

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 28, 2026

NEW ISSUE: FULL BOOK-ENTRY

RATINGS: Moody’s Investors Service, Inc.: “Aaa”
Standard & Poor’s: “AAA”
(See “Ratings” herein.)

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2026A Bonds (including any original issue discount properly allocable to the owner of a Series 2026A Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the Series 2026A Bonds may affect the federal alternative minimum tax imposed on certain corporations. Bond Counsel is also of the opinion that, under the North Dakota Public Finance Authority Act, interest on the Series 2026A Bonds is exempt from all income taxation by the State of North Dakota. For a more detailed description of such opinions of Bond Counsel, see “TAX MATTERS” herein.

\$189,165,000(1)

NORTH DAKOTA PUBLIC FINANCE AUTHORITY
State Revolving Fund Program Bonds, Series 2026A

Dated: Delivery Date
Minimum Bid: \$188,219,175 (99.5% of Par)

Due: October 1, as shown below
Good Faith: \$1,891,650

The State Revolving Fund Program Bonds, Series 2026A (the “Series 2026A Bonds”) offered hereby are being issued pursuant to the North Dakota Clean Water State Revolving Fund Act (North Dakota Century Code Chapter 61-28.2), the North Dakota Drinking Water State Revolving Fund Act (North Dakota Century Code Chapter 61-28.1), the North Dakota Public Finance Authority Act (North Dakota Century Code Chapter 6-09.4), an Amended and Restated Master Trust Indenture dated as of July 1, 2011, as amended, (the “Master Trust Indenture”) by and between the North Dakota Public Finance Authority (the “Authority”) and the Bank of North Dakota, as Trustee (the “Trustee”), and a Series Resolution adopted on February 24, 2026 by the Industrial Commission of the State of North Dakota (the “Industrial Commission”).

Proceeds of the Series 2026A Bonds will be used by the Authority to make loans to political subdivisions of the State of North Dakota and certain other entities (the “Borrowers”) through the purchase of certain obligations issued by such Borrowers for use in connection with the financing or refinancing of water pollution control and drinking water projects, as described herein, and pay costs of issuance related to the Series 2026A Bonds.

The Series 2026A Bonds will be issued as fully registered bonds without coupons, and when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as described herein. DTC will act as securities depository of the Series 2026A Bonds. Individual purchases may be made in book-entry form only, in the denomination of \$5,000 and integral multiples thereof for each maturity. Purchasers will not receive certificates representing their interest in the Series 2026A Bonds.

Payments of the principal of and interest on the Series 2026A Bonds will be paid by the Trustee to DTC, which will in turn remit such principal and interest to its participants for subsequent dispersal to beneficial owners of the Series 2026A Bonds. Interest on the Series 2026A Bonds is payable semi-annually on each April 1 and October 1, commencing October 1, 2026. The Series 2026A Bonds are subject to optional and mandatory redemption prior to maturity as described herein.

The Series 2026A Bonds are obligations of the Authority payable primarily from specific revenues and funds pledged therefor under the Master Trust Indenture and a Series Resolution as described herein. The Authority has no taxing power. The Series 2026A Bonds are not in any way a debt or liability of the State of North Dakota, the Industrial Commission or of any political subdivision of the State, except as described herein. See “Sources of Payment and Security” herein.

MATURITY SCHEDULE

Table with 8 columns: Maturity October 1, Amount(1), Interest Rate*, Price Or Yield*, Maturity October 1, Amount(1), Interest Rate*, Price Or Yield*. Rows list maturities from 2027 to 2041 and 2042 to 2055 with corresponding amounts and interest rates.

Bids must be for not less than \$188,219,175 (99.5% of Par) plus accrued interest on the total principal amount of the Series 2026A Bonds. Upon notification of award, the winning bidder will promptly provide to the Authority a good faith deposit in the amount of \$1,891,650 by wire transfer or in the form of a certified or cashier’s check payable to the order of the North Dakota Public Finance Authority.

The Series 2026A Bonds are offered subject to receipt of the approving legal opinion of Kutak Rock LLP, Minneapolis, Minnesota, as Bond Counsel. It is expected that delivery of the Series 2026A Bonds will be made on or about May __, 2026.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

BIDS RECEIVED UNTIL: 10:15 a.m., C.S.T., Tuesday, May 5, 2026 at the offices of PFM Financial Advisors LLC, Minneapolis, Minnesota.

AWARD: By 3:00 p.m., C.S.T., by the Executive Director on the same day.

The date of this Official Statement is April 28, 2026.

(1) Following the receipt of the bids, the Authority reserves the right to adjust the principal amount. If the issue size is adjusted, the purchase price will be adjusted to ensure that the percentage net compensation (i.e. the percentage resulting from dividing (i) the aggregate difference between the offering price of the Series 2026A Bonds to the public and the price to be paid to the Authority (excluding accrued interest), less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the Series 2026A Bonds) remains constant.

* Interest rates and reoffering yields or prices will be set forth in the Final Official Statement as described herein.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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THIS OFFICIAL STATEMENT IS NOT INTENDED TO PROVIDE INFORMATION WITH RESPECT TO, AND SHOULD NOT BE RELIED ON IN CONNECTION WITH, ANY PURCHASE OR SALE OF BONDS OTHER THAN THE INITIAL OFFERING OF THE SERIES 2026A BONDS.

No dealer, broker, salesperson or other person has been authorized by the North Dakota Public Finance Authority, the Financial Advisor or the Underwriters to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such information and representations must not be relied upon as having been authorized by the North Dakota Public Finance Authority, the Financial Advisor or the Underwriters.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Series 2026A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been furnished by the North Dakota Public Finance Authority, the various Borrowers and other sources which the North Dakota Public Finance Authority believes to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall, under any circumstances, create any implication that there has been no change in the affairs of the North Dakota Public Finance Authority since the date thereof. Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The preliminary version of the Official Statement should not be relied upon after the time that the Official Statement is available in final form, which final Official Statement should be reviewed in its entirety for changed, completed and supplemented information.

This Official Statement includes forward-looking statements. Forward-looking statements are generally identifiable by the use of the words “believe,” “expect,” “intend,” “anticipate,” “estimate,” “project” or similar expressions. Forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. The Authority undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

TABLE OF CONTENTS

INTRODUCTION TO THE OFFICIAL STATEMENT	iii	Drinking Water State Revolving Fund	
INTRODUCTORY STATEMENT	1	Financial Position.....	19
THE NORTH DAKOTA PUBLIC FINANCE AUTHORITY	3	Limited Sources for Payment of State Match	
General	3	Portions	20
Outstanding Debt of the State Revolving Fund Program.....	4	No Acceleration	20
Other Outstanding Debt of the Authority.....	4	Additional Bonds	20
Political Subdivision Financing	6	Unknown Future Participants and Credit Standard Changes.....	21
Credit Review	7	Relationship Between Monies Held in Clean Water SRF and Drinking Water SRF	21
Business Disruption Risks	8	FLOW OF FUNDS.....	22
THE INDUSTRIAL COMMISSION OF NORTH DAKOTA.....	9	INVESTMENTS	24
NORTH DAKOTA STATE REVOLVING FUNDS	9	DESCRIPTION OF THE SERIES 2026A BONDS	24
General.....	9	Terms of the Series 2026A Bonds	24
Powers of Authority Under State Revolving Fund Programs	10	Redemption	25
Loan Review Process	11	Notice of Redemption	26
Loans.....	11	Book-Entry-Only System.....	26
Additional Loans.....	12	CONTINUING DISCLOSURE	28
Sources of Funds for Loans.....	12	TAX MATTERS	29
Clean Water and Drinking Water SRF Capitalization Grants.....	13	UNDERWRITING	31
Current Account Balances.....	14	FINANCIAL ADVISOR.....	31
PLAN OF FINANCE	15	RATINGS.....	31
SOURCES AND USES OF FUNDS.....	15	ABSENCE OF LITIGATION	31
SOURCES OF PAYMENT AND SECURITY	16	LEGAL MATTERS	32
General.....	16	MISCELLANEOUS.....	32
Revenues and Other Available Monies.....	16		
Clean Water State Revolving Fund Financial Position	18	Appendix A - Selected Financial Information of Borrowers	
		Appendix B - Clean Water and Drinking Water SRF Loans	
		Appendix C - Summary of Certain Provisions of the Master Trust Indenture	
		Appendix D - Form of Bond Counsel Opinion	
		Appendix E – Form of Continuing Disclosure Undertaking	
		Appendix F – Official Terms of Sale	

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2026A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION OR QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES, SHALL NOT BE REGARDED AS RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

INDUSTRIAL COMMISSION OF NORTH DAKOTA

Kelly Armstrong	Governor, Chairman of the Commission
Drew H. Wrigley	Attorney General, Member
Doug Goehring	Agriculture Commissioner, Member
Karen Tyler	Executive Director
Jordan Kanninen	Deputy Director

ISSUER

North Dakota Public Finance Authority

DeAnn Ament	<i>Executive Director</i>
Benita Eberts	<i>Business Manager</i>
Karla Zander	<i>Fiscal Officer</i>

PROGRAM ADMINISTRATOR

Department of Environmental Quality

L. David Glatt	Director
Elizabeth Tokach-Duran	Clean Water State Revolving Fund Manager
Shannon Fisher	Drinking Water State Revolving Fund Manager

COUNSEL TO THE AUTHORITY

Mia Thibodeau	Special Assistant Attorney General
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BOND COUNSEL

Kutak Rock LLP
Minneapolis, Minnesota

FINANCIAL ADVISOR

PFM Financial Advisors LLC
Minneapolis, Minnesota

INTRODUCTION TO THE OFFICIAL STATEMENT

The following information is furnished solely to provide limited introductory information regarding the North Dakota Public Finance Authority (the “Authority”) \$189,165,000 State Revolving Fund Program Bonds, Series 2026A (the “Series 2026A Bonds”) and does not purport to be comprehensive. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement, including the appendices hereto. Each prospective investor in the Series 2026A Bonds is encouraged to read this Official Statement in its entirety.*

Issuer: The North Dakota Public Finance Authority, an agency of the State of North Dakota.

Purpose: Proceeds of the Series 2026A Bonds will be used by the Authority to (i) make or finance Loans at below market interest rates to political subdivisions of the State of North Dakota and certain other entities (the “Borrowers”) through the purchase of certain obligations (the “Municipal Securities”) issued by such Borrowers for use in connection with the financing or refinancing of water pollution control and drinking water projects as described herein, and (ii) pay costs of issuance related to the Series 2026A Bonds.

Master Trust Indenture: These purposes are effected through an Amended and Restated Master Trust Indenture dated as of July 1, 2011, as amended (the “Master Trust Indenture”) which contains within it two revolving funds – the Clean Water State Revolving Fund (the “Clean Water SRF”) to finance water pollution control projects under the Federal Clean Water Act and the Drinking Water State Revolving Fund (the “Drinking Water SRF”) to finance drinking water projects under the Federal Safe Drinking Water Act by means of loans to political subdivisions of the State of North Dakota and certain other entities (the “Borrowers”). The Master Trust Indenture amended and restated a Master Trust Indenture dated as of October 1, 1998, as subsequently amended, and no Bonds are currently outstanding thereunder.

Security: The sources of payment and security for the Series 2026A Bonds and other obligations heretofore or hereafter issued under the Master Trust Indenture (together with the Series 2026A Bonds, the “Bonds”) are the revenues derived from certain payments of principal of and interest on the Municipal Securities evidencing the Loans made with federal capitalization grants (the “Capitalization Grants”) and proceeds of the sale of the Bonds, amounts on deposit in certain funds and accounts established under the Master Trust Indenture and earnings thereon.

*Preliminary, subject to change.

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Sources for Repayment:	<p>The Master Trust Indenture provides for each payment of principal of and interest on the Bonds of each Series to be divided into a “Clean Water Portion” and a “Drinking Water Portion” and that both the Clean Water Portion and the Drinking Water Portion be divided into a State Match Portion and a Leveraged Portion based on the application of the proceeds of the Bonds. Accordingly debt service payments for each maturity may have a Clean Water State Match Portion, a Clean Water Leveraged Portion, a Drinking Water State Match Portion and a Drinking Water Leveraged Portion.</p> <p>Based on the expected application of the proceeds of the Series 2026A Bonds, the Clean Water Leveraged Portion and Drinking Water Leveraged Portion of each maturity of Series 2026A Bonds are set forth herein under “Description of the Series 2026A Bonds—Terms of the Series 2026A Bonds.”</p> <p>Generally the Clean Water Portion is payable from revenues of the Clean Water SRF and the Drinking Water Portion from revenues of the Drinking Water SRF. Only revenues constituting interest earnings and interest receivable on the Loans can be used to pay debt service on a State Match Portion.</p> <p>In the event amounts available in the Clean Water SRF or the Drinking Water SRF are insufficient to pay its respective portion of principal of or interest on Bonds then due and payable, the Trustee must transfer an amount sufficient to remedy such deficiency, if available, from certain accounts of the other State Revolving Fund.</p>
Optional Redemption:	<p>The Series 2026A Bonds maturing on or after October 1, 2037 are subject to redemption and prior payment at the option of the Authority on October 1, 2036 and on any date thereafter in whole or in part in such amounts and from such maturities as the Authority may determine and by lot within a maturity at the redemption price of par plus accrued interest.</p>
Extraordinary Mandatory Redemption:	<p>The Series 2026A Bonds shall be subject to redemption and payment prior to maturity on August 1, 2029, in an amount necessary to maintain the exclusion from gross income for federal income tax purposes pursuant to the Code of the interest on the Series 2026A Bonds at the redemption price of 102% of the amortized issue price as determined by the Authority for each maturity of the Series 2026A Bonds plus accrued interest on the principal amount redeemed to the date of redemption. See “Redemption” herein.</p>
Denominations:	<p>\$5,000 or integral multiples thereof.</p>
Book-Entry Only:	<p>The Series 2026A Bonds will be issued as book-entry-only securities through the Depository Trust Company.</p>
Regular Record Date:	<p>The 15th day of the month preceding the payment date.</p>
Principal Payments:	<p>Annually, commencing October 1, 2027 and concluding October 1, 2055.</p>
Interest Payments:	<p>Semiannually on April 1 and October 1, commencing October 1, 2026.</p>
Additional Bonds:	<p>The Master Trust Indenture permits the issuance of additional Bonds secured on a parity with the Series 2026A Bonds and other Bonds previously and subsequently issued pursuant to the Master Trust Indenture, upon compliance with the requirements of the Master Trust Indenture. Additional Bonds may be issued if during each year that the Bonds to be issued are scheduled to be Outstanding, Projected Revenue will be at least 120% of the principal and interest due in such year on all the Outstanding and to be issued Bonds. See “Source of Payment and Security – Additional Bonds” herein.</p>

Tax Status: Exempt from federal income taxation and State of North Dakota income taxation as set forth in “TAX MATTERS” herein. The Series 2026A Bonds will not be designated Qualified Tax-Exempt Obligations within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “TAX MATTERS” herein.

Professional Consultants: *Financial Advisor:* PFM Financial Advisors LLC
Minneapolis, Minnesota

Bond Counsel: Kutak Rock LLP
Minneapolis, Minnesota

Trustee/Paying Agent: Bank of North Dakota
Bismarck, North Dakota

Legal Matters: Legal matters incident to the authorization and issuance of the Series 2026A Bonds are subject to the opinion of Kutak Rock LLP, Bond Counsel, as to validity and tax exemption. The opinion will be substantially in the form set forth in Appendix D attached hereto. Bond Counsel has not participated in the preparation of this Official Statement except for information under the headings “*Terms of the Series 2026A Bonds*,” “*Redemption*,” “*Notice of Redemption*,” “TAX MATTERS,” “LEGAL MATTERS,” and “Appendix C – Summary of Certain Provisions of the Master Trust Indenture.”

Authority for Issuance: The Series 2026A Bonds are issued pursuant to the North Dakota Clean Water State Revolving Fund Act (North Dakota Century Code Chapter 61-28.2), the North Dakota Drinking Water State Revolving Fund Act (North Dakota Century Code Chapter 61-28.1), the North Dakota Public Finance Authority Act (North Dakota Century Code Chapter 6-09.4), the Master Trust Indenture and a Series Resolution adopted by the Industrial Commission of the State of North Dakota on February 24, 2026 (the “2026 Series Resolution”). See “Appendix C – Summary of Certain Provisions of the Master Trust Indenture” herein.

Conditions Affecting Issuance of Bonds: The Series 2026A Bonds are offered when, as and if issued, subject to, among other conditions, the approving legal opinion of Kutak Rock LLP.

Delivery: Expected on or about May __, 2026.

No Litigation: There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series 2026A Bonds, or prohibiting the Authority from making Loans to political subdivisions of the State of North Dakota and certain other entities (the “Borrowers”) or purchasing certain obligations of the Borrowers (“Municipal Securities”) with the proceeds of Bonds, or in any way contesting or affecting the validity or, in the case of the Series 2026A Bonds, tax exemption of any Series 2026A Bonds or any proceedings of the North Dakota Department of Environmental Quality (the “Department”), the Authority or the Industrial Commission taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Series 2026A Bonds or the existence or necessary powers of the Department, the Authority or the Industrial Commission or the exemption of the income of the Authority from state or federal income taxes.

Continuing Disclosure: The Authority has agreed with the Bondholders to provide ongoing disclosure of certain information. See “CONTINUING DISCLOSURE” herein.

Additional Information: Questions regarding the Series 2026A Bonds or the Official Statement can be directed to and additional copies of the Official Statement may be obtained from PFM Financial Advisors LLC, 45 South 7th Street, Suite 2950, Minneapolis, Minnesota 55402, (612/338-3535) or the North Dakota Public Finance Authority, 1200 Memorial Highway, Bismarck, North Dakota 58504 (701/328-7100).

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OFFICIAL STATEMENT

\$189,165,000*

NORTH DAKOTA PUBLIC FINANCE AUTHORITY State Revolving Fund Program Bonds, Series 2026A

INTRODUCTORY STATEMENT

All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in the Master Trust Indenture.

The Legislative Assembly of the State of North Dakota has established a revolving loan fund (the “Clean Water State Revolving Fund” or “Clean Water SRF”) pursuant to Chapter 61-28.2, North Dakota Century Code (the “CWSRF Act”) to be maintained and operated by the North Dakota Department of Environmental Quality (the “Department”) to provide for loans for the planning, design, construction and rehabilitation of wastewater treatment facilities and certain other activities in accordance with Title VI of the Clean Water Act (the “Clean Water Program”). Additionally, the Legislative Assembly of the State of North Dakota has established a revolving loan fund (the “Drinking Water State Revolving Fund” or “Drinking Water SRF”) pursuant to Chapter 61-28.1, North Dakota Century Code (the “DWSRF Act”) to be maintained by the Department to provide loans for expenditures on public water systems which facilitate compliance with national primary drinking water regulations or otherwise significantly further the health objectives of the Safe Drinking Water Act (the “Drinking Water Program”). The Clean Water State Revolving Fund and the Drinking Water State Revolving Fund are collectively referred to herein as the “State Revolving Funds”. The Clean Water Program and the Drinking Water Program are collectively referred to herein as the “State Revolving Fund Programs” or “Programs”.

This Official Statement sets forth information concerning the issuance by the North Dakota Public Finance Authority (the “Authority”) of a series of its North Dakota Public Finance Authority State Revolving Fund Program Bonds designated as Series 2026A Bonds. The Series 2026A Bonds mature on the dates and in the amounts as set forth on the cover of this Official Statement and contain other terms as set forth herein. See “Description of the Series 2026A Bonds” herein. The Series 2026A Bonds are issued pursuant to and secured by an Amended and Restated Master Trust Indenture dated as of July 1, 2011, by and between the Authority and the Bank of North Dakota, as Trustee (the “Trustee”), as amended by a First Supplemental Master Trust Indenture dated as of July 1, 2015 (the “Master Trust Indenture”). The Authority had previously provided financing for the Clean Water Program and Drinking Water Program through the issuance of Bonds which are secured by the Master Trust Indenture. The Master Trust Indenture amended and restated the prior indentures and provided for financing of the Clean Water Program and the Drinking Water Program. The Series 2026A Bonds and all other Bonds heretofore or hereafter issued pursuant to the Master Trust Indenture are herein referred to as the “Bonds” and are secured by the Master Trust Indenture.

Pursuant to the CWSRF Act and the DWSRF Act, the Department may apply for federal capitalization grants (the “Capitalization Grants”) and use the proceeds to fund loans, establish reserves or for other purposes permitted under such Acts. As a condition to the receipt of Capitalization Grants, the State of North Dakota (the “State”) is required to provide matching funds (the “State Match”) equal to twenty percent (20%) for each base and the 2024-2026 Bipartisan Infrastructure Law (BIL) Supplemental Capitalization Grants; the BIL Emerging Contaminants and BIL Lead Service Line Capitalization Grants do not require matching funds. The Department has applied for and been awarded Capitalization Grants for the Clean Water Program for federal fiscal years 1989 through 2025 and has applied for and been awarded Capitalization Grants for the Drinking Water Program for federal fiscal years 1997 through 2025. The Department also intends to apply for all future Clean Water Capitalization Grants and Drinking Water Capitalization Grants, if such grants are funded by the Federal Government. See “North Dakota State Revolving Funds - Federal Capitalization Grants” herein. The Authority funds the required State Match from Bond proceeds or State Administration.

*Preliminary, subject to change.

The Department and the Authority have entered into administrative agreements (the “Administrative Agreements”), dated as of February 10, 2021 for the Clean Water Program and April 29, 2021 for the Drinking Water Program, whereby the Authority has agreed to provide financial services to assist in the implementation of the State Revolving Fund Programs. Capitalization Grants received by the Department pursuant to the Federal Water Pollution Control Act of 1972, as amended by the Water Quality Control Act of 1987 (the “Clean Water Act”) as reauthorized by The Water Resources Reform & Development Act of 2014 and the Federal Safe Drinking Water Act of 1974, as amended by the Safe Drinking Water Act Amendments of 1996 (the “Drinking Water Act”), are to be deposited in certain separate designated accounts under the Master Trust Indenture constituting the State Revolving Funds and used, together with Bond proceeds as described herein, to make loans (the “Loans”) to political subdivisions or other entities (the “Borrowers”) eligible to receive Loans under the CWSRF Act or the DWSRF Act or to secure Bonds. The Bonds to be issued from time to time under the Master Trust Indenture are to provide funds for Loans under the Programs and to provide for costs of issuance and certain other purposes. Additional loans will be made from the proceeds of the Capitalization Grants and other funds available under the Programs. The Loans will be evidenced through loan agreements (the “Loan Agreements”) and municipal securities (the “Municipal Securities”) issued by the Borrowers and purchased by the Authority. Information pertaining to certain Borrowers which have issued or are expected to issue Municipal Securities to the Authority which constitute 10% or more of the total loan balance of both State Revolving Fund Programs is set forth in Appendix A.

The Authority originally provided financing for the Clean Water Program pursuant to a separate indenture, beginning with the issuance of its State Revolving Fund Program Bonds, Series 1990 (which have been subsequently paid). In 1998, the Authority entered into a new master trust indenture which allowed the Authority to finance the Clean Water Program and the Drinking Water Program on a consolidated basis such that, while debt service obligations related to the Clean Water Program are to be payable primarily from the Clean Water SRF and debt service obligations related to the Drinking Water Program are to be payable primarily from the Drinking Water SRF, certain excess revenues of each State Revolving Fund are to be available on a subordinate basis to the other State Revolving Fund to the extent necessary to meet any deficiencies with respect to the payment of principal of or interest on Bonds. The Master Trust Indenture incorporates the 1998 indenture and subsequent amendments. See “The North Dakota Public Finance Authority – Outstanding Debt of the State Revolving Fund Program” herein for a description of the outstanding Bonds under the Master Trust Indenture.

As a result of certain federal restrictions on the use of particular funds in the State Revolving Funds, the Master Trust Indenture provides for each payment of principal of and interest on the Bonds of each series to be divided into a “Clean Water Portion” and a “Drinking Water Portion” in proportion to the amount of proceeds of the series of Bonds deposited in the Clean Water SRF and the Drinking Water SRF, respectively, and for each of the Clean Water Portion and the Drinking Water Portion to be divided into a State Match Portion and Leveraged Portion in proportion to the amounts of Bond proceeds allocated to such State Revolving Fund which are deposited in the State Match Loan Account and Leveraged Loan Account, respectively, of such Fund. Accordingly, each payment of principal and interest on each series of Bonds may have a “Clean Water State Match Portion”, a “Drinking Water State Match Portion,” a “Clean Water Leveraged Portion” and a “Drinking Water Leveraged Portion”.

Additionally, as a result of certain federal restrictions, the Master Trust Indenture provides for the division of revenues into different categories, such as segregating Borrower principal and interest repayments, corresponding to permitted uses and priority of uses. Thus, the different portions of Bonds may be payable from only certain portions of the revenues deposited under the Master Trust Indenture, or the use of certain portions of the revenues may be subject to certain conditions or priorities.

The Leveraged Portions and the State Match Portions of debt service are payable from certain monies deposited in specified funds and accounts held by the Trustee under the Master Trust Indenture within each of the Clean Water SRF and the Drinking Water SRF. Interest payments on the Municipal Securities and interest earnings on invested funds within each of the Clean Water SRF and Drinking Water SRF are generally available to pay both the State Match Portions and the Leveraged Portions. Only interest earnings and interest payments on the Municipal Securities may be used for the payment of the State Match Portions. The Series 2026A Bonds have been structured in such a manner that estimated payments on the Municipal Securities and estimated interest earnings on the various funds will be sufficient to pay the Series 2026A Bonds and other outstanding Bonds when due and to provide a minimum of 120% debt service coverage. There can be no assurance, however, that estimated payments will be realized.

The Bonds are issued under authority of the CWSRF Act, the DWSRF Act and the North Dakota Public Finance Authority Act, North Dakota Century Code Chapter 6-09.4 (the "Authority Act"). The Industrial Commission, the agency of the State having authority over all matters pertaining to the Authority, including the issuance of bonds, has authorized the issuance of the Series 2026A Bonds. The Bonds are obligations of the Authority payable primarily from the revenues and funds and accounts hereinafter described and are not a debt or liability of the State or secured by the full faith and credit or taxing powers of the State. The Authority has other programs whose assets and revenues are not pledged to payment of the Series 2026A Bonds. See "Sources of Payment and Security," "Summary of Certain Provisions of the Master Trust Indenture" and "The Industrial Commission of North Dakota" herein.

The Authority is an instrumentality of the State, operated, managed and controlled by the Industrial Commission. The Bonds do not constitute a debt of the Industrial Commission and are not secured by or payable from any assets of the Industrial Commission. See "The North Dakota Public Finance Authority" herein.

THE NORTH DAKOTA PUBLIC FINANCE AUTHORITY

General

The North Dakota Public Finance Authority was established by the Authority Act on July 1, 1975, as an instrumentality of the State exercising essential public and governmental functions.

The Authority Act authorizes the Authority to lend money to Political Subdivisions of the State through the purchase of municipal securities of political subdivisions or other contracting party. To finance such purchases of municipal securities, the Authority is authorized by the Authority Act to issue its bonds, in any amount, payable pursuant to the Authority Act.

The Authority is empowered to sue and be sued; to make, enter into and enforce contracts; to acquire, hold, use and dispose of monies or other personal property; to carry out its functions by officers, agents or employees or by contract; and to make and enforce bylaws, rules and regulations. It is not, however, a body corporate.

Pursuant to North Dakota Century Code Chapters 6-09.4 and 54-17, the Authority is under the operation, control and management of the Industrial Commission, which oversees various enterprises of the State, and whose actions are the actions of the State acting in its sovereign capacity.

On February 18, 2010, the Industrial Commission appointed Ms. DeAnn Ament as Executive Director of the Authority effective April 1, 2010, to serve at its pleasure. Ms. Benita Eberts is the Authority's Business Manager and Ms. Karla Zander is the Authority's Fiscal Officer. Ms. Ament, Ms. Eberts, and Ms. Zander are the Authority's only employees.

The costs and expenses of operation of the Authority are financed from investment income and fees and charges imposed by the Authority. Pursuant to the loan agreements with the various borrowers participating in the Authority's financing programs, the Authority may collect an administrative fee from the respective political subdivision. The administrative fee may be used to pay costs and expenses of operation of the Authority.

Under the Authority Act, all property of the Authority, its transfer and the income therefrom, including any profits made on the sale thereof, are exempt from taxation within the State. In a written opinion of the Office of Attorney General, the income of the Authority, as an instrumentality of the State, is exempt under existing law from Federal income taxes. Under the Authority Act, all property of the Authority in the State is exempt from levy and sale by virtue of an execution and no execution or judicial process may issue from any state court against such property nor may any judgment of a state court against the Authority be a charge or lien upon its property. The foregoing does not limit the rights of the holder of any bond to pursue any remedy for the enforcement of any pledge or lien given by the Authority on its revenues or other monies to secure the bonds.

This legislation also permitted the Public Finance Authority to enter into administrative agreements with other state entities and to issue bonds on their behalf. Although the Public Finance Authority may be empowered to exercise the

bonding authority of another state entity, any bonds issued would be an obligation of the other state entity and not an obligation of the Public Finance Authority.

The Authority's offices are located at 1200 Memorial Highway, Bismarck, North Dakota 58504. Its telephone number is 701/328-7100.

Outstanding Debt of the State Revolving Fund Program

The Authority has issued a total of 20 issues with a par amount of \$969,615,000. The following Bonds are currently Outstanding.

<u>Series</u>	<u>Final Maturity</u>	<u>Original Issuance</u>	<u>Outstanding Principal (As of February 28, 2026)</u>
Series 2016A Bonds	10/01/28	\$ 16,405,000	\$ 5,745,000
Series 2018A Bonds	10/01/38	128,625,000	96,945,000
Series 2022A Bonds	10/01/41	85,330,000	63,555,000
Series 2024A Bonds	10/01/44	<u>200,920,000</u>	<u>195,985,000</u>
Subtotal		<u>\$431,280,000</u>	<u>\$362,230,000</u>

Other Outstanding Debt of the Authority

The Authority was created for the purpose of lending money to political subdivisions of the State of North Dakota through the purchase of municipal obligations issued by such political subdivisions. To finance the purchase of the municipal obligations, the Authority is authorized to issue its revenue bonds. The objective of the Authority with respect to all of its financing programs is to provide a cost-effective financing alternative for local government issuers, many of whose funding needs are small or infrequent. The Capital Financing Program of the Authority was initiated in 1990 and is a regularly used program because it offers financing for virtually all of the purposes permitted under North Dakota law. The Capital Financing Program replaced an earlier loan program established under a 1977 General Bond Resolution.

Under its Industrial Development Program, the Authority is permitted to purchase certain qualified small issue bonds issued by a political subdivision or other qualified issuers and is permitted to enter into revenue agreements with other contracting parties and issue municipal industrial development revenue bonds. The limit on the purchase or issuance of such bonds is \$2,000,000 per political subdivision or other contracting party.

The Legacy Fund Infrastructure Program Bonds, are issued to finance the acquisition, capitalization or construction of certain projects as provided in House Bill No. 1431 and enacted by the Sixty-seventh Legislative Assembly. Bonds are repaid from a biennial appropriation of Legacy Fund interest earnings.

Capital Financing Program:

<u>Series</u>	<u>Final Maturity</u>	<u>Original Issuance</u>	<u>Outstanding Principal (As of February 28, 2026)</u>
2009A	06/01/34	\$ 2,125,000	\$ 390,000
2012A	06/01/41	9,635,000	2,850,000
2013A	06/01/33	51,375,000	25,430,000
2014A	06/01/34	32,840,000	15,945,000
2014B	06/01/34	9,000,000	4,870,000
2015A	06/01/29	1,945,000	640,000
2018A	06/01/28	1,360,000	495,000
2021A	06/01/41	2,130,000	1,720,000
2025A	06/01/45	<u>43,610,000</u>	<u>43,610,000</u>
Subtotal - Capital Financing Program		<u>\$154,020,000</u>	<u>\$95,950,000</u>

Industrial Development Program:

<u>Series</u>	<u>Final Maturity</u>	<u>Original Issuance</u>	<u>Outstanding Principal (As of February 28, 2026)</u>
2006A	06/01/31	<u>\$ 1,360,000</u>	<u>\$ 490,000</u>
Subtotal – Industrial Development Program		<u>\$ 1,360,000</u>	<u>\$ 490,000</u>

Legacy Bond Program:

<u>Series</u>	<u>Final Maturity</u>	<u>Original Issuance</u>	<u>Outstanding Principal</u>
2021	12/01/41	\$ 389,200,000	\$ 337,255,000
2022	12/01/41	<u>320,915,000</u>	<u>285,690,000</u>
Subtotal – Legacy Bond Program		<u>\$ 710,115,000</u>	<u>\$ 622,945,000</u>
TOTAL OTHER OUTSTANDING DEBT			<u>\$ 719,385,000</u>

None of the financings listed above under “*Other Outstanding Debt of the Authority*” are payable from or secured by the Municipal Securities, the Loans or any amounts on deposit under the Master Trust Indenture.

Political Subdivision Financing

Capital financing for Political Subdivisions in North Dakota will normally take one of five forms: (i) general obligation bonds, (ii) improvement warrants and improvement bonds, (iii) revenue bonds, (iv) special authority indebtedness, and (v) lease financings.

- (i) General obligation bonds may be issued by a county, city, township, school district, park district, recreation service district or rural fire protection district, but with certain exceptions only if authorized by the electors. General obligation bonds are included in the indebtedness of the Political Subdivision for statutory and constitutional debt limit computations. They are secured by the full faith, credit and taxing powers of the Political Subdivision. Article X, Section 15 of the North Dakota Constitution provides that, subject to certain exceptions, the “debt” of any county, township, city, town, school district or any other political subdivision “shall never exceed five per centum upon the assessed value of the taxable property therein.”
- (ii) Certain Political Subdivisions, generally limited to cities, but including other specially authorized Political Subdivisions, regularly finance construction of local improvements (e.g., water and water distribution projects, sewer and waste water projects and related facilities, streets, curb and gutter and related requirements, boulevard, trees, flood protection, parking lots, parking ramps, garages and pedestrian skyway improvements) through the issuance of improvement warrants or bonds which may be refunded by the issuance of refunding improvement bonds. These obligations, issued as warrants or bonds, are payable primarily from special assessments levied upon properties benefited by the improvements. If the improvement is for sewer or water improvements or a parking facility, the Political Subdivision may pay a portion of the cost from the net revenues derived from the operation of the utility or project for which the improvement is constructed. Additionally, the Political Subdivision may finance a portion of the cost of an improvement not exceeding 20% of the cost with the levy of an ad valorem tax on all taxable property of the Political Subdivision. If special assessments collected or which are anticipated to be collected are insufficient (with any ad valorem taxes or utility revenues also pledged) to pay principal and interest when due on the improvement warrants (whether they have been refunded with bonds or not) issued with respect to that improvement, the Political Subdivision (which includes a county with respect to a recreation service district or an unincorporated rural area of a county) is obligated to levy, on all taxable property in the Political Subdivision, ad valorem taxes in an amount sufficient to make up the existing or anticipated deficiency.

