SEC Rule 15c2-12
Continuing Disclosure

Presented by:
Jerry Spethman
Tonya Frahm
Example of SEC Rule 15c2-12(b)(5) Issuer
OFFICIAL STATEMENT

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. SEE "BONDHOLDERS’ RISKS" HEREIN.

NEW ISSUE, BOOK-ENTRY-ONLY
BANK QUALIFIED
S&P RATING: “AA-”
See “Ratings”

In the opinion of Meierhenry Sargent LLP, Bond Counsel, according to federal laws, regulations, rulings and decisions in effect on the date of issuance of the Bonds, the interest to be paid on the Bonds (including any original issue discount) is not includable in gross income for federal income tax purposes except under certain conditions, discussed under the caption “TAX MATTERS” herein. For purposes of acquisition by banks and other financial institutions, the District has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. Interest on the Bonds is includable in gross income for South Dakota income tax purposes when the owner is a financial institution as defined in South Dakota Codified Laws, Chapter 10-43.

$6,000,000
HARRISBURG SCHOOL DISTRICT NO. 41-2
LINCOLN COUNTY, SOUTH DAKOTA
GENERAL OBLIGATION BONDS
SERIES 2015

Dated: Date of Delivery 
Due: July 15, as shown herein

The General Obligation Bonds, Series 2015 (the “Series 2015 Bonds” or the “Bonds”), are being issued by the Harrisburg School District No. 41-2, Lincoln County, South Dakota (the “District”) as fully registered bonds 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 Bonds. Purchases of Bonds will be made in book-entry-only form, in principal amounts of $5,000 or integral multiples thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial owners of the Bonds will not receive physical delivery of bond certificates so long as DTC or a successor acts as securities depository with respect to the Bonds. The First National Bank in Sioux Falls, Sioux Falls, South Dakota, is the Paying Agent and Registrar with respect to the Bonds. Interest on the Bonds is payable on January 15 and July 15 of each year, commencing July 15, 2015, until maturity or earlier redemption, and on any redemption date. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal or the redemption price of and the interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See “BOOK-ENTRY-ONLY SYSTEM” herein.

Maturity Schedule – See Inside Cover

The Bonds are subject to optional redemption on the dates, in the amounts and at the prices as set forth herein. See “THE BONDS – Redemption Provisions” herein.

The Bonds are being issued pursuant to South Dakota Codified Laws, Chapter 6-8B, for the purpose of providing funds to (1) finance the costs of constructing, expanding, improving, renovating, equipping and furnishing educational facilities and related improvements for use by the District, (2) fund a portion of the interest due and payable on the Bonds through January 15, 2016, and (3) pay certain costs of issuing the Bonds. The Bonds are a direct, general obligation of the District to which the full faith and credit and the taxing power of the District are pledged. The Bonds are payable from ad valorem taxes, unlimited as to rate or amount and in addition to all other taxes to be collected, to be levied against all taxable property located within the District, sufficient to pay the principal of and the interest on the Bonds when due. See “THE BONDS – Purpose and Authority” and “~ Security” herein.

The Bonds are being offered in book-entry form by D.A. Davidson & Co. (the “Underwriter”) subject to prior sale, withdrawal, cancellation or modification of the offer without notice, delivery to and acceptance by the Underwriter of the Bonds, and certain other conditions, including an opinion as to legality and tax exemption of Meierhenry Sargent LLP, Sioux Falls, South Dakota, Bond Counsel. The Underwriter is being represented by Kutak Rock LLP, Omaha, Nebraska. It is expected that the Series 2015 Bonds will be available for delivery through the facilities of DTC on or about February 12, 2015. The Underwriter expects, but is not required, to engage in secondary market trading in the Bonds, subject to applicable securities laws. For information with respect to the Underwriter, see “UNDERWRITING” herein.

