **Supplement:** To be reviewed, signed, and dated by an authorized officer of the Lessee.
3. **Payment Schedule Exhibit "A":** To be reviewed, signed, and dated by an authorized officer of the Lessee.
4. **Incumbency Certificate:** To be completed, signed, and dated by the Auditor/Clerk/Secretary of the Lessee. Sample signature(s) of the officer(s) signing the lease documents needs to be included in the middle section of this form.
5. **Officer's Certificate:** To be reviewed, signed, and dated by an authorized officer of the Lessee.
6. **Resolution:** Please provide a copy of the resolution or board minutes authorizing the purchase and have it signed by Auditor/Clerk/Secretary of the Lessee. This is a sample form.
7. **Form 8038:** Please **verify OR provide** the Employer's Identification Number completed, signed, and dated the bottom of the form. We will file this form with the IRS on behalf of the Lessee after the transaction has been closed
8. **Delivery and Acceptance Certificate:** This should be signed and dated by an authorized officer of the Lessee (only after all the equipment to be leased has been delivered and accepted). Please retain this document until such delivery and then return to Stock Growers Public Finance, LLC. **The "Acceptance Date" becomes the commencement date establishing the start of the lease and the date on which interest beings to accrue.**



Invoices: Also, in order to approve payment to the vendor(s) when delivery is completed, we will need to have final invoices for this equipment on file.

Security: As applicable please have Stock Growers Public Finance, LLC P.O BOX 9, Forman, North Dakota 58032, named as lienholder (first secured party) on vehicle title(s) and then forward the title(s) to this office. If the property doesn't have a title an UCC will be filed.

Billing: *A notice will be sent out 45 days in advance before a payment is due. Please make all checks payable to Stock Growers Public Finance, LLC, PO BOX 9, Forman ND 58032.*

Copy: *A copy of the lease documents will be mailed to the lessee after the documents have been signed.*

Please contact Austin McLaen or me at 701-724-3216, if you have any questions on the enclosed documents. Thank you in advance for your immediate attention to this matter.

Sincerely,

Austin McLaen

Stock Growers Public Finance, LLC
PO Box 9
Forman ND 58032

Phone: 701-724-3216
Email: amclaen@stockgrowers.bank

Enclosures

LEASE-PURCHASE AGREEMENT: 4005208

Name and Address of Lessee:

**Onamia Public Schools ISD #480
354651 125th Ave
Onamia, MN 56359**

Lessor:

**Stock Growers Public Finance, LLC
P.O Box 9
Forman, ND 58032**

1. LEASE. Lessor hereby agrees to lease to Lessee, and Lessee hereby agrees to lease from Lessor, the personal property described from time to time in each Supplement now or hereafter attached to this Lease-Purchase Agreement (the "Agreement") and thereby made a part hereof (each such Supplement and the terms and conditions contained in this Agreement applicable thereto constitute an individual "Lease") upon the terms and conditions set forth in such Supplement and this Agreement (such property together with all replacements, repairs and additions incorporated therein or affixed thereto being referred to herein as "Equipment"). The execution by Lessee of a Supplement shall evidence a determination by the Lessee that the Equipment described therein is essential to its proper, efficient and economic operation, that Lessee desires to enter into a Lease for the acquisition of that Equipment under the terms hereof, that the Equipment is necessary for the governmental functions of Lessee, and that Lessor is neither the manufacturer nor a dealer or merchant of said Equipment, but is being requested to provide the funding for and on behalf of Lessee for the acquisition of said Equipment under the terms hereof at the specific request of Lessee.

2. DELIVERY AND ACCEPTANCE. Lessee will evidence its acceptance of the Equipment in a Lease by executing and delivering to Lessor a Delivery and Acceptance Certificate (herein so called) in the form to be provided by Lessor.

3. TERM. The term of each Lease shall begin the date the Equipment described therein is accepted by Lessee (the "Acceptance Date") and shall continue for the term set forth in the Supplement relating thereto unless earlier terminated as provided herein. The Acceptance Date shall be recorded on the Supplement.

4. RENT. Lessee shall pay as rent for the full term of each Lease the amount shown in each Supplement as Total Rent and a portion of each rent payment is paid as, and represents the payment of interest , and Exhibit "A" attached to each Supplement will set forth the interest component of each rent payment during the term . The Total Rent shall be payable in installments each in the amount of the basic rental payment set forth in Exhibit A to each Supplement plus any applicable sales and use tax. If Lessee claims an exemption from the payment of any taxes, Lessee will provide Lessor with the appropriate exemption certificate.