Improvement warrants and improvement bonds issued pursuant to this authority do not constitute debt within the meaning of the constitutional limitation of indebtedness discussed above. There is no other constitutional or statutory limitation on the amount of indebtedness which may be incurred by issuance of improvement warrants and refunding improvement bonds. However, to the extent, if at all, the Political Subdivision agrees to pay a portion of the cost of an improvement from ad valorem taxes, that portion constitutes a debt and is subject to the limitation on indebtedness.

- (iii) A Political Subdivision authorized by law may issue its revenue bonds to construct or acquire an undertaking (e.g., a water supply, treatment and distribution system, a sewer or wastewater collection and treatment facility, a storm sewer, a facility for the generation, transmission and production of natural gas, electric lighting, heating or other power generating or distribution system, the operation of parking lots, trailer courts and other motor vehicle facilities, the purchase, acquisition, establishment and maintenance of a public transportation system, the purchase, acquisition, construction and maintenance of an airport and related facilities and the purchase, acquisition, construction and maintenance of a hospital). With only minor exceptions the revenue bonds may be issued by the governing body of the Political Subdivision without a vote of the electors.

The revenue bonds upon issuance do not constitute debt within the meaning of the debt limit described above, nor is there any other limit on the amount of such bonds which may be issued. The revenue bonds are secured by a pledge and authorization of the use of net revenues of the facility or utility for the payment of principal and interest. Additionally, many times the Political Subdivision provides for the establishment of a reserve for the security of the bonds, in an amount equal to the maximum amount of principal and interest to become due on such bonds in any full calendar year, to be funded from revenues from the facility or utility. Certain specially authorized Political Subdivisions may further secure the maintenance of the reserve by funding any deficiency

in the reserve with proceeds from the levy of an ad valorem property tax on all taxable property in the Political Subdivision.

- (iv) There are numerous special authorities established within Political Subdivisions such as counties and cities which can issue debt for various specific projects, facilities and undertakings, (e.g., rural fire protection districts, rural ambulance service districts, irrigation districts, water resource districts, airport and municipal airport authorities, municipal pipeline authorities, municipal power agencies, municipal steam heat authorities and special project authorities established jointly by two or more existing Political Subdivisions). Political Subdivisions can also issue project specific debt for certain purposes (e.g., wastewater and solid waste bonds, seed, feed and fuel obligations, asbestos removal bonds and county governmental function bonds). All of these special authorities and types of debt are specifically authorized in addition to the three previously described types of debt, but are payable as general obligation bonds from ad valorem irreparable tax levies on all taxable property within the Political Subdivision or specially constituted authority, or from special assessments levied upon property benefited by the improvement and with certain exceptions backed by a deficiency levy upon all taxable property within the Political Subdivision or authority, and from revenues and fees received through the operation of the project, program, utility or facility, or from a combination of any of the three previously mentioned methods of securing payment of principal and interest on the obligations.
- (v) Additionally, Political Subdivisions with proper authority under State law are able to acquire equipment or real property under a financing lease. A municipal lease financing is based upon the agreement of the Political Subdivision to make lease payments, which may be subject to annual renewal or termination at the option of the Political Subdivision. The lease payments are made from moneys appropriated annually from the Political Subdivision's general, operating or capital improvement funds in accordance with applicable state law governing budgeting and appropriation.

The ability of political subdivisions to engage in capital financing and to fund operations, including with respect to water and sewer utility systems, is subject to state law. Future legislation or ballot initiatives that change existing state law may affect the ability of political subdivisions to issue debt as described above and to fund repayment of debt as well as fund operations. For example there was a November 2024 election measure known as the North Dakota Prohibit Property Taxes Initiative that would have significantly altered the current system of funding local Political Subdivisions through property taxes. Although the currently outstanding Loans from the State Revolving Fund are not secured by a general obligation pledge payable from property taxes, Loans secured by improvement bonds or warrants may have a portion payable from property taxes. The North Dakota Prohibit Property Taxes Initiative is an example of the changes that could be made to current law.

Credit Review

The credit analysis procedures of the Authority include review of three general areas, with a different emphasis on certain factors within these areas depending on whether the Municipal Securities to be purchased are revenue, special assessment or general obligation debt instruments. All potential participants in an Authority program are reviewed by a special Advisory Committee, appointed by the Industrial Commission, for the purpose of making a recommendation to the Industrial Commission on the suitability of including a particular Political Subdivision in a financing.

The Authority's policies require that the Commission approve the purchase of any Municipal Securities in amounts over \$2,000,000 under the State Revolving Fund. Authority policy requires the Industrial Commission to conduct a review and comparison of the financing requested. The Authority asks the political subdivision to provide information on other financing options, if any, the political subdivision has already examined. The financing requested through the Authority financing program is compared to the same or a similar financing completed through other sources, including other available government financing programs.

Business Disruption Risks

General Risks

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Authority's ability to conduct its business. A prolonged disruption in the Authority's operations could have an adverse effect on the Authority's financial condition and results of operations. To plan for and mitigate the impact such an event may have on its operations, the Authority has developed a continuity of operations plan to allow the Authority to continue to conduct its essential processes and functions in the event of an emergency, recover any other processes and functions as quickly as possible, to the extent such processes and functions are lost, and facilitate the return to normal operating conditions as soon as practical based on the circumstances surrounding any given emergency. No assurances can be given that the Authority's efforts to mitigate the effects of an emergency or other event will be successful in preventing all disruptions to its operations in the event of an emergency.

Cybersecurity Risks

The Authority relies on a complex technology environment to conduct its operations. As a recipient and provider of private and sensitive information, the Authority faces multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware, phishing, business email compromise, and other attacks on computers and other sensitive digital networks, systems, and assets. Public finance entities have been targeted by outside third parties attempting to misappropriate assets or information or cause operational disruption and damage. Further, third parties, such as hosted solution providers, that provide services to the Authority, could also be a source of security risk in the event of a failure of their own security systems and infrastructure.

The Authority uses a layered cyber security defense approach that employs sound operational strategies and security technology solutions to secure against, detect, and mitigate the effects of cyber threats on its infrastructure and information assets. The State and the Authority conduct regular information security and privacy awareness training that is mandatory for all Authority staff and regularly conduct risk assessments and tests of the Authority's cybersecurity systems and infrastructure. The Authority's Executive Director leads the efforts of the Authority to keep its cyber assets secure.

Despite its efforts, no assurances can be given that the Authority's security and operational control measures will be successful in guarding against any and each cyber threat and attack, especially because the techniques used are increasingly sophisticated, change frequently, are complex, and are often not recognized until launched. To date, cyber-attacks have not had a material impact on the Authority's financial condition, results or business; however, the Authority is not able to predict the severity of future attacks. The results of any attack on the Authority's computer and information technology systems could impact its operations for an unknown period of time, damage the Authority's digital networks and systems, or damage the Authority's reputation, financial performance, and customer relationships. Such an attack could also result in litigation or regulatory investigations or actions, including regulatory actions by state and federal governmental authorities. The costs of remedying any such damage could be substantial and such damage to the Authority's reputation and relationships could adversely affect its ability to make loans and issue Bonds in the future.

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THE INDUSTRIAL COMMISSION OF NORTH DAKOTA

The State Legislature created the Industrial Commission in 1919 to conduct and manage, on behalf of the State, certain utilities, industries, enterprises and business projects established by State law. North Dakota law provides that the acts of the Industrial Commission constitute acts of the State functioning in its sovereign capacity. The members of the Industrial Commission are the Governor, the Attorney General and the Agriculture Commissioner and a quorum for the transaction of Industrial Commission business consists of the Governor and one additional member. The current Governor was sworn in on December 15, 2024. The Attorney General and Agriculture Commissioner were elected to their respective offices. The present members of the Industrial Commission are:

Kelly Armstrong, Governor
Drew H. Wrigley, Attorney General
Doug Goehring, Agriculture Commissioner

The utilities, industries, enterprises and business projects conducted and managed by the Industrial Commission include (in addition to the Authority): the Bank of North Dakota, the North Dakota Transmission Authority, the North Dakota Pipeline Authority, the State Mill and Elevator, the North Dakota Geological Survey, and the North Dakota Housing Finance Agency. Additionally, the Industrial Commission exercises regulatory authority through its Oil and Gas Division. The Industrial Commission is also responsible for administering the North Dakota Building Authority and the State's secondary market for student loans through its Student Loan Trust.

The Industrial Commission may employ staff or consultants and fix the salaries or conditions of such employment. Each State enterprise under the control of the Industrial Commission employs and is operated by a separate staff under the supervision of the Industrial Commission. The Attorney General of the State serves as the attorney for the Industrial Commission.

The Commission's mailing address is the Industrial Commission of North Dakota, State Capitol, 600 East Boulevard, Bismarck, North Dakota 58505, c/o Executive Director and its telephone number is (701) 328-3722.

The Authority Act provides that bonds of the Authority be authorized by resolution of the Industrial Commission. The Authority Act further authorizes the Industrial Commission to pledge assets of the Bank of North Dakota as security for the Authority's bonds. No such assets have been pledged to the Bonds.

NORTH DAKOTA STATE REVOLVING FUNDS

General

The Clean Water Program was created by the State in 1990 to implement provisions of the Clean Water Act. The Clean Water Act authorized the U.S. Environmental Protection Agency (the "EPA") to make Capitalization Grants to states for the purpose of establishing water pollution revolving funds to be used, among other things, in financing the construction of wastewater treatment facilities and certain other activities. The Clean Water State Revolving Fund created under the Clean Water Program satisfies the criteria of the Clean Water Act and entitles North Dakota to receive Capitalization Grants from the EPA for wastewater treatment facility construction and certain other activities. The Clean Water State Revolving Fund has been and may be funded with proceeds of Capitalization Grants from the EPA through the Automated Clearing House Payment System (see "Sources of Funds for Loans" herein), proceeds of Bonds issued by the Authority under the Master Trust Indenture, and loan repayments received pursuant to the Municipal Securities.

The Drinking Water Program was created by the State in 1997 to implement provisions of the Drinking Water Act. The Drinking Water Act authorized the EPA to make Capitalization Grants to states for the purpose of establishing drinking water revolving funds to be used, among other things, for improvements to public water systems which

facilitate compliance with national primary drinking water regulations and certain other activities. The Drinking Water State Revolving Fund created under the Drinking Water Program satisfies the criteria of the Drinking Water Act and entitles North Dakota to receive Capitalization Grants from the EPA for public water system projects and certain other activities. The Drinking Water State Revolving Fund has been and may be funded with proceeds of Capitalization Grants from the EPA through the Automated Clearing House Payment System, proceeds of Bonds issued by the Authority under the Master Trust Indenture, and loan repayments received pursuant to the Municipal Securities.

The Programs are jointly administered by the Authority and the Department under the respective Administrative Agreements. The Authority is responsible for reviewing and assessing the financial capacity of Borrowers in connection with Loan applications, arranging financing for Program activities and accounting for the Loans, their repayments and investment of Program funds. The Department is responsible for the ongoing operation of the Programs, monitoring construction progress of wastewater treatment and drinking water facilities financed by the Programs and evaluating Loan applications made by prospective Borrowers for compliance with requirements of the Clean Water Act, the Drinking Water Act, the CWSRF Act and the DWSRF Act.

Powers of Authority Under State Revolving Fund Programs

The Authority Act declares it to be the policy of the State to foster and promote the provision of adequate capital markets and facilities for borrowing money by political subdivisions for the financing of their respective public improvements. In pursuit of this policy, the State Revolving Fund Programs make funds available to political subdivisions and other entities eligible to receive a loan under the Authority Act, the CWSRF Act and the DWSRF Act at reduced interest costs.

The Authority Act limits entities which may participate in the Authority's programs. Eligible Borrowers include local governmental units created under state law for local governmental or other public purposes, certain state entities and member owned associations, or publicly owned and nonprofit corporations operating certain public water systems or other facilities or systems eligible for assistance under the CWSRF Act or the DWSRF Act.

Participation by a political subdivision in the Programs is entirely voluntary, and no political subdivision is required by law to sell its Municipal Securities to the Authority. Neither is the Authority required by law or contract to purchase any particular Municipal Securities.

The Authority Act limits the evidences of debt eligible for the Authority program to Municipal Securities, therein defined as bonds or evidences of debt issued by a political subdivision, but not including industrial development revenue bonds issued pursuant to the North Dakota Century Code Chapter 40-57, except for certain small issue bonds and certain exempt facility bonds issued to provide a facility for the furnishing of water, a wastewater facility, or a nonpoint pollution control facility.

The Authority Act requires that all Municipal Securities purchased and held by the Authority be in fully marketable form, therein defined as duly executed and accompanied by an approving legal opinion of counsel acceptable to the Authority or other purchasers of Municipal Securities.

The Authority Act requires that the Authority lend money to Borrowers only through purchasing such Municipal Securities as are in the opinion of the Counsel to the Authority appointed by the Attorney General of the State properly eligible for purchase by the Authority under the Authority Act.

The Authority is authorized to take applications from prospective Borrowers to participate in the State Revolving Fund Programs; to require such information in the application as the Executive Director of the Authority deems necessary or material; to consider the need and desirability of purchasing Municipal Securities issued by the applicant, the ability of such applicant to secure borrowed money from other sources and the cost thereof, and the particular public improvement or purpose to be financed by the Municipal Securities; to impose upon and collect charges from the applicant for its costs and services in review or consideration of any proposed purchase, whether or not such purchase is consummated; to accept or reject such application for any reason or for no reason; to negotiate and enter into

agreements with Borrowers respecting the purchase of Municipal Securities; and to fix any and all terms, conditions and provisions of any such purchase and of the Municipal Securities acquired.

Loan Review Process

The Department and the Authority will select Borrowers for loan eligibility in the Programs based upon each Borrower's need for new or improved wastewater treatment facilities, drinking water facility improvements or other eligible facilities, each Borrower's ability to commence construction of its facility within the time frame mandated by the Program, and each Borrower's ability to pledge a dedicated repayment source sufficient to repay the Loan and interest thereon. Applicants for financing under each Program will be reviewed annually and the Department will prepare an Intended Use Plan for each Program for each fiscal year identifying Borrowers which will be eligible for financing under the Programs.

The Authority has established credit underwriting standards (the "Credit Standards") for reviewing Borrowers eligible for Program financing. The Credit Standards include review of three general areas, with a different emphasis on certain factors within these areas depending upon the nature of the underlying security for the Municipal Securities to be issued. The Authority reserves the right to analyze prospective Borrowers on a case-by-case basis for compliance with the Credit Standards. The Authority also reserves the right to revise the Credit Standards without Bondholders' consent and to waive the Credit Standards applied to Borrowers applying for participation in each Program. For further information relating to the Credit Standards, refer to "The North Dakota Public Finance Authority - Credit Review" herein.

Loans

The Authority and each Borrower obtaining a Loan under the State Revolving Fund Programs will enter into a Loan Agreement wherein the Authority agrees to purchase certain Municipal Securities and the Borrowers agree to pay certain costs, and to comply with certain covenants with respect to the Municipal Securities. Pursuant to the Loan Agreements the Authority will agree to purchase specified Municipal Securities, and the Borrowers will agree to pay certain amounts, including administrative fees, as long as the Authority is the owner of the Municipal Securities. The Loan Agreements also may contain certain covenants relating to the tax-exempt status of interest on the Municipal Securities and the provision of annual or biennial audited financial statements of the Borrowers.

The Programs provide for Loans to be made from the State Revolving Funds at or below market interest rates for a term of up to 30 years depending upon the useful life of the project financed. All Loans must be repaid from a dedicated source of revenue. The interest rate on the Loans may vary. Loans previously made under the Program bear interest at rates between 0.5% and 3.5% per annum.

Each Borrower receiving a Loan will be required to enter into a Loan Agreement with the Authority obligating the Borrower to repay the Loan and interest thereon and pay an administrative fee in addition to interest, which administrative fee is currently one-half of one percent annually on the outstanding Loan balance. The Borrowers will evidence their obligations under the Loan Agreements by issuing Municipal Securities which are generally sewer or water revenue obligations, reserve revenue obligations (as hereinafter described) or special assessment obligations which will be purchased by the Authority. Any Loan Agreement relating to Municipal Securities which are payable solely from a Borrower's sewer or water revenues will require that such Borrower maintain sewer or water rates which produce annual net sewer or water revenues after expenses equal to a percentage subject to IC approval of the Borrower's debt service obligations under the Municipal Securities and under any other sewer or water utility debt ranking on a parity with the Municipal Securities. Such rate covenant will not apply to a Borrower whose Loan is secured by a general obligation pledge or special assessments or to reserve revenue obligations which may be issued by certain home rule cities under which such cities pledge their taxing powers to maintain a reserve for the obligations. There is no assurance that the Borrowers will pay principal of and interest on the Loans when due. Most of the Loans purchased under the Programs are expected to be revenue obligations payable solely from the net revenues of particular municipal sewer or water systems or special assessment obligations payable from assessments levied against the benefited real property. Most of the Loans are not directly payable from tax levies. Since the inception of the State Revolving Fund Programs, no payment of loan principal or interest to the Authority has ever been delinquent.

In the case of Loans to Borrowers which are not governmental units, the form of required security will be based on various considerations, including the form of security required by other lenders on loans to such Borrowers, the nature of the Borrowers' unencumbered assets and other factors. It is generally expected that the Loans will be secured by a mortgage or security interest in some portion of such Borrowers' systems or systems revenues. Currently, all Borrowers are governmental units.

As of February 28, 2026, the total authorized principal amount of outstanding closed loans under the Programs is \$1,437,136,795, while the total amount of Loans approved but not closed under the Programs was \$113,627,000. The grand total of all closed and approved Loans is \$1,550,763,795. For detailed information regarding closed and approved Loans, see Appendix B – "Clean Water and Drinking Water SRF Loans." The Authority expects, but is not required, to enter into a Loan Agreement with each Borrower listed in the tables in Appendix B.

Additional Loans

The Department has identified additional qualified projects in its Intended Use Plan for each State Revolving Fund Program. The Authority anticipates making loans in the future to Borrowers shown in the Intended Use Plans and to other Borrowers which have not yet been identified. Prospective Borrowers identified here and in the Intended Use Plan have contacted the Department and/or the Authority with respect to possible Loans but are not obligated to take and have not been approved for Loans.

Sources of Funds for Loans

The Master Trust Indenture establishes three accounts within the Loan Fund for each State Revolving Fund for making Loans to Borrowers: the State Match Loan Account, the Federally Capitalized Loan Account and the Leveraged Loan Account. Under applicable EPA regulations, the State of North Dakota is required to provide a match equal to 20% of the amount of the Capitalization Grants, which match funds consist of proceeds of the State Match Portion of Bonds issued for that purpose and are deposited in the State Match Loan Account. The Federally Capitalized Loan Accounts will consist of (1) proceeds of draws under the EPA Automated Clearing House Payment System (the "EPA-ACH") which are not deposited in the Reserve Funds, (2) any transfers from the Restricted Reserve Accounts of the Reserve Funds and (3) any other available funds transferred to originate Loan draws. The Leveraged Loan Accounts are funded from the proceeds of any Bonds issued for that purpose. Loans to Borrowers can be made from any available funds in the State Match Loan Account, the Leveraged Loan Account or the Federally Capitalized Loan Account of each State Revolving Fund in such proportions as the Authority may determine. For future Loans, the relative proportions in which Loans are made from Bond and Capitalization Grant proceeds will depend primarily on the Department's estimate of the availability of future Capitalization Grants, the funding needs of the Programs and the rate of interest at which the Loans are to be made.

The Capitalization Grants will be paid to the Department through the EPA-ACH. The EPA-ACH provides the Department with the ability to draw monies periodically for purposes permitted under the Clean Water Act and Drinking Water Act as eligible costs of projects funded under the Programs are incurred subject to the limits of the Capitalization Grant. The Authority, under the terms of the Administrative Agreements, has pledged the proceeds of draws on the EPA-ACH to the Trustee under the Master Trust Indenture. Such proceeds may be deposited either in the Federally Capitalized Loan Account of the Loan Fund or the Restricted Reserve Account of the Reserve Fund of each State Revolving Fund, as determined by the Authority.

The Authority will deposit monies received from Capitalization Grants for the Clean Water SRF and monies received from Capitalization Grants for the Drinking Water SRF in the Federally Capitalized Loan Account of each Loan Fund. Amounts in the Federally Capitalized Loan Accounts are expected to be used from time to time to make additional Loans to qualified Borrowers.

Clean Water and Drinking Water SRF Capitalization Grants

Table 1 below presents the Capitalization Grants for federal fiscal years 1989 through 2026 (information as of February 28, 2026).

Table 1
Capitalization Grants

Federal Fiscal Year	Clean Water SRF			Drinking Water SRF		
	Grant Award Amount ⁽¹⁾	Amount of Grant Drawn	Amount of Grant to Be Drawn	Grant Award Amount ⁽¹⁾	Amount of Grant Drawn	Amount of Grant to Be Drawn
1989	\$ 4,577,200	\$ 4,577,200	\$ --	\$ --	\$ --	\$ --
1990	4,738,000	4,738,000	--	--	--	--
1991	10,074,800	10,074,800	--	--	--	--
1992	9,534,900	9,534,900	--	--	--	--
1993	9,431,000	9,431,000	--	--	--	--
1994	5,813,800	5,813,800	--	--	--	--
1995	6,007,800	6,007,800	--	--	--	--
1996	9,904,700	9,904,700	--	--	--	--
1997	2,990,500	2,990,500	--	12,558,800	12,558,800	--
1998	6,577,300	6,577,300	--	7,121,300	7,121,300	--
1999	6,577,900	6,577,900	--	7,463,800	7,463,800	--
2000	6,555,200	6,555,200	--	7,757,000	7,757,000	--
2001	6,496,100	6,496,100	--	7,789,100 ⁽³⁾	7,789,100	--
2002	6,510,800	6,510,800	--	8,052,500 ⁽⁴⁾	8,052,500	--
2003	6,467,800	6,467,800	--	8,004,100	8,004,100	--
2004	6,471,800	6,471,800	--	8,303,100	8,303,100	--
2005	5,243,500	5,243,500	--	8,285,500	8,285,500	--
2006	4,724,750	4,724,750	--	8,228,900	8,228,900	--
2007	4,724,750	4,724,750	--	8,229,000	8,229,000	--
2008	3,274,300	3,274,300	--	8,146,000	8,146,000	--
2009	3,274,300	3,274,300	--	8,146,000	8,146,000	--
ARRA	16,639,100 ⁽²⁾	16,639,100	--	22,100,000	22,100,000	--
2010	10,002,000	10,002,000	--	13,573,000	13,573,000	--
2011	7,222,000	7,222,000	--	9,418,000	9,418,000	--
2012	6,908,000	6,908,000	--	8,975,000	8,975,000	--
2013	6,520,000	6,520,000	--	8,421,000	8,421,000	--
2014	6,853,000	6,853,000	--	8,845,000	8,845,000	--
2015	6,817,000	6,817,000	--	8,787,000	8,787,000	--
2016	6,525,000	6,525,000	--	8,312,000	8,312,000	--
2017	6,474,000	6,474,000	--	8,241,000	8,241,000	--
2018	7,859,000	7,859,000	--	11,107,000	11,107,000	--
2019	7,779,000	7,779,000	--	11,103,000	11,103,000	--
2020	7,780,000	7,780,000	--	11,011,000	11,011,000	--
2021	7,779,000	7,779,000	--	11,100,000	11,100,000	--
2022	14,878,000	14,878,000	--	63,823,000	41,437,507	22,385,493
2023	14,959,000	14,959,000	--	67,947,000	37,776,901	30,170,099
2024	16,215,000	16,215,000	--	69,797,000	32,093,066	37,703,934
2025	20,979,000	20,979,000	--	72,094,000	29,137,513	42,956,487
2026	<u>16,644,000⁽⁵⁾</u>	<u>--</u>	<u>16,644,000</u>	<u>36,370,000⁽⁶⁾</u>	<u>--</u>	<u>36,370,000</u>
Total	<u>\$318,803,300</u>	<u>\$302,159,300</u>	<u>\$16,644,000</u>	<u>\$559,109,100</u>	<u>\$389,523,087</u>	<u>\$169,586,013</u>

(1) Gross amount of award.

(2) \$2,600,000 was transferred to the Drinking Water SRF.

(3) \$602,933 was transferred to the Clean Water SRF.

(4) \$7,730,400 was transferred to the Clean Water SRF.

(5) Allotment amount that was applied for.

(6) Anticipated allotment amount. Lead Service Line Capitalization Grant is not available yet.

The Drinking Water Act allows up to 33% of the amount of a state’s annual Capitalization Grant and corresponding State Match for drinking water to be transferred at the direction of the Governor to a state’s clean water revolving fund, or an equivalent dollar amount to be transferred from a state’s clean water revolving fund to a state’s drinking water revolving fund. The Master Trust Indenture authorizes the transfer of certain surplus funds from one State Revolving Fund to the other, subject to applicable limits and EPA approval. As of February 28, 2026, the Authority had transferred a net amount of \$2,609,831 of surplus Clean Water SRF funds to the Drinking Water SRF, and it is expected that additional similar transfers may be made. These transfers have afforded the Clean Water SRF and Drinking Water SRF greater flexibility in the administration of funds.

The Drinking Water Act also permits set-asides of portions of the Capitalization Grants for specific purposes such as program management, technical assistance and other activities, up to an aggregate maximum of 33% of each annual Capitalization Grant. Such set-asides would reduce the Capitalization Grants available for Loans under the Drinking Water Program and are not pledged to the Bonds.

Current Account Balances

The Master Trust Indenture requires the Authority to have audited financial statements for each fiscal year ending December 31 prepared and on file on or before April 1 of each year. The audited financial statements of the Authority for the year ended December 31, 2025 is incorporated herein by reference to the following website link on the Authority’s website: www.pfa.nd.gov/sites/default/files/documents/NDPFA%202025.pdf

Unaudited fund balances for the Clean Water and Drinking Water SRF Programs as of February 28, 2026 are as follows:

Table 2
Unaudited Fund Balances
(As of February 28, 2026)

<u>Fund</u>	<u>Clean Water</u>	<u>Drinking Water</u>
Loan Fund:		
Federally Capitalized Loan Account	\$ 1,622	\$ --
State Match Loan Account	--	750,001
Leveraged Loan Account	--	--
Loans Receivable	659,256,510	418,486,821
Revenue Fund:		
Unrestricted Revenue Account	991,243	2,052,140
Restricted Revenue Account	11,697,833	4,719,052
Unrestricted Cumulative Excess Revenue Account	93,300	4,493,443
Restricted Cumulative Excess Revenue Account	<u>20,247,330</u>	<u>50,185,672</u>
Total	<u>\$692,287,838</u>	<u>\$480,687,129</u>

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PLAN OF FINANCE

The Series 2026A Bonds are being issued pursuant to the CWSRF Act, the DWSRF Act, the Authority Act, the Master Trust Indenture and the 2026 Series Resolution.

Proceeds of the Series 2026A Bonds will be used by the Authority to (a) make loans to political subdivisions of the State of North Dakota and certain other entities (the “Borrowers”) through the purchase of certain obligations issued by such Borrowers for use in connection with the financing or refinancing of water pollution control and drinking water projects, as described herein, (b) reimburse certain accounts previously used to make such loans, and (c) pay costs of issuance related to the Series 2026A Bonds.

SOURCES AND USES OF FUNDS

The following is a summary of the estimated sources and uses of funds available from the proceeds of the Series 2026A Bonds:

Table 4

	<u>Clean Water</u>	<u>Drinking Water</u>	<u>Total</u>
	<u>SRF</u>	<u>SRF</u>	
<u>Sources:</u>			
Par Amount			
Net Original Issue Premium/(Discount)			
Total Sources of Funds			
<u>Uses:</u>			
Deposit to Loan Accounts			
Costs of Issuance			
Underwriter’s Discount			
Total Uses of Funds			

The Master Trust Indenture provides that the Executive Director may, at any time within three years after issuance and before all Series 2026A Bond proceeds have been expended, reallocate Bond proceeds among the Funds and Accounts.

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SOURCES OF PAYMENT AND SECURITY

General

The principal sources of payment and security for the Bonds are the revenues derived from payments of principal of and interest on the Municipal Securities evidencing the Loans made with Capitalization Grants and proceeds of the sale of Bonds, amounts on deposit in certain funds and accounts established under the Master Trust Indenture and earnings thereon.

The Series 2026A Bonds are issued on parity with the Clean Water Portion, the Drinking Water Portion and all other Bonds to be issued by the Authority under the Master Trust Indenture (except for limited sources of payment available for the Clean Water State Match Portion and the Drinking Water State Match Portion). They are not in any way a debt or liability of the State of North Dakota, the Industrial Commission or any political subdivision of the State. **The Series 2026A Bonds are obligations of the Authority and, although payable from any legally available monies of the Authority, the Authority has no taxing power and no significant assets available other than the funds and accounts specifically pledged to the Bonds under the Master Trust Indenture.**

The Series 2026A Bonds and all other Bonds issued under the Master Trust Indenture will be payable from and secured by:

1. Revenues from, and the Authority's interest in, Municipal Securities purchased under the Programs;
2. A first lien on the pledge of the monies, securities and investments in the Bond Funds, the Revenue Funds, the Administration Funds and the Loan Funds created and maintained under the Master Trust Indenture for the Clean Water SRF and Drinking Water SRF; and
3. Any other legally available funds of the Authority.

To the extent such sources may be applied to particular portions of the debt service under the Master Trust Indenture, the Master Trust Indenture provides that moneys in any fund, account or subaccount therein relating to the Clean Water SRF shall be held separate and apart from moneys in any fund, account or subaccount therein relating to the Drinking Water SRF. To accomplish this, separate accounts and subaccounts in the various funds are maintained for Clean Water SRF moneys and Drinking Water SRF moneys. See "SOURCES OF PAYMENT AND SECURITY - Relationship Between Monies Held in Clean Water SRF and Drinking Water SRF."

Only interest earnings and interest payments on the Municipal Securities may be used for the payment of the State Match Portions.

Revenues and Other Available Monies

The Master Trust Indenture provides that all payments of principal of the Municipal Securities evidencing Clean Water SRF Loans shall be deposited in the Restricted Revenue Account of the Clean Water Revenue Fund and that all payments of principal of the Municipal Securities evidencing Drinking Water SRF Loans shall be deposited in the Restricted Revenue Account of the Drinking Water Revenue Fund. Amounts in the Restricted Revenue Accounts are transferred as necessary to the Leveraged Bond Accounts of the Clean Water Bond Fund and Drinking Water Bond Fund, respectively, and applied to the payment of the Leveraged Portions of debt service on the Bonds on each payment date.

The Master Trust Indenture provides that all payments of interest on the Municipal Securities evidencing Clean Water SRF Loans shall be deposited in the Unrestricted Revenue Account of the Clean Water Revenue Fund and that all payments of interest on the Municipal Securities evidencing Drinking Water SRF Loans shall be deposited in the Unrestricted Revenue Account of the Drinking Water Revenue Fund. Amounts in the Unrestricted Revenue Accounts are transferred as necessary to the State Match Bond Accounts of the Clean Water Bond Fund and Drinking Water Bond Fund, respectively, and applied to the payment of the State Match Portions of debt service on the Bonds on each

payment date and may also be transferred, if necessary, to the Leveraged Bond Accounts in order to pay any part of the Leveraged Portions of debt service on the Bonds which is not provided by transfers from the Restricted Revenue Accounts.

Investment earnings on all funds and accounts under the Clean Water SRF may be transferred to the Unrestricted Revenue Account of the Clean Water Revenue Fund at the direction of the Authority and investment earnings on all funds and accounts under the Drinking Water SRF may be transferred to the Unrestricted Revenue Account of the Drinking Water Revenue Fund at the direction of the Authority.

Funds are retained within the proper account of either Revenue Fund until an amount equal to one-half of the principal payable in the next six-month period is accumulated.

Tables 5 and 6 below set forth the estimated revenues and debt service of the Programs as of the issuance of the Series 2026A Bonds. The tables are based upon the assumptions set forth in the footnotes presented below each respective table. While the Authority believes that these assumptions are reasonable, there can be no assurance that actual amounts received or coverage will equal the amounts set forth in the tables and the variations may be material. The tables do not take into consideration prospective defaults on existing Loans, the issuance of additional Bonds, the making of additional Loans (other than those expected to be made with the proceeds of Outstanding Bonds), a default in any investment, investment losses, changes in investment income available upon reinvestment, or other factors.

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Table 5
Clean Water State Revolving Fund Financial Position
Projected Coverage*

<u>Payment Date</u>	<u>State Match Debt Service</u>	<u>Bond Repayments</u>	<u>Loan Interest Repayments</u>	<u>Interest Earnings⁽¹⁾</u>	<u>State Match Coverage</u>	<u>Leveraged Bond Debt Service</u>	<u>Available for Leveraged Bonds⁽²⁾</u>	<u>Loan Principal Repayments⁽³⁾</u>	<u>Leveraged Loan Coverage⁽⁴⁾</u>	<u>Total Bond Debt Service</u>	<u>Total Receipts</u>	<u>Total Coverage</u>
2026	\$ 1,508,600	\$13,284,199	\$ 740,868		9.30x	\$24,242,383	\$43,139,950	\$30,623,483	1.78x	\$25,750,983	\$44,648,550	1.73x
2027	1,500,550	13,424,857	867,314		9.52x	30,997,450	50,149,372	37,357,750	1.62x	32,498,000	51,649,922	1.59x
2028	1,500,600	12,735,571	945,002		9.12x	35,487,450	49,734,953	37,554,980	1.40x	36,988,050	51,235,553	1.39x
2029	1,198,250	12,054,126	1,003,575		10.90x	38,430,950	54,741,451	42,882,000	1.42x	39,629,200	55,939,701	1.41x
2030	1,195,500	11,295,426	1,070,773		10.34x	36,737,700	49,978,700	38,808,000	1.36x	37,933,200	51,174,200	1.35x
2031	1,200,750	10,638,816	1,125,622		9.80x	36,710,200	49,409,689	38,846,000	1.35x	37,910,950	50,610,439	1.33x
2032	958,500	9,987,046	1,178,397		11.65x	35,981,950	49,572,943	39,366,000	1.38x	36,940,450	50,531,443	1.37x
2033	956,000	9,328,611	1,234,742		11.05x	33,316,300	46,444,354	36,837,000	1.39x	34,272,300	47,400,354	1.38x
2034	961,750	8,720,041	1,289,067		10.41x	32,709,850	43,187,359	34,140,000	1.32x	33,671,600	44,149,109	1.31x
2035	960,250	8,153,312	1,332,819		9.88x	31,133,800	40,481,881	31,956,000	1.30x	32,094,050	41,442,131	1.29x
2036	341,750	7,632,586	1,371,987		26.35x	28,791,000	40,464,824	31,802,000	1.41x	29,132,750	40,806,574	1.40x
2037	342,000	7,117,346	1,420,312		24.96x	28,781,400	40,075,658	31,880,000	1.39x	29,123,400	40,417,658	1.39x
2038	346,500	6,600,826	1,467,198		23.28x	24,437,050	33,248,524	25,527,000	1.36x	24,783,550	33,595,024	1.36x
2039	--	6,212,051	1,503,802		--	25,342,700	33,359,854	25,644,000	1.32x	25,342,700	33,359,854	1.32x
2040	--	5,821,391	1,537,387		--	25,344,650	33,506,778	26,148,000	1.32x	25,344,650	33,506,778	1.32x
2041	--	5,423,021	1,571,626		--	23,399,150	32,740,648	25,746,000	1.40x	23,399,150	32,740,648	1.40x
2042	--	5,030,531	1,610,467		--	23,771,750	32,627,999	25,987,000	1.37x	23,771,750	32,627,999	1.37x
2043	--	4,634,276	1,647,508		--	23,773,750	32,615,785	26,334,000	1.37x	23,773,750	32,615,785	1.37x
2044	--	4,232,641	1,684,573		--	23,770,250	32,749,215	26,832,000	1.38x	23,770,250	32,749,215	1.38x
2045	--	3,823,356	1,722,271		--	12,614,500	29,753,627	24,208,000	2.36x	12,614,500	29,753,627	2.36x
2046	--	3,453,281	1,791,582		--	12,797,000	28,535,864	23,291,000	2.23x	12,797,000	28,535,864	2.23x
2047	--	3,101,266	1,855,349		--	12,181,500	27,193,615	22,237,000	2.23x	12,181,500	27,193,615	2.23x
2048	--	2,767,711	1,916,187		--	12,181,500	27,116,996	22,433,097	2.23x	12,181,500	27,116,996	2.23x
2049	--	2,431,215	1,976,759		--	12,181,750	25,861,974	21,454,000	2.12x	12,181,750	25,861,974	2.12x
2050	--	2,109,405	2,032,350		--	12,181,250	25,784,755	21,643,000	2.12x	12,181,250	25,784,755	2.12x
2051	--	1,784,760	2,087,679		--	12,179,000	25,752,439	21,880,000	2.11x	12,179,000	25,752,439	2.11x
2052	--	1,456,560	2,142,933		--	12,179,000	25,049,493	21,450,000	2.06x	12,179,000	25,049,493	2.06x
2053	--	1,134,810	2,195,423		--	12,180,000	25,130,233	21,800,000	2.06x	12,180,000	25,130,233	2.06x
2054	--	807,810	2,248,282		--	12,180,750	24,827,092	21,771,000	2.04x	12,180,750	24,827,092	2.04x
2055	--	481,245	2,299,979		--	10,710,000	22,143,224	19,362,000	2.07x	10,710,000	22,143,224	2.07x

(1) Interest earnings assumed at 0.20%. Current investments include treasury bonds and notes, other debt instruments guaranteed by U.S. government agencies, money market funds, certificates of deposit, commercial paper, and corporate notes. For a full description of allowable investments, see "Appendix C – Summary of Certain Provisions of the Master Trust Indenture" herein.

