

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 10-18966 entitled "RESOLUTION RELATING TO ECONOMIC DEVELOPMENT REVENUE BONDS (COR ENTERPRISES PROJECT) OF THE CITY IN AN APPROXIMATE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,790,000; APPROVING THE PROJECT AND AUTHORIZING THE ISSUANCE OF BONDS THEREFOR" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a regular meeting on July 12, 2010, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: Ronquillo, Gaghen, Pitman, Cimmino, McFadden, Ruegamer, McCall, Ulledalen, Clark; voted against the same: none; abstained from voting thereon: none; or were absent: Astle.

WITNESS my hand officially this 12th day of July, 2010.

Cari Martin
Cari Martin, City Clerk

(SEAL)



RESOLUTION NO. 10-18966

RESOLUTION RELATING TO ECONOMIC DEVELOPMENT
REVENUE BONDS (COR ENTERPRISES PROJECT) OF THE
CITY IN AN APPROXIMATE AGGREGATE PRINCIPAL
AMOUNT NOT TO EXCEED \$1,790,000; APPROVING THE
PROJECT AND AUTHORIZING THE ISSUANCE OF BONDS
THEREFOR

BE IT RESOLVED by the City Council (the "Council") of the City of Billings, Montana (the "City"), as follows:

1. This Council by Resolution No. 10-18943 duly adopted on June 14, 2010, called a public hearing on a proposed project and the issuance of special limited obligation bonds therefor under Title 90, Chapter 5, Part 1, Montana Code Annotated (the "Act") in the maximum aggregate face amount of \$1,790,000 (the "Bonds"), to finance a portion of the costs of designing and constructing a new facility, which includes office space, production areas and treatment areas, as well as related improvements (the "Project"), to be owned by Community Option Resource Enterprises, Inc. (COR Enterprises), a Montana nonprofit corporation (the "Borrower"), which is a nonprofit, social services agency that provides vocational and supported living services to adults with disabilities, and to pay certain costs associated with the sale of the bonds.

2. At the public hearing duly called, noticed and held as required by the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended, all persons who appeared were afforded an opportunity to express their views with respect to the proposal to undertake and finance the Project. Based on the public hearing, any written comments filed with the City Clerk and such other facts and circumstances as this Council deems relevant, this Council hereby finds, determines and declares, as follows:

(a) The Project, as proposed, is a family service provider facility and is eligible for financing under the Act, and the City is authorized to issue revenue bonds to defray the costs of making a loan to the Borrower, the proceeds of which will be used to finance a portion or all of the costs of acquiring, constructing, equipping and improving the Project and paying the costs and expenses incident to the issuance and sale of the Bonds, including reasonable security for the Bonds, and to enter into a loan agreement with the Borrower (the "Loan Agreement") requiring loan repayments from the Borrower in amounts sufficient to repay the loan when due and requiring the Borrower to pay all costs of maintaining and insuring the Project, including taxes thereon.

(b) First Interstate Bank, of Billings, Montana (the "Purchaser") has agreed to purchase the Bonds.

(c) The loan repayments to be made by the Borrower under the Loan Agreement, shall be established at a level and payable in installments at times sufficient to pay all principal of, premium, if any, and interest on the Bonds when due.

(d) The loan shall be secured by a mortgage or trust indenture on the Project and such other security as the Purchaser and the Borrower shall agree.

(e) The Project and the issuance of the Bonds will promote the general welfare of the City by providing vocational and supported living services to adults with disabilities, and provide employment and educational opportunities for its residents, aid in economic development through the construction of a new facility, and further the purposes and policies of the Act.

(f) The undertaking of the Project and the issuance of the Bonds to finance all or a portion of the costs thereof is in the public interest.

3. The Council hereby approves the Project and the issuance of the Bonds in the maximum approximate aggregate principal amount of \$1,790,000 to finance a portion of the costs thereof and to pay costs of issuing the Bonds. The Bonds shall mature over a term not to exceed 40 years and shall bear interest at a rate or rates allowable by law and contain such other terms and provisions as shall be agreed upon by the Council, the Borrower and the Purchaser. The Borrower shall, pursuant to the loan Agreement, agree to construct the Project; to operate and maintain the Project and keep it properly insured; to pay all assessments, if any, on or against the Project; and to make loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds, all costs and expenses of the City and any trustee in connection with the Project. There shall be a pledge and assignment of certain of the City's interests in the Loan Agreement under an assignment.

4. Dorsey & Whitney LLP, as bond counsel, is authorized in cooperation with the City Attorney, the Borrower and the Purchaser to prepare forms of the Loan Agreement, disbursing agreement, the Bonds and any other documents necessary to provide for financing of the Project for review and approval of the final terms and conditions thereof by this Council.

5. The Borrower will pay, or upon demand reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Bonds including cost of Bond Counsel, whether or not the Project is carried to completion and whether or not the Bonds are issued.

6. The adoption of this Resolution does not constitute a guarantee or a firm commitment that the City will issue the Bonds as requested by the Borrower. The City retains the right, in its sole discretion, to withdraw from participation and accordingly not issue the Bonds if the Council, at any time prior to the issuance thereof, determines that it is in the best interests of the City not to issue the Bonds or if the City and other parties to the transaction are unable to reach agreement as to the terms and conditions of any of the documents for the transaction.

PASSED AND APPROVED by the City Council of the City of Billings, this 12th day of July, 2010.



CITY OF BILLINGS:

Thomas W. Hanel
Thomas W. Hanel, Mayor

Attest: Cari Martin
Cari Martin, City Clerk