Except as provided in Section 5, the obligation of Lessee to make rent payments or any other payments required hereunder shall be absolute and unconditional in all events. Notwithstanding any dispute between Lessee and Lessor or any other person, Lessee shall make all rent payments and other payments required hereunder when due and shall not withhold any rent payment or other payment pending final resolution of such dispute nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such rent payments or other payments required under each Lease. Lessee's obligation to make rent payments or other payments during the Agreement term shall not be abated through accident or unforeseen circumstances. However, nothing herein shall be construed to release Lessor from the performance of its obligations hereunder; and if Lessor should fail to perform any such obligation. Lessee may institute such legal action against Lessor as Lessee may deem necessary to compel the performance of such obligation or to recover damages therefor.

Lessee reasonably believes that funds can be obtained sufficient to make all rent payments with respect to each Lease during the term thereof and hereby covenants that the officer of Lessee responsible for budget preparation shall request the required appropriation for each fiscal year during the term of each Lease from the governing body of Lessee and exhaust all available administrative reviews and appeals in the event such portion of the budget is not approved.

5. NON-APPROPRIATION OF FUNDS. If, notwithstanding the making in good faith of a request to the governing body of Lessee for funds to pay its obligations under any Lease for any ensuing fiscal year in accordance with appropriate procedures and Section 4 hereof, such governing body does not appropriate funds to be paid to Lessor for the Equipment subject thereto, Lessee may, upon prior written notice to Lessor return such Equipment to Lessor at Lessee's expense and thereupon be released of its obligation to make all rental payments to Lessor due under such Lease after the close of the fiscal year for which funds were appropriated, provided: (i) such Equipment is returned to Lessor freight prepaid and insured to any location in the continental United States designated by Lessor in the same condition as when first delivered

to Lessee, reasonable wear and tear resulting solely from authorized use thereof excepted, (ii) the foregoing notice states the failure of the governing body to appropriate the necessary funds as reason for cancellation, (iii) the notice is accompanied by payment of all amounts then due to Lessor under such Lease, and (iv) if such Equipment is not returned to Lessor as provided herein by June 30 of the last fiscal year for which funds were appropriated and Lessee pays to Lessor additional rent calculated at the Lease rate for the period of time beyond such June 30 during which Lessee fails to return such Equipment to Lessor. In the event Lessee returns such Equipment pursuant to the terms of this Section 5, Lessor shall retain all sums paid under such Lease by Lessee.

6. REPRESENTATIONS AND WARRANTIES OF LESSEE. Lessee represents and warrants and, so long as this Agreement is in effect or any part of Lessee's obligations to Lessor remain unfulfilled, shall continue to represent and warrant that:

(a) Lessee is a state, a possession or the United States, the District of Columbia, or a political subdivision of a state. Lessee is duly organized and existing under the constitution and laws of the state of Lessee's location.

(b) Lessee has been duly authorized by the constitution and laws of the state of Lessee's location and by a resolution of its governing body to execute and deliver this Agreement, each Supplement and to carry out its obligations hereunder and thereunder.

(c) All requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement and each Lease, and Lessee has complied and will comply with such public bidding requirements, if any, as may be applicable to the transactions contemplated by this Agreement.

(d) The Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than Lessee.

(e) Lessee has funds available and properly appropriated to pay all rent due under this Agreement until the end of its current fiscal year. Lessee has never terminated, or threatened to terminate, a lease-purchase or similar agreement for failure of its governing body to appropriate funds sufficient to perform its obligations thereunder for any fiscal year.

(f) This Agreement and each Lease constitutes or will constitute a valid, legal and binding obligation of Lessee enforceable against Lessee in accordance with the terms hereof and thereof.

(g) Lessee will take no action that would cause the interest portion of the rent payments to become includible in gross income of the recipient for federal income tax purposes under the Internal Revenue Code of 1986 (the Code) and Treasury Regulations promulgated thereunder (the Regulations), and Lessee will take and will cause its officers, employees and agents to take all affirmative actions legally within its power necessary to ensure that the interest portion of the rent payments does not become includible in gross income of the recipient for federal income tax purposes under the Code and Regulations.