(2) Includes Loan Interest Repayments and Interest Earnings less State Match Bond Debt Service.

(3) Consists of approved loans as of February 28, 2026.

(4) Amounts invested in the Federally Capitalized Loan Account are not included in the coverage computation.

* Preliminary, subject to change.

Table 6
Drinking Water State Revolving Fund Financial Position
Projected Coverage*

Payment Date	State Match Bond Debt Service	Loan Interest Repayments	Interest Earnings ⁽¹⁾	State Match Coverage	Leveraged Bond Debt Service	Available for Leveraged Bonds ⁽²⁾	Loan Principal Repayments ⁽³⁾	Leveraged Loan Coverage ⁽⁴⁾	Total Bond Debt Service	Total Receipts	Total Coverage
2026	\$3,407,550	\$7,588,295	\$ 318,716	2.32x	\$10,218,942	\$27,880,095	\$23,380,633	2.73x	\$13,626,492	\$31,287,645	2.30x
2027	3,408,450	7,532,598	407,428	2.33x	11,644,150	28,019,916	23,488,340	2.41x	15,052,600	31,428,366	2.09x
2028	3,404,600	7,140,881	473,623	2.24x	11,643,100	27,546,153	23,336,250	2.37x	15,047,700	30,950,753	2.06x
2029	2,795,950	6,758,734	537,961	2.61x	10,480,250	26,934,564	22,433,819	2.57x	13,276,200	29,730,514	2.24x
2030	2,796,450	6,399,708	604,446	2.50x	10,481,250	26,201,509	21,993,805	2.50x	13,277,700	28,997,959	2.18x
2031	2,807,450	6,054,967	668,028	2.39x	10,480,500	25,006,735	21,091,190	2.39x	13,287,950	27,814,185	2.09x
2032	2,558,200	5,729,081	726,870	2.52x	8,032,250	24,845,000	20,947,250	3.09x	10,590,450	27,403,200	2.59x
2033	2,562,050	5,414,469	794,649	2.42x	8,033,000	24,462,069	20,815,000	3.05x	10,595,050	27,024,119	2.55x
2034	2,557,100	5,104,129	860,921	2.33x	8,030,500	24,332,950	20,925,000	3.03x	10,587,600	26,890,050	2.54x
2035	2,563,550	4,793,539	926,713	2.23x	8,034,250	23,464,202	20,307,500	2.92x	10,597,800	26,027,752	2.46x
2036	1,910,750	4,498,369	989,045	2.87x	8,033,250	23,511,664	19,935,000	2.93x	9,944,000	25,422,414	2.56x
2037	1,911,400	4,212,644	1,051,601	2.75x	8,032,000	23,604,845	20,252,000	2.94x	9,943,400	25,516,245	2.57x
2038	1,914,300	3,922,544	1,114,567	2.63x	8,039,750	23,113,811	19,991,000	2.87x	9,954,050	25,028,111	2.51x
2039	1,569,200	3,636,384	1,175,572	3.07x	1,840,250	23,036,006	19,793,250	12.52x	3,409,450	24,605,206	7.22x
2040	1,568,400	3,353,261	1,260,480	2.94x	1,843,000	22,723,340	19,678,000	12.33x	3,411,400	24,291,740	7.12x
2041	1,570,400	3,071,886	1,344,132	2.81x	1,842,500	22,444,317	19,598,700	12.18x	3,412,900	24,014,717	7.04x
2042	--	2,791,820	1,426,677	--	1,843,750	23,228,497	19,010,000	12.60x	1,843,750	23,228,497	12.60x
2043	--	2,520,535	1,512,360	--	1,841,500	23,321,895	19,289,000	12.66x	1,841,500	23,321,895	12.66x
2044	--	2,245,055	1,598,433	--	1,840,750	23,091,488	19,248,000	12.54x	1,840,750	23,091,488	12.54x
2045	--	1,969,865	1,683,595	--	1,841,250	22,711,460	19,058,000	12.33x	1,841,250	22,711,460	12.33x
2046	--	1,697,650	1,767,243	--	1,842,750	22,284,893	18,820,000	12.09x	1,842,750	22,284,893	12.09x

(1) Interest earnings assumed at 0.20%. Current investments include treasury bonds and notes, other debt instruments guaranteed by U.S. government agencies, money market funds, certificates of deposit, commercial paper, and corporate notes. For a full description of allowable investments, see "Appendix C – Summary of Certain Provisions of the Master Trust Indenture" herein.

(2) Includes Loan Interest Repayments and Interest Earnings less State Match Bond Debt Service.

(3) Consists of approved loans as of February 28, 2026

(4) Amounts invested in the Federally Capitalized Loan Account are not included in the coverage computation.

* Preliminary, subject to change.

Limited Sources for Payment of State Match Portions

Under the Master Trust Indenture, each payment of principal of and interest on the Clean Water and Drinking Water Portions of debt service on the Bonds is divided between a State Match Portion and a Leveraged Portion. The State Match Portions are payable only from interest on Municipal Securities and any investment income earned on amounts on deposit in the various Funds and Accounts established under the Master Trust Indenture which are not required to be maintained therein or otherwise transferred under the terms of the Master Trust Indenture. Circumstances could arise under which sufficient funds are not available for payment in full of the State Match Portions of principal of and interest on the Bonds even though the aggregate amounts on deposit in the respective Funds and Accounts exceed the total amount of principal of and interest due on the respective Bonds. See “Appendix C - Summary of Certain Provisions of the Master Trust Indenture” herein.

No Acceleration

The remedies available to the holders of the Series 2026A Bonds do not include a right of acceleration in the event of a default under the Master Trust Indenture.

Additional Bonds

Pursuant to the provisions of the Master Trust Indenture, additional Bonds may be issued on a parity with the Series 2026A Bonds, the Outstanding Clean Water Bonds or Outstanding Drinking Water Bonds (except in the case of refunding Bonds issued to pay principal or interest on Bonds for the payment of which sufficient funds are not expected to be available) if certain conditions are met including, but not limited to, the following: (a) a Coverage Certificate with supporting schedules, estimating that, as of each Bond Payment Date, (i) if the Bonds to be issued include a Drinking Water Portion, Projected Drinking Water Revenues available to be deposited in both the Leveraged Bond Account and the State Match Bond Account of the Drinking Water Bond Fund will be sufficient to pay respectively the State Match Portion and the Leveraged Portion of the Drinking Water Portion of principal and interest due on each Bond Payment Date on all Bonds then Outstanding (except Bonds and interest thereon refunded from the proceeds of the Bonds to be issued) and the Drinking Water Portion of principal and interest on the Bonds to be issued, and (ii) if the Bonds to be issued include a Clean Water Portion, Projected Clean Water Revenues available to be deposited in both the Leveraged Bond Account and the State Match Bond Account of the Clean Water Bond Fund will be sufficient to pay respectively the State Match Portion and the Leveraged Portion of the Clean Water Portions of principal and interest due on each Bond Payment Date on all Bonds then Outstanding (except the Clean Water Portions of the Bonds and interest thereon refunded from the proceeds of the Bonds to be issued) and the Clean Water Portion of principal and interest on the Bonds to be issued, and (b) a Coverage Certificate, with supporting schedules, estimating that, during each year that the Bonds to be issued are scheduled to be Outstanding, (i) if the Bonds to be issued include a Drinking Water Portion, Projected Drinking Water Revenue will be at least 120% of the Drinking Water Portion of principal and interest due in each such year on all then Outstanding and to be issued Bonds and (ii) if the Bonds to be issued include a Clean Water Portion, Projected Clean Water Revenue will be at least 120% of the Clean Water Portion of principal and interest due in each such year on all then Outstanding and to be issued Bonds. “Projected Clean Water Revenue” and “Projected Drinking Water Revenue” as of the date of a Coverage Certificate, means (i) the scheduled principal and interest payments on all Clean Water Municipal Securities or Drinking Water Municipal Securities, as the case may be, held by the Trustee or required to be delivered to the Trustee pursuant to a Loan Agreement, except payments of principal and interest on Municipal Securities which (a) are then in Default in the payment of principal or interest or (b) failed to meet the Credit Standards in effect at the time the Municipal Securities were acquired and, if a revenue obligation payable from net revenues of a utility, also failed to meet the coverage requirement of the applicable Credit Standards during both of the last two complete fiscal years, and (ii) the amount which the Executive Director estimates will be received on investments of all other amounts then held or expected to be deposited in any Clean Water fund or account or Drinking Water fund or account, as the case may be, under the Master Trust Indenture, including amounts which are reasonably expected to be drawn under the EPA-ACH.

Unknown Future Participants and Credit Standard Changes

The Master Trust Indenture is an “open indenture” which authorizes the issuance of additional Bonds and lending the proceeds thereof and other funds to Borrowers to be identified in the future. The Authority expects to make additional Loans in amounts and at interest rates which have not yet been determined and whose credit quality cannot be predicted. The Credit Standards may be changed or waived at the discretion of the Authority and the Industrial Commission. See “NORTH DAKOTA STATE REVOLVING FUNDS – *Loan Review Process*.”

Relationship Between Monies Held in Clean Water SRF and Drinking Water SRF

In the event on any Bond Payment Date amounts available in the funds and accounts with respect to either the Clean Water SRF or the Drinking Water SRF are insufficient to pay their respective portion of principal of or interest on Bonds then due and payable, the Trustee shall transfer to the deficient Bond Fund an amount sufficient to remedy such deficiency from the following sources in the following order:

- a) First, from any funds on deposit in the Restricted Cumulative Excess Subaccount of the Revenue Fund of the other SRF to the extent necessary, together with other funds available, to pay the deficient Leveraged Portion of principal and interest on Bonds then due.
- b) Second, from the Unrestricted Cumulative Excess Subaccount of the Revenue Fund of the other SRF to the extent necessary, together with other funds available, to pay the deficient State Match Portion of principal and interest on Bonds then due.
- c) Third, from Excess Unrestricted Revenues of the other SRF.

The “Excess Unrestricted Revenues” of a State Revolving Fund are any amounts on deposit in the Unrestricted Cumulative Excess Subaccount and any investment income earned on various Funds and Accounts which is not required to be maintained therein or otherwise transferred under the Master Trust Indenture.

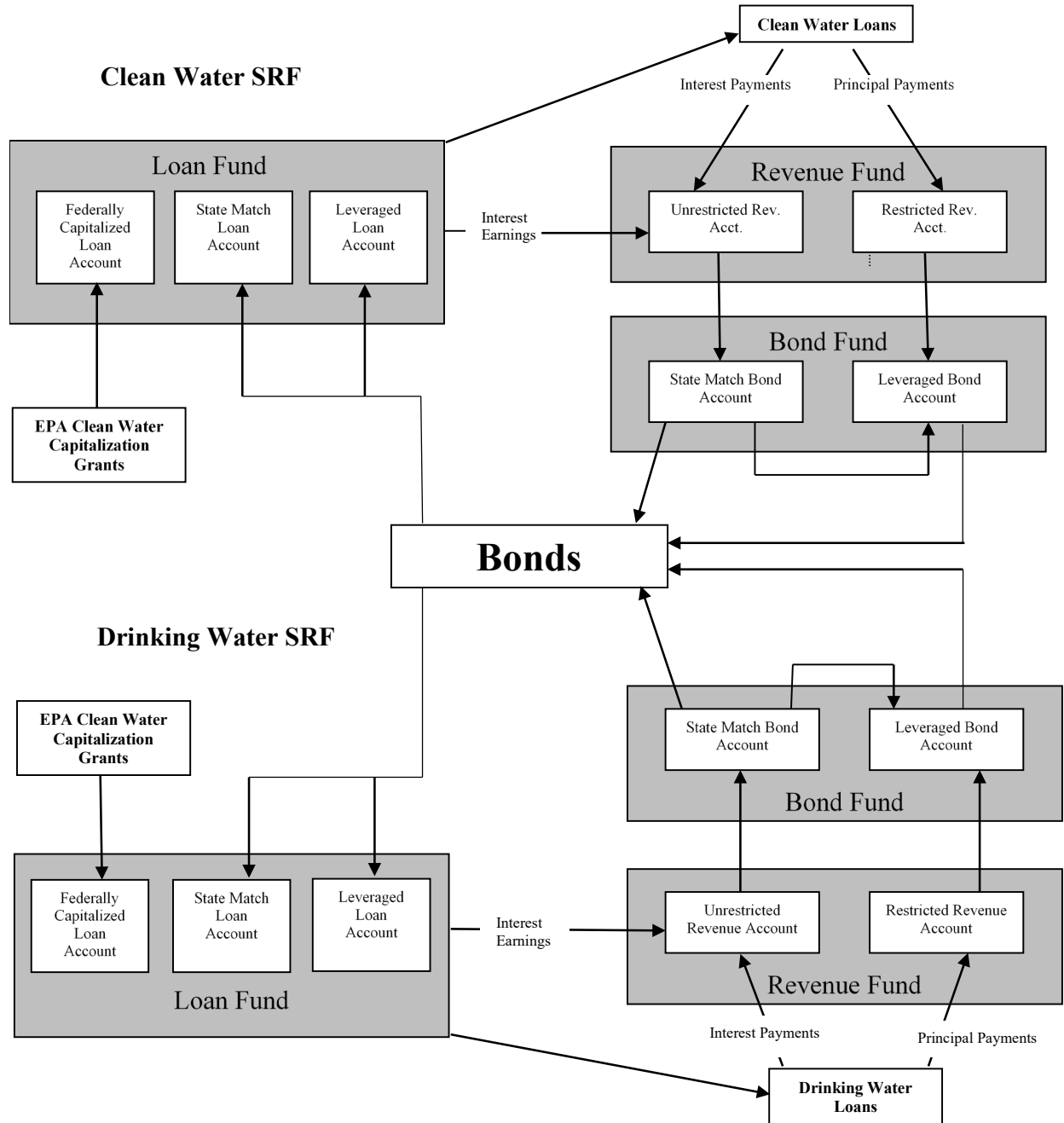
In the event funds are at any time transferred from one State Revolving Fund to the other, the State Revolving Fund from which the transfer was made shall reimburse to such State Revolving Fund the amounts so advanced, on a basis subordinate to the payments of debt service obligations of the State Revolving Fund from which the transfer was made. Such reimbursement shall be made only from funds on deposit in the Restricted Cumulative Excess Subaccount or the Unrestricted Cumulative Excess Subaccount, and from other Excess Unrestricted Revenues of the State Revolving Fund which received the transferred funds.

In addition to the foregoing, balances in the Restricted Cumulative Excess Subaccount and the Unrestricted Cumulative Excess Subaccount may be transferred from one State Revolving Fund to the other as the Authority may direct, subject to certain coverage requirements and EPA limits and approvals.

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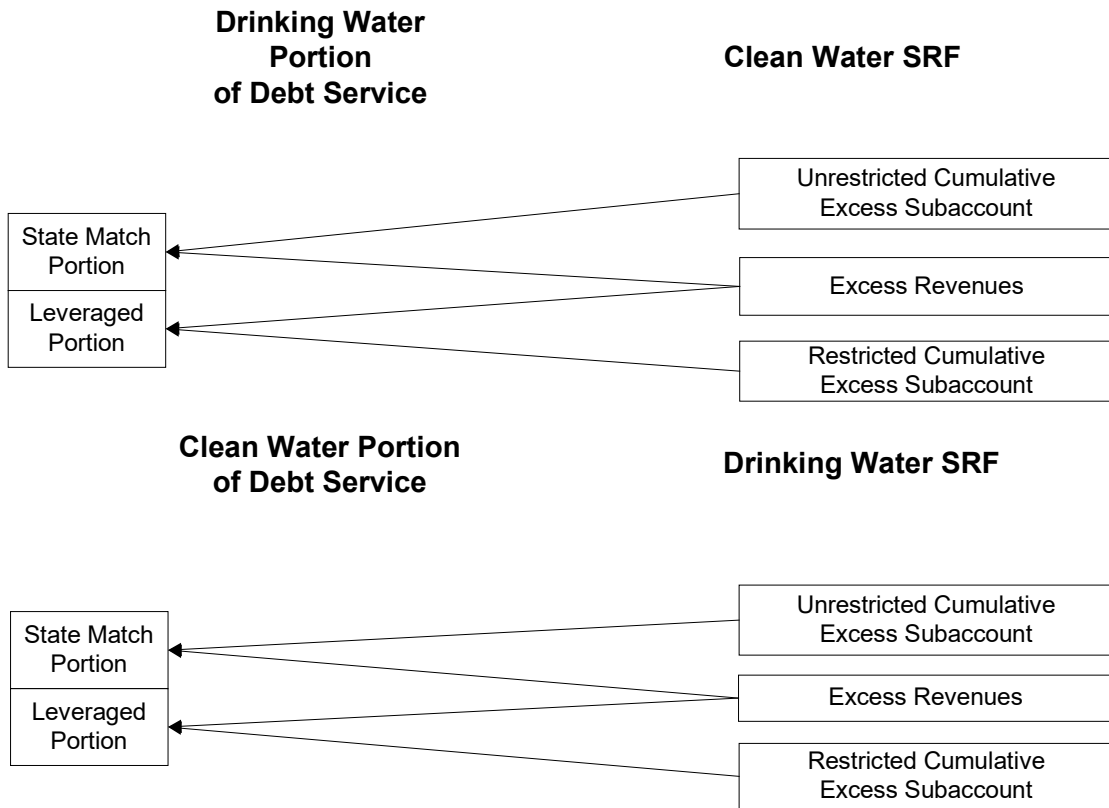
FLOW OF FUNDS

Presented below is a summary flow of funds chart for the Programs. This chart is representative of the Programs as a whole. Not all funds and accounts may be within the flow of funds for each issuance of Bonds, as not all Bonds are issued for the same purposes.



A more detailed description of the flow of funds can be found in the Master Trust Indenture.

The flow chart on the previous page does not reflect permitted transfers between the Clean Water SRF and Drinking Water SRF to cure deficiencies. Such transfers are depicted as follows:



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INVESTMENTS

For a full description of investments allowable for State Revolving Fund Program funds held under the Indenture, see “Appendix C – Summary of Certain Provisions of the Master Trust Indenture” herein.

Investment earnings are a source of funds for the payment of the Bonds.

Certain historical information regarding investment of funds by the Authority, including State Revolving Fund Program moneys, see Note 2 to the audited financial statements of the Authority referenced under the caption NORTH DAKOTA STATE REVOLVING FUNDS—Current Account Balances” herein.

DESCRIPTION OF THE SERIES 2026A BONDS

Terms of the Series 2026A Bonds

The Series 2026A Bonds will be dated as of the delivery date, will mature on October 1 in the years and principal amounts and bear interest from such date payable at the rates set forth on the cover of this Official Statement.

The Series 2026A Bonds will be issued as fully registered bonds without coupons, and when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2026A Bonds. Individual purchases may be made in book-entry form only, in the denomination of \$5,000 and integral multiples thereof for each maturity. Purchasers will not receive certificates representing their interest in the Series 2026A Bonds.

Principal is payable upon the presentation and surrender of Series 2026A Bonds to the Trustee, as paying agent. Interest on the Series 2026A Bonds is payable semi-annually on each April 1 and October 1, commencing October 1, 2026, to the registered owner of record as of the 15th day of the month preceding each interest payment date. As long as DTC is the securities depository for the Series 2026A Bonds, payments of the principal of and interest on the Series 2026A Bonds will be paid by the Trustee to DTC, as the registered owner, which will in turn remit such principal and interest to its participants for subsequent dispersal to beneficial owners of the Series 2026A Bonds. See “Book-Entry-Only System” below.

The estimated Clean Water Leveraged Portion, Clean Water State Match Portion, Drinking Water Leveraged Portion and Drinking Water State Match Portion of each maturity of the Series 2026A Bonds is set forth on the following page:

<u>Year</u>	<u>Clean Water Leveraged Portion</u>	<u>Drinking Water Leveraged Portion</u>
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		
2046		
2047		
2048		
2049		
2050		
2051		
2052		
2053		
2054		
2055		

The foregoing portions of each maturity of the Series 2026A Bonds are the amounts expected to be designated by the Executive Director upon the delivery of the Series 2026A Bonds, based on the deposit of Series 2026A Bond proceeds in the Leveraged Loan Accounts (including reimbursement transfers to the Federally Capitalized Loan Accounts). The Executive Director has authority to reallocate proceeds of the Series 2026A Bonds deposited in these funds at any time prior to the expenditure of all the proceeds of the Series 2026A Bonds and within the three-year period following the issuance of the Series 2026A Bonds.

Redemption

Optional Redemption. The Series 2026A Bonds maturing on or after October 1, 2037 are subject to redemption and prior payment at the option of the Authority on October 1, 2036 and on any date thereafter in whole or in part in such amounts and from such maturities as the Authority may determine and by lot within a maturity at the redemption price of par.

Whenever by the terms of the Master Trust Indenture or a Series Resolution the Trustee is required to redeem Bonds in whole or in part other than at the election of the Authority, the Trustee shall select the Bonds of the Series to be redeemed, give the notice of redemption and apply available funds to the payment of the Redemption Price thereof and the accrued interest thereon to the redemption date in accordance with the terms of the Master Trust Indenture.

Extraordinary Mandatory Redemption. In May 2006, Congress enacted and the President signed into law the Tax Increase Prevention and Reconciliation Act of 2005 (the “2006 Tax Act”). The 2006 Tax Act imposes new requirements and conditions for the interest on bonds issued by state and local governments for pooled financing programs to be and remain exempt from federal income taxation. Among those requirements are provisions requiring the redemption of bonds if certain amounts of the bond proceeds are not used for loans within one-year and three-year periods following the issuance of the bonds. In particular, the 2006 Tax Act requires the following:

- (a) with respect to the one-year period, (i) as of the date of issuance of an issue of bonds, the issuer must reasonably expect that within the one-year period beginning on the date of issuance, at least 30 percent of the net proceeds of the issue will be used directly or indirectly to make or finance loans to ultimate borrowers; and (ii) to the extent that less than 30 percent of the proceeds of the issue are actually used as described in clause (i) the issuer must use an amount of proceeds equal to the excess of 30 percent of the proceeds over the amount actually used to make loans by the close of such one-year period to redeem outstanding bonds within 90 days after the end of such period.
- (b) with respect to the three-year period, (i) as of the date of issuance of an issue of bonds, the issuer must reasonably expect that within the three-year period beginning on the date of issuance, at least 95 percent of the net proceeds of the issue will be used directly or indirectly to make or finance loans to ultimate borrowers; and (ii) to the extent that less than 95 percent of the proceeds of the issue are actually used as described in clause (i) the issuer must use an amount of proceeds equal to the excess of 95 percent of the proceeds over the amount actually used to make loans by the close of such three-year period to redeem outstanding bonds within 90 days after the end of such period.

At closing, the Authority will expend a minimum of \$73,000,000 representing 36.5% of the proceeds of the Series 2026A Bonds fulfilling the requirements for the one-year period. The Authority and the Department anticipate that an additional approximately \$127,000,000 of draws will be made during the remainder of calendar year 2026 and calendar year 2027 which satisfies expending at least 95 percent of the proceeds of the Series 2026A Bonds during the three-year period as required by the 2006 Tax Act. In addition, in order to enable the Authority to comply with the potential application of the above-described provisions of the 2006 Tax Act, the Series 2026A Bonds are being made subject to Extraordinary Mandatory Redemption as described below.

The Series 2026A Bonds shall be subject to redemption and payment prior to maturity on August 1, 2029, in an amount necessary to maintain the exclusion from gross income for federal income tax purposes pursuant to the Code of the interest on the Series 2026A Bonds at the redemption price of 102% of the amortized issue price as determined by the Authority for each maturity of the Series 2026A Bonds plus accrued interest on the principal amount redeemed to the date of redemption. The amortized issue prices and redemption prices are set forth in Appendix F and are expressed as percentages of the principal amount of each maturity of the Series 2026A Bonds.

Notice of Redemption

Thirty days prior to the redemption date, notice of any such redemption shall be given by mail to DTC, as the registered owner. In the event less than all of the Series 2026A Bonds of one maturity are called for redemption, the Authority shall notify DTC of the particular amount of such maturity to be called for redemption. DTC’s practice is to determine the amount to be redeemed from each Participant, and each Participant (as defined under “Book-Entry Only System” below) will then select by lot the ownership interest in such maturity to be redeemed. See “Book-Entry Only System” below.

Book-Entry-Only System

The information contained in the following paragraphs of this subsection “Book-Entry-Only System” has been extracted from a schedule prepared by Depository Trust Company (“DTC”) entitled “SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING DTC AND BOOK-ENTRY-ONLY ISSUANCE.” The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (the “Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “Indirect Participants”). DTC has Standard & Poor’s rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co., nor any other DTC nominee, will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the Record Date identified in a listing attached to the Omnibus Proxy.

Principal of, redemption premium, if any, and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, redemption premium, if any, and interest payments to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the Authority or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

CONTINUING DISCLOSURE

Under SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934 (the "Rule"), the Authority will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of holders of the Series 2026A Bonds to provide certain financial information and operating data to the Municipal Securities Rulemaking Board, and to provide notices of the occurrence of certain events enumerated in the Rule to the Municipal Securities Rulemaking Board. That information will include (i) a financial statement covering the State Revolving Fund Program of the Authority and (ii) updates of the information set forth in Appendix B and of certain information, generally similar to that set forth in Appendix A, relating to Borrowers that are Obligated Persons (as defined in the Undertaking). The Obligated Persons at the time of issuance of the Series 2026A Bonds are the City of Fargo and the City of Grand Forks (see Appendix A). The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events are set forth in the Undertaking to be executed and delivered by the Authority at the time the Series 2026A Bonds are delivered. Such Undertaking will be in substantially the form attached hereto as Appendix E. A failure by the Authority to comply with the Undertaking will not constitute an event of default on the Series 2026A Bonds (although holders will have certain remedies as provided in the Undertaking).

TAX MATTERS

General Matters. In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2026A Bonds (including any original issue discount properly allocable to the owner of a Series 2026A Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. The opinion described above assumes the accuracy of certain representations and compliance by the Authority with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Series 2026A Bonds. Failure to comply with such requirements could cause interest on the Series 2026A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026A Bonds. The Authority has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2026A Bonds. Interest on the Series 2026A Bonds may affect the federal alternative minimum tax imposed on certain corporations.

The accrual or receipt of interest on the Series 2026A Bonds may otherwise affect the federal income tax liability of the owners of the Series 2026A Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2026A Bonds, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2026A Bonds.

Bond Counsel is also of the opinion that, under the North Dakota Public Finance Authority Act, interest on the Series 2026A Bonds is exempt from all income taxation by the State of North Dakota. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2026A Bonds under the laws of the State of North Dakota or any other state or jurisdiction.

A copy of the form of opinion of Bond Counsel is attached hereto as Appendix D.

Original Issue Discount. The Series 2026A Bonds that have an original yield above their respective interest rates or a price below 100%, as shown on the cover of this Official Statement (collectively, the "Discount Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity (excluding "qualified stated interest" within the meaning of Section 1.1273-1 of the Regulations) constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts

that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the “adjusted issue price” of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Original Issue Premium. The Series 2026A Bonds that have an original yield below their respective interest rates or a price above 100%, as shown on the cover of this Official Statement (collectively, the “Premium Bonds”), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond’s term using constant yield principles, based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser’s basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Internal Revenue Service Audits. The Internal Revenue Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Internal Revenue Service, interest on such tax-exempt obligations is included in the gross income for federal income tax purposes. It cannot be predicted whether or not the Internal Revenue Service will commence an audit of any of the Bonds. If an audit is commenced, under current procedures the Internal Revenue Service may treat the related issuer as a taxpayer, and the registered owners of the Bonds may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the related Bonds until the audit is concluded, regardless of the ultimate outcome.

Backup Withholding. An owner of a Series 2026A Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Series 2026A Bonds if such owner fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner’s taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to properly report interest, dividends or other “reportable payments” (as defined in the Code), or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “TAX MATTERS” or adversely affect the market value of the Series 2026A Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2026A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2026A Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2026A Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2026A Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2026A BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2026A BONDS AS TO THE

IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2026A BONDS.

UNDERWRITING

The Series 2026A Bonds offered hereby are being purchased from the Authority by _____ (the “Underwriter”) at a purchase price of \$_____ (which represents the principal amount of the Series 2026A Bonds, plus/less \$_____ of net original issue premium/discount and less \$_____ of Underwriter’s discount).

FINANCIAL ADVISOR

The Authority has retained PFM Financial Advisors LLC, of Minneapolis, Minnesota, as financial advisor (the “Financial Advisor”) in connection with the issuance of the Series 2026A Bonds. In preparing the Official Statement, the Financial Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement, and the Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Financial Advisor is not a public accounting firm and has not been engaged by the Authority to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Series 2026A Bonds.

Requests for information concerning the Authority should be addressed to PFM Financial Advisors LLC, 45 South 7th Street, Suite 2950, Minneapolis, Minnesota 55402 (612/338-3535).

RATINGS

The Series 2026A Bonds are rated “AAA” by Standard and Poor’s Ratings Group and “Aaa” by Moody’s.

The ratings issued reflect an opinion of the agency furnishing the same and is not a recommendation to buy or sell the Series 2026A Bonds. These ratings are subject to withdrawal at any time; withdrawal of a rating may have an adverse effect on the marketability of the Series 2026A Bonds. For an explanation of the significance of a rating, an investor should communicate with the rating agency directly.

ABSENCE OF LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series 2026A Bonds, or prohibiting the Authority from making Loans to Borrowers or purchasing Municipal Securities with the proceeds of Bonds, or in any way contesting or affecting the validity or tax exemption of any Series 2026A Bonds, or any proceedings of the Department, the Authority or the Industrial Commission taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Series 2026A Bonds or the existence or necessary powers of the Department, the Authority or the Industrial Commission or the exemption of the income of the Authority from state or federal income taxes.

LEGAL MATTERS

The Series 2026A Bonds offered hereby are subject to the approving legal opinion of Kutak Rock LLP, Minneapolis, Minnesota, as Bond Counsel. The opinion of Bond Counsel will be in substantially the form attached to this Official Statement as Appendix D. Bond Counsel has not been engaged or undertaken to verify the accuracy, completeness or sufficiency of this Official Statement, and has not participated in the preparation of this Official Statement except for information under the headings “DESCRIPTION OF THE SERIES 2026A BONDS--*Terms of the Series 2026A Bonds*,” “--*Redemption*” and “--*Notice of Redemption*,” “TAX MATTERS,” “LEGAL MATTERS” and “Appendix C – Summary of Certain Provisions of the Master Trust Indenture.”

Certain legal matters will be passed upon for the Authority by the Office of Attorney General of the State of North Dakota.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority, the Industrial Commission or the Underwriters and the purchasers or holders of any of the Series 2026A Bonds.

The Appendices attached hereto are a part of this Official Statement.

The distribution of this Official Statement has been duly authorized by the North Dakota Public Finance Authority.

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APPENDIX A
Selected Financial Information
of Borrower

Appendix A contains selective descriptions of the participating Borrower whose outstanding Loan amount (for fully funded Loans) or approved Loan amount under both State Revolving Fund Programs constitutes more than 10% of the aggregate amount of the total combined actual Loan amounts (for fully funded Loans) of both State Revolving Fund Programs and the total combined approved Loan amount for Loans not yet fully funded for both State Revolving Fund Programs.

In the future there may be additional Borrowers who become Obligated Persons meeting the objective criteria established pursuant to the Continuing Disclosure Undertaking. See the definition of “Obligated Persons” in the form of the Continuing Disclosure Undertaking attached as Appendix E to the Official Statement. However, as of the date of this Official Statement, they cannot be and have not been identified. Pursuant to the Continuing Disclosure Undertaking for the Series 2026A Bonds, the Authority has agreed to file certain information pertaining to any future Obligated Persons as provided therein.

The information in this Appendix A has been compiled for the following Borrowers from the applications and audited financial statements of the participating Borrowers which have been received by the Authority.