Dated: January 29, 2015

D.A. DAVIDSON
D.A. Davidson & Co., member SIPC
CONTINUING DISCLOSURE

The District has covenanted for the benefit of the holders and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the “Annual Report”) by not later than nine months following the end of the District’s fiscal year (currently ending June 30), commencing with the report for the fiscal year ended June 30, 2014 (which is due no later than March 31, 2015), and to provide notices of the occurrence of certain enumerated events (the “Listed Events”). The Annual Report and the notices of Listed Events will be filed by the District with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report or the notices of Listed Events is described in the Continuing Disclosure Certificate (the “Disclosure Certificate”), the form of which is attached hereto as APPENDIX C: “FORM OF CONTINUING DISCLOSURE CERTIFICATE”. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

All annual reports and notices of listed events required to be filed by the District or the dissemination agent pursuant to the Disclosure Certificate must be submitted to the MSRB through the MSRB’s Electronic Municipal Market Access system (“EMMA”). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the District or the Bonds is incorporated by reference in this Official Statement.

A failure by the District to comply with the Disclosure Certificate will not constitute an event of default with respect to the Bonds, although any holder will have any available remedy at law or in equity, including seeking specific performance by court order, to cause the District to comply with its obligations under the Disclosure Certificate. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Rule requires that the District disclose in this Official Statement any instances in the previous five years in which the District failed to comply, in all material respects, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule. In connection with one or more series of bonds previously issued by the District, the District undertook to provide certain ongoing disclosure regarding the District (“Undertakings”) pursuant to written agreements specified in paragraph (b)(5)(i) of the Rule, which were substantially similar to the Continuing Disclosure Agreement. Each Undertaking obligated the District to disclose, by the deadline set forth in each such Undertaking, the District’s Annual Report, which consisted of the District’s audited financial statement and certain financial information and operating data concerning the District. For each of the fiscal years ended June 30, 2009, 2010, 2011, 2012 and 2013, the District failed to timely file its Annual Report. The District has appointed a compliance officer, and has adopted policies and procedures, to promote compliance with the Rule in the future.

LEGAL OPINION

The approving opinion of Meierhenry Sargent LLP (“Bond Counsel”) will affirm, among other things, that the Bonds have been authorized and issued in accordance with the Constitution and statutes of the State of South Dakota and constitute valid and legally binding obligations of the District, and that the District has power and is obligated to levy ad valorem taxes for the payment of the Bonds and the interest thereon upon all the property within the District subject to taxation by the District without limitation as to rate or amount.
APPENDIX C
CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Harrisburg School District 41-2, Lincoln County, South Dakota (the "Issuer") in connection with the issuance of its $6,000,000 General Obligation Bonds, Series 2015 (the "Bonds"). The Bonds are being issued pursuant to a resolution (the "Resolution") adopted by the Issuer on October 14, 2014. The CUSIP Number of the final maturity of the Bonds is 414834 PC9.

The Issuer covenants and agrees as follows:

SECTION 1. 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 Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission ("S.E.C.") Rule 15c2-12(b)(5).

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" shall mean 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, prepared in accordance with generally accepted accounting principles ("GAAP") for Governmental Units as prescribed by the Governmental Accounting Standards Board ("GASB").

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositaries or other intermediaries).

"Disclosure Representative" shall mean the Business Manager or his or her designee, or such other officer or employee as the Issuer shall designate in writing from time to time.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system operated by the MSRB as the primary portal for complying with the continuing disclosure requirements of the Rule.

"Financial Information or Operating Data" means financial information or operating data which is presented in the final official statement.

"Holder" shall mean the person in whose name any Bond shall be registered.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1900 Duke Street, Suite 600, Alexandria, VA 22314. Reference is made to Commission Release No. 34-59062, December 5, 2008 (the "Release") relating to the MSRB’s Electronic Municipal Market Access ("EMMA") system for municipal securities disclosure that became effective on July 1, 2009. To the extent applicable to this Disclosure Certificate, the Issuer shall comply with the Release and with EMMA.

“**Participating Underwriter**” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Rule**” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**SEC**” means the Securities and Exchange Commission.

“**State**” shall mean the State of South Dakota.