7. WARRANTIES. Lessee agrees that it has selected or will select each item of Equipment based upon its own judgment and disclaims any reliance upon any statements or representations made by Lessor. LESSOR MAKES NO WARRANTY WITH RESPECT TO THE EQUIPMENT, EXPRESSED OR IMPLIED AND LESSOR SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE AND ANY LIABILITY FOR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF OR THE INABILITY TO USE THE

EQUIPMENT. Lessee agrees to make rental and other payments required hereunder without regard to the condition of the Equipment and to look only to persons other than Lessor such as the manufacturer, vendor or carrier thereof should any item of Equipment for any reason be defective. So long as no Event of Default has occurred and is continuing with respect to any Lease, Lessor agrees, to the extent they are assignable, to assign to Lessee, without any recourse to Lessor, any warranty received by Lessor.

8. TITLE. Upon acceptance by Lessee of any equipment with respect to any Lease hereunder, title to such Equipment shall vest in Lessor; provided, however, that (i) upon prepayment of such Lease in accordance with Section 23 hereof, or (ii) upon payment of all rent payments and other amounts due under such Lease, then all Lessor's security and other interests in the Equipment subject thereto shall terminate and Lessor shall execute such documents as Lessee may reasonably request to evidence passage of legal title to such Equipment to Lessee. For as long as title to the Equipment is in Lessor, Lessee at its

expense shall protect and defend the title and keep it free of all claims and liens other than the rights of Lessee hereunder and claims and liens created by or arising through Lessor. The Equipment shall remain personal property regardless of its attachment to realty, and Lessee agrees to take such action at its expense as may be necessary to prevent any third party from acquiring any interest in the Equipment as a result of its attachment to realty.

9. SECURITY AGREEMENT; FURTHER ASSURANCES. To secure the performance of all Lessee's obligations hereunder and under each Lease. Lessee hereby grants to Lessor a security interest constituting a first lien on the Equipment subject thereto and on all additions, attachments, repairs, replacements and modifications thereto or therefor, including all after-acquired equipment of Lessee, and on any proceeds therefrom. Lessor is hereby authorized to file financing statements to perfect such security interest in accordance with the Uniform Commercial Code. Lessee agrees to execute or deliver such additional documents, including, without limitation, financing statements, opinions of counsel, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment or for the confirmation or perfection of such security interest and Lessor's rights hereunder.

10. LAWS AND TAXES. Lessee shall comply with all laws and regulations relating to the Equipment and its use and shall promptly pay when due all sales use, property, excise and other taxes and all license and registration fees now or hereafter imposed by any governmental body or agency upon the Equipment or its use or the rentals hereunder excluding, however, any taxes on or measured by Lessor's net income. Upon request by Lessor, Lessee shall prepare and file at its expense all tax returns relating to taxes for which Lessee is responsible hereunder which Lessee is permitted to file under the laws of the applicable taxing jurisdiction. If Lessee claims an exemption from the payment of any taxes, Lessee will provide Lessor with the appropriate exemption certificate.

11. LESSEE NEGLIGENCE. To the maximum extent permitted by law, Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorney's fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding based in whole or in part upon the negligent conduct of Lessee, its officers, employees or agents.

12. ASSIGNMENT. Without Lessor's prior written consent, Lessee will not sell, assign, sublet, pledge, or otherwise encumber or permit a lien arising through Lessee to exist on or against any interest in this Agreement, any Lease or the Equipment or remove the Equipment from the location set forth in the Supplement relating thereto. Lessor may assign its interest in this Agreement and any Lease and sell or assign its security interest in all or any part of the Equipment without Lessee's consent, but with written notice to Lessee. Lessee hereby appoints Lessor as Lessee's agent for purposes of maintaining a written record of all such assignments.

13. INSPECTION. Lessor may inspect the Equipment at any time and from time to time during regular business hours.

14. REPAIRS. Lessee will use the Equipment with due care and for the purpose for which it is intended. Lessee will maintain the Equipment in good repair, condition and working order and will furnish all parts and services required therefor, all at its expense. All such parts when furnished shall immediately become part of the Equipment for all purposes hereof.

15. LOSS OR DAMAGE. In the event any item of Equipment shall become lost, stolen, destroyed, damaged beyond repair or rendered permanently unfit for use for any reason, or in the event of condemnation or seizure of any item of Equipment. Lessee shall promptly pay Lessor (a) the amount of all rent and other amounts payable by Lessee hereunder with respect to such item due but unpaid at the date of such payment plus (b) the amount stated in the Supplement or Exhibit A thereto as the Termination Balance with respect to such Equipment. Upon payment of such amount to Lessor, such item shall become the property of Lessee. Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title and interest therein, the rent with respect to such item shall terminate, and the basic rental payments on the remaining items shall be reduced accordingly. Lessee shall pay any sales and use taxes due on such transfer. Any insurance or condemnation proceeds received shall be credited to Lessee's obligation under this Section and Lessee shall be entitled to any surplus.