<u>Borrower</u>	<u>Outstanding Loan Amount</u>	<u>% of Total</u>
City of Fargo	\$450,891,511	29.1%
City of Grand Forks	\$222,985,000	14.4%

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CITY OF FARGO

The Comprehensive Annual Financial Report for the City of Fargo, North Dakota for the fiscal year ended December 31, 2024, including audited financial statements, is incorporated herein by reference to the following website link on EMMA: <https://emma.msrb.org/P11877757.pdf>

Population:

<u>Year</u>	<u>Population</u>
2025 (Estimate)	140,682
2020	125,990
2010	105,549
2000	90,599

Employment:

	<u>Fargo/Moorhead MSA</u>		<u>Unemployment Rate</u>	
	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>State of North Dakota</u>	<u>United States</u>
2025	157,700	2.6%	2.5%	4.1%
2024	154,015	2.3%	2.4%	4.0%
2023	152,204	1.9%	2.0%	3.6%
2022	149,557	1.8%	2.1%	3.6%
2021	146,378	2.5%	3.1%	5.3%
2020	144,355	4.2%	5.0%	8.1%
2019	143,533	2.1%	2.2%	3.7%
2018	141,608	2.3%	2.4%	3.9%
2017	141,041	2.3%	2.6%	4.4%
2016	138,874	2.5%	3.0%	4.9%

Major Employers in the Fargo Metropolitan area:

<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Sanford Health	Healthcare	9,244
Innovis Health/Essentia Health	Healthcare	2,909
West Fargo Public Schools	Education	2,541
North Dakota State University	Education	2,167
Fargo Public Schools	Education	2,064
Marvin Windows	Manufacturing	1,890
Fargo VA Health Care System	Government	1,250
City of Fargo	Government	1,124
Coborns Inc.	Retail/Food	1,070
Scheels All Sports	Retail	723

**Water System User
Charge History:**

<u>Year</u>	<u>First 200,000 Gallons</u>	<u>200,001 Gallons to 2,000,000 Gallons</u>	<u>Over 2,000,000 Gallons</u>
2025	\$5.70/gallon	\$5.45/gallon	\$5.05/gallon
2024	4.90/gallon	4.65/gallon	4.25/gallon
2023	4.90/gallon	4.65/gallon	4.25/gallon
2022	4.40/gallon	4.15/gallon	3.75/gallon
2021	4.40/gallon	4.15/gallon	3.75/gallon
2020	4.40/gallon	4.15/gallon	3.75/gallon
2019	4.40/gallon	4.15/gallon	3.75/gallon
2018	4.40/gallon	4.15/gallon	3.75/gallon
2017	4.25/gallon	4.00/gallon	3.65/gallon
2016	4.25/gallon	4.00/gallon	3.65/gallon

**Sewer System User
Charge History:**

<u>Year</u>	<u>Residential Charge (Average)</u>	<u>Commercial Charge</u>
2025	\$25.00/month	\$2.55/1000 gal
2024	25.00/month	2.55/1000 gal
2023	21.50/month	2.40/1000 gal
2022	19.00/month	2.20/1000 gal
2021	19.00/month	2.20/1000 gal
2020	16.50/month	2.10/1000 gal
2019	16.50/month	2.10/1000 gal
2018	16.50/month	2.10/1000 gal
2017	16.00/month	2.05/1000 gal
2016	16.00/month	2.05/1000 gal

Water, Sewer, and Solid Waste Revenue Debt Outstanding as of 12/31/25:	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
	2008	2,500,000 ⁽¹⁾	330,000
	2008	63,657,409 ⁽¹⁾	16,975,000
	2008	14,110,422 ⁽¹⁾	2,610,000
	2008	1,640,000 ⁽¹⁾	335,000
	2010	822,348 ⁽¹⁾	170,000
	2010	4,061,075 ⁽¹⁾	1,275,000
	2013	98,000,000 ⁽¹⁾	82,200,000
	2018	21,229,000 ⁽¹⁾	20,587,874
	2018	151,500,000 ⁽¹⁾	138,205,142
	2019	23,950,000 ⁽¹⁾	28,178,731
	2022	259,000 ⁽¹⁾	205,000
	2022	4,361,000 ⁽¹⁾	3,500,000
	2023	6,400,000 ⁽¹⁾	1,255,468
	2024	701,000 ⁽¹⁾	584,511
	2024	10,647,000 ⁽¹⁾	4,074,950
	2024	15,000,000 ⁽¹⁾	12,197,261
	2025	20,000,000 ⁽¹⁾	2,492,681
	2025	35,000,000 ⁽¹⁾	49,739
	2025	20,000,000 ⁽¹⁾	1,516,929
	Total		<u>\$316,743,286</u>

(1) Purchased by the NDPFA SRF Program.

CITY OF GRAND FORKS

The Comprehensive Annual Financial Report for the City of Grand Forks, North Dakota for the fiscal year ended December 31, 2024, including audited financial statements, is incorporated herein by reference to the following website link on EMMA: <https://emma.msrb.org/P21949449.pdf>

Population:

<u>Year</u>	<u>Population</u>
2024 (Estimate)	59,845
2020	59,166
2010	52,838
2000	49,250

Employment:

	<u>Grand Forks MSA</u>		<u>Unemployment Rate</u>	
	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>State of North Dakota</u>	<u>United States</u>
2024	56,813	2.4%	2.4%	4.0%
2023	55,370	2.2%	2.0%	3.6%
2022	54,548	2.1%	2.1%	3.6%
2021	54,098	3.1%	3.1%	5.3%
2020	54,685	4.8%	5.0%	8.1%
2019	56,090	2.5%	2.2%	3.7%
2018	56,591	2.6%	2.4%	3.9%
2017	57,640	2.7%	2.6%	4.4%
2016	57,503	2.9%	3.0%	4.9%
2015	54,713	3.0%	2.8%	5.3%

Major Employers in the City of Grand Forks

<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
University of North Dakota	Education	5,562
Altru Health System	Health Care	3,400
Grand Forks Air Force Base	Government	2,897
Grand Forks School District	Education	1,700
Valley Memorial Home	Health Care	818
LM Wind Power (USA), Inc.	Manufacturing	560
City of Grand Forks	Government	527
Development Homes, Inc.	Group Homes	480
Hugo's (4 Locations)	Retail/Food	460
J.R. Simplot	Food Processing	440

Water System User Charge History:

<u>Year</u>	<u>Residential Base/Month</u>	<u>Residential Rate/1,000 gal</u>	<u>Commercial 1.5" Base/Month</u>	<u>Commercial 1.5" - 3" Rate /1000 gal</u>
2025	\$9.58	\$4.95	\$44.97	\$4.40
2024	9.26	4.78	43.45	4.25
2023	8.90	4.60	41.78	4.09
2022	8.73	4.51	40.96	4.01
2021	8.73	4.51	40.96	4.01
2020	8.73	4.51	40.96	4.01
2019	8.56	4.42	40.55	3.97
2018	8.27	4.27	39.75	3.89
2017	8.27	4.27	39.75	3.89
2016	7.59	3.92	36.47	3.57

Sewer System User Charge History:

<u>Year</u>	<u>Residential Base /Month</u>	<u>Residential Rate /1000 gal</u>	<u>Commercial Base /Month</u>	<u>Commercial Rate /1000 gal</u>
2025	\$16.27	\$3.67	\$17.61	\$3.96
2024	15.80	3.67	16.93	3.96
2023	15.12	3.51	16.05	3.75
2022	14.68	3.41	15.36	3.59
2021	14.39	3.35	14.84	3.47
2020	14.11	3.28	14.41	3.37
2019	14.11	3.28	14.27	3.34
2018	14.11	3.28	14.27	3.34
2017	14.11	3.28	14.27	3.34
2016	14.11	3.28	14.27	3.34

Water and Sewer Revenue Debt Outstanding as of 12/31/25:

<u>Issue</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
2012B	3,880,000	1,565,000
2015C	2,640,000	1,485,000
2016-1	2,670,000	1,953,033
2016-3	6,527,626	5,335,331
2017A	66,000,000 ⁽¹⁾	57,530,000
2018A	9,000,000 ⁽¹⁾	7,355,000
2019A	1,228,485 ⁽¹⁾	1,030,000
2021C	2,095,000	1,275,000
2023C	104,620,000 ⁽¹⁾	61,131,259
2023E	5,607,000 ⁽¹⁾	5,029,267
2024A	1,050,000 ⁽¹⁾	165,935
Total		<u>\$143,854,825</u>

(1) Purchased by the NDPFA SRF Program.

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APPENDIX B

Clean Water and Drinking Water SRF Loans

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As of February 28, 2026, the total outstanding principal amount of closed loans under the Programs is \$1,437,136,795, while the total amount of Loans approved but not closed under the Programs is \$113,627,000.

Tables B-1 and B-2 provide certain information with respect to Borrowers which have closed or approved Loans under the Clean Water SRF. For fully funded Loans, "Loan Balance" constitutes the outstanding Loan amount after principal payments, if any, received as of February 28, 2026. For Loans not fully funded, Loan Balance constitutes the Loan amount approved for funding by the Authority.

Table B-1
North Dakota Public Finance Authority
Clean Water State Revolving Fund Participants
Closed Loans as of February 28, 2026

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Aneta	Sewer Revenue	09/01/25 - 09/01/54	1.50%	\$930,000 ⁽¹⁾	0.06%
Argusville	Special Assessments	09/01/07 - 09/01/26	2.50%	83,000	0.01%
Argusville	Sewer Revenue	09/01/19 - 09/01/48	1.50%	575,000	0.04%
Arnegard	Sewer Revenue	09/01/19 - 09/01/48	1.50%	1,365,000	0.09%
Arthur	Sewer Revenue	09/01/26 - 09/01/55	1.50%	550,000 ⁽¹⁾	0.04%
Ashley	Sewer Revenue	09/01/26 - 09/01/55	1.50%	461,000 ⁽¹⁾	0.03%
Berthold	Special Assessments	09/01/15 - 09/01/34	2.00%	385,000	0.02%
Berthold	Special Assessments	09/01/24 - 09/01/53	1.50%	970,000	0.06%
Beulah	Sewer Revenue	09/01/15 - 09/01/33	2.00%	280,000	0.02%
Beulah	Sewer Revenue	09/01/18 - 09/01/37	1.50%	265,000	0.02%
Beulah	Sewer Revenue	09/01/19 - 09/01/48	1.50%	335,000	0.02%
Beulah	Special Assessments	09/01/24 - 09/01/53	1.50%	4,184,000 ⁽¹⁾	0.27%
Bismarck	Sewer Revenue	09/01/08 - 09/01/27	2.50%	2,560,000	0.17%
Bismarck	Sewer Revenue	09/01/21 - 09/01/36	1.50%	3,805,000	0.25%
Bismarck	Sewer Revenue	09/01/25 - 09/01/44	1.50%	45,000,000 ⁽¹⁾	2.90%
Bowbells	Sewer Revenue	09/01/15 - 09/01/34	2.00%	250,000	0.02%
Bowman	Sewer Revenue	09/01/27 - 09/01/56	1.50%	3,967,000 ⁽¹⁾	0.26%
Buffalo	Special Assessments	09/01/25 - 09/01/54	1.50%	1,330,000 ⁽¹⁾	0.09%
Burleigh County Water Res Dist	Special Assessments	09/01/13 - 09/01/32	2.50%	105,000	0.01%
Buxton	Special Assessments	09/01/22 - 09/01/51	1.50%	640,000	0.04%
Carpio	Sewer Revenue	09/01/26 - 09/01/55	1.50%	5,536,000 ⁽¹⁾	0.36%
Carrington	Sales Tax Revenue	09/01/18 - 09/01/47	1.50%	255,000	0.02%
Cass Rural Water Users Dist	Sewer Revenue	09/01/24 - 09/01/33	1.50%	21,187,154	1.37%
Casselton	Special Assessments	09/01/09 - 09/01/29	2.50%	390,000	0.03%
Casselton	Sewer Revenue	09/01/14 - 09/01/33	2.00%	1,475,000	0.10%
Cavalier	Special Assessments	09/01/10 - 09/01/28	0.50%	85,000	0.01%
Cavalier	Special Assessments	09/01/19 - 09/01/48	1.50%	479,599	0.03%
Cavalier	Special Assessments	09/01/23 - 09/01/42	1.50%	88,000	0.01%
Center	Sewer Revenue	09/01/21 - 09/01/40	1.50%	770,000	0.05%
Center	Sewer Revenue	09/01/24 - 09/01/53	1.50%	475,000	0.03%
Center	Sewer Revenue	09/01/24 - 09/01/54	1.50%	5,330,000 ⁽¹⁾	0.34%
Clifford	Sewer Revenue	09/01/13 - 09/01/32	2.00%	20,000	0.00%
Colfax	Special Assessments	09/01/18 - 09/01/46	1.50%	211,000	0.01%
Colfax	Sewer Revenue	09/01/18 - 09/01/46	1.50%	190,000	0.01%
Colfax	Special Assessments	09/01/26 - 09/01/55	1.50%	1,251,000 ⁽¹⁾	0.08%
Colfax	Special Assessments	09/01/26 - 09/01/55	1.50%	1,072,000 ⁽¹⁾	0.07%
Davenport	Sewer Revenue	09/01/10 - 09/01/29	2.50%	40,000	0.00%
Dazey	Sewer Revenue	09/01/24 - 09/01/53	1.50%	218,280	0.01%
Des Lacs	Sewer Revenue	09/01/13 - 09/01/32	2.00%	39,000	0.00%
Devils Lake	Sales Tax Revenue	09/01/12 - 09/01/30	2.50%	800,000	0.05%
Dickinson	Sewer Revenue	09/01/14 - 09/01/32	2.00%	16,500,000	1.06%
Dickinson	Sewer Revenue	09/01/15 - 09/01/34	2.00%	16,415,000	1.06%
Dickinson	Sales Tax Revenue	09/01/16 - 09/01/34	2.00%	2,505,000	0.16%
Dickinson	Sales Tax Revenue	09/01/20 - 09/01/49	1.50%	1,805,000	0.12%
Dickinson	Sewer Revenue	09/01/21 - 09/01/50	1.50%	1,120,000	0.07%
Dickinson	Refuse Disposal Revenue	09/01/25 - 09/01/44	1.50%	2,390,000	0.15%
Dickinson	Sewer Revenue	09/01/25 - 09/01/44	1.50%	1,920,000	0.12%
Dickinson	Sales Tax Revenue	09/01/26 - 09/01/45	1.50%	1,000,000 ⁽¹⁾	0.06%

North Dakota Public Finance Authority
Clean Water State Revolving Fund Participants
Closed Loans as of February 28, 2026
(Continued)

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Douglas	Sewer Revenue	09/01/14 - 09/01/33	2.00%	\$ 30,000	0.00%
Drayton	Special Assessments	09/01/10 - 09/01/30	2.50%	33,000	0.00%
Drayton	Water and Sewer Revenue	09/01/25 - 09/01/44	1.50%	257,000	0.02%
Dunn Center	Sewer Revenue	09/01/21 - 09/01/50	1.50%	1,740,000	0.11%
Dwight	Sewer Revenue	09/01/16 - 09/01/45	2.00%	40,000	0.00%
Edgeley	Special Assessments	09/01/11 - 09/01/30	2.50%	105,000	0.01%
Elgin	Water and Sewer Revenue	09/01/26 - 09/01/55	1.50%	442,000 ⁽¹⁾	0.03%
Enderlin	Sewer Revenue	09/01/10 - 09-01/29	2.50%	80,000	0.01%
Enderlin	Sewer Revenue	09/01/15 - 09/01/34	2.00%	180,000	0.01%
Fairmount	Special Assessments	09/01/25 - 09/01/44	1.50%	615,000	0.04%
Fargo	Sewer Revenue	09/01/09 - 09/01/29	2.50%	16,975,000	1.09%
Fargo	Sewer Revenue	09/01/09 - 09/01/28	2.50%	335,000	0.02%
Fargo	Sewer Revenue	09/01/10 - 09/01/29	0.50%	170,000	0.01%
Fargo	Sewer Revenue	09/01/10 - 09/01/29	2.50%	1,275,000	0.08%
Fargo	Sewer Revenue	09/01/22 - 09/01/52	1.50%	21,229,000 ⁽¹⁾	1.37%
Fargo	Sewer Revenue	09/01/22 - 09/01/52	1.50%	151,500,000 ⁽¹⁾	9.77%
Fargo	Special Assessments	09/01/21 - 09/01/50	1.50%	436,000	0.03%
Fargo	Special Assessments	09/01/21 - 09/01/54	1.50%	25,500,000 ⁽¹⁾	1.64%
Fargo	Taxable Improvement Bond	09/01/25 - 09/01/28	1.50%	995,000	0.06%
Fargo	Solid Waste Revenue	09/01/23 - 09/01/32	0.00%	205,000	0.01%
Fargo	Solid Waste Revenue	09/01/23 - 09/01/32	1.50%	3,500,000	0.23%
Fargo	Solid Waste Revenue	09/01/25 - 09/01/54	1.50%	584,511	0.04%
Fargo	Solid Waste Revenue	09/01/25 - 09/01/54	1.50%	10,647,000 ⁽¹⁾	0.69%
Fargo	Water & Sales Tax Revenue	09/01/27 - 09/01/46	1.50%	15,000,000 ⁽¹⁾	0.97%
Fargo	Sales Tax & Sewer Revenue	09/01/29 - 09/01/58	1.50%	20,000,000 ⁽¹⁾	1.29%
Fessenden	Sewer Revenue	09/01/26 - 09/01/55	1.50%	2,000,000 ⁽¹⁾	0.13%
Fingal	Special Assessments	09/01/12 - 09/01/31	2.50%	135,000	0.01%
Flasher	Water Revenue	09/01/26 - 09/01/45	1.50%	138,291	0.01%
Forman	Sewer Revenue	09/01/12 - 09/01/31	2.50%	155,000	0.01%
Forman	Special Assessments	09/01/23 - 09/01/33	1.50%	415,000	0.03%
Fort Ransom	Special Assessments	09/01/23 - 09/01/52	1.50%	451,000	0.03%
Galesburg	Special Assessments	09/01/27 - 09/01/56	1.50%	3,000,000 ⁽¹⁾	0.19%
Gardner	Sewer Revenue	09/01/24 - 09/01/53	1.50%	205,000	0.01%
Garrison Diversion	Special Assessments	09/01/19 - 09/01/49	1.50%	5,000,000 ⁽¹⁾	0.32%
Glenburn	Sewer Revenue	09/01/09 - 09/01/29	2.50%	100,000	0.01%
Grafton	Sewer Revenue	09/01/16 - 09/01/30	2.00%	255,000	0.02%
Grafton	Sewer Revenue	09/01/27 - 09/01/41	1.50%	750,000 ⁽¹⁾	0.05%
Grand Forks	Sewer Revenue	09/01/19 - 09/01/48	1.50%	7,355,000	0.47%
Grand Forks	Sewer Revenue	09/01/20 - 09/01/49	1.50%	1,030,000	0.07%
Grand Forks	Special Assessments	09/01/24 - 09/01/55	1.50%	7,519,000 ⁽¹⁾	0.48%
Grand Forks	Sewer Revenue	09/01/24 - 09/01/53	1.50%	5,607,000 ⁽¹⁾	0.36%
Grand Forks	Special Assessments	09/01/26 - 09/01/45	1.50%	3,430,000 ⁽¹⁾	0.22%
Grand Forks	Sewer Revenue	09/01/25 - 09/01/54	1.50%	104,620,000 ⁽¹⁾	6.75%
Grand Forks	Special Assessments	09/01/28 - 09/01/57	1.50%	6,922,000 ⁽¹⁾	0.45%
Grand Forks	Special Assessments	09/01/27 - 09/01/51	1.50%	10,872,000 ⁽¹⁾	0.70%
Granville	Sewer Revenue	09/01/16 - 09/01/35	2.00%	85,000	0.01%
Grenora	Sewer Revenue	09/01/15 - 09/01/34	2.00%	179,000	0.01%
Hankinson	Special Assessments	09/01/08 - 09/01/28	2.50%	19,000	0.00%
Hankinson	Special Assessments	09/01/11 - 09/01/30	0.50%	150,000	0.01%
Hankinson	Special Assessments	09/01/23 - 09/01/32	1.50%	29,000	0.00%
Harvey	Sewer Revenue	09/01/07 - 09/01/26	2.50%	10,000	0.00%
Harvey	Special Assessments	09/01/16 - 09/01/35	2.00%	460,000	0.03%
Hazelton	Sewer Revenue	09/01/26 - 09/01/55	1.50%	306,366	0.02%
Hazen	Special Assessments	09/01/12 - 09/01/31	2.50%	63,000	0.00%
Hazen	Special Assessments	09/01/26 - 09/01/55	1.50%	2,506,000 ⁽¹⁾	0.16%
Hebron	Special Assessments	09/01/17 - 09/01/36	2.00%	190,000	0.01%
Hebron	Water Revenue	09/01/22 - 09/01/41	1.50%	99,648	0.01%

North Dakota Public Finance Authority
Clean Water State Revolving Fund Participants
Closed Loans as of February 28, 2026
(Continued)

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Horace	Special Assessments	09/01/17 - 09/01/37	2.00%	\$605,000	0.04%
Horace	Special Assessments	09/01/18 - 09/01/37	1.50%	820,000	0.05%
Horace	Sewer Revenue	09/01/19 - 09/01/28	1.50%	135,000	0.01%
Hunter	Sewer Revenue	09/01/08 - 09/01/27	2.50%	27,000	0.00%
Hunter	Sewer Revenue	09/01/11 - 09/01/30	2.50%	50,000	0.00%
Jamestown	Sewer Revenue	09/01/07 - 09/01/26	2.50%	93,000	0.01%
Jamestown	Special Assessments	09/01/07 - 09/01/26	2.50%	79,000	0.01%
Jamestown	Sewer Revenue	09/01/11 - 09/01/30	2.50%	350,000	0.02%
Jamestown	Sewer Revenue	09/01/14 - 09/01/33	2.00%	380,000	0.02%
Jamestown	Sewer Revenue/S.A.	09/01/15 - 09/01/34	2.00%	5,680,000	0.37%
Jamestown	Sewer Revenue	09/01/17 - 09/01/36	2.00%	325,000	0.02%
Jamestown	Sewer Revenue	09/01/18 - 09/01/37	1.50%	2,160,000	0.14%
Jamestown	Sewer Revenue	09/01/19 - 09/01/37	1.50%	395,000	0.03%
Jamestown	Sewer Revenue	09/01/22 - 09/01/51	1.50%	2,225,000	0.14%
Jamestown	Sewer Revenue	09/01/26 - 09/01/45	1.50%	3,321,000 ⁽¹⁾	0.21%
Jamestown	Sewer Revenue	09/01/26 - 09/01/45	1.50%	1,991,000 ⁽¹⁾	0.13%
Jamestown	Solid Waste Revenue	09/01/26 - 09/01/45	1.50%	2,790,000 ⁽¹⁾	0.18%
Kindred	Sewer Revenue	09/01/20 - 09/01/49	1.50%	2,555,000	0.16%
Kulm	Sewer Revenue	09/01/11 - 09/01/30	2.50%	17,000	0.00%
LaMoure	Sewer Revenue	09/01/17 - 09/01/46	2.00%	685,000	0.04%
Larimore	Special Assessments	09/01/19 - 09/01/48	1.50%	202,000	0.01%
Lehr	Sewer Revenue	09/01/14 - 09/01/33	2.00%	48,000	0.00%
Leonard	Special Assessments	09/01/08 - 09/01/27	2.50%	32,000	0.00%
Lidgerwood	Sewer Revenue	09/01/18 - 09/01/37	1.50%	20,000	0.00%
Lisbon	Special Assessments	09/01/09 - 09/01/28	2.50%	210,000	0.01%
Lisbon	Sewer Revenue	09/01/01 - 09/01/29	2.50%	125,000	0.01%
Lisbon	Sewer Revenue	09/01/13 - 09/01/32	2.00%	195,000	0.01%
Lisbon	Special Assessments	09/01/19 - 09/01/48	1.50%	685,000	0.04%
Maddock	Sewer Revenue	09/01/12 - 09/01/31	2.50%	155,000	0.01%
Makoti	Sewer Revenue	09/01/17 - 09/01/36	2.00%	33,000	0.00%
Mandan	Sewer Revenue	09/01/09 - 09/01/29	2.50%	320,000	0.02%
Mandan	Sewer Revenue	09/01/09 - 09/01/29	2.50%	185,000	0.01%
Mandan	Sewer Revenue	09/01/14 - 09/01/33	2.00%	940,000	0.06%
Mandan	Sewer Revenue	09/01/15 - 09/01/33	2.00%	790,000	0.05%
Mandan	Sewer Revenue	09/01/16 - 09/01/35	2.00%	2,495,000	0.16%
Mandan	Special Assessments	09/01/28 - 09/01/48	1.50%	12,478,000 ⁽¹⁾	0.80%
Mapleton	Special Assessments	09/01/11 - 09/01/30	2.50%	170,000	0.01%
Mapleton	Special Assessments	09/01/25 - 09/01/54	1.50%	1,975,000 ⁽¹⁾	0.13%
Marion	Sewer Revenue	09/01/15 - 09/01/34	2.00%	45,000	0.00%
Mayville	Sewer Revenue	09/01/18 - 09/01/42	1.50%	1,135,000	0.07%
Metro Flood Diversion Authority	Sales Tax Revenue	09/01/27 - 09/01/56	1.50%	51,634,000 ⁽¹⁾	3.33%
Michigan	Special Assessments	09/01/10 - 09/01/29	2.50%	120,000	0.01%
Minnewaukan	Sewer and Sales Tax Revenue	09/01/24 - 09/01/53	1.50%	260,000	0.02%
Minot	Sewer Revenue	09/01/19 - 09/01/38	1.50%	4,460,000	0.29%
Minot	Sewer Revenue	09/01/20 - 09/01/40	1.50%	12,282,000 ⁽¹⁾	0.79%
Minto	Special Assessments	09/01/12 - 09/01/31	2.50%	420,000	0.03%
Mott	Special Assessments	09/01/26 - 09/01/55	1.50%	1,118,000 ⁽¹⁾	0.07%
New Salem	Sewer Revenue	09/01/22 - 09/01/51	1.50%	940,000	0.06%
New Town	Sales Tax Revenue	09/01/26 - 09/01/55	1.50%	5,114,000 ⁽¹⁾	0.33%
New Town	Sales Tax Revenue	09/01/25 - 09/01/54	1.50%	3,638,000 ⁽¹⁾	0.23%
Noonan	Sewer Revenue	09/01/14 - 09/01/33	2.00%	125,000	0.01%
Noonan	Sewer Revenue	09/01/17 - 09/01/36	2.00%	275,000	0.02%
Northwood	Sewer Revenue	09/01/11 - 09/01/30	2.50%	290,000	0.02%
Northwood	Special Assessments	09/01/24 - 09/01/53	1.50%	7,000,000 ⁽¹⁾	0.45%
Oakes	Sewer Revenue	09/01/08 - 09/01/27	2.50%	30,000	0.00%
Oakes	Special Assessments	09/01/18 - 09/01/42	1.50%	735,000	0.05%

North Dakota Public Finance Authority
Clean Water State Revolving Fund Participants
Closed Loans as of February 28, 2026
(Continued)

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Oakes	Sewer Revenue	09/01/18 - 09/01/47	1.50%	\$180,000	0.01%
Oberon	Sewer Revenue	09/01/16 - 09/01/45	2.00%	142,000	0.01%
Page	Sewer Revenue	09/01/15 - 09/01/34	2.00%	90,000	0.01%
Page	Sewer Revenue	09/01/27 - 09/01/56	1.50%	1,545,000 ⁽¹⁾	0.10%
Pembina	Special Assessments	09/01/11 - 09/01/31	2.50%	85,000	0.01%
Petersburg	Special Assessments	09/01/19 - 09/01/49	1.50%	665,000	0.04%
Pick City	Sewer Revenue	09/01/18 - 09/01/47	1.50%	148,000	0.01%
Portland	Sewer Revenue	09/01/07 - 09/01/26	2.50%	2,000	0.00%
Portland	Sewer Revenue	09/01/08- 09/01/27	2.50%	6,000	0.00%
Portland	Sewer Revenue	09/01/23 - 09/01/52	1.50%	397,000	0.03%
Ray	Sewer Revenue	09/01/13 - 09/01/32	2.00%	345,000	0.02%
Richardton	Sewer Revenue	09/01/25 - 09/01/44	1.50%	440,000	0.03%
Rolla	Sewer Revenue	09/01/13 - 09/01/32	2.00%	730,000	0.05%
Rutland	Sewer Revenue	09/01/20 - 09/01/39	1.50%	87,000	0.01%
Ryder	Sewer Revenue	09/01/15 - 09/01/34	2.00%	90,000	0.01%
Sawyer	Special Assessments	09/01/25 - 09/01/54	1.50%	410,000	0.03%
Southeast Cass Water Dist	Special Assessments	09/01/07 - 09/01/26	2.50%	45,000	0.00%
Southeast Cass Water Dist	Special Assessments	09/01/12 - 09/01/31	2.50%	150,000	0.01%
Stanley	Special Assessments	09/01/22 - 09/01/32	1.50%	109,000	0.01%
Stanley	Sewer Revenue	09/01/23 - 09/01/52	1.50%	4,000	0.00%
Stanley	Special Assessments	09/01/24 - 09/01/53	1.50%	216,000	0.01%
Stanley	Special Assessments	09/01/26 - 09/01/54	1.50%	1,099,000 ⁽¹⁾	0.07%
Stanton	Sewer Revenue	09/01/21 - 09/01/50	1.50%	545,000	0.04%
Strasburg	Special Assessments	09/01/11 - 09/01/30	2.50%	100,000	0.01%
Strasburg	Sewer Revenue	09/01/24 - 09/01/53	1.50%	336,000	0.02%
Stutsman Rural Water District	Sewer Revenue	09/01/10 - 09/01/29	0.50%	955,000	0.06%
Surrey	Sewer Revenue	09/01/26 - 09/01/55	1.50%	1,935,000 ⁽¹⁾	0.12%
Tappen	Special Assessments	09/01/10 - 09/01/28	2.50%	33,000	0.00%
Tower City	Sewer Revenue	09/01/24 - 09/01/53	1.50%	426,000	0.03%
Turtle Lake	Sewer Revenue	09/01/26 - 09/01/55	1.50%	452,000 ⁽¹⁾	0.03%
Valley City	Sewer Revenue	09/01/10 - 09/01/29	0.50%	80,000	0.01%
Valley City	Special Assessments	09/01/20 - 09/01/39	1.50%	285,000	0.02%
Valley City	Special Assessments	09/01/21 - 09/01/40	1.50%	325,000	0.02%
Valley City	Special Assessments	09/01/23 - 09/01/41	1.50%	675,000	0.04%
Wahpeton	Sewer Revenue	09/01/18 - 09/01/42	1.50%	765,000	0.05%
Wahpeton	Special Assessments	09/01/20 - 09/01/49	1.50%	1,105,000	0.07%
Wahpeton	Sewer Revenue	09/01/21 - 09/01/46	1.50%	3,815,000	0.25%
Wahpeton	Special Assessments	09/01/24 - 09/01/48	1.50%	1,165,000	0.08%
Walcott	Water and Sewer Revenue	09/01/20 - 09/01/49	1.50%	392,000	0.03%
Ward County Water Dist	Special Assessments	09/01/16 - 09/01/35	2.00%	1,555,000	0.10%
Washburn	Sewer Revenue/S.A.	09/01/15 - 09/01/35	2.00%	1,465,000	0.09%
Watford City	Sewer Revenue	09/01/10 - 09/01/28	2.50%	150,000	0.01%
Watford City	Sewer Revenue	09/01/15 - 09/01/45	2.00%	13,935,000	0.90%
Watford City	Sewer Revenue	09/01/17 - 09/01/46	2.00%	7,985,000	0.51%
West Fargo	Special Assessments	09/01/27 - 09/01/56	1.50%	6,100,000 ⁽¹⁾	0.39%
West Fargo	Sewer Revenue	09/01/27 - 09/01/56	1.50%	8,500,000 ⁽¹⁾	0.55%
Wildrose	Sewer Revenue	09/01/21 - 09/01/40	1.50%	1,305,000	0.08%
Williston	Sewer Revenue	09/01/16 - 09/01/37	2.00%	67,950,000	4.38%
Willow City	Sewer Revenue	09/01/07 - 09/01/26	2.50%	18,000	0.00%
Wilton	Water and Sewer Revenue	09/01/24 - 09/01/53	1.50%	1,670,000 ⁽¹⁾	0.11%
Wing	Sewer Revenue	09/01/20 - 09/01/49	1.50%	210,000	0.01%
Wishek	Sewer Revenue	09/01/10 - 09/01/29	2.50%	45,000	0.00%
Wyndmere	Special Assessments	09/01/12 - 09/01/31	2.50%	600,000	0.04%
Wyndmere	Special Assessments	09/01/22 - 09/01/41	1.50%	3,263,000	0.21%
Total Clean Water SRF Loans Receivable				<u>\$ 858,023,849</u>	<u>55.33%</u>

(1) Not Fully Funded. Represents approved amount.

The following Borrowers have Loan applications approved under the Clean Water SRF, but do not yet have executed Loan Agreements with the Authority.

Table B-2
North Dakota Public Finance Authority
Clean Water State Revolving Fund Program Participants
Approved Loans as of February 28, 2026

<u>Political Subdivision</u>	<u>Security</u>	<u>Loan Interest Rate</u>	<u>Approved Amount⁽²⁾</u>	<u>% of Total Loan Balance</u>
Grand Forks	Special Assessments	1.50%	1,316,000	0.08%
Lisbon	Special Assessments	1.50%	9,880,000	0.64%
Mapleton	Sewer Revenue	1.50%	10,600,000	0.68%
Reile's Acres	Special Assessments	1.50%	1,146,000	0.07%
Valley City	Special Assessments	1.50%	600,000	0.04%
Wahpeton	Special Assessments	1.50%	<u>16,006,000</u>	<u>1.03%</u>
Total Approved (not Closed) Loans			<u>\$ 39,548,000</u>	<u>2.55%</u>
Aggregate Closed and Approved Loans - Clean Water SRF			<u>\$897,571,849</u>	<u>57.88%</u>

(1) Not Fully Funded. Represents approved amount.

(2) These amounts do not consider loan forgiveness.

Tables B-3 and B-4 provide certain information with respect to Borrowers which have closed or approved Loans under the Drinking Water SRF. For fully funded Loans, “Loan Balance” constitutes the outstanding Loan amount after principal payments, if any, received as of February 28, 2026. For Loans not fully funded, “Loan Balance” constitutes the Loan amount approved for funding by the Authority.