SECTION 3. **Provision of Annual Reports.** The Issuer shall, or shall cause the Dissemination Agent to, not later than nine months following the end of the Issuer’s fiscal year (currently June 30), commencing March 31, 2016 with respect to the report for the fiscal year ended June 30, 2015, provide an electronic copy of its Annual Report to the MSRB which is consistent with the requirements of Section 4 of this Disclosure Certificate and which Annual Report is in the format and accompanied by such identifying information as is prescribed by the MSRB. 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. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

SECTION 4. **Content of Annual Reports.** The Issuer’s Annual Report shall contain or include by reference the following:

(a) The Audited Financial Statements of the Issuer prepared in accordance with the laws of the State and including all statements and information prescribed for inclusion therein by the Department of Legislative Audit of the State. If the Issuer’s Audited Financial Statements are not available, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Updates of the following captions, headings and subheadings set forth in Appendix A to the Final Official Statement, to the extent not otherwise included in the District’s Audited Financial Statements:

- **SELECTED FINANCIAL AND STATISTICAL INFORMATION**
  - District Valuation History
  - District Historical Property Tax Collections
  - District Historical General Fund Tax Collections

- **GENERAL**
  - District Enrollment History
  - Employment/Staffing

To the extent all or portions of such financial information and operating data are included in the Issuer’s Audited Financial Statements, such information and data need not be separately provided, but the Issuer shall file, or shall cause the Dissemination Agent to file, a notice to such effect to accompany the Audited Financial Statements.

(c) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official
statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, within ten (10) business days after the occurrence of the event, to MSRB notice of the occurrence of any of the following Listed Events with respect to the Bonds, if material:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(7) Modifications to rights of Bond Holders;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the Issuer;

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the 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, if material; and

(14) Appointment of a successor or additional trustee, or the change of name of a trustee, if material.

(b) Each Listed Event Notice shall be in electronic form and shall be so captioned and prominently state the date, title and (to the extent less than all of the Bonds are affected by the related Listed Event) CUSIP numbers of the Bonds. The Issuer may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, but the Issuer does not undertake any commitment to provide such notice of any event except those events listed above or otherwise specified herein.

* This 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.
(c) Failure to provide the Annual Report by the date specified herein shall be reported to the MSRB in the same manner as set forth in this Section 5.

SECTION 6. **EMMA.** The SEC has designated EMMA as the exclusive portal for complying with the continuing disclosure requirements of the Rule. Until the EMMA system is amended or altered by the MSRB and the SEC, the Issuer shall make all filings required under this Disclosure Certificate solely with EMMA.

SECTION 7. **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 Bonds or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. **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 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. The initial Dissemination Agent shall be the Issuer.

SECTION 9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. **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 Disclosure
Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. 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 Bonds may take such actions 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. 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.

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 Bonds, and shall create no rights in any other person or entity.
Section 10.4. Amendment.

The School Board is hereby authorized to make such amendments to this Bond Resolution as will not impair the rights of the Bondholders.

Section 10.5. No Recourse Under Bond Resolution or on Bonds.

All stipulations, promises, agreements, and obligations of the School District contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the School District and not of any officer, director, or employee of the School District in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the School District or against any official or individual executing the Bonds.

Section 10.6. Partial Invalidity.

If any one or more of the provisions of this Bond Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Bond Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 10.7. Continuing Disclosure.

The School District hereby covenants and agrees that it will annually provide certain financial and operating information which is customarily prepared and publically available and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The President is authorized to execute at the Closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the School District to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the School District to comply with its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance. The President is authorized to execute any amendments as he or she deems necessary to comply with any rules of regulations adopted by the SEC.

Section 10.8. Post Issuance Compliance.

The School District does hereby adopt Meierhenry Sargent Post-Issuance Compliance Policy and Tax-Advantaged Obligations and Continuing Disclosure with regard to the Bonds attached hereto. The School District appoints the Business Manager as its chief post issuance compliance officer.
ATTACHMENT TO RESOLUTION

Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Obligations and Continuing Disclosure

Definitions:

"Issuer" means the Harrisburg School District 41-2.

"Compliance Officer" means the Issuer Business Manager.