16. INSURANCE. Lessee shall obtain and maintain on or with respect to the Equipment at its own expense physical damage insurance insuring against loss or damage to the Equipment in an amount not less than the full replacement value of the Equipment or the amount stated in the Supplement or an exhibit thereto as the Termination Balance, whichever is greater. Lessor shall be named as loss payee under such insurance. Lessee shall maintain general liability coverage, which provides

coverage for losses or damages proximately caused by the Lessee or its employees acting within the scope of their employment. Lessee shall provide Lessor with certificates that evidence the required coverages. Lessor shall be under no duty to ascertain the existence of or to examine any such policy or to advise Lessee in the event any such policy shall not comply with the requirements hereof.

17. RETURN OF THE EQUIPMENT. Upon the termination of any Lease pursuant to Section 5 or Section 21 hereof, Lessee will immediately deliver the Equipment subject thereto to Lessor in the same condition as when delivered to Lessee, ordinary wear and tear excepted, at such location within the continental United States as Lessor shall designate. Lessee shall pay all transportation and other expenses relating to such delivery.

18. ADDITIONAL ACTION. Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may request in order to more effectively carry out the intent and purpose of this Agreement. Lessee shall furnish to Lessor, within seven (7) days of availability, a copy of Lessee's audited financial statements. In the event that Lessee does not regularly obtain audited financial statements, Lessee shall provide to Lessor, within seven (7) days of availability, copies of Lessee's annual balance sheet and income statement.

19. LATE CHARGES. If any installment of basic rent is not paid when due or within 5 days thereafter, Lessor may impose a late charge of up to 5% or the amount of the installment but in any event not more than permitted by applicable law. Rent payments thereafter received shall be applied first to delinquent installments and then to current installments.

20. DEFAULT. Each of the following events shall constitute an "Event of Default" with respect to any Lease: (a) Lessee shall fail to pay when due any installment of basic rent; (b) Lessee shall fail to observe or perform any other agreement to be observed or performed by Lessee hereunder and the continuance thereof for 10 calendar days following written notice thereof by Lessor to Lessee; (c) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false or misleading in any material respect; or (d) Lessee shall voluntarily file, or have filed against it voluntarily, a petition for liquidation, reorganization, adjustment of debt, or similar relief under the federal or state bankruptcy code or any other present or future federal or state bankruptcy or insolvency law or a trustee, receiver, or liquidator shall be appointed or it or all of a substantial part of its assets.

21. REMEDIES. Whenever any event of default referred to in Section 20 hereof shall have happened and be continuing with respect to any Lease, Lessor shall have the right, at its option and without any further demand or notice, to take one or any combination of the following remedial steps

(a) Lessor, with or without terminating such Lease may declare all rent payments with respect to such Lease due or to become due during the fiscal year in effect when the default occurs to be immediately due and payable by Lessee, whereupon such rent payments shall be immediately due and payable.

(b) Lessor, with or without terminating such Lease, may repossess the Equipment subject thereto by giving Lessee written notice to deliver such Equipment to Lessor, whereupon Lessee shall do so in the manner provided in Section 17; or in the event Lessee fails to do so within 10 days after receipt of such notice, Lessor may enter upon Lessee's premises where the Equipment is kept and take possession of the Equipment. If the Equipment or any portion of it has been destroyed or damaged beyond repair, Lessee shall pay the applicable Termination Balance of the Equipment, as set forth in the Supplement applicable thereto (less credit for proceeds of insurance remaining after subtraction of Lessor's costs with respect to the collection thereof), to Lessor. Notwithstanding the fact that Lessor has taken possession of such Equipment, Lessee shall continue to be responsible for the rent payments with respect thereto due during the fiscal year then in effect. If the Lease has not been terminated, Lessor shall return such Equipment to Lessee at Lessee's expense when the event of default is cured.