Table B-3
North Dakota Public Finance Authority
Drinking Water State Revolving Fund Participants
Closed Loans as of February 28, 2026

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Agassiz Water Users District	Water Revenue	09/01/21 - 09/01/50	1.50%	\$790,000	0.05%
Agassiz Water Users District	Water Revenue	09/01/25 - 09/01/54	1.50%	1,530,000 ⁽¹⁾	0.10%
All Seasons Water Users Dist	Water Revenue	09/01/08 - 09/01/27	2.50%	26,000	0.00%
All Seasons Water Users Dist	Water Revenue	09/01/09 - 09/01/28	2.50%	30,000	0.00%
All Seasons Water Users Dist	Water Revenue	09/01/21 - 09/01/40	1.50%	3,594,000 ⁽¹⁾	0.23%
Aneta	Water Revenue	09/01/18 - 09/01/37	2.00%	53,000	0.00%
Aneta	Water Revenue	09/01/21 - 09/01/50	1.50%	174,000	0.01%
Aneta	Water Revenue	09/01/25 - 09/01/54	1.50%	1,570,000 ⁽¹⁾	0.10%
Argusville	Water Revenue	09/01/19 - 09/01/48	1.50%	214,000	0.01%
Arnegard	Water Revenue	09/01/19 - 09/01/48	1.50%	1,425,000	0.09%
Ashley	Special Assessments	09/01/25 - 09/01/54	1.50%	3,048,000 ⁽¹⁾	0.20%
Barnes Rural Water District	Water Revenue	09/01/10 - 09/01/26	2.50%	150,000	0.01%
Barnes Rural Water District	Water Revenue	09/01/16 - 09/01/35	2.00%	1,155,000	0.07%
Barnes Rural Water District	Water Revenue	09/01/19 - 09/01/48	1.50%	1,675,000	0.11%
Barnes Rural Water District	Water Revenue	09/01/23 - 09/01/52	1.50%	745,000	0.05%
Beach	Special Assessments	09/01/22 - 09/01/51	1.50%	330,000	0.02%
Beach	Special Assessments	09/01/26 - 09/01/55	1.50%	2,216,538	0.14%
Berthold	Special Assessments	09/01/24 - 09/01/53	1.50%	674,000	0.04%
Beulah	Water Revenue	09/01/18 - 09/01/37	1.50%	119,000	0.01%
Beulah	Special Assessments	09/01/24 - 09/01/53	1.50%	1,923,000 ⁽¹⁾	0.12%
Bismarck	Water Revenue	09/01/09 - 09/01/28	3.31%	3,375,000	0.22%
Bismarck	Water Revenue	09/01/21 - 09/01/36	1.50%	4,515,000	0.29%
Bismarck	Water Revenue	09/01/23 - 09/01/37	1.50%	34,000	0.00%
Bismarck	Water Revenue	09/01/24 - 09/01/43	0.00%	2,000,000 ⁽¹⁾	0.13%
Bowbells	Special Assessments	09/01/12 - 09/01/31	2.50%	425,000	0.03%
Bowbells	Water Revenue	09/01/23 - 09/01/42	1.50%	190,000	0.01%
Buffalo	Water Revenue	09/01/11 - 09/01/30	2.50%	29,000	0.00%
Cando	Water Revenue	09/01/19 - 09/01/38	1.50%	1,420,000	0.09%
Cando	Water Revenue	09/01/27 - 09/01/56	1.50%	3,275,000 ⁽¹⁾	0.21%
Carrington	Special Assessments	09/01/15 - 09/01/34	2.00%	745,000	0.05%
Carrington	Water Revenue	09/01/21 - 09/01/49	1.50%	4,195,000	0.27%
Carson	Water Revenue	09/01/20 - 09/01/49	1.50%	300,000	0.02%
Cass Rural Water Users Dist	Water Revenue	09/01/09 - 09/01/29	2.50%	310,000	0.02%
Cass Rural Water Users Dist	Water Revenue	09/01/15 - 09/01/34	2.00%	1,670,000	0.11%
Cass Rural Water Users Dist	Water Revenue	09/01/19 - 09/01/38	1.50%	630,000	0.04%
Cass Rural Water Users Dist	Water Revenue	09/01/20 - 09/01/39	1.50%	1,705,000	0.11%
Cass Rural Water Users Dist	Water Revenue	09/01/24 - 09/01/43	1.50%	1,530,000	0.10%
Cass Rural Water Users Dist	Water Revenue	09/01/25 - 09/01/44	1.50%	2,604,000 ⁽¹⁾	0.17%
Casselton	Water Revenue	09/01/19 - 09/01/38	1.50%	650,000	0.04%
Cavalier	Water Revenue	09/01/19 - 09/01/48	1.50%	945,000	0.06%
Center	Water Revenue	09/01/21 - 09/01/40	1.50%	117,000	0.01%
Central Plains Water District	Water Revenue	09/01/19 - 09/01/48	1.50%	3,900,000	0.25%
Central Plains Water District	Water Revenue	09/01/25 - 09/01/44	1.50%	9,714,000 ⁽¹⁾	0.63%
Christine	Water Revenue	09/01/08 - 09/01/27	2.50%	28,000	0.00%
Coleharbor	Special Assessments	09/01/23 - 09/01/52	1.50%	375,000	0.02%
Colfax	Water Revenue	09/01/26 - 09/01/55	1.50%	172,182	0.01%
Columbus	Water Revenue	09/01/15 - 09/01/33	2.00%	75,000	0.00%
Cooperstown	Water Revenue	09/01/12 - 09/01/31	2.50%	240,000	0.02%
Cooperstown	Water Revenue	09/01/13 - 09/01/31	2.00%	135,000	0.01%

North Dakota Public Finance Authority
Drinking Water State Revolving Fund Participants
Closed Loans as of February 28, 2026
(Continued)

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Cooperstown	Water Revenue	09/01/14 - 09/01/33	2.00%	65,000	0.00%
Cooperstown	Water Revenue	09/01/16 - 09/01/45	2.00%	264,000	0.02%
Cooperstown	Water Revenue	09/01/22 - 09/01/51	1.50%	560,000	0.04%
Dakota Rural Water District	Water Revenue	09/01/21 - 09/01/50	1.50%	2,010,087	0.13%
Dakota Rural Water District	Water Revenue	09/01/24 - 09/01/53	1.50%	3,952,000 ⁽¹⁾	0.25%
Davenport	Special Assessments	09/01/22 - 09/01/41	1.50%	435,000	0.03%
Dickinson	Water and Sales Tax Revenue	09/01/24 - 09/01/43	1.50%	2,225,000	0.14%
Dickinson	Sales Tax Revenue	09/01/25 - 09/01/44	1.50%	1,591,000 ⁽¹⁾	0.10%
Dickinson	Water Revenue	09/01/30 - 09/01/49	0.00%	2,000,000 ⁽¹⁾	0.13%
Dickinson	Sales Tax Revenue	09/01/26 - 09/01/45	1.50%	1,000,000 ⁽¹⁾	0.06%
East Central Regional Water District	Water Revenue	09/01/07 - 09/01/26	2.50%	80,000	0.01%
East Central Regional Water District	Water Revenue	09/01/19 - 09/01/48	1.50%	1,664,940	0.11%
East Central Regional Water District	Water Revenue	09/01/23 - 09/01/52	1.50%	1,235,000	0.08%
East Central Regional Water District	Water Revenue	09/01/25 - 09/01/54	1.50%	2,777,642	0.18%
East Central Regional Water District	Water Revenue	09/01/28 - 09/01/57	1.50%	8,554,000 ⁽¹⁾	0.55%
Elgin	Water and Sewer Revenue	09/01/26 - 09/01/55	1.50%	668,000 ⁽¹⁾	0.04%
Enderlin	Water Revenue	09/01/10 - 09-01-29	2.50%	520,000	0.03%
Enderlin	Water Revenue	09/01/16 - 09/01/35	2.00%	190,000	0.01%
Enderlin	Water Revenue	09/01/20 - 09/01/39	1.50%	757,922	0.05%
Fargo	Water Revenue	09/01/08 - 09-01-27	2.50%	330,000	0.02%
Fargo	Water Revenue	09/01/09 - 09/01/29	2.82%	2,610,000	0.17%
Fargo	Water Revenue	09/01/17 - 09/01/36	2.00%	82,200,000	5.30%
Fargo	Water Revenue	09/01/21 - 09/01/56	1.50%	31,900,000 ⁽¹⁾	2.06%
Fargo	Water Revenue	09/01/27 - 09/01/31	1.50%	4,100,000	0.26%
Fargo	Water and Sales Tax Revenue	09/01/25 - 09/01/54	1.50%	6,400,000 ⁽¹⁾	0.41%
Fargo	Taxable Water and Sales Tax Revenue	09/01/30 - 09/01/59	0.00%	35,000,000 ⁽¹⁾	2.26%
Fargo	Sales Tax and Water Revenue	09/01/29 - 09/01/58	1.50%	20,000,000 ⁽¹⁾	1.29%
Fessenden	Water Revenue	09/01/19 - 09/01/48	1.50%	744,000	0.05%
Flaxton	Water Revenue	09/01/22 - 09/01/41	1.50%	23,000	0.00%
Forman	Water Revenue	09/01/23 - 09/01/39	1.50%	735,000	0.05%
Galesburg	Special Assessments	09/01/25 - 09/01/54	1.50%	465,231	0.03%
Gardner	Water Revenue	09/01/17 - 09/01/41	1.50%	169,000	0.01%
Garrison	Water Revenue	09/01/16 - 09/01/35	2.00%	1,015,000	0.07%
Garrison Rural Water Dist	Water Revenue	09/01/12 - 09/01/31	2.50%	235,000	0.02%
Glen Ullin	Special Assessments	09/01/24 - 09/01/52	1.50%	467,000	0.03%
Glenburn	Water Revenue	09/01/20 - 09/01/49	1.50%	352,000	0.02%
Grafton	Water Revenue	09/01/15 - 09/01/34	2.00%	1,070,000	0.07%
Grand Forks	Water Revenue	09/01/17 - 09/01/50	1.50%	57,530,000	3.71%
Grand Forks	Water Revenue	09/01/25 - 09/01/54	0.00%	13,875,000 ⁽¹⁾	0.89%
Grand Forks	Special Assessments	09/01/27 - 09/01/51	1.50%	1,718,000 ⁽¹⁾	0.11%
Grand Forks	Special Assessments	09/01/27 - 09/01/56	1.50%	1,191,000 ⁽¹⁾	0.08%
Granville	Water Revenue	09/01/13 - 09/01/32	2.00%	75,000	0.00%
Grenora	Water and Sales Tax Revenue	09/01/15 - 09/01/34	2.00%	154,000	0.01%
Gwinner	Special Assessments	09/01/16 - 09/01/35	2.00%	975,000	0.06%
Hankinson	Special Assessments	09/01/09 - 09/01/28	2.50%	18,000	0.00%
Hankinson	Special Assessments	09/01/23 - 09/01/32	1.50%	15,000	0.00%
Hannaford	Water Revenue	09/01/08 - 09/01/28	2.50%	8,000	0.00%
Harvey	Water Revenue	09/01/07 - 09/01/26	2.50%	6,000	0.00%
Hazelton	Water Revenue/S.A.	09/01/09 - 09/01/28	2.50%	20,000	0.00%
Hebron	Special Assessments	09/01/17 - 09/01/36	2.00%	445,000	0.03%
Hillsboro	Water Revenue	09/01/10 - 09/01/29	0.50%	220,000	0.01%
Hillsboro	Water Revenue	09/01/12 - 09/01/31	2.00%	635,000	0.04%
Hope	Water Revenue	09/01/09 - 09/01/28	2.50%	25,000	0.00%
Horace	Special Assessments	09/01/18 - 09/01/37	1.50%	315,000	0.02%
Horace	Water Revenue	09/01/22 - 09/01/41	1.50%	915,000	0.06%

North Dakota Public Finance Authority
Drinking Water State Revolving Fund Participants
Closed Loans as of February 28, 2026
(Continued)

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Jamestown	Water Revenue	09/01/07 - 09/01/26	2.50%	135,000	0.01%
Jamestown	Water Revenue	09/01/11 - 09/01/30	2.50%	1,480,000	0.10%
Jamestown	Water Revenue	09/01/15 - 09/01/33	2.00%	1,705,000	0.11%
Jamestown	Water Revenue	09/01/15 - 09/01/34	2.00%	395,000	0.03%
Jamestown	Special Assessments	09/01/17 - 09/01/36	2.00%	685,000	0.04%
Jamestown	Water Revenue	09/01/18 - 09/01/31	2.00%	235,000	0.02%
Jamestown	Special Assessments	09/01/20 - 09/01/38	1.50%	995,000	0.06%
Jamestown	Special Assessments	09/01/21 - 09/01/40	1.50%	1,535,000	0.10%
Jamestown	Special Assessments	09/01/22 - 09/01/41	1.50%	1,065,000	0.07%
Jamestown	Special Assessments	09/01/22 - 09/01/41	1.50%	1,105,000	0.07%
Jamestown	Special Assessments	09/01/23 - 09/01/42	1.50%	265,000	0.02%
Jamestown	Special Assessments	09/01/26 - 09/01/45	1.50%	1,618,000 ⁽¹⁾	0.10%
Jamestown	Special Assessments	09/01/27 - 09/01/46	1.50%	1,984,000 ⁽¹⁾	0.13%
Karlsruhe	Water Revenue	09/01/10 - 09/01/29	0.50%	32,000	0.00%
Kenmare	Water Revenue	09/01/10 - 09/01/29	0.50%	85,000	0.01%
Kenmare	Water Revenue	09/01/12 - 09/01/31	2.50%	275,000	0.02%
Kenmare	Water Revenue	09/01/26 - 09/01/55	1.50%	638,000 ⁽¹⁾	0.04%
Kindred	Water Revenue	09/01/18 - 09/01/47	1.50%	460,000	0.03%
Lakota	Water Revenue	09/01/22 - 09/01/51	1.50%	415,000	0.03%
Larimore	Special Assessments	09/01/19 - 09/01/48	1.50%	57,000	0.00%
Leeds	Water Revenue	09/01/09 - 09/01/28	2.50%	6,000	0.00%
Leeds	Water Revenue	09/01/15 - 09/01/34	2.00%	160,000	0.01%
Lehr	Water Revenue	09/01/16 - 09/01/35	2.00%	17,000	0.00%
Lincoln	Water Revenue	09/01/20 - 09/01/39	1.50%	620,000	0.04%
Lincoln	Water Revenue	09/01/24 - 09/01/53	1.50%	1,770,000	0.11%
Linton	Special Assessments	09/01/12 - 09/01/31	2.50%	81,000	0.01%
Lisbon	Special Assessments	09/01/09 - 09/01/28	2.50%	125,000	0.01%
Lisbon	Water Revenue	09/01/09 - 09/01/28	2.50%	60,000	0.00%
Lisbon	Water Revenue	09/01/10 - 09/01/29	2.50%	390,000	0.03%
Lisbon	Water Revenue	09/01/19 - 09/01/38	1.50%	89,000	0.01%
Lisbon	Water Revenue	09/01/19 - 09/01/48	1.50%	46,000	0.00%
Makoti	Water Revenue	09/01/17 - 09/01/36	2.00%	96,000	0.01%
Mandan	Water Revenue	09/01/09 - 09-01-28	2.50%	840,000	0.05%
Mandan	Water Revenue	09/01/09 - 09/01/28	3.27%	1,570,000	0.10%
Mandan	Water Revenue	09/01/11 - 09/01/30	2.84%	2,165,000	0.14%
Mandan	Water Revenue	09/01/14 - 09/01/33	2.00%	295,000	0.02%
Mandan	Water Revenue	09/01/18 - 09/01/37	1.50%	855,000	0.06%
Mandan	Water Revenue	09/01/17 - 09/01/36	1.50%	530,000	0.03%
Mandan	Water Revenue	09/01/20 - 09/01/39	1.50%	1,355,000	0.09%
Mandan	Water Revenue	09/01/22 - 09/01/41	1.50%	7,255,000 ⁽¹⁾	0.47%
Mandan	Water Revenue	09/01/26 - 09/01/45	1.50%	5,462,000 ⁽¹⁾	0.35%
Mandan	Water Revenue	09/01/28 - 09/01/47	1.50%	4,507,000 ⁽¹⁾	0.29%
Mandan	Special Assessments	09/01/28 - 09/01/48	1.50%	6,909,000 ⁽¹⁾	0.45%
Mandan	Special Assessments	09/01/26 - 09/01/41	1.50%	1,930,000 ⁽¹⁾	0.12%
Mapleton	Water Revenue	09/01/21 - 09/01/50	1.50%	897,000	0.06%
Mapleton	Special Assessments	09/01/25 - 09/01/54	1.50%	825,000 ⁽¹⁾	0.05%
Max	Water Revenue	09/01/13 - 09/01/32	2.00%	135,000	0.01%
Maxbass	Water Revenue	09/01/18 - 09/01/36	1.50%	95,000	0.01%
Mayville	Water Revenue	09/01/18 - 09/01/47	1.50%	560,000	0.04%
McKenzie County Water Resource District	Water Revenue	09/01/12 - 09/01/31	2.50%	2,215,000	0.14%
McLean-Sheridan Water District	Water Revenue	09/01/07 - 09/01/26	2.50%	63,000	0.00%
McLean-Sheridan Water District	Water Revenue	09/01/15 - 09/01/34	2.00%	1,010,000	0.07%
McLean-Sheridan Water District	Water Revenue	09/01/20 - 09/01/49	1.50%	330,000	0.02%
McLean-Sheridan Water District	Water Revenue	09/01/21 - 09/01/50	1.50%	4,660,000 ⁽¹⁾	0.30%
McLean-Sheridan Water District	Water Revenue	09/01/24 - 09/01/53	1.50%	891,270	0.06%
McLean-Sheridan Water District	Water Revenue	09/01/27 - 09/01/56	1.50%	8,159,000 ⁽¹⁾	0.53%
Medina	Special Assessments	09/01/26 - 09/01/55	1.50%	920,000	0.06%
Medina	Special Assessments	09/01/25 - 09/01/54	1.50%	1,250,000 ⁽¹⁾	0.08%
Mercer	Water Revenue	09/01/19 - 09/01/48	1.50%	150,000	0.01%

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Milnor	Water Revenue	09/01/26 - 09/01/45	1.50%	300,000 ⁽¹⁾	0.02%
Minot	Water Revenue	09/01/20 - 09/01/40	1.50%	1,734,000 ⁽¹⁾	0.11%
Minot	Taxable Water and Sewer Revenue	09/01/25 - 09/01/44	1.50%	3,704,000 ⁽¹⁾	0.24%
Mohall	Water Revenue	09/01/18 - 09/01/37	1.50%	395,000	0.03%
Mohall	Water Revenue	09/01/21 - 09/01/40	1.50%	315,000	0.02%
Morton County Water Users Dist	Water Revenue	09/01/21 - 09/01/50	1.50%	545,000	0.04%
Morton County Water Users Dist	Water Revenue	09/01/24 - 09/01/53	1.50%	783,064	0.05%
Mott	Special Assessments	09/01/26 - 09/01/55	1.50%	523,000 ⁽¹⁾	0.03%
Napoleon	Special Assessments	09/01/26 - 09/01/55	1.50%	975,000 ⁽¹⁾	0.06%
New Rockford	Water Revenue	09/01/16 - 09/01/35	2.00%	152,000	0.01%
New Salem	Water Revenue	09/01/22 - 09/01/51	1.50%	940,000	0.06%
New Town	Water Revenue	09/01/16 - 09/01/35	2.00%	2,335,000	0.15%
New Town	Sales Tax Revenue	09/01/25 - 09/01/54	1.50%	1,437,000 ⁽¹⁾	0.09%
New Town	Sales Tax Revenue	09/01/26 - 09/01/55	1.50%	4,009,000 ⁽¹⁾	0.26%
Noonan	Water Revenue	09/01/15 - 09/01/34	2.00%	144,000	0.01%
North Prairie Rural Water District	Water Revenue	09/01/07 - 09/01/26	2.50%	400,000	0.03%
North Prairie Rural Water District	Water Revenue	09/01/17 - 09/01/46	2.00%	780,000	0.05%
North Prairie Rural Water District	Water Revenue	09/01/17 - 09/01/46	1.50%	344,000	0.02%
North Prairie Rural Water District	Water Revenue	09/01/19 - 09/01/48	1.50%	276,000	0.02%
North Prairie Rural Water District	Water Revenue	09/01/19 - 09/01/48	1.50%	2,715,000	0.18%
North Prairie Rural Water District	Water Revenue	09/01/21 - 09/01/39	1.50%	85,000	0.01%
North Prairie Rural Water District	Water Revenue	09/01/23 - 09/01/52	1.50%	3,825,000 ⁽¹⁾	0.25%
North Prairie Rural Water District	Water Revenue	09/01/22 - 09/01/51	1.50%	2,107,000 ⁽¹⁾	0.14%
Northeast Regional Water District	Water Revenue	09/01/18 - 09/01/47	1.50%	2,020,000	0.13%
Northeast Regional Water District	Water Revenue	09/01/21 - 09/01/50	1.50%	2,730,000	0.18%
Northeast Regional Water District	Water Revenue	09/01/19 - 09/01/43	1.50%	1,890,000	0.12%
Northeast Regional Water District	Water Revenue	09/01/26 - 09/01/55	1.50%	1,768,000 ⁽¹⁾	0.11%
Oakes	Water Revenue	09/01/18 - 09/01/40	1.50%	710,000	0.05%
Oakes	Special Assessments	09/01/18 - 09/01/40	1.50%	2,025,000	0.13%
Page	Water Revenue	09/01/07 - 09/01/26	2.50%	6,000	0.00%
Page	Water Revenue	09/01/12 - 09/01/31	2.50%	32,000	0.00%
Pembina	Special Assessments	09/01/11 - 09/01/31	2.50%	660,000	0.04%
Pick City	Special Assessments	09/01/06 - 09/01/25	2.50%	12,000	0.00%
Pick City	Water Revenue	09/01/17 - 09/01/46	2.00%	312,000	0.02%
R&T Water Supply	Water Revenue	09/01/13 - 09/01/32	2.00%	3,225,000	0.21%
R&T Water Supply	Water Revenue	09/01/17 - 09/01/46	1.50%	3,505,000	0.23%
Ray	Water Revenue	09/01/10 - 09/01/28	2.50%	105,000	0.01%
Rhame	Special Assessments	09/01/26 - 09/01/55	1.50%	1,778,597	0.11%
Riverdale	Water Revenue	09/01/20 - 09/01/39	1.50%	132,500	0.01%
Riverdale	Water Revenue	09/01/24 - 09/01/53	1.50%	570,000	0.04%
Robinson	Water Revenue	09/01/17 - 09/01/36	2.00%	22,000	0.00%
Ross	Water Revenue	09/01/13 - 09/01/32	2.00%	325,000	0.02%
Ross	Special Assessments	09/01/18 - 09/01/47	1.50%	187,000	0.01%
Rugby	Water Revenue	09/01/19 - 09/01/38	1.50%	10,000	0.00%
Sawyer	Water Revenue	09/01/12 - 09/01/31	2.50%	115,000	0.01%
Sherwood	Water Revenue	09/01/13 - 09/01/32	2.00%	34,000	0.00%
Sherwood	Water Revenue	09/01/17 - 09/01/36	1.50%	74,000	0.00%
Sheyenne	Water Revenue	09/01/16 - 09/01/35	2.00%	43,000	0.00%
South Central Regional Water	Water Revenue	09/01/08 - 09/01/27	2.50%	989,000	0.06%
South Central Regional Water	Water Revenue	09/01/09 - 09-01/28	2.50%	755,000	0.05%
South Central Regional Water	Water Revenue	10/01/11 - 10/01/30	2.50%	1,410,000	0.09%
South Central Regional Water	Water Revenue	09/01/17 - 09/01/46	2.00%	2,420,000	0.16%
South Central Regional Water	Water Revenue	09/01/26 - 09/01/55	1.50%	2,497,000 ⁽¹⁾	0.16%
Southeast Water Users Dist	Water Revenue	09/01/19 - 09/01/48	1.50%	4,885,000	0.32%
Southeast Water Users Dist	Water Revenue	09/01/07 - 09/01/26	2.50%	291,000	0.02%
Southeast Water Users Dist	Water Revenue	09/01/07 - 09/01/26	2.50%	12,000	0.00%
Southeast Water Users Dist	Water Revenue	09/01/07 - 09/01/26	2.50%	200,000	0.01%
Southeast Water Users Dist	Water Revenue	09/01/08 - 09/01/28	2.50%	73,000	0.00%
Southeast Water Users Dist	Water Revenue	09/01/10 - 09/01/29	2.50%	285,000	0.02%

<u>Political Subdivision</u>	<u>Security</u>	<u>Maturities</u>	<u>Loan Interest Rate</u>	<u>Loan Balance</u>	<u>% of Total Loan Balance</u>
Southeast Water Users Dist	Water Revenue	09/01/10 - 09/01/29	2.50%	260,000	0.02%
Southeast Water Users Dist	Water Revenue	09/01/13 - 09/01/32	2.00%	370,000	0.02%
Southeast Water Users Dist	Water Revenue	09/01/27 - 09/01/56	1.50%	5,666,000 ⁽¹⁾	0.37%
St John	Water Revenue	09/01/24 - 09/01/53	1.50%	1,079,093	0.07%
Stanley	Special Assessments	09/01/22 - 09/01/32	1.50%	265,000	0.02%
Stanley	Water Revenue	09/01/23 - 09/01/52	1.50%	13,000	0.00%
Stanley	Special Assessments	09/01/24 - 09/01/53	1.50%	301,000	0.02%
Stanley	Special Assessments	09/01/25 - 09/01/54	1.50%	1,272,000 ⁽¹⁾	0.08%
Strasburg	Special Assessments	09/01/10 - 09/01/29	0.50%	100,000	0.01%
Stutsman Rural Water District	Water Revenue	09/01/15 - 09/01/34	2.00%	3,040,000	0.20%
Stutsman Rural Water District	Water Revenue	09/01/17 - 09/01/46	2.00%	1,210,000	0.08%
Stutsman Rural Water District	Water Revenue	09/01/20 - 09/01/49	1.50%	580,000	0.04%
Stutsman Rural Water District	Water Revenue	09/01/20 - 09/01/49	1.50%	750,000	0.05%
Stutsman Rural Water District	Water Revenue	09/01/20 - 09/01/49	1.50%	2,555,000	0.16%
Surrey	Water Revenue	09/01/26 - 09/01/55	1.50%	242,000 ⁽¹⁾	0.02%
Sykeston	Water Revenue	09/01/21 - 09/01/50	1.50%	368,000	0.02%
Taylor	Special Assessments	09/01/25 - 09/01/54	1.50%	522,591	0.03%
Trail Rural Water District	Water Revenue	09/01/18 - 09/01/39	1.50%	2,195,000	0.14%
Tri-County Water District	Water Revenue	09/01/08 - 09/01/27	2.50%	48,000	0.00%
Tri-County Water District	Water Revenue	09/01/16 - 09/01/35	2.00%	280,000	0.02%
Tri-County Water District	Water Revenue	09/01/19 - 09/01/38	1.50%	725,000	0.05%
Tri-County Water District	Water Revenue	09/01/21 - 09/01/40	1.50%	1,190,000	0.08%
Tri-County Water District	Water Revenue	09/01/23 - 09/01/41	1.50%	915,000	0.06%
Underwood	Water Revenue	09/01/25 - 09/01/54	1.50%	3,500,000 ⁽¹⁾	0.23%
Upper Souris Water District	Water Revenue	09/01/23 - 09/01/52	1.50%	1,274,000 ⁽¹⁾	0.08%
Valley City	Water Revenue	09/01/10 - 09/01/29	0.50%	440,000	0.03%
Valley City	Special Assessments	09/01/21 - 09/01/40	1.50%	155,000	0.01%
Valley City	Special Assessments	09/01/23 - 09/01/42	1.50%	150,000	0.01%
Wahpeton	Special Assessments	09/01/18 - 09/01/42	1.50%	350,000	0.02%
Wahpeton	Special Assessments	09/01/19 - 09/01/44	1.50%	495,000	0.03%
Wahpeton	Special Assessments	09/01/24 - 09/01/48	1.50%	925,000	0.06%
Wahpeton	Special Assessments	09/01/21 - 09/01/46	1.50%	725,000	0.05%
Walsh Rural Water District	Water Revenue	09/01/19 - 09/01/48	1.50%	400,000	0.03%
Washburn	Water Revenue	09/01/10 - 09/01/29	5.00%	420,000	0.03%
Washburn	Water Revenue/S.A.	09/01/15 - 09/01/35	2.00%	755,000	0.05%
West Fargo	Special Assessments	09/01/27 - 09/01/56	1.50%	750,000 ⁽¹⁾	0.05%
West Fargo	Water Revenue	09/01/27 - 09/01/56	1.50%	2,700,000 ⁽¹⁾	0.17%
Western Area Water Supply	Utility Revenue	09/01/19 - 09/01/48	1.50%	11,155,589	0.72%
Western Area Water Supply	Water Revenue	09/01/22 - 09/01/51	1.50%	19,500,000 ⁽¹⁾	1.26%
Westhope	Water Revenue	09/01/14 - 09/01/33	2.00%	210,000	0.01%
Williams Rural Water District	Water Revenue	09/01/18 - 09/01/46	1.50%	3,505,000	0.23%
Williston	Water Revenue	09/01/06 - 09/01/25	2.50%	1,105,000	0.07%
Wilton	Water and Sewer Revenue	09/01/24 - 09/01/53	1.50%	2,469,000 ⁽¹⁾	0.16%
Wimbledon	Water Revenue	09/01/10 - 09/01/29	0.50%	59,000	0.00%
Wing	Special Assessments	09/01/23 - 09/01/52	1.50%	554,000	0.04%
Wyndmere	Water Revenue	09/01/22 - 09/01/41	1.50%	871,700	0.06%
Zeeland	Water Revenue	09/01/26 - 09/01/45	1.50%	60,000 ⁽¹⁾	0.00%
Total Drinking Water SRF Loans Receivable				<u>\$ 579,112,946</u>	<u>37.34%</u>

(1) Not Fully Funded. Represents approved amount.

The following Borrowers have Loan applications approved under the Drinking Water SRF, but do not yet have executed Loan Agreements with the Authority.

Table B-4
North Dakota Public Finance Authority
Drinking Water State Revolving Fund Program Participants
Approved Loans as of February 28, 2026

<u>Political Subdivision</u>	<u>Security</u>	<u>Loan Interest Rate</u>	<u>Approved Amount⁽²⁾</u>	<u>% of Total Loan Balance</u>
Grafton	Water Revenue	1.50%	\$ 2,569,000 ⁽¹⁾	0.17%
Jamestown	Special Assessments	0.00%	5,760,000 ⁽¹⁾	0.37%
Lisbon	Special Assessments	1.50%	1,296,000 ⁽¹⁾	0.08%
Mandan	Water Revenue	0.00%	4,491,000 ⁽¹⁾	0.29%
McVille	Water, Sewer and Garbage Revenue	1.50%	1,006,000 ⁽¹⁾	0.06%
Minot	Water, Sewer and Storm Sewer Revenue	0.00%	29,575,000 ⁽¹⁾	1.91%
Minot	Water, Sewer and Storm Sewer Revenue	1.50%	3,246,000 ⁽¹⁾	0.21%
South Central Regional Water	Water Revenue	1.50%	5,625,000 ⁽¹⁾	0.36%
Valley City	Water Revenue	1.50%	1,500,000 ⁽¹⁾	0.10%
Wahpeton	Water Revenue	1.50%	3,011,000 ⁽¹⁾	0.19%
Western Area Water Supply	Water Revenue	1.50%	<u>16,000,000⁽¹⁾</u>	<u>1.03%</u>
Total Approved (not Closed) Loans			<u>\$ 74,079,000</u>	<u>4.78%</u>
Aggregate Closed and Approved Loans - Drinking Water SRF			<u>\$ 653,191,946</u>	<u>42.12%</u>

(1) Not Fully Funded. Represents approved amount.

(2) These amounts do not consider loan forgiveness.

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APPENDIX C

Summary of Certain Provisions of the Master Trust Indenture

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The following is a brief summary of certain provisions of the Master Trust Indenture and is not to be considered as a full statement of the provisions of the Master Trust Indenture. The summary is qualified by reference to and is subject to the complete Master Trust Indenture, copies of which may be examined at the offices of the Authority.

DEFINITIONS

“Act” means the North Dakota Public Finance Authority Act, Chapter 6-09.4. North Dakota Century Code, as amended from time to time.

“Administration Funds” means the Clean Water Administration Fund and the Drinking Water Administration Fund.

“Administrative Agreements” means the Clean Water Administrative Agreement and the Drinking Water Administrative Agreement.

“Allocation Order” means a certificate or directive executed by the Executive Director providing for the initial deposit of Bond proceeds and any subsequent transfers between Funds and Accounts and establishing the allocations of the proceeds of that Series of Bonds for purposes of the determinations of the Clean Water State Match Portion, Drinking Water State Match Portion, Clean Water Leveraged Portion and Drinking Water Leveraged Portion.

“Authority Request” means the written request of the Authority signed by the Executive Director or other officer authorized by the Industrial Commission to sign on behalf of the Authority.

“Bond” or “Bonds” means any of the bonds of the Authority issued pursuant to the Act, the Master Trust Indenture and a Series Resolution.

“Bondholder” or “Holder” or “Holders of Bonds” or “Owner” or similar term when used with respect to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond.

“Bond Funds” means the Clean Water Bond Fund and the Drinking Water Bond Fund.

“Bond Payment Date” means any date on which principal or interest or Redemption Price is due and payable on any Bonds.

“Borrower” means a political subdivision or other entity eligible to receive a loan under the Act, the CWSRF Act or the DWSRF Act for the purposes set forth in the Master Trust Indenture.

“Clean Water Act” means the Federal Water Pollution Control Act, more commonly known as the Clean Water Act (PL 92-500), as amended by the Water Quality Control Act of 1987 (PL 100-4), 33 U.S.C. 1251 et. seq., and any subsequent amendments thereto, and includes the State Revolving Fund Program Implementation Regulations and amendments thereof issued pursuant thereto.

“Clean Water Administration Fund” means the Clean Water Administration Fund established under the Master Trust Indenture.

“Clean Water Administrative Agreement” means the Administrative Agreement between the Department and the Authority, dated as of September 15, 1990.

“Clean Water Bond Fund” means the Clean Water Bond Fund established under the Master Trust Indenture.

“Clean Water Letter of Credit” means the EPA/ACH Payment System or any other funding arrangement for capitalization grants by the United States of America pursuant to the Clean Water Act for the benefit of the State of North Dakota.

“Clean Water Loan Fund” means the Clean Water Loan Fund established under the Master Trust Indenture.

“Clean Water Municipal Security” or “Clean Water Municipal Securities” means any Municipal Security or Municipal Securities acquired for a purpose of the Clean Water Act.

“Clean Water Portion” means all of the principal and interest on the Outstanding Clean Water Bonds and the portion of the principal and interest on other Bonds determined in accordance with the Master Trust Indenture.

“Clean Water Reimbursement Obligation” means the obligation of the Authority to reimburse the Clean Water SRF for any amounts transferred to the Drinking Water Bond Fund to pay the Drinking Water Portion of principal and interest on Bonds when due.

“Clean Water Reserve Fund” means the Clean Water Reserve Fund established under the Master Trust Indenture.

“Clean Water Revenue Fund” means the Clean Water Revenue Fund established under the Master Trust Indenture.

“Clean Water SRF” means the State Revolving Fund established under the Master Trust Indenture in accordance with the Clean Water Act.

“Clean Water State Match Portion” means, with respect to the Clean Water Portion of any principal or interest on any Bonds, the portion of such principal or interest determined in accordance with the Master Trust Indenture.

“Clean Water State Match Reserve Requirement” means as of any date the largest amount of the State Match Portion of the Clean Water Portion of principal (including Sinking Fund Installments) and interest in the then current or any succeeding calendar year and any other then Outstanding Bonds having a Clean Water State Match Portion which were designated in a Series Resolution as being entitled to the benefits of the Clean Water Reserve Fund.

