

SCHOOL BOND REPAYMENT ASSURANCE AGREEMENT

This School Bond Repayment Assurance Agreement (“Agreement”) is entered into by and between the State of Oregon, acting by and through its Office of the State Treasurer and its *[Department of Education or Higher Education Coordinating Commission]* (the “State”) and *[insert School District]* (“District”) with respect to the repayment of amounts that may be paid by the State to the District’s paying agent pursuant to the State’s guaranty provided under ORS 328.321 to 328.356 (the “Act”).

RECITALS

WHEREAS, the District intends to issue its *[insert general obligation bonds description]* on or about *[insert date of bonds]* (the “Bonds”) under a Certificate of Qualification from the State indicating that the State will guaranty payment of the District’s debt service on the Bonds consistent with the Act and OAR 170-063-0000; and

WHEREAS, the State is entitled to repayment from the District of any debt service payment paid by the State Treasurer to the District’s paying agent, plus interest, penalties and any additional costs incurred by the State as allowed by and in order to fulfill its guarantee obligations under the Act;

WHEREAS, at its meeting on *[insert date]* the District, acting by and through its governing board, delegated approval of this Agreement to the authorized representative listed below for execution and for implementation if, in the future, the District failed to transfer a Debt Service Payment as contemplated in the Act and this Agreement;

NOW THEREFORE, the State and the District agree that in the event the State pays one or more of the scheduled payments of principal and interest due on the District’s Bonds (the Debt Service Payment), the District will repay the State as described below.

AGREEMENT

1. Repayment Agreement. As soon as practicable after the District notifies the State Treasurer that it does not expect to transfer a Debt Service Payment to its paying agent, or the paying agent notifies the State Treasurer that it has not received the Debt Service Payment by the required date or upon payment by the State Treasurer of a Debt Service Payment on the Bonds, the District and the State shall enter into a repayment agreement substantially in the form of the attached Exhibit A (the “Repayment Agreement”).

2. Repayment Amount. In accord with the Repayment Agreement, the District will repay: (i) any Debt Service Payments paid by the State Treasurer, (ii) any penalties and costs incurred by the State as authorized under ORS 328.346 (the “State’s Costs”), and (iii) interest accruing on (i) and (ii) as determined by the State Treasurer in accordance with ORS 328.346 (amounts (i) through (iii) are the “Repayment Amount”).

3. Sources of Repayment. The Repayment Amount may be paid from any one or a combination of the following sources:

- (a) A periodic or one-time payment by the District from its general fund or any other revenues available for such purpose;
- (b) A periodic or one-time transfer by the Department of Education to the State Treasurer of State School Aid scheduled for disbursement by the Department of Education to the District;
- (c) Additional property taxes assessed and levied by the county assessor in an amount sufficient to repay the Debt Service Payment(s) as provided in ORS 328.260 and 294.368;
- (d) Exercise of a security interest, if any, granted to the State Treasurer in real or personal property owned by the District, including a pledge of any revenue streams available to the District that are not derived from subsections (a) through (c) of this section.

4. Authorization/Binding Agreement. The making and performance by the District of this Agreement (a) has been duly authorized by all necessary action of the District, (b) does not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency, and (b) does not and will not result in the breach of, or constitute a default or require any consent under, any other agreement or instrument to which the District is a party or by which the District or any of its properties may be bound or affected. This Agreement has been duly executed and delivered by the District and will constitute the legal, valid, and binding obligation of the District, each enforceable in accordance with its terms.

5. Remedies. District understands and agrees that the execution of this Agreement is in support and furtherance of, not in lieu of, the rights and remedies provided to the State Treasurer under the Act to recover the Repayment Amount. In the absence of an executed Repayment Agreement, the State Treasurer will nevertheless pursue any remedies available under the Act that may be unilaterally undertaken by the State, including but not limited to, the transfer by the Department of Education to the State Treasurer of State School Aid.

6. Law/ Forum. The laws of the State of Oregon govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

7. Execution in Counterparts. This Agreement may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

THIS AGREEMENT SHALL BE EFFECTIVE AS OF THE DATE ALL PARTIES HAVE EXECUTED THIS AGREEMENT AND ALL APPROVALS, IF ANY, REQUIRED BY APPLICABLE LAW ARE OBTAINED. DISTRICT, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

[DISTRICT]

STATE OF OREGON

acting by and through the
Office of the State Treasurer

By: _____

Name:

Title:

Date: _____

By: _____

Name:

Title:

Date: _____