(c) If Lessor terminates the Lease and takes possession of the Equipment subject thereto, Lessor shall within 30 days thereafter use its best efforts to sell the Equipment or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable state laws. Lessor shall apply the proceeds of such sale to pay the following items in the following order: (i) all costs incurred in securing possession of the Equipment; (ii) all expenses incurred in completing the sale; (iii) the applicable Termination Balance of the Equipment; and (iv) the balance of any rent payments owed by Lessee under such Lease during the fiscal year then in effect. Any sale proceeds remaining after the requirements of clauses (i), (ii), (iii) and (iv) have been met may be retained by Lessee.

(d) If the proceeds of sale of the Equipment are not sufficient to pay the balance of any rent payments owned by Lessee during the fiscal year then in effect, Lessor may take any other remedy available at law or in equity to require Lessee to perform any of its obligations with respect to such Lease.

22. NOTICES. Any written notice hereunder to Lessee shall be deemed to have been given when delivered personally or deposited in the United States mail, postage prepaid, addressed to Lessee at its address set forth above or at such other address as may be last known to Lessor. The provisions of this section do not supersede any statutes or rules of court regarding notice of claims or service of process. In the event of a conflict between this section and any statutes or rules of court, the statutes or rules of court govern.

23. PREPAYMENT. Any Lease may be prepaid in whole, but not in part, and on any regular payment date with 45 days written notice to Lessor, upon payment of all rent payments then due, plus the amount set forth as Termination Value on the Supplement applicable thereto or any exhibit thereto.

24. MISCELLANEOUS. Any provision of this Agreement or any Lease which is unenforceable in any jurisdiction shall, as to jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Agreement or any Lease. Any such unenforceability in any jurisdiction shall not render unenforceable such provision in any other jurisdiction. This Agreement or any Lease shall in all respects be governed by, and construed in accordance with, the substantive laws of the state in which the Lessee is located.

Dated: February 28, 2025

Lessee: Onamia Public Schools ISD #480

By: _____

Its: Superintendent

Lessor: Stock Growers Public Finance, LLC

By: _____

Its: Vice President

Stock Growers Public Finance, LLC
P.O BOX 9
Forman, ND 58032

SUPPLEMENT TO LEASE-PURCHASE AGREEMENT

4005208

This is a Supplement to the Lease-Purchase Agreement dated February 28, 2025 between Lessor and Lessee. Pursuant to the Lease-Purchase Agreement and this Supplement, Lessor is leasing to Lessee, and Lessee is leasing from Lessor, the Equipment described below.

Quantity	Description	VIN or Serial Number		
1	2024 Chevy Tahoe			
Location of Equipment (if different from Lessee’s address)		SCHEDULE OF RENT PAYMENTS		
354651 125th Ave Onamia, MN 56359		Payment Amount	Number of Payments	Advance Payments
		\$12,688.30	6	\$0.00
Acceptance Date:				
Term in months: 60		Interest Rate	First Payment Due Date	Final Purchase Price
		3.90%		\$1.00
Payment Period: Annual		FINANCE AMOUNT: \$69,333.38		
		PURCHASE OPTION PRICE: See Exhibit A		
Additional Provisions:				

Lessor:	<u>Stock Growers Public Finance, LLC</u>	Lessee:	<u>Onamia Public Schools ISD #480</u>
By:	<u></u>	By:	<u></u>
Its:	<u>Vice President</u>	Its:	<u>Superintendent</u>
Date:	<u></u>	Date:	<u></u>

Costs Funded	\$ 69,333.38	Closing Fees	\$0.00	
Interest Rate	3.9%	Acceptance Date		
Total Payments	6			
Yearly Payments	1			
Level Payment	\$ 12,688.30			

Pmt	Due Date	Payment Due	Interest	Principal	After Payment Principal Balance	After Payment Termination Value
Lease	/ /2025				\$ 69,333.38	\$ 69,333.38
1	/ /2025	\$ 12,688.30	\$ -	\$ 12,688.30	\$ 56,645.08	\$ 56,645.08
2	/ /2026	\$ 12,688.30	\$ 2,209.16	\$ 10,479.14	\$ 46,165.94	\$ 46,165.94
3	/ /2027	\$ 12,688.30	\$ 1,800.47	\$ 10,887.83	\$ 35,278.11	\$ 35,278.11
4	/ /2028	\$ 12,688.30	\$ 1,375.85	\$ 11,312.45	\$ 23,965.66	\$ 23,965.66
5	/ /2029	\$ 12,688.30	\$ 934.66	\$ 11,753.64	\$ 12,212.02	\$ 12,212.02
6	/ /2030	\$ 12,688.30	\$ 476.28	\$ 12,212.02	\$ -	\$ 1.00