“Clean Water Total Reserve Requirement” means the largest amount of the Clean Water Portion of principal and interest in the then current or any succeeding calendar year on all then Outstanding Bonds which were designated in a Series Resolution as being entitled to the benefits of the Clean Water Reserve Fund.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder or officially proposed to be promulgated thereunder.

“Costs of Issuance” means any and all items of expense payable or reimbursable directly or indirectly by the Authority and related to the authorization, sale and issuance of Bonds.

“Coverage Certificate” means a projection prepared by the Executive Director showing schedules of the Projected Revenue and of the principal and interest payments on the Bonds at the time Outstanding and to be issued.

“Covered Bonds” means any Bonds entitled to the benefits of the Clean Water Reserve Fund or the Drinking Water Reserve Fund.

“Credit Enhancement” means any municipal bond insurance, letter of credit, surety obligation or bond purchase agreement (or any combination thereof) issued to secure the prompt payment of the principal of and interest on any Series of Bonds.

“Credit Standard” means the credit criteria established from time to time by the Authority for the making of Loans from the Federally Capitalized Loan Accounts, the Leveraged Loan Accounts or the State Match Loan Accounts of the Loan Funds.

“Default” means any failure to perform any term or condition hereof which, after notice or the passage of time, may become an Event of Default.

“Defeasance Obligations” means Investment Obligations that are described in clause (a) of the definition of “Investment Obligations.”

“Department” means the North Dakota Department of Health, an agency and instrumentality of the State of North Dakota, or any successor to its functions (now the Department of Environmental Quality).

“Depository” means the Bank of North Dakota and any other bank, trust company, national banking association or savings institution qualified as a depository of moneys and securities held under the Master Trust Indenture.

“Drinking Water Act” means the Federal Safe Drinking Water Act (PL 93-523), as amended by the Safe Drinking Water Act Amendments of 1996 (PL 104-182), 42 U.S.C. §§ 300f et. seq., and any subsequent amendments thereto, and includes any regulations or administrative guidelines issued pursuant thereto.

“Drinking Water Administration Fund” means the Drinking Water Administration Fund established under the Master Trust Indenture.

“Drinking Water Administrative Agreement” means the Administrative Agreement between the Department and the Authority, executed by the Authority on June 18, 1997 and by the Department on June 23, 1997, as amended from time to time.

“Drinking Water Bond Fund” means the Drinking Water Bond Fund established under the Master Trust Indenture.

“Drinking Water Letter of Credit” means the EPA/ACH Payment System or any other funding arrangement for capitalization grants by the United States of America pursuant to the Drinking Water Act for the benefit of the State of North Dakota.

“Drinking Water Loan Fund” means the Drinking Water Loan Fund established under the Master Trust Indenture.

“Drinking Water Municipal Security” or “Drinking Water Municipal Securities” means any Municipal Security or Municipal Securities acquired for a purpose of the Drinking Water Act.

“Drinking Water Portion” means the portion of principal and interest on Bonds determined in accordance with the Master Trust Indenture.

“Drinking Water Reimbursement Obligation” means the obligation of the Authority to reimburse the Drinking Water SRF for any amounts transferred to the Clean Water Bond Fund to pay the Clean Water Portion of principal and interest on Bonds when due.

“Drinking Water Reserve Fund” means the Drinking Water Reserve Fund established under the Master Trust Indenture.

“Drinking Water Revenue Fund” means the Drinking Water Revenue Fund established under the Master Trust Indenture.

“Drinking Water SRF” means the State Revolving Fund established under the Master Trust Indenture in accordance with the Drinking Water Act.

“Drinking Water State Match Portion” means, with respect to the Drinking Water Portion of any principal or interest on any Bonds, the portion of such principal or interest determined in accordance with the Master Trust Indenture.

“Drinking Water State Match Reserve Requirement” means as of any date the largest amount of the Drinking Water State Match Portion of principal (including Sinking Fund Installments) and interest in the then current or any succeeding calendar year on all then Outstanding Bonds having a Drinking Water State Match Portion which were designated in a Series Resolution as being entitled to the benefits of the Drinking Water Reserve Fund.

“Drinking Water Total Reserve Requirement” means as of any date the largest amount of the Drinking Water Portion of principal and interest in the then current or any succeeding calendar year on all then Outstanding Bonds which were designated in a Series Resolution as being entitled to the benefits of the Drinking Water Reserve Fund.

“Event of Default” means any of those events defined as Events of Default.

“Excess Clean Water Revenues” means Excess Clean Water Restricted Revenues and Excess Clean Water Unrestricted Revenues.

“Excess Clean Water Restricted Revenues” means any amount from time to time on deposit in the Restricted Cumulative Excess Subaccount of the Restricted Revenue Account of the Clean Water Revenue Fund.

“Excess Clean Water Unrestricted Revenues” means any amount from time to time on deposit in the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account of the Clean Water Revenue Fund, together with any investment income earned on amounts on deposit in the various Clean Water Funds and Accounts under the Master Trust Indenture which are not required to be maintained therein or otherwise transferred pursuant to the terms of the Master Trust Indenture.

“Excess Drinking Water Revenues” means Excess Drinking Water Restricted Revenues and Excess Drinking Water Unrestricted Revenues.

“Excess Drinking Water Restricted Revenues” means any amount from time to time on deposit in the Restricted Cumulative Excess Subaccount of the Restricted Revenue Account.

“Excess Drinking Water Unrestricted Revenues” means any amount from time to time on deposit in the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account of the Drinking Water Revenue Fund, together with any investment income earned on amounts on deposit in the various Drinking Water Funds and Accounts under the Master Trust Indenture which are not required to be maintained therein or otherwise transferred pursuant to the terms of the Master Trust Indenture.

“Executive Director” means the Executive Director of the Authority or any other officer of the Authority who is the chief administrative officer thereof.

“Federally Capitalized Loan Accounts” means the Accounts of the Loan Funds so designated as described in the Master Trust Indenture.

“Industrial Commission” means the Industrial Commission of North Dakota.

“Investment Obligations” means and includes any of the following, if and to the extent the same are at the time not prohibited by law for investment of the Authority’s moneys:

- (a) Bonds, notes, bills or other debt instruments issued or unconditionally guaranteed by the U.S. Treasury or the U.S. government;
- (b) Bonds, notes, participation certificates or other debt securities issued or unconditionally guaranteed by any U.S. government agency, instrumentality, or government sponsored enterprise (“GSE”);
- (c) Debt obligations issued or unconditionally guaranteed by the state of North Dakota, or any political subdivision, municipality or agency within the state. State of North Dakota debt obligations have no rating requirement and no maturity limit.

- (d) Debt obligations issued or unconditionally guaranteed by any state other than North Dakota in the U.S., or any political subdivision, municipality or agency within any other state in the U.S., with a minimum short term rating of “MIG-1” or “VMIG-1”, or its equivalent, or a minimum long term rating of “A3”, or its equivalent, by a nationally recognized statistical rating organization (NRSRO);
- (e) Commercial paper rated “P-1”, or its equivalent, by a NRSRO;
- (f) Bankers’ Acceptances, issued by a domestic bank or domestic branch of a foreign bank, with a minimum short-term rating of “P-1”, or its equivalent, by a NRSRO;
- (g) Deposits or securities issued by the Bank of North Dakota;
- (h) Negotiable certificates of deposit, issued by a nationally or state-chartered bank, savings association, federal association, state or federal credit union, or by a state or federally-licensed branch of a foreign bank, with a minimum short-term rating of “P-1”, or its equivalent, or a minimum long-term rating of “A3”, or its equivalent, by a NRSRO;
- (i) Certificates of deposit and time deposits issued or endorsed by a domestic bank, or a savings and loan association, organized and supervised under the laws of the United States and denominated in U.S. dollars; provided, however, that deposits, if other than with the Bank of North Dakota, are fully insured or guaranteed by the Federal Deposit Insurance Corporation (“FDIC”);
- (j) Corporate notes or other debt obligations issued in the U.S. by a domestic or foreign corporation, or by a depository institution licensed in the U.S., with a minimum short-term rating of “P-1”, or its equivalent, or a minimum long term debt rating of “A3” or its equivalent, by a NRSRO;
- (k) Investments in money-market mutual funds rated “Aaa-mf”, or its equivalent, by a NRSRO.
- (l) Guaranteed investment contracts issued, secured, or guaranteed by a corporation, insurance company, or national banking association which has a minimum long-term debt rating of “Aa3”, or its equivalent, by a NRSRO, without regard to any credit enhancement.
- (m) Repurchase agreements that are collateralized by obligations in paragraphs (a) and (b) of this section. Additional terms are as follows: (i) Repurchase agreements shall only be entered into with primary dealers, as designated by the Federal Reserve Bank of New York; (ii) A Securities Industry and Financial Markets Association (SIFMA) master repurchase agreement or specific written repurchase agreement governs the transaction; (iii) Collateral will always be held by an independent third party. Such third party is: (a) a Federal Reserve Bank; or (b) a bank which is a member of the Federal Deposit Insurance Corporation and which has capital of not less than \$500 million; or (c) the Bank of North Dakota; (iv) A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of the Authority; (v) The fair market value of the investment securities in relation to the amount of the repurchase obligation, including principal and interest, shall be at least 102%; (vi) The Authority or an independent third party acting solely as an agent for the Authority will value the collateral securities every business day and will require additional collateral securities if any deficiency is identified;

The term also includes the following, to the extent purchased with funds reasonably allocable by the Trustee to amounts deposited in the Reserve Funds or Loan Funds:

- (n) Pre-refunded municipal obligations that are defeased by direct obligations of the United States of America;
- (o) A forward purchase agreement that provides for future delivery of one of the existing permitted Investment Obligations described in clauses (a) to (n) above.

“Letter of Credit” means the EPA/ACH Payment System or any other funding arrangement for capitalization grants by the United States of America pursuant to the Drinking Water Act or Clean Water Act for the benefit of the State of North Dakota.

“Leveraged Bond Accounts” means the Accounts of the Bond Funds so designated as described in the Master Trust Indenture.

“Leveraged Loan Accounts” means the Accounts of the Loan Funds so designated as described in the Master Trust Indenture.

“Leveraged Portion” means, with respect to the Drinking Water Portion or Clean Water Portion of principal of and interest on the Bonds, the portion of such principal and interest determined in accordance with the Master Trust Indenture.

“Loan” means a loan of funds in the Loan Funds to a Borrower in accordance with the Master Trust Indenture.

“Loan Agreement” means any loan agreement between the Authority and a Borrower relating to a loan of moneys from a Loan Fund.

“Loan Funds” means the Clean Water Loan Fund and the Drinking Water Loan Fund.

“Master Trust Indenture” means the Amended and Restated Master Trust Indenture dated as of July 1, 2011, between the Authority and the Trustee, as amended from time to time, including a First Supplemental Master Trust Indenture dated as of July 1, 2015.

“Municipal Security” means any evidence of indebtedness acquired by the Authority pursuant to a Loan Agreement which is issued by a Borrower but does not include an evidence of indebtedness issued pursuant to Chapter 40-57, North Dakota Century Code, except as authorized by the Act.

“Outstanding” means, when used with respect to Bonds, as of any date, all Bonds theretofore authenticated and delivered under the Master Trust Indenture except:

(a) any Bond cancelled or delivered to the Trustee for cancellation on or before such date;

(b) any Bond (or any portion of any Bond) (i) for the payment or redemption of which there shall be held in trust under the Master Trust Indenture and set aside for such payment or redemption, moneys and/or Defeasance Obligations maturing or redeemable at the option of the holder thereof not later than such maturity or redemption date, which, together with income to be earned on such Defeasance Obligations prior to such maturity or redemption date, will be sufficient to pay the principal or Redemption Price thereof, as the case may be, together with interest thereon to the date of maturity or redemption, and (ii) in the case of any Bond (or any portion of any Bonds) to be redeemed prior to maturity, notice of the redemption of which shall have been given in accordance with the Master Trust Indenture or provided for in a manner satisfactory to the Trustee;

(c) any Bond in lieu of or exchange for which another Bond shall have been authenticated and delivered pursuant to Article II of the Master Trust Indenture.

“Projected Clean Water Revenue” as of the date of a Coverage Certificate means (i) the scheduled principal and interest payments on all Clean Water Municipal Securities held by the Trustee or required to be delivered to the Trustee pursuant to a Loan Agreement, except payments of principal and interest on Clean Water Municipal Securities which either (A) are then in default in the payment of principal or interest, or (B) failed to meet the Credit Standard in effect at the time the Clean Water Municipal Securities were acquired and, if a revenue obligation payable from net revenues of a utility, also failed to meet the coverage requirement of the applicable Credit Standard during both of the last two complete fiscal years, and (ii) the principal and interest which the Executive Director estimates will be received on investments of all other amounts then held or expected to be deposited in any Clean Water Fund or Account under the Master Trust

Indenture, including amounts which are reasonably expected to be drawn under the Clean Water Letter of Credit.

“Projected Drinking Water Revenue” as of the date of a Coverage Certificate means (i) the scheduled principal and interest payments on all Drinking Water Municipal Securities held by the Trustee or required to be delivered to the Trustee pursuant to a Loan Agreement, except payments of principal and interest on Drinking Water Municipal Securities which either (A) are then in default in the payment of principal or interest, or (B) failed to meet the Credit Standard in effect at the time the Drinking Water Municipal Securities were acquired and, if a revenue obligation payable from net revenues of a utility, also failed to meet the coverage requirement of the applicable Credit Standard during both of the last two complete fiscal years, and (ii) the principal and interest which the Executive Director estimates will be received on investments of all other amounts then held or expected to be deposited in any Drinking Water Fund or Account under the Master Trust Indenture, including amounts which are reasonably expected to be drawn under the Drinking Water Letter of Credit.

“Projected Revenue” means Projected Clean Water Revenue and Projected Drinking Water Revenue.

“Rating Agency” means Moody’s Investors Service, Inc., Standard & Poor’s, a Division of The McGraw-Hill Companies, Inc., or any other nationally recognized rating agency, but only to the extent such entity has been requested in writing to issue a rating on the most recently issued series of Outstanding Bonds.

“Redemption Price” means, when used with respect to a Bond or portion thereof to be redeemed, the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the applicable Series Resolution

“Refunding Bonds” means any Bonds issued under the Master Trust Indenture, the proceeds of which are to be used to pay the principal of or interest on any Outstanding Bonds.

“Reserve Funds” means the Clean Water Reserve Fund and the Drinking Water Reserve Fund.

“Restricted Cumulative Excess Subaccounts” means the Subaccounts within the Restricted Revenue Accounts of the Revenue Funds so designated and described in the Master Trust Indenture.

“Restricted Reserve Accounts” means the Accounts of the Reserve Funds so designated as described in the Master Trust Indenture.

“Restricted Revenue Accounts” means the Accounts of the Revenue Funds so designated as described in the Master Trust Indenture.

“Revenue Funds” means the Clean Water Revenue Fund and the Drinking Water Revenue Fund.

“Serial Bonds” means the Bonds of any Series so designated in the Series Resolution.

“Series of Bonds,” “Series” or “Bonds of a Series” means a series of Bonds issued under the Master Trust Indenture designated as a “Series” and authorized by a separate Series Resolution.

“Series Reserve Fund” means a reserve fund or account established for a single Series of Bonds as permitted by the Master Trust Indenture.

“Series Resolution” means a resolution adopted by the Industrial Commission pursuant to the Master Trust Indenture authorizing the issuance of a Series of Bonds.

“Special Reserve Accounts” means the Accounts of the Reserve Funds so designated as described in the Master Trust Indenture.

“SRF Administration Accounts” means the Accounts of the Administration Funds so designated as described in the Master Trust Indenture.

“State” means the State of North Dakota.

“State Administration Accounts” means the Accounts of the Administration Funds so designated as described in the Master Trust Indenture.

“State Match Bond Accounts” means the Accounts of the Bond Funds so designated as described in the Master Trust Indenture.

“State Match Loan Accounts” means the Accounts of the Loan Funds so designated as described in the Master Trust Indenture.

“State Match Portion” means, with respect to the Drinking Water Portion or Clean Water Portion of any principal or interest on any Bonds, the portion of such principal or interest determined in accordance with the Master Trust Indenture.

“State Match Reserve Requirements” means Drinking Water State Match Reserve Requirement and the Clean Water State Match Reserve Requirement.

“Total Reserve Requirements” means the Drinking Water Total Reserve Requirement and the Clean Water Total Reserve Requirement.

“Trustee” means the Bank of North Dakota and any successor or successors at any time substituted in its place as Trustee pursuant to the Master Trust Indenture.

“Unrestricted Cumulative Excess Subaccounts” means the Subaccounts so designated within the Unrestricted Revenue Accounts of the Revenue Funds so designated and described in the Master Trust Indenture.

“Unrestricted Reserve Accounts” means the Accounts of the Reserve Funds so designated as described in the Master Trust Indenture.

“Unrestricted Revenue Accounts” means the Accounts of the Revenue Funds so designated as described in the Master Trust Indenture.

SUMMARY OF MASTER TRUST INDENTURE

Conditions for Authentication of Bonds

For any Bonds to be issued under the Master Trust Indenture, there must be delivered to the Trustee the following:

(a) A certified copy of the Series Resolution authorizing the issuance of the Bonds of such series.

(b) Except in the case of Refunding Bonds issued to pay principal or interest on Bonds for the payment of which sufficient funds are not expected to be available, a Coverage Certificate, with supporting schedules, estimating that, as of each Bond Payment Date, (i) if the Drinking Water Bonds to be issued are expected to include a Drinking Water Portion, Projected Revenue available to be deposited in both the Leveraged Bond Account and the State Match Bond Account of the Drinking Water Bond Fund will be sufficient to pay respectively the State Match Portion and the Leveraged Portion of the Drinking Water Portions of principal and interest due on each Bond Payment Date on all Bonds then Outstanding (except Bonds and interest thereon refunded from the proceeds of the Bonds to be issued) and the Drinking Water Portion of principal and interest on the Bonds to be issued, and (ii) if the Bonds to be issued are expected to include a Clean Water Portion, Projected Clean Water Revenue available to be deposited in both the Leveraged Bond Account and the State Match Bond Account of the Clean Water Bond Fund will be sufficient to pay respectively the State Match Portion and the Leveraged Portion of the Clean Water Portions of principal and interest due on each Bond Payment Date on all Bonds then Outstanding (except the Clean Water Portions of the Bonds and interest thereon refunded from the proceeds of the Bonds to be issued) and the Clean Water Portion of principal and interest on the Bonds to be issued.

(c) Unless clause (j) below applies, except in the case of Refunding Bonds issued to pay principal or interest on Bonds for the payment of which sufficient funds are not expected to be available, a Coverage Certificate, with supporting schedules, estimating that, during each year that the Bonds to be issued are scheduled to be Outstanding, (i) if the Bonds to be issued include a Drinking Water Portion, Projected Drinking Water Revenue will be at least 120% of the Drinking Water Portions of principal and interest due in each such year on all then Outstanding and to be issued Bonds and (ii) if the Bonds to be issued include a Clean Water Portion, Projected Clean Water Revenue will be at least 120% of the Clean Water Portions of principal and interest due in each such year on all then Outstanding and to be issued Bonds.

(d) A Certificate of the Executive Director establishing estimates of the Drinking Water Portion and the Clean Water Portion of payments of principal and interest on the Bonds and estimates of the State Match Portion and the Leveraged Portion with respect to any Drinking Water Portion and any Clean Water Portion of the payments of principal and interest on the Bonds.

(e) An order for authentication and delivery of Bonds under the Master Trust Indenture, signed by the Executive Director.

(f) The approving opinion of Bond Counsel for the Authority.

(g) If the Bonds to be issued include a Drinking Water Portion and are to be secured by the Drinking Water Reserve Fund, any funds necessary for both (i) the amounts on deposit in the Drinking Water Reserve Fund to equal the Drinking Water Total Reserve Requirement and (ii) the amounts on deposit in the Unrestricted Reserve Account and the Special Reserve Account of the Drinking Water Reserve Fund to equal the Drinking Water State Match Reserve Requirement upon issuance of such Series of Bonds.

(h) If the Bonds to be issued include a Clean Water Portion and are to be secured by the Clean Water Reserve Fund, any funds necessary for both (i) the amounts on deposit in the Clean Water Reserve Fund to equal the Clean Water Total Reserve Requirement and (ii) the amounts on

deposit in the Unrestricted Reserve Account and the Special Reserve Account of the Clean Water Reserve Fund to equal the Clean Water State Match Reserve Requirement upon issuance of such Series of Bonds.

(i) Such further certifications, documents and Opinions of Counsel as the Trustee, the Authority or Bond Counsel may require or as may be required by the Series Resolution.

(j) From and after approval of clause (1) as described under "Purposes for Which Supplemental Indentures May Be Entered Into" below and in lieu of clause (c) above, except in the case of Refunding Bonds issued to pay principal or interest on Bonds for the payment of which sufficient funds are not expected to be available, a Coverage Certificate, with supporting schedules, estimating that, during each year that the Bonds are to be issued are scheduled to be Outstanding, Projected Revenue will be at least 120% of principal and interest due in each year on all then Outstanding and to be issued Bonds.

Proceeds of Bonds of a Series; Determination of Drinking Water Portion, Clean Water Portion, Leveraged Portion and State Match Portion

The proceeds of the sale and delivery of the Bonds of each Series shall be applied, except as provided for Refunding Bonds, as follows:

(a) The amount, if any, received upon the delivery of any Series of Bonds as accrued interest shall be divided proportionately between the Drinking Water Bond Fund and the Clean Water Bond Fund in accordance with the estimated Drinking Water Portion and estimated Clean Water Portion of the Bonds and shall be deposited in the Leveraged Bond Accounts and the State Match Bond Accounts of the Drinking Water Fund and Clean Water Fund, respectively, in proportions which correspond to the estimated Leveraged Portions and estimated State Match Portions of the Drinking Water Portion and Clean Water Portion, respectively, of interest on the Bonds;

(b) The amount necessary to pay the Costs of Issuance of the Series of Bonds shall be deposited in the State Administration Accounts of the Administration Funds;

(c) Subject to certain limitations, the amounts, if any, required to be deposited in the Restricted Reserve Accounts and the Special Reserve Accounts of the Reserve Funds pursuant to the applicable Series Resolution shall be deposited in each such Account; and

(d) Except in the case of Refunding Bonds, the balance shall be divided between the Drinking Water Loan Fund and the Clean Water Loan Fund as specified in the Series Resolutions or by the Executive Director and shall be deposited in such Loan Funds accordingly. Bond proceeds initially deposited in each Loan Fund shall be divided between the Leveraged Loan Account and the State Match Loan Account as specified in the Series Resolution or by the Executive Director.

At any time prior to the earlier of (i) the date all the proceeds of a Series of Bonds have been expended or (ii) three years after the issuance of a Series of Bonds, the Executive Director may issue an Allocation Order directing the transfer of the amounts initially deposited in any Fund or Account and earnings thereon to any other Fund or Account established under the Master Trust Indenture provided that, following such transfer, all requirements, including the funding of any required reserves, which would have applied to such new allocation of proceeds if made on the date of issuance of the Series of Bonds are satisfied.

The Drinking Water Portion and the Clean Water Portion, respectively, of principal and interest payments on each Series of Bonds and Bonds within a Series, shall be either (i) all principal and interest payments on particular Bonds within the Series designated by the Allocation Order as being Drinking Water Portion Bonds or Clean Water Portion Bonds, each respectively in a principal amount (rounded to the nearest \$5,000) equal to the principal amount of all Bonds of the Series multiplied by a fraction, the numerator of which is (A) the amount of proceeds of the Bonds allocated to the Drinking Water SRF (when determining the amount of the Drinking Water Portion Bonds) or (B) the amount of proceeds allocated to the Clean Water

SRF (when determining the amount of the Clean Water Portion Bonds), and the denominator of which is the total amount of proceeds of the Bonds of such Series deposited in both SRFs, (ii) that portion of all principal and interest payments on the Bonds of such Series which equals the ratio between the amount of proceeds of such Series of Bonds allocated to the Drinking Water SRF or the Clean Water SRF, respectively as the case may be, and the total amount of proceeds of such Bonds deposited in both SRFs, or (iii) separate portions of the principal and interest due on each interest payment date as specified by an Allocation Order, aggregating for the Series the portion of total principal and interest on the Bonds of such Series due on such interest payment date equal to the ratio between (A) the total amount allotted to the Clean Water or Drinking Water SRF and (B) total proceeds of such series of Bonds. The Drinking Water Portion and Clean Water Portion, respectively, of principal and interest payments on any Series of Refunding Bonds shall be either (i) all principal and interest payments on any particular Bonds within the Series designated by the Allocation Order as being Drinking Water Portion Bonds or Clean Water Portion Bonds, each respectively in a principal amount equal to the principal amount of all Bonds of the Series multiplied by a fraction, the numerator of which is (A) the amount of proceeds of the Refunding Bonds necessary to pay or defease the Drinking Water Portion of the Bonds to be paid or defeased (when determining the amount of the Drinking Water Portion Bonds) or (B) the amount of proceeds of the Refunding Bonds necessary to pay or defease the Clean Water Portion of the Bonds to be paid or defeased (when determining the amount of the Clean Water Portion Bonds) and the denominator of which is the total amount of the proceeds of the Refunding Bonds to be used to pay or defease Outstanding Bonds, (ii) that portion of all principal and interest payments on the Refunding Bonds which equals the ratio between the proceeds of such Refunding Bonds to be used to pay or defease the Drinking Water Portion or Clean Water Portion of the Bonds to be paid or defeased, respectively as the case may be, and the total amount of proceeds of the Refunding Bonds to be used to pay or defease Outstanding Bonds, or (iii) separate portions for each interest payment date as specified in a schedule identified in the Allocation Order which corresponds as closely as practicable to the Drinking Water Portion and Clean Water Portion of Bonds being refunded. For each Series of Bonds, the total of the Drinking Water Portion and Clean Water Portion shall equal 100% of the principal and interest on such Series of Bonds. If Bonds are redeemed prior to redemption and the relative amounts applied for that purpose from the Drinking Water SRF and Clean Water SRF do not correspond to the ratio between the Clean Water Portion and Drinking Water Portion of the principal and interest on the redeemed Bonds, the Executive Director shall make adjustments to the Clean Water Portion and Drinking Water Portion of the Bonds left outstanding in a manner which approximately compensates for any disproportionate application of funds from the Clean Water SRF and Drinking Water SRF to the redemption.

The Leveraged Portion and the State Match Portion, respectively, of each of the Drinking Water Portion and Clean Water Portion of principal and interest payments on the Bonds of any Series, except Refunding Bonds, shall be either (i) all principal and interest payments on particular Bonds within the Series designated by the Allocation Order as being Leveraged Portion Bonds or State Match Portion Bonds, each respectively in a principal amount equal to the principal amount of all Drinking Water Bonds or Clean Water Bonds, as the case may be, of the Series multiplied by a fraction, the numerator of which is (A) the amount of proceeds of the Bonds allocated to the Leveraged Loan Account (when determining the amount of the Leveraged Portion Bonds) or (B) the amount of proceeds allocated to the State Match Loan Account (when determining the amount of the State Match Portion Bonds), and the denominator of which is the total amount of proceeds of the Bonds of such Series allocated to such Loan Fund, or (ii) that portion of the Drinking Water Portion or Clean Water Portion, as the case may be, of all principal and interest payments on such portion of the Bonds of such Series which equals the ratio between the amount of proceeds of such Series of Bonds allocated to the Leveraged Loan Account or the State Match Loan Account of such Fund, respectively as the case may be, and the total amount of proceeds of such Bonds allocated to such Loan Fund or (iii) separate portions of the principal and interest due on the Drinking Water Portion or Clean Water Portion, as the case may be, on each interest payment date, as specified in the schedule identified in an Allocation Order, aggregating for the Series the portion of total principal and interest on the Bonds of such Series equal to the ratio between (A) the amount of proceeds allocated to the Leveraged Loan Account or State Match Loan Account, as the case may be, and (B) the total amount of proceeds allocated to the Leveraged Loan Account and the State Match Loan Account. The Leveraged Portion and State Match Portion, respectively, of principal and interest payments on the Drinking Water Portion and the Clean Water Portion, as the case may be, of any Series of Refunding Bonds shall be either (i) all principal and interest payments on particular Bonds within the Series designated by the Allocation Order as being Leveraged Portion Bonds or State Match

Portion Bonds, each respectively in a principal amount equal to the principal amount of all Drinking Water Bonds or Clean Water Bonds, as the case may be, of the Series multiplied by a fraction, the numerator of which is (A) the amount of proceeds of the Refunding Bonds necessary to pay or defease the Leveraged Portion of such Bonds to be paid or defeased (when determining the amount of the Leveraged Portion Bonds) or (B) the amount of proceeds of the Refunding Bonds necessary to pay or defease the State Match Portion of such Bonds to be paid or defeased (when determining the amount of the State Match Portion Bonds) and the denominator of which is the total amount of the proceeds of the Refunding Bonds to be used to pay or defease such Drinking Water Portion or Clean Water Portion of such Outstanding Bonds, or (ii) that portion of the Drinking Water Portion or Clean Water Portion, as the case may be, of all principal and interest payments on the Refunding Bonds which equals the ratio between the proceeds of such portion of the Refunding Bonds to be used to pay or defease the Leveraged Portion or State Match Portion of such portion of the Bonds to be paid or defeased, respectively as the case may be, and the total amount of proceeds of such portion of the Refunding Bonds to be used to pay or defease such Drinking Water Portion or Clean Water Portion of such Outstanding Bonds. For each of the Drinking Water Portion and Clean Water Portion of each Series of Bonds, the total of the Leveraged Portion and State Match Portion shall equal 100% of such Drinking Water Portion and Clean Water Portion of the principal and interest on such Series of Bonds, as the case may be.

Loans

Each Loan shall be made in accordance with the terms of a Loan Agreement and the applicable Administrative Agreement and shall be evidenced by Municipal Securities of the Borrower which is the recipient of the Loan. The interest rate and repayment terms of the Loans and related Municipal Securities shall be determined by the Authority and Department in accordance with the applicable Administrative Agreement and applicable rules of the Department. The proceeds of each Loan from the Drinking Water Loan Fund must be expended for eligible costs under the Drinking Water Act and applicable agreements between the Department and the Environmental Protection Agency. The proceeds of each Loan from the Clean Water Loan Fund must be expended for eligible costs under the Clean Water Act and applicable agreements between the Department and the Environmental Protection Agency. All Loans made from a State Match Loan Account or a Leveraged Loan Account shall be determined by the Executive Director to have met the Credit Standard then in effect, unless the Industrial Commission waives or amends the Credit Standard. Prior to making any loans from a Federally Capitalized Loan Account the Executive Director shall have determined that the loan will either (i) increase Projected Revenues available to be deposited in both the State Match Bond Account and Leveraged Bond Account, or (ii) unless clause (iii) applies, not cause either Projected Drinking Water Revenues for each year the Bonds will be outstanding to be reduced below 120% of the Drinking Water Portions of principal and interest due on such Bonds in each year or Projected Clean Water Revenues for each year the Bonds will be outstanding to be reduced below 120% of the Clean Water Portions of principal and interest due on such Bonds in each year, or (iii) from and after approval of clause (1) under "Purposes for Which Supplemental Indentures May Be Entered Into" below and in lieu of clause (ii) hereof, not cause Projected Revenues for each year the Bonds are outstanding to be reduced below 120% of principal and interest due on such Bonds in each year.

Establishment of Drinking Water Funds and Accounts

There are established the following Funds and Accounts:

(a) Drinking Water Loan Fund, which includes a Federally Capitalized Loan Account, a Leveraged Loan Account and a State Match Loan Account;

(b) Drinking Water Administration Fund, which includes an SRF Administration Account, a State Administration Account, a Technical Assistance Account and a Source Water Assessment Account;

(c) Drinking Water Revenue Fund, which includes an Unrestricted Revenue Account together with an Unrestricted Cumulative Excess Subaccount therein and a Restricted Revenue Account together with a Restricted Cumulative Excess Subaccount therein;

(d) Drinking Water Bond Fund, which includes a State Match Bond Account and a Leveraged Bond Account; and

(e) Drinking Water Reserve Fund, which includes a Restricted Reserve Account, an Unrestricted Reserve Account and a Special Reserve Account.

In addition to the foregoing Funds, the Authority may establish by supplement or by Series Resolution a Drinking Water Series Reserve Fund to provide a debt service reserve for the Drinking Water Portion of one or more series of Bonds. Any such Series Reserve Fund shall be funded in a manner similar to Covered Bonds and shall benefit Covered Bonds in the manner similar to Covered Bonds benefitted by the Drinking Water Reserve Fund, and Accounts shall be established within the Series Reserve Fund to give effect thereto.

Drinking Water Loan Fund

The Drinking Water Loan Fund consists of a State Match Loan Account, a Leveraged Loan Account and a Federally Capitalized Loan Account. The Trustee shall deposit in the State Match Loan Account (a) that portion, if any, of the net proceeds of each Series of Bonds which is specified in the related Series Resolution or Allocation Order as providing the State Match requirement under the Drinking Water Act and (b) any other funds directed by the Authority or required under the Master Trust Indenture to be deposited in such Account. The Trustee shall deposit in the Leveraged Loan Account that portion, if any, of the net proceeds of each Series of Bonds which is specified in the related Series Resolution or Allocation Order as being other than for the State Match requirement under the Drinking Water Act. Any deposits of Bond proceeds in the Leveraged Loan Account which are to reimburse expenditures from the Federally Capitalized Loan Account or other Account may then be transferred to such Account as specified in the Allocation Order. The Trustee shall deposit in the Federally Capitalized Loan Account (a) the amounts in the Restricted Revenue Account of the Revenue Fund directed to be transferred thereto, (b) any amounts directed by the Authority to be transferred thereto from the Restricted Reserve Account in the Drinking Water Reserve Fund which are not required to be maintained therein in order to meet the Total Reserve Requirement, (c) any amounts received from a draw under the Drinking Water Letter of Credit which the Authority directs to be deposited therein and which are not required to be deposited in the Drinking Water Reserve Fund, and (d) any other amounts in any Drinking Water Fund or Account which the Authority directs to be deposited therein to the extent authorized under the Master Trust Indenture.

Each Loan to a Borrower shall be funded from the State Match Loan Account, the Leveraged Loan Account and the Federally Capitalized Loan Account of the Drinking Water Loan Fund in such proportions as shall be designated by a Series Resolution or an Authority Request.

Amounts on deposit in the Drinking Water Loan Fund shall be used to make Loans to Borrowers; provided that, (i) amounts on deposit in the State Match Loan Account may, at the direction of the Authority, be transferred to the SRF Administration Account of the Drinking Water Administration Fund for the purpose of providing the State Match component thereof and (ii) investment income on any amounts in the Drinking Water Loan Fund may be transferred at the direction of the Authority to the Drinking Water Revenue Fund.

Amounts on deposit in the Federally Capitalized Loan Account of the Drinking Water Loan Fund, if not required to be disbursed to a Borrower pursuant to a Loan Agreement, (i) shall be transferred to the Restricted Reserve Account of the Drinking Water Reserve Fund to the extent necessary to restore any deficiency therein, and (ii) may be transferred at the direction of the Authority to the Drinking Water Revenue Fund provided that any amounts so transferred other than investment income may only be transferred to the Restricted Revenue Account of the Drinking Water Revenue Fund.

