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July 2, 2013

Via E-Mail & Overnight Mail

Bob Ayers, Board Secretary
New Hampton Community School District
710 West Main
New Hampton, IA 50659-1004

Re: New Hampton Community School District
\$2,840,000 School Infrastructure Sales, Services and Use Tax
Revenue Refunding Bonds, Series 2013

Dear Bob:

Please read this letter thoroughly, as it will assist you in completing your issuance proceedings. If you have any questions while working on your documents, do not hesitate to contact me or my legal assistant, Julie Peterson.

The following proceedings and documents are to be completed by the Board. There are four copies of each document enclosed. ***Please complete each document and return them all to our office no later than July 22, 2013.*** We will prepare a complete transcript for each party involved following closing.

- A set of Proceedings in which the following resolutions are adopted:
 - Resolution Directing Sale.
 - Approval of form of Tax Exemption Certificate.
 - Resolution for the Issuance and Providing for and Securing the Payment of the Bonds.
- Tax Exemption Certificate.
- Delivery Certificate.

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- Authentication Order.
- Certificate of Authentication.
- District Certificate regarding organization, officers and board members and boundaries.
- Bond Purchase Agreement.
- Official Bid Form.
- IRS Form 8038-G (1 Copy).
- Bonds.

Please follow these instructions for each set of the enclosed documents:

Proceedings

DISTRICT--Please include the Agenda Item in the agenda you prepare in accordance with District rules and in compliance with Iowa Code chapter 21.

President and Secretary need to sign and date pages 5 and 28.

Fill in the blanks for attendance and voting on pages 1-3. Also, please complete the Certificate which is the last page of this document.

The District must give 30 days' written notice of the call of the outstanding Sales Tax Bonds to Luana Savings Bank, as registered owner of those Bonds. Since we anticipate calling the outstanding Sales Tax Bonds on August 8, 2013, this Notice needs to be given to Luana Savings Bank no later than July 9, which is the day after your Board meeting. We have provided a separate Notice (with the Schedule B heading removed) to be used for this call. Please execute this Notice at the meeting and deliver a copy to Luana Savings Bank the next day. A copy of this Notice also needs to be provided to our office and Piper Jaffray.

Tax Exemption Certificate

DISTRICT--The Treasurer must sign on each signature page. We will complete the blanks after we receive information from the Purchaser.

The Tax Exemption Certificate is an important document. The completed version will contain important information concerning the calculated yield on the Bonds and will contain a number of covenants and obligations on the part of the District.

Your copy of this Certificate should be retained as a part of your permanent records.

Tax exemption is based in part upon the fact that the use of the facilities financed with the Bond proceeds will be for the benefit of the public and will not be used in the private trade or business of any business or non-tax- exempt entity. The properties acquired with the proceeds must not be sold or diverted to any private or nonpublic use unless that action is reviewed by Bond Counsel.

In addition, you have certified that the school district reasonably expects to issue not more than \$15,000,000 of tax exempt bonds or obligations during calendar year 2013, and it will issue not more than \$5,000,000 of bonds or obligations for non-construction public purposes during calendar year 2013. The Tax Exemption Certificate sets forth the timely expenditure of the proceeds as you reasonably expect them to occur. If for any reason you find you will be prevented from expending the bond proceeds or if the District issues more than \$15,000,000 tax exempt obligations this calendar year, or more than \$5,000,000 tax exempt obligations during the calendar year for non-construction public purposes as specified in the Tax Exemption Certificate, you should contact us immediately.

The Bonds are also issued under the expectation that you will be exempt from the requirement to rebate arbitrage earnings to the federal government, because you intend to spend the proceeds of the bonds within six months of issuance. If all of the proceeds are not spent within six months, you will be required to rebate any excess earnings to the federal government within 60 days of the end of each fifth bond year. The rebate calculation process can either be accomplished by the District's audit team or a rebate service, usually an accounting firm. We will be glad to help the District with the set-up of an accounting system if and when you need some assistance.

These Bonds are designated as qualified tax-exempt obligations, making them desirable for certain banks as investments and making possible a more favorable interest rate. For this designation to be proper, it is necessary that you reasonably expect to issue less than \$10,000,000 of bonds or obligations in the course of this calendar year. If that amount should be exceeded, it would be necessary to review the situation immediately.

We call your attention to Article IV of the Tax Exemption Certificate and the investment restrictions and requirements for investing bond proceeds and sinking fund deposits. There are a number of other general promises and commitments by the District to take or refrain from action, which are necessary to maintain the tax exemption of these Bonds. You should recognize that these promises and commitments are required of the District on an ongoing basis, and that the possibility of some additional future action does exist.

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Delivery Certificate

DISTRICT--President and Secretary need to sign on page 2. Please confirm the financial data on page 2.

Authentication Order

DISTRICT--President must sign.

Piper Jaffray & Co. will send a letter which we will include as Exhibit A.

Certificate of Authentication

DISTRICT-- Secretary must sign.

District Certificate regarding organization, officers, and board members and boundaries.

DISTRICT--President and Secretary sign on page 2.

Please have a Notary notarize the signatures on page 2. The Secretary should sign and date immediately below the Notary's signature.

Please also verify the date of the last boundary change for the District.

Bond Purchase Agreement

Please have the President and Secretary sign on page 4. We have also sent the Bond Purchase Agreement on to the purchaser for signature.

Official Bid Form

Please have the President and Secretary sign where indicated.

IRS Form 8038-G (1 Copy) **DO NOT DATE**

DISTRICT--Treasurer should sign on the line to the left of his/her name at the bottom of the page.

Please confirm the District's Tax Identification Number.

We will sign, date and file the 8038-G for this issue. Confirmation of receipt by the IRS will be included in your transcript. *Please forward us a copy of the Minutes confirming*

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the adoption of the Post-Issuance Compliance Policy as adopted by the Board in January of 2012.

Bonds

DISTRICT--President and Secretary should sign where indicated. For your convenience, we have flagged where the signatures are required.

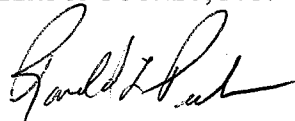
We have also included these directions on each document for your convenience.

You will need to execute all of the documents, and return ALL documents to our office. After closing, we will send you a complete transcript for your records.

If you have any questions, please do not hesitate to contact us.

Very truly yours,

AHLERS & COONEY, P.C.



Ronald L. Peeler

RLP:jcp

Enclosures

cc: Jay Jurrens
Matt Gillaspie

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