Reviwed and Accepted by:

By:_____

Its:_____

Date:_____

INCUMBENCY CERTIFICATE

I, _____, do hereby certify that I am the duly elected or appointed and acting Business Manager of Onamia Public Schools ISD #480 a political subdivision or agency duly organized and existing under the laws of the State of Minnesota that I have custody of the records of such entity, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of such entity holding the offices set forth opposite their respective names. I further certify that (I) the signatures set opposite their respective names and titles are their true and authentic signatures and (II) such officers have the authority on behalf of such entity to enter into that certain Lease-Purchase Agreement and Supplement thereto both dated February 28, 2025 between such entity and Stock Growers Public Finance, LLC (Lessor).

NAME	TITLE	SAMPLE SIGNATURE
Jason Vold	Superintendent	

IN WITNESS WHEREOF, I have duly executed this certificate this ____ day of _____, 20__.

Business Manager

OFFICER'S CERTIFICATE

TO: Stock Growers Public Finance, LLC

RE: GOVERNMENTAL LEASE-PURCHASE AGREEMENT DATED February 28, 2025 AND SUPPLEMENT DATED February 28, 2025.

FOR: 2024 Chevy Tahoe

I am duly qualified and acting as the officer identified below of Onamia Public Schools ISD #480 (Lessee); and, with respect to the Lease-Purchase Agreement dated February 28, 2025 and Supplement thereto dated February 28, 2025 (the Lease), by and between Lessee and Stock Growers Public Finance (Lessor), hereby certify that:

1. The rent payments provided for in the Supplement or Exhibit A thereto shall commence and be due and payable on _____ and _____ of each _____ thereafter, in the amounts shown thereon.
2. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all rent payments required to be paid under the Lease during the current fiscal year of Lessee, and such moneys will be applied in payment of all rent payments due and payable during such current fiscal year.
3. Lessee is exempt from all personal property taxes, and is exempt from [subject to] sales and/or use taxes with respect to the Equipment and the rent payments.
4. During the Lease term the Equipment will be used by Lessee to perform essential governmental functions.
5. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of Lessee; the authority of Lessee or its officers or its employees to enter into the Lease; the proper authorization, approval and execution of the Lease, and other documents contemplated thereby; the appropriation of moneys, or any other action taken by Lessee to provide moneys, sufficient to make rent payments coming due under the Lease in Lessee's current fiscal year; or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

Dated: _____

Onamia Public Schools ISD #480

By: _____

Its: Superintendent

RESOLUTION

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A LEASE PURCHASE AGREEMENT AND RELATED DOCUMENTS AND CERTIFICATES

BE IT RESOLVED by the School Board of the Onamia Public Schools ISD #480, as follows:

1. It is hereby found, determined and declared that it is necessary and desirable and in the best interests of Onamia Public Schools ISD #480 (Lessee) to acquire 2024 Chevy Tahoe by entering into a Lease-Purchase Agreement dated as of February 28, 2025 and Supplement to Lease-Purchase Agreement dated as of February 28, 2025 (collectively, the "Lease") by and between Lessee and Stock Growers Public Finance, LLC ("Lessor"). Such Lease is hereby approved substantially in the form presented to this board and on file in the office of the Business Manager.

2. The Superintendent of the Lessee is hereby authorized to execute the Lease on behalf of Lessee, and to execute such other certificates and documents as may be necessary and appropriate to effectuate the transactions contemplated by the Lease. The Lease and the related documents may contain such necessary and appropriate variations, omissions and insertions as the Superintendent shall determine to be necessary, and the execution thereof by the Superintendent shall be conclusive evidence of such determination and its approval by this Board.

3. Lessee does not reasonably anticipate that it will issue tax-exempt obligations (not including "private activity bonds" as defined in Section 141 of the Internal Revenue Code of 1986, as amended) in an aggregate amount in excess of \$10 million during the calendar year in which the Lease commences. The Lease is designated as a qualified tax-exempt obligation for purposes of Section 265(b)(c) of the Internal Revenue Code of 1986, as amended, relating to deductibility of interest by financial institutions.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____

and upon roll call vote the following voted in favor thereof: _____

and the following voted against the same: _____

where said resolution was declared duly passed adopted.