All amounts on deposit in the Drinking Water Loan Fund shall constitute part of the Trust Estate and may be used only to pay the Drinking Water Portion of principal and interest on Bonds and to purchase Municipal Securities pursuant to Loan Agreements; provided that amounts in the Leveraged Loan Account and Federally Capitalized Loan Account other than investment income shall be used only for the payment of the Leveraged Portion of the Drinking Water Portion of principal and interest on Bonds and shall not be used for the payment of the State Match Portion of principal and interest on any Bonds. No amounts in the

Drinking Water Loan Fund which are required to be disbursed to a Borrower under a Loan Agreement may be used to pay principal or interest on Bonds.

Drinking Water Administration Fund

The Drinking Water Administration Fund shall consist of an SRF Administration Account, a State Administration Account, a Technical Assistance Account and a Source Water Assessment Account.

The Trustee shall deposit in the State Administration Account any fees paid by a Borrower which are required to be deposited therein under the terms of any Loan Agreement, and that portion of the proceeds of a Series of Bonds which the Executive Director certifies are necessary to pay the Costs of Issuance of the Drinking Water Portion of that Series of Bonds and any additional allowable fund which the Authority may direct to be deposited therein. The Trustee shall deposit in the SRF Administration Account that portion of each draw on the Letter of Credit and that portion of any amounts deposited in the State Match Loan Account which have been designated by the Authority for payment of administrative costs of the Drinking Water Program which are permitted to be applied for that purpose under the Drinking Water Act.

Amounts on deposit from time to time in the Drinking Water Administration Fund shall be disbursed by the Trustee for the payment or reimbursement of administrative costs of the Drinking Water Program at the direction of the Authority. Amounts on deposit in the State Administration Account may also be used to pay Costs of Issuance. No amounts in the SRF Administration Account shall be used to pay principal or interest on the State Match Portion of any Bonds. The Authority shall not permit any amounts deposited in the SRF Administration Account to be applied to any use other than allowable Drinking Water SRF administrative costs under the Drinking Water Act.

Drinking Water Revenue Fund

The Drinking Water Revenue Fund consists of a Restricted Revenue Account and an Unrestricted Revenue Account. The Restricted Revenue Account includes the Restricted Cumulative Excess Subaccount and any reference to the Restricted Revenue Account shall be deemed to include the Restricted Cumulative Excess Subaccount. The Unrestricted Revenue Account includes the Unrestricted Cumulative Excess Subaccount and any reference to the Unrestricted Revenue Account shall be deemed to include the Unrestricted Cumulative Excess Subaccount.

Upon receipt of a payment of principal or interest on a Drinking Water Municipal Security, the Trustee shall deposit such principal and interest in the Drinking Water Revenue Fund as follows:

- (i) into the Restricted Revenue Account, each principal payment on each Drinking Water Municipal Security;
- (ii) into the Unrestricted Revenue Account, each interest payment on each Drinking Water Municipal Security.

In dividing payments received with respect to Municipal Securities between principal and interest, the Trustee shall divide each payment in accordance with the terms of the Municipal Securities and, in the case of partial payments, shall assume that the payments are to be applied first to interest and then to principal.

The Trustee shall also deposit in the Unrestricted Revenue Account of the Drinking Water Revenue Fund, either (i) at the direction of the Authority or (ii) without direction if necessary to pay principal and interest due or to become due on the Bonds or to provide for principal payable in the following six months, any investment income earned on amounts on deposit in the various Drinking Water Funds and Accounts established under the Master Trust Indenture which are not required to be maintained therein or otherwise transferred pursuant to the terms of the Master Trust Indenture.

The Trustee shall also deposit in the Restricted Revenue Account of the Drinking Water Revenue Fund, either (i) at the direction of the Authority or (ii) without direction if necessary to pay principal and interest due or to become due on the Bonds or to provide for principal payable in the following six months,

any amounts other than investment income on deposit in the Federally Capitalized Loan Account of the Loan Fund which are not required to be maintained therein or otherwise transferred pursuant to the terms of the Master Trust Indenture.

On or prior to each Bond Payment Date the Trustee shall make transfers from the Restricted Revenue Account in the following order:

- (a) The amount needed to pay the Leveraged Portion of the Drinking Water Portion of principal and interest on the Bonds shall be transferred to the Leveraged Bond Account of the Drinking Water Bond Fund;
- (b) The amount necessary to satisfy any deficiency in the Drinking Water Total Reserve Requirement shall be transferred to the Restricted Reserve Account;
- (c) An amount equal to one-half the amount of the Drinking Water Portion of principal payable in the six-month period following the Bond Payment Date, if any, shall be retained in the Restricted Revenue Account;
- (d) The amount required by the Master Trust Indenture to be transferred to the Restricted Revenue Account of the Clean Water Revenue Fund shall be transferred to such account;
- (e) The amount of any Clean Water Reimbursement Obligation shall be transferred to a Clean Water Fund or Account to the extent such Clean Water Reimbursement Obligation cannot be satisfied by the transfer to be made under clause (y) below; and
- (f) The balance, if any, shall be credited to and retained in the Restricted Cumulative Excess Subaccount of the Restricted Revenue Account until it is applied for the purposes described above or deposited in either the Restricted Reserve Account of the Drinking Water Reserve Fund or the Federally Capitalized Loan Account of the Drinking Water Loan Fund as the Authority may direct.

On or prior to each Bond Payment Date the Trustee shall make transfers from the Unrestricted Revenue Account in the following order:

- (t) The amount needed to pay the State Match Portion of the Drinking Water Portion of principal and interest on the Bonds shall be transferred to the State Match Bond Account of the Drinking Water Bond Fund;
- (u) The amount, if any, which is needed to pay the remainder of the Leveraged Portion of the Drinking Water Portion of principal and interest on the Bonds which was not provided by the transfer under clause (a) above or by a transfer for application to payment of principal and interest on Covered Bonds from amounts in the Restricted Reserve Account of the Drinking Water Reserve Fund shall be transferred to the Leveraged Bond Account of the Drinking Water Bond Fund;
- (v) The amount, if any, needed to increase the amount on deposit in the Drinking Water Reserve Fund to satisfy the Drinking Water Total Reserve Requirement or the Drinking Water State Match Reserve Requirement shall be transferred to the Unrestricted Reserve Account of the Drinking Water Reserve Fund;
- (w) An amount equal to one-half the amount of the Drinking Water Portion of any principal payable in the six-month period following the Bond Payment Date shall be retained in the Unrestricted Revenue Account;
- (x) The amount required to be transferred to the Unrestricted Revenue Account of the Clean Water Revenue Fund shall be transferred to such account;
- (y) The amount of any Clean Water Reimbursement Obligation shall be transferred to the Clean Water Fund or Account; and

(z) The balance, if any, shall be credited to and retained in the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account unless and until it is applied for any purpose described above or transferred at the direction of the Authority to any other Drinking Water Fund or Account established under the Master Trust Indenture other than the State Administration Account of the Drinking Water Administration Fund and the Special Reserve Account of the Drinking Water Reserve Fund.

Drinking Water Bond Fund

On or prior to each Bond Payment Date, the Trustee shall withdraw from the Restricted Revenue Account and the Unrestricted Revenue Account of the Drinking Water Revenue Fund, amounts sufficient to pay the Leveraged Portion and the State Match Portion of the Drinking Water Portion of principal and interest on the Bonds due on such Bond Payment Date, including the redemption price of Bonds which have been called for prior redemption. Accordingly, there shall be transferred to the State Match Bond Account of the Drinking Water Bond Fund from the Unrestricted Revenue Account of the Drinking Water Revenue Fund amounts sufficient to pay the State Match Portion of the Drinking Water Portion of principal and interest on the Bonds due on such Bond Payment Date and there shall be transferred to the Leveraged Bond Account of the Drinking Water Bond Fund from the Restricted Revenue Account of the Drinking Water Revenue Fund amounts sufficient to pay the Leveraged Portion of the principal and interest on the Bonds due on such Bond Payment Date. In the event of a deficiency in the amount available to be transferred from the Restricted Revenue Account of the Drinking Water Revenue Fund to the Leveraged Account of the Drinking Water Bond Fund, the Trustee shall transfer funds to the Leveraged Bond Account to make up such deficiency from the following sources in the following order:

- (a) first, from the Restricted Reserve Account of the Drinking Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;
- (b) second, from the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account of the Drinking Water Revenue Fund;
- (c) third, from the Unrestricted Reserve Account of the Drinking Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;
- (d) fourth, from any Excess Clean Water Revenues; and
- (e) fifth, from any other available Drinking Water Fund or Account established under the Master Trust Indenture.

In the event of a deficiency in the amount available to be transferred from the Unrestricted Revenue Account of the Drinking Water Revenue Fund to the State Match Bond Account of the Drinking Water Bond Fund, the Trustee shall transfer funds to the State Match Bond Account to make up such deficiency from the following sources in the following order:

- (v) first, from the Special Reserve Account of the Drinking Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;
- (w) second, from the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account of the Drinking Water Revenue Fund;
- (x) third, from the Unrestricted Reserve Account of the Drinking Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to Covered Bonds;
- (y) fourth, from any Excess Unrestricted Clean Water Revenues;

(z) fifth, from the State Administration Account of the Drinking Water Administration Fund.

Under no circumstances shall any amounts be transferred to the State Match Bond Account from the Leveraged Loan Account, State Match Loan Account or Federally Capitalized Loan Account of the Drinking Water Loan Fund, the Restricted Revenue Account of the Drinking Water Revenue Fund, the Leveraged Bond Account of the Drinking Water Bond Fund or the Restricted Reserve Account of the Drinking Water Reserve Fund or the SRF Administration Account of the Drinking Water Administration Fund.

In the event amounts are credited to an Account of the Drinking Water Bond Fund for payment of the Drinking Water Portion of debt service on Bonds as a result of a deficiency as set forth above, whenever and to the extent such deficiency shall be made good, moneys in the Account of the Drinking Water Bond Fund to which transfers were made shall be applied by the Trustee to restore such Funds or Accounts to the extent moneys were withdrawn therefrom.

Drinking Water Reserve Fund

The Drinking Water Reserve Fund consists of a Restricted Reserve Account, an Unrestricted Reserve Account and a Special Reserve Account. Subject to the limitations on application of the Restricted Reserve Account and the Special Reserve Account, funds on deposit in the Drinking Water Reserve Fund shall be used to make up any deficiencies in the Drinking Water Bond Fund relating to Covered Bonds and the Trustee shall transfer to the Drinking Water Bond Fund or apply to the payment of the Drinking Water Portion of principal and interest on Covered Bonds, from amounts on deposit in the Drinking Water Reserve Fund, such amounts as may be necessary to pay principal and interest on the Covered Bonds when due.

No Bonds shall be issued under the Master Trust Indenture unless, after giving effect to any deposits to be made from the proceeds thereof into the Restricted Reserve Account and the Special Reserve Account of the Drinking Water Reserve Fund, both (a) the sum of the amounts on deposit in the Special Reserve Account and the Unrestricted Reserve Account equals at least the Drinking Water State Match Reserve Requirement for all Covered Bonds then outstanding and the Covered Bonds to be issued under the Master Trust Indenture and (b) the sum of the amounts on deposit in the Restricted Reserve Account, the Unrestricted Reserve Account and the Special Reserve Account equals at least the Drinking Water Total Reserve Requirement for all Covered Bonds then outstanding and any Covered Bonds to be issued .

Investment of Drinking Water Moneys Held by the Trustee; Interfund Loans

Moneys in all Drinking Water Funds and Accounts held by the Trustee shall be invested to the fullest extent possible in Investment Obligations, in accordance with directions given to the Trustee by the Executive Director.

Pursuant to an Authority Request and to the extent permitted by the Drinking Water Act, amounts on deposit in any Drinking Water Fund or Account and not then required for expenditure may be loaned on a temporary basis to any Clean Water Fund or Account, on the condition that it be returned to such Fund or Account with interest prior to the date the funds are needed by the transferring Fund or Account.

Drinking Water State Revolving Fund

All Drinking Water Funds, Accounts and subaccounts, except the State Administration Account, Technical Assistance Account and Source Water Assessment Account of the Drinking Water Administration Fund and the Special Reserve Account of the Drinking Water Reserve Fund, are a part of the Drinking Water State Revolving Fund for purposes of the Drinking Water Act and the DWSRF Act and shall be used and expended in a manner consistent with the Master Trust Indenture, the Act, the DWSRF Act, the Drinking Water Act and all lawfully promulgated regulations thereunder. All funds, accounts and subaccounts created herein which are not a part of the Drinking Water State Revolving Fund for purposes of the Drinking Water Act shall be used and expended in a manner consistent with the Master Trust Indenture and the Act and all lawfully promulgated regulations thereunder.

Transfers to Clean Water SRF

In the event on any Bond Payment Date amounts available in the funds and accounts under the Clean Water SRF are insufficient to pay any Clean Water Portion of principal of or interest on Bonds then due and payable, the Trustee shall transfer to the Clean Water Bond Fund, but only from the sources identified below, the amount of the deficiency. Funds to make a transfer to the Clean Water Bond Fund shall be taken from the following sources in the following order:

- (a) First, from any funds on deposit in the Restricted Cumulative Excess Subaccount of the Drinking Water Revenue Fund to the extent necessary, with other funds available, to pay the Leveraged Portion of the Drinking Water portion of principal and interest on Bonds then due;
- (b) Second, from the Unrestricted Cumulative Excess Subaccount of the Drinking Water Revenue Fund to the extent necessary, with other funds available, to pay the State Match Portion of the Drinking Water Portion of principal and interest on Bonds then due;
- (c) Third, from Excess Drinking Water Unrestricted Revenues.

Reimbursement Obligation to Clean Water SRF

In the event funds are at any time transferred to the Drinking Water Bond Fund from the Clean Water SRF, the Authority shall have an obligation, subordinate to the payment of the Clean Water Portion of the principal and interest on the Bonds, to reimburse to the Clean Water SRF the amount so advanced either without interest or at such rate of interest as the Authority may determine. Such reimbursement shall be made only with funds on deposit in the Restricted Cumulative Excess Subaccount and Unrestricted Cumulative Excess Subaccount of the Drinking Water Revenue Fund and other Excess Drinking Water Unrestricted Revenues.

Other Drinking Water Transfers

In addition to the foregoing transfers, transfers to and from the Drinking Water SRF may be made with capitalization grant funds to the extent permitted by the Drinking Water Act. To the extent capitalization grant funds are transferred to the Clean Water SRF the Authority may transfer from the State Match Loan Account of the Drinking Water Loan Fund to the State Match Loan Account of the Clean Water Loan Fund an amount which equals the amount previously deposited in the State Match Loan Account of the Drinking Water Loan Fund in order to draw on the capitalization grant funds which were transferred to the Clean Water Fund.

In addition, any balances retained in the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account and Restricted Cumulative Excess Subaccount of the Restricted Revenue Account of the Drinking Water Revenue Fund, after making any required transfers, may at the direction of the Authority be transferred to any Fund or Account under the Clean Water SRF; provided that (i) after giving effect to the transfer the coverage requirements are met for all outstanding Bonds, and (ii) the transfer is within the limits and made in accordance with the procedures required by the Drinking Water Act or otherwise authorized by the Environmental Protection Agency.

Establishment of Clean Water Funds and Accounts

There are established the following Funds and Accounts:

- (a) Clean Water Loan Fund, which includes a Federally Capitalized Loan Account, a Leveraged Loan Account and a State Match Loan Account;
- (b) Clean Water Administration Fund, which includes an SRF Administration Account and a State Administration Account;

(c) Clean Water Revenue Fund, which includes an Unrestricted Revenue Account together with an Unrestricted Cumulative Excess Subaccount therein and a Restricted Revenue Account together with a Restricted Cumulative Excess Subaccount therein;

(d) Clean Water Bond Fund, which includes a State Match Bond Account and a Leveraged Bond Account; and

(e) Clean Water Reserve Fund, which includes a Restricted Reserve Account, an Unrestricted Reserve Account and a Special Reserve Account.

In addition to the foregoing Funds, the Authority may establish by supplement or by Series Resolution a Clean Water Series Reserve Fund to provide a debt service reserve for the Clean Water portion of one or more series of Bonds. Any such Series Reserve Fund may be funded in a manner similar to Covered Bonds and shall benefit Covered Bonds in a manner similar to Covered Bonds benefitted by the Clean Water Reserve Fund, and Accounts shall be established within the Series Reserve Fund to give effect thereto.

Clean Water Loan Fund

The Clean Water Loan Fund consists of a State Match Loan Account, a Leveraged Loan Account and a Federally Capitalized Loan Account. The Trustee shall deposit in the State Match Loan Account (a) that portion, if any, of the net proceeds of each Series of Bonds which is specified in the related Series Resolution or Allocation Order as providing the State Match requirement under the Clean Water Act and (b) any other funds directed by the Authority or required under the Master Trust Indenture to be deposited in such Account. The Trustee shall deposit in the Leveraged Loan Account that portion, if any, of the net proceeds of each Series of Bonds which is specified in the related Series Resolution or Allocation Order as being other than for the State Match requirement under the Clean Water Act. Any deposits of Bond proceeds in the Leveraged Loan Account which are to reimburse expenditures from the Federally Capitalized Loan Account or other Account may then be transferred to such Account as specified in the Allocation Order. The Trustee shall deposit in the Federally Capitalized Loan Account (a) the amounts in the Restricted Revenue Account of the Revenue Fund directed to be transferred thereto, (b) any amounts directed by the Authority to be transferred thereto from the Restricted Reserve Account in the Clean Water Reserve Fund which are not required to be maintained therein in order to meet the Total Reserve Requirement, (c) any amounts received from a draw under the Clean Water Letter of Credit which the Authority directs to be deposited therein and which are not required to be deposited in the Clean Water Reserve Fund, and (d) any other amounts in any Clean Water Fund or Account which the Authority directs to be deposited therein to the extent authorized under the Master Trust Indenture.

Each Loan to a Borrower shall be funded from the State Match Loan Account, the Leveraged Loan Account and the Federally Capitalized Loan Account of the Clean Water Loan Fund in such proportions as shall be designated by a Series Resolution, or in an Authority Request.

Amounts on deposit in the Clean Water Loan Fund shall be used to make Loans to Borrowers; provided that, (i) amounts on deposit in the State Match Loan Account may, at the direction of the Authority, be transferred to the SRF Administration Account of the Clean Water Administration Fund for the purpose of providing the State Match component thereof and (ii) investment income on any amounts in the Clean Water Loan Fund may be transferred at the direction of the Authority to the Clean Water Revenue Fund.

Amounts on deposit in the Federally Capitalized Loan Account of the Clean Water Loan Fund, if not required to be disbursed to a Borrower pursuant to a Loan Agreement, (i) be transferred to the Restricted Reserve Account of the Clean Water Reserve Fund to the extent necessary to restore any deficiency therein, and (ii) may be transferred at the direction of the Authority to the Clean Water Revenue Fund provided that any amounts so transferred other than investment income may only be transferred to the Restricted Revenue Account of the Clean Water Revenue Fund.

All amounts on deposit in the Clean Water Loan Fund shall constitute part of the Trust Estate and may be used only to pay the Clean Water Portion of principal and interest on Bonds and to purchase Municipal Securities pursuant to Loan Agreements; provided that amounts in the Leveraged Loan Account

and Federally Capitalized Loan Account other than investment income shall be used only for the payment of the Leveraged Portion of the Clean Water Portion of principal and interest on Bonds and shall not be used for the payment of the State Match Portion of principal and interest on any Bonds. No amounts in the Clean Water Loan Fund which are required to be disbursed to a Borrower under a Loan Agreement may be used to pay principal or interest on Bonds.

Clean Water Administration Fund

The Clean Water Administration Fund consists of an SRF Administration Account and a State Administration Account.

The Trustee shall deposit in the State Administration Account any fees paid by a Borrower which are required to be deposited therein under the terms of any Loan Agreement, that portion of the proceeds of a Series of Bonds which the Executive Director certifies are necessary to pay the Costs of Issuance of the Clean Water Portion of that Series of Bonds and any additional allowable funds which the Authority may direct to be deposited therein. The Trustee shall deposit in the SRF Administration Account that portion of each draw on the Letter of Credit and that portion of any amounts deposited in the State Match Loan Account which have been designated by the Authority for payment of administrative costs of the Clean Water Program which are permitted to be applied for that purpose under the Clean Water Act.

Amounts on deposit from time to time in the Clean Water Administration Fund shall be disbursed by the Trustee for the payment or reimbursement of administrative costs of the Clean Water Program at the direction of the Authority. Amounts on deposit in the State Administration Account may also be used to pay Costs of Issuance. No amounts in the SRF Administration Account shall be used to pay principal or interest on the State Match Portion of any Bonds. The Authority shall not permit any amounts deposited in the SRF Administration Account to be applied to any use other than allowable Clean Water SRF administrative costs under the Clean Water Act.

Clean Water Revenue Fund

The Clean Water Revenue Fund consists of a Restricted Revenue Account and an Unrestricted Revenue Account. The Restricted Revenue Account includes the Restricted Cumulative Excess Subaccount and any reference to the Restricted Revenue Account shall be deemed to include the Restricted Cumulative Excess Subaccount. The Unrestricted Revenue Account includes the Unrestricted Cumulative Excess Subaccount and any reference to the Unrestricted Revenue Account shall be deemed to include the Unrestricted Cumulative Excess Subaccount.

Upon receipt of a payment of principal or interest on a Clean Water Municipal Security, the Trustee shall deposit such principal and interest in the Clean Water Revenue Fund as follows:

- (i) into the Restricted Revenue Account, each principal payment on each Clean Water Municipal Security;
- (ii) into the Unrestricted Revenue Account, each interest payment on each Clean Water Municipal Security.

In dividing payments received with respect to Municipal Securities between principal and interest, the Trustee shall divide each payment in accordance with the terms of the Municipal Securities and, in the case of partial payments, shall assume that the payments are to be applied first to interest and then to principal.

The Trustee shall also deposit in the Unrestricted Revenue Account of the Clean Water Revenue Fund, either (i) at the direction of the Authority or (ii) without direction if necessary to pay principal and interest due or to become due on the Bonds or to provide for principal payable in the following six months, any investment income earned on amounts on deposit in the various Clean Water Funds and Accounts established under the Master Trust Indenture which are not required to be maintained therein or otherwise transferred pursuant to the terms of the Master Trust Indenture.

The Trustee shall also deposit in the Restricted Revenue Account of the Clean Water Revenue Fund, either (i) at the direction of the Authority or (ii) without direction if necessary to pay principal and interest due or to become due on the Bonds or to provide for principal payable in the following six months, any amounts other than investment income on deposit in the Federally Capitalized Loan Account of the Loan Fund which are not required to be maintained therein or otherwise transferred pursuant to the terms of the Master Trust Indenture.

On or prior to each Bond Payment Date the Trustee shall make transfers from the Restricted Revenue Account in the following order:

(a) The amount needed to pay the Leveraged Portion of the Clean Water Portion of principal and interest on the Bonds shall be transferred to the Leveraged Bond Account of the Clean Water Bond Fund;

(b) The amount necessary to satisfy any deficiency in the Clean Water Total Reserve Requirement shall be transferred to the Restricted Reserve Account;

(c) An amount equal to one-half the amount of the Clean Water Portion of principal payable in the six-month period following the Bond Payment Date, if any, shall be retained in the Restricted Revenue Account;

(d) The amount required by the Master Trust Indenture to be transferred to the Restricted Revenue Account of the Drinking Water Revenue Fund shall be transferred to such account;

(e) The amount of any Drinking Water Reimbursement Obligation shall be transferred to a Drinking Water Fund or Account to the extent such Drinking Water Reimbursement Obligation cannot be satisfied by the transfer to be made under clause (y) below; and

(f) The balance, if any, shall be credited to and retained in the Restricted Cumulative Excess Subaccount of the Restricted Revenue Account until it is applied for the purposes described above or deposited in either the Restricted Reserve Account of the Clean Water Reserve Fund or the Federally Capitalized Loan Account of the Clean Water Loan Fund as the Authority may direct.

On or prior to each Bond Payment Date the Trustee shall make transfers from the Unrestricted Revenue Account in the following order:

(t) The amount needed to pay the State Match Portion of the Clean Water Portion of principal and interest on the Bonds shall be transferred to the State Match Bond Account of the Clean Water Bond Fund;

(u) The amount, if any, which is needed to pay the remainder of the Leveraged Portion of the Clean Water Portion of principal and interest on the Bonds which was not provided by the transfer under clause (a) above or by a transfer for application to payment of principal and interest on Covered Bonds from amounts in the Restricted Reserve Account of the Clean Water Reserve Fund shall be transferred to the Leveraged Bond Account of the Clean Water Bond Fund;

(v) The amount, if any, needed to increase the amount on deposit in the Clean Water Reserve Fund to satisfy the Clean Water Total Reserve Requirement or the Clean Water State Match Reserve Requirement shall be transferred to the Unrestricted Reserve Account of the Clean Water Reserve Fund;

(w) An amount equal to one-half the amount of the Clean Water Portion of any principal payable in the six-month period following the Bond Payment Date shall be retained in the Unrestricted Revenue Account;

(x) The amount required to be transferred to the Unrestricted Revenue Account of the Drinking Water Revenue Fund shall be transferred to such account;

(y) The amount of any Drinking Water Reimbursement Obligation shall be transferred to the Drinking Water Fund or Account; and

(z) The balance, if any, shall be credited to and retained in the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account unless and until it is applied for any purpose described above or transferred at the direction of the Authority to any other Clean Water Fund or Account established under the Master Trust Indenture other than the State Administration Account of the Clean Water Administration Fund and the Special Reserve Account of the Clean Water Reserve Fund.

Clean Water Bond Fund

On or prior to each Bond Payment Date, the Trustee shall withdraw from the Restricted Revenue Account and the Unrestricted Revenue Account of the Clean Water Revenue Fund, amounts sufficient to pay the Leveraged Portion and the State Match Portion of the Clean Water Portion of principal and interest on the Bonds due on such Bond Payment Date, including the redemption price of Bonds which have been called for prior redemption. Accordingly, there shall be transferred to the State Match Bond Account of the Clean Water Bond Fund from the Unrestricted Revenue Account of the Clean Water Revenue Fund amounts sufficient to pay the State Match Portion of the Clean Water Portion of principal and interest on the Bonds due on such Bond Payment Date and there shall be transferred to the Leveraged Bond Account of the Clean Water Bond Fund from the Restricted Revenue Account of the Clean Water Revenue Fund amounts sufficient to pay the Leveraged Portion of the principal and interest on the Bonds due on such Bond Payment Date. In the event of a deficiency in the amount available to be transferred from the Restricted Revenue Account of the Clean Water Revenue Fund to the Leveraged Account of the Clean Water Bond Fund, the Trustee shall transfer funds to the Leveraged Bond Account to make up such deficiency from the following sources in the following order:

(a) first, from the Restricted Reserve Account of the Clean Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;

(b) second, from the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account of the Clean Water Revenue Fund;

(c) third, from the Unrestricted Reserve Account of the Clean Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;

(d) fourth, from any Excess Drinking Water Revenues; and

(e) fifth, from any other available Clean Water Fund or Account established under the Master Trust Indenture.

In the event of a deficiency in the amount available to be transferred from the Unrestricted Revenue Account of the Clean Water Revenue Fund to the State Match Bond Account of the Clean Water Bond Fund, the Trustee shall transfer funds to the State Match Bond Account to make up such deficiency from the following sources in the following order:

(v) first, from the Special Reserve Account of the Clean Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;

(w) second, from the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account of the Clean Water Revenue Fund;

(x) third, from the Unrestricted Reserve Account of the Clean Water Reserve Fund to the extent of the deficiency allocable to Covered Bonds and for application only to payment of principal of and interest on Covered Bonds;

(y) fourth, from any Excess Unrestricted Drinking Water Revenues;

(z) fifth, from the State Administration Account of the Clean Water Administration Fund.

Under no circumstances shall any amounts be transferred to the State Match Bond Account from the Leveraged Loan Account, State Match Loan Account or Federally Capitalized Loan Account of the Clean Water Loan Fund, the Restricted Revenue Account of the Clean Water Revenue Fund, the Leveraged Bond Account of the Clean Water Bond Fund or the Restricted Reserve Account of the Clean Water Reserve Fund or the SRF Administration Account of the Clean Water Administration Fund.

In the event amounts are credited to an Account of the Clean Water Bond Fund for payment of the Clean Water Portion of debt service on Bonds as a result of a deficiency as set forth above, whenever and to the extent such deficiency shall be made good, moneys in the Account of the Clean Water Bond Fund to which transfers were made shall be applied by the Trustee to restore such Funds or Accounts to the extent moneys were withdrawn therefrom.

Clean Water Reserve Fund

The Clean Water Reserve Fund consists of a Restricted Reserve Account, an Unrestricted Reserve Account and a Special Reserve Account. Subject to the limitations on application of the Restricted Reserve Account and the Special Reserve Account, funds on deposit in the Clean Water Reserve Fund shall be used to make up any deficiencies in the Clean Water Bond Fund and the Trustee shall transfer to the Clean Water Bond Fund allocable to Covered Bonds or apply to the payment of the Clean Water Portion of principal and interest on Covered Bonds, from amounts on deposit in the Clean Water Reserve Fund, such amounts as may be necessary to pay principal and interest on the Covered Bonds when due.

No Bonds shall be issued under the Master Trust Indenture as Covered Bonds unless, after giving effect to any deposits to be made from the proceeds thereof into the Restricted Reserve Account and the Special Reserve Account of the Clean Water Reserve Fund, both (a) the sum of the amounts on deposit in the Special Reserve Account and the Unrestricted Reserve Account equals at least the Clean Water State Match Reserve Requirement for all Covered Bonds then outstanding and the Covered Bonds to be issued under the Master Trust Indenture and (b) the sum of the amounts on deposit in the Restricted Reserve Account, the Unrestricted Reserve Account and the Special Reserve Account equals at least the Clean Water Total Reserve Requirement for all Covered Bonds then outstanding and any Covered Bonds to be issued.

Investment of Clean Water Moneys Held by the Trustee; Interfund Loans

Moneys in all Clean Water Funds and Accounts held by the Trustee shall be invested to the fullest extent possible in Investment Obligations, in accordance with directions given to the Trustee by the Executive Director.

Pursuant to an Authority Request and to the extent permitted by the Clean Water Act, amounts on deposit in any Clean Water Fund or Account and not then required for expenditure may be loaned on a temporary basis to any Drinking Water Fund or Account on the condition that it be returned to such Fund or Account with interest prior to the date the funds are needed by the transferring Fund or Account.

Clean Water State Revolving Fund

All Clean Water Funds, Accounts and subaccounts, except the State Administration Account of the Clean Water Administration Fund and the Special Reserve Account of the Clean Water Reserve Fund, are a part of the Clean Water State Revolving Fund for purposes of the Clean Water Act and the CWSRF Act and shall be used and expended in a manner consistent with the Master Trust Indenture, the Act, the CWSRF Act,

the Clean Water Act and all lawfully promulgated regulations thereunder. All funds, accounts and subaccounts created herein which are not a part of the Clean Water State Revolving Fund for purposes of the Clean Water Act shall be used and expended in a manner consistent with the Master Trust Indenture and the Act and all lawfully promulgated regulations thereunder.

Transfers to Drinking Water SRF

In the event on any Bond Payment Date amounts available in the funds and accounts under the Drinking Water SRF are insufficient to pay any Drinking Water Portion of principal of or interest on Bonds then due and payable, the Trustee shall transfer to the Drinking Water Bond Fund, but only from the sources identified below, the amount of the deficiency. Funds to make a transfer to Article V shall be taken from the following sources in the following order:

- (a) First, from any funds on deposit in the Restricted Cumulative Excess Subaccount of the Clean Water Revenue Fund to the extent necessary, with other funds available, to pay the Leveraged Portion of Drinking Water Bonds then due;
- (b) Second, from the Unrestricted Cumulative Excess Subaccount of the Clean Water Revenue Fund to the extent necessary, with other funds available, to pay the State Match Portion of the Drinking Water Portion of Bonds then due;
- (c) Third, from Excess Clean Water Unrestricted Revenues.

Reimbursement Obligation to Drinking Water SRF

In the event funds are at any time transferred to the Clean Water Bond Fund from the Drinking Water SRF, the Authority shall have an obligation, subordinate to the payment of the Clean Water Portion of the principal and interest on the Bonds, to reimburse to the Drinking Water SRF the amount so advanced either without interest or at such rate of interest as the Authority may determine. Such reimbursement shall be made only with funds on deposit in the Restricted Cumulative Excess Subaccount and Unrestricted Cumulative Excess Subaccount and other Excess Clean Water Unrestricted Revenues.

Other Clean Water Transfers

In addition to the foregoing transfers, transfers to and from the Clean Water SRF may be made with capitalization grant funds to the extent permitted by the Drinking Water Act. To the extent capitalization grant funds are transferred to the Drinking Water SRF the Authority may transfer from the State Match Loan Account of the Clean Water Loan Fund to the State Match Loan Account of the Drinking Water Loan Fund an amount which equals the amount previously deposited in the State Match Loan Account of the Clean Water Loan Fund in order to draw on the capitalization grant funds which were transferred to the Drinking Water Fund.

In addition, any balances retained in the Unrestricted Cumulative Excess Subaccount of the Unrestricted Revenue Account and Restricted Cumulative Excess Subaccount of the Restricted Revenue Account of the Clean Water Revenue Fund, after making any required transfers, may at the direction of the Authority be transferred to any Fund or Account under the Drinking Water SRF; provided that (i) after giving effect to the transfer the coverage requirements are met for all outstanding Bonds, and (ii) the transfer is within the limits and made in accordance with the procedures required by the Clean Water Act or otherwise authorized by the Environmental Protection Agency.

Events of Default

Each of the following events constitutes an “Event of Default”:

- (a) The Authority shall fail to pay any principal or the Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise;

(b) The Authority shall fail to pay any installment of interest on any Bond when and as the same shall become due and payable;

(c) If either (i) the amounts on deposit in either Reserve Fund are at any time less than the Total Reserve Requirement for such Reserve Fund or (ii) the sum of the amounts on deposit in the Special Reserve Account and the Unrestricted Reserve Account of either Reserve Fund are at any time less than the State Match Reserve Requirement for such Reserve Fund and either of such deficiencies shall have existed for a period of six consecutive months during which the deficiency shall not have been replenished from any source;

(d) The Authority shall fail to perform or observe any other covenant, agreement or condition on its part contained in the Master Trust Indenture or any Series Resolution or in the Bonds, and such failure shall continue for a period of thirty days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than 10% in the aggregate of the principal amount of the Bonds outstanding; or

(e) The Authority shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State.

Remedies and Enforcement of Remedies

(a) Upon the occurrence and continuance of any Event of Default, the Trustee may, and upon the written request of the Holders of not less than 25% in the aggregate of the principal amount of the Bonds outstanding, together with indemnification of the Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds and the Master Trust Indenture by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient, including but not limited to:

(i) Enforcement of the right of the Bondholders to require the Authority to collect and enforce the payment of principal of and interest due or becoming due on the Municipal Securities and to collect and enforce any rights in respect to the Municipal Securities as may be set forth in any resolutions therefor or the Loan Agreements and to require the Authority to carry out its duties, obligations and agreements under the terms of the Master Trust Indenture and any Series Resolution authorizing the issuance of Bonds of any Series then outstanding, and to require the Authority to perform its duties under the Act;

(ii) Suit upon all or any part of the Bonds;

(iii) Civil action to require the Authority to account as if it were the trustee of an express trust for the Holders of Bonds;

(iv) Civil action to enjoin any acts or things that may be unlawful or in violation of the rights of the Holders of Bonds; and

(v) Enforcement of any other right of the Bondholders conferred by law or by the Master Trust Indenture.

(b) Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Holders of not less than 25% in the aggregate of the principal amount of the Bonds then outstanding, shall, upon being indemnified to its satisfaction therefor institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Master Trust Indenture by any acts that may be unlawful or in violation of the Master Trust Indenture, or (ii) to preserve or protect the interests of the Bondholders, provided that such request is in accordance with the law and the provisions of the Master Trust Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of Bonds not making such request.

Power of Majority of Bondholders

The Holders of a majority in aggregate principal amount of Bonds outstanding under the Master Trust Indenture shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken under the Master Trust Indenture provided that such direction shall not be otherwise than in accordance with the provisions of law and that the Trustee shall be indemnified as provided in the Master Trust Indenture.

Limitation on Suits by Bondholders

No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Master Trust Indenture or for the execution of any trust hereof or for any other remedy under the Master Trust Indenture, unless a Default has occurred of which the Trustee has been notified or of which it is deemed to have notice; nor unless also such Default shall have become an Event of Default and the Holders of twenty-five percent (25%) in aggregate principal amount of Bonds outstanding under the Master Trust Indenture shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers herein before granted or to institute such action, suit or proceeding in its own name; nor unless also they shall have offered to the Trustee indemnity as provided.

Waiver by Bondholders

The Trustee, upon the written request of the Holders of not less than a majority in principal amount of the Bonds at the time outstanding under the Master Trust Indenture, shall waive any Default under the Master Trust Indenture and its consequences, except a Default in the payment of the principal of the Bonds at the date of maturity specified therein.

Resignation or Removal of Trustee

The Trustee may resign and be discharged from the trusts created by the Master Trust Indenture by giving to the Authority thirty days' notice in writing, and to the Bondholders notice by certified or registered mail addressed to each Bondholder at its or his address as set forth on the registration books, of such resignation, specifying a date when such resignation shall take effect. Such resignation shall take effect on the day specified in such notice, unless previously a successor trustee shall have been appointed by the Bondholders as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor trustee.

Any Trustee under the Master Trust Indenture may be removed at any time by an instrument or instruments in writing, appointing a successor to the Trustee so removed, filed with the Trustee and executed by the Holders of a majority in principal amount of the Bonds hereby secured and then outstanding.

Purposes for Which Supplemental Indentures May be Executed

The Authority and the Trustee from time to time and at any time, subject to the conditions and restrictions in the Master Trust Indenture contained, may enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable without the consent of any Bondholder for any one or more of the following purposes:

- (a) To correct the description of any property hereby pledged or intended so to be, or to assign, convey, pledge or transfer and set over unto the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the Authority for the equal and proportional benefit and security of the owners of all Bonds at any time issued and outstanding under the Master Trust Indenture, subject, however, to the provisions hereinabove set forth with respect to extended Bonds;

(b) To add to the covenants and agreements of the Authority in the Master Trust Indenture contained other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Authority or upon any successor;

(c) To evidence the succession or successive successions of any other department, agency, body or corporation to the Authority and the assumption by such successor of the covenants, agreements and obligations of the Authority in the Bonds hereby secured and in the Master Trust Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee under the Master Trust Indenture;

(d) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indentures which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under the Master Trust Indenture or any supplemental indenture as the Authority may deem necessary or desirable and which shall not be inconsistent with the provisions of the Master Trust Indenture or any supplemental indenture and which shall not impair the security of the same;

(e) To modify, eliminate and/or add to the provisions of the Master Trust Indenture to such extent as shall be necessary to effect the qualification of the Master Trust Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar Federal statute hereafter enacted, and to add to the Master Trust Indenture such other provisions as may be expressly permitted by said Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939;

(f) To provide for the enforcement, modification, sale or other disposition of any Municipal Securities held or to be acquired by the Authority or any investments of moneys of the Authority which the Industrial Commission expressly finds is necessary or desirable in the best interests of the Holders of Bonds;

(g) To provide for the issuance of additional Bonds of the Authority by adoption of Series Resolutions;

(h) To provide new or additional accounting requirements or provisions for operation of the Authority which do not substantially affect the rights of holders of Bonds of the Authority;

(i) To comply with any provision of the Internal Revenue Code or regulations thereunder, now or hereafter in effect, relating to arbitrage bonds or, in general, imposing conditions on the exemption of interest received, by the holders thereof, on bonds issued by a state or political subdivision or agency thereof;

(j) To amend the terms hereof in a manner applicable only to Bond Series issued subsequent to such amendment and not affecting Bonds previously issued and outstanding;

(k) To amend the definitions of Excess Drinking Water Unrestricted Revenues and Excess Clean Water Unrestricted Revenues to include additional amounts on deposit in the Funds and Accounts under the Drinking Water SRF and Clean Water SRF, respectively, provided that such amendment is permitted under the Drinking Water Act and Clean Water Act and the Authority provides a Coverage Certificate, with supporting schedules, estimating that (i) if the amendment expands the definition of Excess Drinking Water Unrestricted Revenues, Projected Drinking Water Revenue available to be deposited in both the Leveraged Bond Account and the State Match Bond Account of the Drinking Water Bond Fund will be at least 120% of the State Match Portion and Leveraged Portion of the Drinking Water Portions of principal and interest due in each year on the Bonds then outstanding, after excluding Excess Drinking Water Unrestricted Revenues from Projected Drinking Water Revenue and (ii) if the amendment expands the definition of Excess Clean Water Unrestricted Revenues, Projected Clean Water Revenue available to be deposited in both the Leveraged Bond Account and the State Match Bond Account of the Clean Water Bond Fund will

be at least 120% of the State Match Portion and Leveraged Portion of the Clean Water Portions of principal and interest due in each year on the Bonds then outstanding after excluding Excess Clean Water Unrestricted Revenues from Projected Clean Water Revenue;

(l) Except for amendments for which the consent of all Holders would be required, to enter into one or more supplemental indentures that, when effective, would amend or modify any provisions of the Master Trust Indenture if, in the judgment of the Executive Director, the rating then in effect on any Outstanding Bonds from each Rating Agency immediately preceding the time such supplemental indenture becomes effective will be maintained or improved after such supplemental indenture becomes effective. For the purposes of this subsection, the Executive Director must certify its judgment to the Trustee, and such judgment will be based upon the written ratings report or other written evidence provided by each Rating Agency. In addition, each rating will be defined by reference only to the major letter category and any plus (+) or minus (-) designation or similar numerical designation (and without any further designation within a rating category whether now or hereafter used by a Rating Agency);

(m) To make such other modifications or amendments which are determined by the Trustee not to be prejudicial to the rights of the Trustee or the Holders of the Bonds.

Modification of Indenture with Consent of Bondholders

Subject to the following, the Holders of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds then outstanding and affected thereby shall have the right, from time to time, to consent to and approve the execution by the Authority and the Trustee of such indenture or indentures supplemental to the Master Trust Indenture as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding in any particular, any of the terms or provisions contained in the Master Trust Indenture or in any supplemental indenture; PROVIDED, HOWEVER, that nothing herein contained shall permit or be construed as permitting, without the consent of the Holders of all outstanding Bonds affected thereby, (a) an extension of the maturity of any Bond or any installment of interest thereon, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of revenues ranking prior to the lien or pledge created by the Master Trust Indenture, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required to consent to supplemental indentures or (f) a reduction in the aggregate principal amount of the Bonds required to waive an Event of Default. Whenever the Authority shall deliver to the Trustee a resolution of Bondholders adopted at a Bondholders' meeting approved by, or an instrument or instruments purporting to be executed by, the Holders of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds then outstanding, which resolution or instrument or instruments shall refer to the proposed supplemental indenture and shall specifically consent to and approve the execution thereof, thereupon, the Authority and the Trustee may execute such supplemental indenture without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

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APPENDIX D

Form of Bond Counsel Opinion

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[LETTERHEAD OF BOND COUNSEL]

_____, 2026

North Dakota Public Finance Authority
Bismarck, North Dakota

Re: \$_____ North Dakota Public Finance Authority State Revolving Fund
Program Bonds, Series 2026A

Ladies and Gentlemen:

We have acted as bond counsel to the North Dakota Public Finance Authority (the “Authority”) in connection with the issuance by the Authority of its State Revolving Fund Program Bonds, Series 2026A (the “Series 2026A Bonds”) dated the date hereof, in the aggregate amount of \$_____.

The Series 2026A Bonds are being issued pursuant to an Amended and Restated Master Trust Indenture dated as of July 1, 2011, between the Authority and the Bank of North Dakota, as amended (the “Master Trust Indenture”), and a Series Resolution approved by the Industrial Commission of North Dakota on February 24, 2026 (the “Series Resolution”), issued to finance the purchase of certain obligations (the “Municipal Securities”) of political subdivisions and certain other entities as described in the Series Resolution and to refund certain obligations outstanding under the Master Trust Indenture.

We have examined such certified proceedings, documents and certifications of public officials as we deem necessary to render this opinion, including the forms of the Series 2026A Bonds. As to questions of fact material to our opinion we have relied upon certified proceedings, documents and certifications furnished to us without undertaking to verify such facts by independent investigation.

We have not been engaged or undertaken as bond counsel to verify the accuracy, completeness or sufficiency of the Authority’s Official Statement dated _____, 2026 or other offering material relating to the Series 2026A Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only matters set forth as our opinion in the Official Statement).

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Series 2026A Bonds are valid and binding obligations of the Authority issued under the authority of Chapter 6-09.4, North Dakota Century Code (the “Act”).
2. The Series 2026A Bonds, together with all obligations heretofore or hereafter issued on a parity therewith by the Authority under the Master Trust Indenture, are payable primarily from and secured by a lien on and pledge of the Municipal Securities evidencing loans made under the Master Trust Indenture and revenues therefrom and the moneys on deposit in certain funds and accounts established under the Master Trust Indenture.
3. The Series 2026A Bonds do not create an indebtedness on the part of the State of North Dakota in violation of any constitutional or statutory provision.
4. Under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2026A Bonds (including any original issue discount properly allocable to the owner of a series 2026A Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Series 2026A Bonds may affect the federal alternative minimum tax imposed on certain corporations. The Series 2026A Bonds are not designated as “qualified tax-exempt obligations” under Section 265(b) of the Internal Revenue Code of 1986 (the “Code”).
5. Under the Act, interest on the Series 2026A Bonds is exempt from all income taxation by the State of North Dakota.

The opinions set forth in paragraph 4 are based solely on the documents, representations and assumptions set forth above and subject to the limitations and qualifications described herein.

The accrual or receipt of interest on the Series 2026A Bonds may otherwise affect the federal or state income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient’s particular tax status and other items of income or deduction. We express no opinion regarding any such consequences. Purchasers of the Series 2026A Bonds, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America, and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of Social Security or Railroad Retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations are advised to consult their tax advisors as to the tax consequences of purchasing or holding the Series 2026A Bonds.

It is to be understood that the rights of the holders of the Series 2026A Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and

other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

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APPENDIX E

Form of Continuing Disclosure Undertaking

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CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Certificate”) is executed and delivered by the North Dakota Public Finance Authority (the “Issuer”) in connection with the issuance of the \$ _____ North Dakota Public Finance Authority State Revolving Fund Program Bonds, Series 2026A, dated _____, 2026 (the “Obligations”). The Obligations are being issued pursuant to an Amended and Restated Master Trust Indenture, dated July 1, 2011, as amended from time to time (the “Master Trust Indenture”), and a Series Resolution of the Industrial Commission of the State of North Dakota adopted on February 24, 2026 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. (a) Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with subsection (b)(5) of the Rule (defined below). References in this Disclosure Certificate to holders of the Obligations shall include the beneficial owners of the Obligations. This Disclosure Certificate constitutes the written agreement under the Rule.

(b) Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access (“EMMA”) System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Audited Financial Statements” means the Issuer’s annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

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

“Dissemination Agent” means such person from time to time designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” means a: (a) debt obligation; (b) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of one of the foregoing. The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with this rule.

“Financial Statements” means audited or, if unavailable, unaudited general purpose financial statements of an Obligated Person prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB), as in effect from time to time or as required to be modified as a matter of law. If unaudited financial statements are provided, audited financial statements will be provided when and if available.

“Fiscal Year” means the then applicable fiscal year of the Issuer or an Obligated Person.

“IRS” means the Internal Revenue Service of the Department of the Treasury.

“Listed Events” means any of the events listed in Sections 5(a) and 5(b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, whose current address is 1300 I Street NW, Suite 1000, Washington, DC 20005.

“Obligated Person” means the Issuer and any Borrower (as defined in the Master Trust Indenture) that has entered into one or more Loan Agreements (as defined in the Master Trust Indenture) with the Issuer under the Master Trust Indenture, the aggregate outstanding principal balance of which equals or exceeds 10% of the aggregate outstanding principal amount of either approved loan amounts as of the end of each Fiscal Year of the Issuer, or if fully funded at less than the approved amounts, then actual loan amounts; provided that any such Borrower shall no longer be an Obligated Person on such date, if any, as the aggregate principal balance under Loan Agreements of such Borrower under the Master Trust Indenture are less than 10% of the then aggregate outstanding principal balance of either approved loan amounts, or if fully funded at less than the approved amounts, then actual loan amounts.

“Official Statement” means the Official Statement, dated _____, 2026, delivered in connection with the original issuance and sale of the Obligations, together with any amendments thereto or supplements thereof.

“Participating Underwriter” means any of the original underwriter(s) of the Obligations required to comply with the Rule in connection with offering of the Obligations.

“Rule” means Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” means the Securities and Exchange Commission or any successor to its functions governing state and municipal securities.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, on or before each December 31, commencing with December 31, 2026, provide to the MSRB, filed in

accordance with Section 1(b) of this Disclosure Certificate, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date; provided, however, unaudited financial information will be provided and the Audited Financial Statements will be submitted to the MSRB when and if available. The Issuer may provide the Annual Report by specific reference to documents previously provided to the MSRB or filed with the SEC; provided, however, that if the document so referenced is a final official statement within the meaning of the Rule, such final official statement must be available from the MSRB.

(b) Not later than 2 days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall provide the Annual Report to the Dissemination Agent (if the Issuer is not the Dissemination Agent).

(c) If the Issuer is unable or fails to provide an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of such fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

(a) North Dakota State Revolving Funds - Clean Water and Drinking Water SRF Capitalization Grants;

(b) North Dakota State Revolving Funds - Current Account Balances;

(c) Sources of Payment and Security - Revenues and Other Available Monies;

(d) The North Dakota Public Finance Authority - Outstanding Debt of the State Revolving Fund Program;

(e) The North Dakota Public Finance Authority - Other Outstanding Debt of the Authority;

(f) The annual Financial Statements of each Obligated Person for the prior Fiscal Year of the Obligated Person and annual financial information and operating data with respect to each Obligated Person similar to or updating that set forth in Appendix A of the Official Statement, and

(g) Information updating the information with respect to Clean Water and Drinking Water SRF Loans of the Issuer set forth in Appendix B of the Final Official Statement.

The Issuer reserves the right to modify from time to time the specific types of information provided above or the format of presentation of the information, provided that the modification is permitted under Section 8 hereof.

Section 5. Reporting of Significant Events.

(a) The Issuer shall give, or cause to be given notice of the occurrence of any of the following events with respect to the Obligations, in a timely manner not in excess of 10 business days after the occurrence of the event:

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, if any, or their failure to perform;
- (5) adverse tax opinions or the issuance by the IRS of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
- (6) tender offers;
- (7) defeasances;
- (8) rating changes;
- (9) bankruptcy, insolvency, receivership or similar event of an Obligated Person; or
- (10) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Obligations, if material, in a timely manner not in excess of 10 business days after the occurrence of the event:

- (1) non-payment related defaults;

(2) unless described in (a)(5) above, other notices or determinations by the IRS with respect to the tax-exempt status of the Obligations, or other events affecting the tax-exempt status of the Obligations;

(3) modifications to rights of holders of the Obligations;

(4) bond calls;

(5) release, substitution or sale of property securing repayment of the Obligations;

(6) the consummation of a merger, consolidation or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(7) appointment of a successor or additional trustee or the change of name of a trustee; or

(8) incurrence of a Financial Obligation of an Obligated Person or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect holders of the Obligations.

(c) For purposes of the event identified in subsection (a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(d) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event under subsection (b), the Issuer shall as soon as possible determine if such event would constitute material information for holders of Obligations.

(e) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Obligations.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate and without consent of the holders of the Obligations, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver (i) is required by an amendment of the Rule by the SEC or procedures relating to the Rule by the MSRB, (ii) is to clarify an ambiguity or error, or (iii) does not provide for undertakings, or modifications of the information to be provided or of the format of such information, which violate the Rule or procedures of the MSRB then in effect or eliminate undertakings then required by the Rule or otherwise required by the SEC or the MSRB with respect to the Rule, which may be evidenced by a written opinion of legal counsel selected by the Issuer to the effect that such amendment or waiver would not, in and of itself, violate the Rule, require undertakings which would violate the Rule or eliminates undertakings required by the Rule. If the Issuer determines that any such amendment or waiver materially changes the information provided to the MSRB or the timing of the information to be provided and that such information has not otherwise been provided to the MSRB in an Annual Report or event filing pursuant to this Disclosure Certificate, it shall provide the MSRB notice of such amendments as additional information pursuant to Section 9 hereof.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Obligations may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Obligations, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance. Notwithstanding any other provision of this Disclosure Certificate, neither the State of North Dakota, the Industrial Commission of North Dakota, the Issuer, nor any officer, employee, or agent thereof shall be liable for any claims whatsoever for monetary damages or attorney's fees for any breach of this Disclosure Certificate.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Obligations.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Obligations, and shall create no rights in any other person or entity.

Section 13. Reserved Rights. The Issuer reserves the right to discontinue providing any information required under the Rule if a final determination should be made by a court of competent jurisdiction that the Rule is invalid or otherwise unlawful or, subject to the provisions of Section 8 hereof, to modify the undertaking under this Disclosure Certificate if the Issuer determines that such modification is required by the Rule or by a court of competent jurisdiction.

(Remainder of page intentionally left blank)

Dated as of _____, 2026.

NORTH DAKOTA PUBLIC FINANCE
AUTHORITY

By _____
Executive Director

APPENDIX F

Official Terms of Sale

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\$189,165,000
North Dakota Public Finance Authority
State Revolving Fund Program Bonds, Series 2026A

NOTICE IS HEREBY GIVEN THAT \$189,165,000 State Revolving Fund Program Bonds, Series 2026A, of the North Dakota Public Finance Authority will be offered for sale according to the following terms:

TIME AND PLACE: Electronic bids will be received at the offices of PFM Financial Advisors LLC, 45 South 7th Street, Suite 2950, Minneapolis, Minnesota 55402 on Tuesday, May 5, 2026 until 10:15 A.M., Central Time. All proposals must be submitted electronically through PARITY® (the “Approved Provider”) as further described below. The Executive Director of the Authority will consider the bids and award the sale by 3:00 P.M. on the same day.

If any provisions in this Official Terms of Sale conflict with information provided by the Approved Provider, the Official Terms of Sale shall control. Further information about the Approved Provider, including any fee charged, may be obtained from PARITY®, 395 Hudson Street, New York, New York 10014, Eric Washington, 212/404-8102. The Authority assumes no responsibility or liability for proposals submitted through the Approved Provider.

PURPOSE: to make Loans at below market interest rates to political subdivisions of the State of North Dakota and certain other entities (the “Borrowers”) through the purchase of certain obligations (the “Municipal Securities”) issued by such Borrowers for use in connection with the financing or refinancing of water pollution control and drinking water projects as described herein, and pay costs of issuance related to the Series 2026A Bonds.

DATE OF BONDS: Date of delivery.

INTEREST PAYMENTS: October 1, 2026 and semiannually thereafter on April 1 and October 1.

MATURITY: October 1 in the years and amounts as follows:

Year	Amount*	Year	Amount*
2027	\$2,195,000	2042	\$7,590,000
2028	1,730,000	2043	7,970,000
2029	4,760,000	2044	8,365,000
2030	3,305,000	2045	9,220,000
2031	3,445,000	2046	9,865,000
2032	5,335,000	2047	7,900,000
2033	2,930,000	2048	8,295,000
2034	2,475,000	2049	8,710,000
2035	1,025,000	2050	9,145,000
2036	5,925,000	2051	9,600,000
2037	6,220,000	2052	10,080,000
2038	2,190,000	2053	10,585,000
2039	6,640,000	2054	11,115,000
2040	6,975,000	2055	10,200,000
2041	5,375,000		

Bidders may specify that Series 2026A Bonds of any maturities shall be consolidated into one or more term bonds having a stated maturity date on the last maturity so consolidated, and that such term bonds shall be redeemed by the Authority on the dates and in the amounts shown above for the maturities so consolidated; but any maturities not so consolidated will mature on the dates and in the amounts set forth above.

SENSITIVITY: Following the receipt of the bids, the Authority reserves the right to adjust the principal amount. If the issue size is adjusted, the purchase price will be adjusted to ensure that the percentage net compensation (i.e. the percentage resulting from dividing (i) the aggregate difference between the offering price of the Series 2026A Bonds to the public and the price to be paid to the Authority (excluding accrued interest), less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the Series 2026A Bonds) remains constant.

* Preliminary, subject to adjustment.

REDEMPTION: All Series 2026A Bonds maturing on or after October 1, 2037 are subject to redemption and prior payment in whole or in part, and if in part, in such order as the Authority may determine, on October 1, 2036 and any date thereafter on 30 days' mailed notice, at par and accrued interest.

The Series 2026A Bonds shall be subject to redemption and payment prior to maturity on August 1, 2029, in an amount necessary to maintain the exclusion from gross income for federal income tax purposes pursuant to the Code of the interest on the Series 2026A Bonds at the redemption price of 102% of the amortized issue price as determined by the Authority for each maturity of the Series 2026A Bonds plus accrued interest on the principal amount redeemed to the date of redemption.

TERM BOND OPTION: Bids for the Series 2026A Bonds maturing October 1, 2037 and thereafter may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

CUSIP NUMBERS: The Authority will assume no obligation for the assignment of CUSIP numbers for the Series 2026A Bonds or for the correctness of any such numbers printed thereon, but the Authority will permit such printing to be done at the expense of the purchaser, if the purchaser waives any extension of the time of the delivery of the Series 2026A Bonds caused thereby.

DELIVERY: Within 30 days following the date of their award, the Authority will deliver to the Bond Registrar the printed and executed bonds subject to the approving legal opinion of Kutak Rock LLP, Bond Counsel, Minneapolis, Minnesota, and customary closing certificates, including a certificate that the Official Statement did not at the date of delivery of the Series 2026A Bonds contain any untrue statement of a material fact or fail to state a material fact necessary in order to make the statements contained therein not misleading and a certificate as to absence of material litigation. Series 2026A Bonds will be delivered against payment in immediately available funds at the Authority's designated depository on the date of delivery. Delivery is expected on or about May 19, 2026.

BOOK ENTRY SYSTEM: The Series 2026A Bonds will be issued by means of a book entry system with no physical distribution of Series 2026A Bonds made to the public. The Series 2026A Bonds will be issued in fully registered form and one Series 2026A Bond, representing the aggregate principal amount of the Series 2026A Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Series 2026A Bonds. Individual purchasers of the Series 2026A Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Authority to DTC or its nominee as registered owner of the Series 2026A Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Series 2026A Bonds, will be required to deposit the Series 2026A Bonds with DTC.

TYPE OF BID: Bids for not less than \$188,219,175 (99.5%) plus accrued interest from the date of the Series 2026A Bonds to the date of delivery must be submitted through PARITY® and received prior to the time specified above. All bids shall be deemed to incorporate the provisions of this Official Terms of Sale.

GOOD FAITH DEPOSIT: Following the award of the sale, the winning bidder will be required to submit a Good Faith Deposit (the "Deposit") in the form of a certified or cashier's check or a wire in the amount of \$1,891,650 payable to the order of the North Dakota Public Finance Authority, no later than 3:30 P.M. C.T. on the day of the award. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Series 2026A Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Issuer.

TERMS OF BIDS: All rates must be in integral multiples of 1/20th or 1/8th of one percent. In addition, no Series 2026A Bonds maturing on or after October 1, 2037 may bear an interest rate less than 5.00%. All Series 2026A Bonds of the same maturity shall bear a single uniform rate from date of issue to maturity. Each bid must be for the entire principal amount of the Series 2026A Bonds. The purchase price will be adjusted proportionately with any adjustment in the size of the issue as described above.

ELECTRONIC BIDDING ONLY: All proposals must be submitted electronically through PARITY® and no other proposals will be considered. The Authority is using electronic bidding as a communications medium and PARITY® is not an agent of the Authority. The Authority assumes no responsibility or liability for proposals submitted

electronically. If any provisions in this Official Terms of Bond Sale conflict with information provided by an electronic bidding service, this Official Terms of Bond Sale shall control. Proposers must be contracted customers of PARITY®. Prospective proposers should contact PARITY® directly at (212) 849-5021 for information about PARITY®, including its rates and fees, and becoming a contracted customer.

AWARD: The bid offering the lowest true interest cost will be deemed most favorable. The true interest cost is computed as the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Series 2026A Bonds, produces an amount equal to the purchase price. If two or more bids provide the same lowest true interest cost, the Authority shall determine which bid shall be accepted, and such determination shall be final.

The Authority reserves the right to reject any and all bids, to waive any informality in any bid and to adjourn the sale.

ESTABLISHMENT OF ISSUE PRICE AT TIME OF AWARD: In order to establish the issue price of the Series 2026A Bonds for federal income tax purposes, the Authority requires proposers to agree to the following, and by submitting a proposal, each proposer agrees to the following.

If a proposal is submitted by a potential underwriter, the proposer confirms that (i) the underwriters have offered or reasonably expect to offer the Series 2026A Bonds to the public on or before the date of the award at the offering price (the “initial offering price”) for each maturity as set forth in the proposal and (ii) the proposer, if it is the winning proposer (the “Purchaser”), shall require any agreement among underwriters, selling group agreement, retail distribution agreement or other agreement relating to the initial sale of the Series 2026A Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Series 2026A Bonds with a separate CUSIP number constitute a separate “maturity,” and the public does not include underwriters (including members of a selling group or retail distribution group) or persons related to underwriters.

If, however, a proposal is submitted for the proposer’s own account in a capacity other than as an underwriter of the Series 2026A Bonds, and the proposer has no current intention to sell, reoffer, or otherwise dispose of the Series 2026A Bonds, the proposer shall notify the Authority to that effect at the time it submits its proposal and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the Purchaser intends to act as an underwriter, the Authority shall advise the Purchaser at or prior to the time of award whether (i) the competitive sale rule or (ii) the “hold-the-offering price” rule applies.

If the Authority advises the Purchaser that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the Purchaser will be required to deliver to the Authority at or prior to closing a certification, substantially in the form attached hereto as Exhibit A-1, as to the reasonably expected initial offering price as of the award date.

If the Authority advises the Purchaser that the requirements for a competitive sale have not been satisfied and that the “hold-the-offering price” rule applies, the Purchaser shall (1) upon the request of the Authority confirm that the underwriters did not offer or sell any maturity of the Series 2026A Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the Authority a certification substantially in the form attached hereto as Exhibit A-2, together with a copy of the pricing wire.

Any action to be taken or documentation to be received by the Authority pursuant hereto may be taken or received on behalf of the Authority by PFM Financial Advisors LLC, the Authority’s municipal advisor.

Proposers should prepare their proposals on the assumption that the Series 2026A Bonds will be subject to the “hold-the-offering-price” rule. Any proposal submitted pursuant to the Official Terms of Bond Sale shall be considered a firm offer for the purchase of the Series 2026A Bonds, and proposals submitted will not be subject to cancellation or withdrawal.

OFFICIAL STATEMENTS: The Authority has prepared the Preliminary Official Statement dated April __, 2026 in a form deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), but is subject to update and completion in a Final Official Statement in accordance with the Rule. The Preliminary Official Statement is available to prospective bidders and to others who request copies from the Authority or its financial advisor, PFM Financial Advisors LLC and may also be obtained at www.pfm.com.

Not later than seven business days following the award of the Series 2026A Bonds, the Authority shall provide copies of the Final Official Statement, as that term is used in the Rule, to the successful purchaser of the Series 2026A Bonds.

The Purchaser will be supplied with Final Official Statements in a quantity sufficient to meet their request. Up to 50 copies of the Final Official Statement will be furnished without cost.

CONTINUING DISCLOSURE: In accordance with the Rule, the Authority will undertake, pursuant to a Continuing Disclosure Undertaking, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The purchaser's obligation to purchase the Series 2026A Bonds will be conditioned upon its receiving the Continuing Disclosure Undertaking at or prior to delivery of the Series 2026A Bonds.

Dated: April 28, 2026

BY ORDER OF THE NORTH DAKOTA
INDUSTRIAL COMMISSION

/s/ DeAnn Ament

Executive Director
North Dakota Public Finance Authority

Further information may be obtained from:
PFM Financial Advisors LLC
45 South 7th Street, Suite 2950
Minneapolis, MN 55402
(612) 338-3535

EXHIBIT A-1

ISSUE PRICE CERTIFICATE FOR COMPETITIVE SALES WITH AT LEAST THREE BIDS FROM ESTABLISHED UNDERWRITERS

[\$[PRINCIPAL AMOUNT]
[BOND CAPTION]

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”) issued by the North Dakota Public Finance Authority (the “Issuer”).

1. *Reasonably Expected Initial Offering Price.*

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. *Defined Terms.*

(a) “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “*Public*” means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. Persons generally are “related parties” for purposes of this certificate if they have more than 50 percent common ownership or control, directly or indirectly.

(c) “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of the respective Maturity of the Bonds. The Sale Date of each Maturity of the Bonds is [DATE].

(d) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and the Borrower] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the

Bonds, and by Kutak Rock LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer [and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

OFFICIAL PROPOSAL FORM

(Electronic and Sealed Proposals Accepted)

\$189,165,000⁽¹⁾

**State Revolving Fund Program Bonds, Series 2026A
North Dakota Public Finance Authority**

Board of Commissioners
c/o PFM Financial Advisors LLC
FAX: (612)-338-7264

Sale Date: May 5, 2026

For all or none of the principal amount of \$189,165,000⁽¹⁾ General Obligation State Revolving Fund Program Bonds, Series 2026A (the "Bonds"), for North Dakota Public Finance Authority (the "Authority"), legally issued and as described in the Official Terms of Sale, we will pay the Authority \$_____ (not less than \$188,219,175) plus accrued interest on the total principal of \$189,165,000⁽¹⁾ to date of delivery, provided the Bonds bear interest at the following rates:

<u>Year</u>	<u>Amount⁽¹⁾</u>	<u>Rate</u>	<u>Yield</u>	<u>Year</u>	<u>Amount⁽¹⁾</u>	<u>Rate</u>	<u>Yield</u>
2027	\$2,195,000			2042	\$7,590,000		
2028	1,730,000			2043	7,970,000		
2029	4,760,000			2044	8,365,000		
2030	3,305,000			2045	9,220,000		
2031	3,445,000			2046	9,865,000		
2032	5,335,000			2047	7,900,000		
2033	2,930,000			2048	8,295,000		
2034	2,475,000			2049	8,710,000		
2035	1,025,000			2050	9,145,000		
2036	5,925,000			2051	9,600,000		
2037	6,220,000			2052	10,080,000		
2038	2,190,000			2053	10,585,000		
2039	6,640,000			2054	11,115,000		
2040	6,975,000			2055	10,200,000		
2041	5,375,000						

⁽¹⁾ Preliminary, subject to change.

We hereby designate that the following bonds be aggregated into term bonds maturing on ___ of the following years and in the following amounts (leave blank if no term bonds are specified):

<u>Years Aggregated</u>	<u>Maturity Year</u>	<u>Amount</u>
_____ through _____	_____	_____
_____ through _____	_____	_____

The Bonds mature on October 1 in each of the years as indicated above and interest is payable semiannually each April 1 and October 1, commencing October 1, 2026.

In making this offer, we accept the terms and conditions as defined in the Official Terms of Sale published in the Official Statement dated April 28, 2026 and confirm that we are an Underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. Our good faith deposit in the amount of \$1,891,650 will be filed according to the terms outlined in the Official Terms of Sale. All blank spaces of this offer are intentional and are not to be construed as an omission.

NOT PART OF THIS PROPOSAL:

Respectfully submitted,

<p>Explanatory Note: According to our computation, this proposal involves the following:</p> <p>\$ _____</p> <p>Net Interest Cost</p> <p>_____ %</p> <p>True Interest Rate (TIC)</p>
--

Account Manager

By _____

(A list of account members is on the reverse side of this proposal.)

The foregoing offer is hereby accepted by and on behalf of the North Dakota Public Finance Authority, this 5th day of May 2026.

NDPFA Executive Director

EXHIBIT A-2

ISSUE PRICE CERTIFICATE –COMPETITIVE SALES WITH FEWER THAN THREE BIDS FROM ESTABLISHED UNDERWRITERS – HOLD OFFERING PRICE

\$[PRINCIPAL AMOUNT]
[BOND CAPTION]

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] ([“[SHORT NAME OF UNDERWRITER”]] [the “Representative”]], on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”) issued by the North Dakota Public Finance Authority (the “Issuer”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the specified initial offering prices listed in Schedule B (the “Initial Offering Prices”) on or before the Sale Date. If there is a Hold-the-Offering-Price Maturity, a copy of the pricing wire for the Bonds is attached to this certificate as Schedule C.

(b) As set forth in the [Bond Purchase Agreement][Notice of Sale and bid award], [SHORT NAME OF UNDERWRITER][each member of the Underwriting Group] has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. Based on its own knowledge and, in the case of sales by other Underwriters, representations obtained from the other Underwriters, no Underwriter has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) “*General Rule Maturities*” means those Maturities of the Bonds, if any, listed in Schedule A hereto as the “General Rule Maturities.”

(b) “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds, if any, listed in Schedule B hereto as the “Hold-the-Offering-Price Maturities.”

(c) “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which [SHORT NAME OF UNDERWRITER][the Underwriters] [has][have]

sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at one or more prices, each of which is no higher than the Initial Offering Price for such Maturity.

(d) “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(e) “*Public*” means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. Persons generally are “related parties” for purposes of this certificate if they have more than 50 percent common ownership or control, directly or indirectly.

(f) “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of the respective Maturity of the Bonds. The Sale Date of each Maturity of the Bonds is [DATE].

(g) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDEWRITING FIRM][the Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and the Borrower] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Kutak Rock LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer [and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES
(Attached)

SCHEDULE B

INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(Attached)

SCHEDULE C
PRICING WIRE

(Attached)