STATE OF MINNESOTA)

)SS

COUNTY OF MILLE LACS)

I, the undersigned, being the fully qualified and acting Business Manager of Onamia Public Schools ISD #480, State of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of the School Board held on the ____ day of _____, with the original thereof on file in my office, and the same is a full, true and complete transcript insofar as the same relates to the adoption of a resolution approving and authorizing the execution or a Lease Purchase Agreement and related documents and certificates.

WITNESS MY HAND officially as such Business Manager this _____ day of _____, _____.

Business Manager

Form **8038-GC**

(Rev. January 2012)

Department of the Treasury
Internal Revenue Service**Information Return for Small Tax-Exempt
Governmental Bond Issues, Leases, and Installment Sales**▶ **Under Internal Revenue Code section 149(e)**

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>	
1 Issuer's name Onamia Public Schools ISD #480		2 Issuer's employer identification number (EIN)	
3 Number and street (or P.O. box if mail is not delivered to street address) 354651 125th Ave		Room/suite	
4 City, town, or post office, state, and ZIP code Onamia, MN 56359		5 Report number (For IRS Use Only) <div style="border: 1px solid black; width: 40px; height: 20px; display: inline-block;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; display: inline-block;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; display: inline-block;"></div>	
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information Jason Vold-Superintendent		7 Telephone number of officer or legal representative 320-532-4174	

Part II Description of Obligations Check one: a single issue <input type="checkbox"/> or a consolidated return <input type="checkbox"/>	
8a Issue price of obligation(s) (see instructions)	8a 69,333.38
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a 69,333.38
b For leases for office equipment	9b
c For leases for real property	9c
d For leases for other (see instructions)	9d
e For bank loans for vehicles	9e
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>	
12 Vendor's or bank's name: Stock Growers Public Finance, LLC.	
13 Vendor's or bank's employer identification number: 4 5 0 1 9 0 9 0 5	

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.				
	<div style="border-bottom: 1px solid black; height: 20px; width: 100%;"></div> Signature of issuer's authorized representative	<div style="border-bottom: 1px solid black; height: 20px; width: 100%;"></div> Date	Jason Vold-Superintendent Type or print name and title		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at www.irs.gov/form8038. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Private delivery services. You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental obligation. A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

Issue. Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

Arbitrage rebate. Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

Line 1. The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

Lines 3 and 4. Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the

street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

Note. The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

Line 8a. The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

Line 8b. For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

Lines 9a through 9h. Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

Lines 9i and 9j. For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

Line 9k. Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

Line 10. Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

Line 11. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 12. Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Line 13. Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

Note. If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Learning about the law or the form 4 hr., 46 min.

Preparing the form 2 hr., 22 min.

Copying, assembling, and sending the form to the IRS . 2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

DELIVERY AND ACCEPTANCE CERTIFICATE

TO: Stock Growers Public Finance, LLC
RE: LEASE-PURCHASE AGREEMENT DATED February 28, 2025 AND SUPPLEMENT DATED
February 28, 2025.

FOR: 2024 Chevy Tahoe

I am duly qualified and acting as the officer identified below of Onamia Public Schools ISD #480 (Lessee): and, with respect to the Lease-Purchase Agreement dated February 28, 2025 and Supplement thereto dated February 28, 2025 (the Lease), by and between Lessee and Stock Growers Public Finance, LLC (Lessor), that:

1. The equipment described in the Lease (the Equipment) has been delivered and installed in accordance with Lessee's specifications and has been accepted by Lessee as of the Acceptance Date shown on the Supplement.
2. The rent payments provided for in such Supplement or Exhibit A thereto shall commence and be due and payable on _____ and the _____ of each _____ thereafter in the amounts shown thereon.
3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all rent payments required to be paid under the Lease during the current fiscal year of Lessee, and such moneys will be applied in payment of all rent payments due and payable during such current fiscal year.
4. Lessee is exempt from all personal property taxes, and is exempt from sales and/or use taxes with respect to the Equipment and the rent payments.
5. During the Lease term the Equipment will be used by Lessee to perform essential governmental functions. Such functions are:

Transport K-12 students to the school and other school events.
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6. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of Lessee; the authority of Lessee or its officers or its employees to enter into the Lease: the proper authorization, approval and execution of the Lease and other documents contemplated thereby: the appropriation of moneys or any other action taken by Lessee to provide moneys, sufficient to make rent payments coming due under the Lease in Lessee's current fiscal year: or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

Dated: _____

Onamia Public Schools ISD #480

By: _____

Its: Superintendent