Statement of Purpose

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Issuer designed to monitor post-issuance compliance:

(i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and

(ii) with applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax-exempt or tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminating related reports and information and reporting "material events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with pertinent law is an on-going process, necessary during the entire term of the obligations, and is an integral component of the Issuer's debt management. Accordingly, the analysis of those facts and implementation of the Policy will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and advisors.
C. Coordinate with staff to generally maintain the following:

1. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);

2. Documentation evidencing expenditure of proceeds of the issue;

3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.

4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);

5. Documentation evidencing all sources of payment or security for the issue; and

6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).

D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.

E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.

B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 180 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.

C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements.
which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB.

D. Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must transmitted within 10 days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.

E. Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.

F. Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.

G. Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

PASSED and ADOPTED by the Harrisburg School District 41-2, this _____ day of ______________, 2014.

__________________________________________
President of the School Board

ATTEST:

__________________________________________
Business Manager
Example of SEC Rule 15c2-12(d)(2) Issuer
PRELIMINARY OFFICIAL STATEMENT DATED APRIL 20, 2015

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.

REFUNDING; BOOK-ENTRY-ONLY
BANK QUALIFIED

S&P RATING: “AA-”
See “Ratings”

In the opinion of Bond Counsel, according to federal laws, regulations, rulings and decisions in effect on the date of issuance of the Certificates, the interest to be paid on the Certificates is not includable in gross income for federal income tax purposes except under certain conditions, discussed under the caption “TAX MATTERS” herein. For purposes of acquisition by banks and other financial institutions, the District has designated the Certificates as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. Interest on the Certificates is includable in gross income for South Dakota income tax purposes when the owner is a financial institution as defined in South Dakota Codified Laws, Chapter 10-43.

$1,180,000*
HANSON SCHOOL DISTRICT NO. 30-1
HANSON AND MINER COUNTIES, SOUTH DAKOTA
LIMITED TAX CAPITAL OUTLAY REFUNDING CERTIFICATES
(CROSSOVER PARTIAL ADVANCE REFUNDING)
Series 2015

DATED: Date of Delivery

Hanson School District No. 30-1, Hanson and Miner Counties, South Dakota (the “District”) is issuing the above captioned Certificates (the “Certificates”) as fully registered certificates. When initially issued, the Certificates 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 Certificates. Purchases of Certificates will be made in book-entry-only form, in the principal amount of $5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial owners of the Certificates will not receive physical delivery of Certificate certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Certificates. The First National Bank in Sioux Falls, Sioux Falls, South Dakota, is the Paying Agent and Registrar and the Escrow Agent with respect to the Certificates. Interest is payable semianually on January 15 and July 15 commencing July 15, 2015*, until maturity or earlier redemption, and on any redemption date. So long as DTC or its nominee is the registered owner of the Certificates, payments of the principal or redemption price of and interest on the Certificates will be made directly to DTC. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See “BOOK-ENTRY-ONLY SYSTEM.”

MATURITY SCHEDULE – SEE INSIDE COVER

The Certificates are subject to optional and mandatory sinking fund redemption prior to maturity. See “THE CERTIFICATES – Redemption Provisions” herein.

The Certificates are being issued for the purpose of refunding certain outstanding limited tax obligation certificates of the District (the “Refunded Certificates”). The Certificates are direct, limited obligations of the District, to which the taxing power of the District, up to a maximum of $3.00 per thousand on the taxable valuation of the District, is pledged to the payment of the principal of and interest on the Certificates. Prior to the redemption of the Refunded Certificates, the Certificates and the interest thereon are further payable from and are additionally secured by the proceeds of the Certificates. See “THE CERTIFICATES – Purpose and Authority” and “Security” herein.

The Certificates are being offered by D.A. Davidson & Co. (the “Underwriter”) subject to prior sale, withdrawal, cancellation or modification of the offer without notice, to delivery to and acceptance by the Underwriter of the Certificates, and certain other conditions, including an opinion as to legality and tax exemption of Meierhenry Sargent LLP, Sioux Falls, South Dakota, Bond Counsel. The Underwriter is being represented by Kutak Rock LLP, Omaha, Nebraska. It is expected that the Certificates will be available for delivery through the facilities of DTC on or about May __, 2015. The Underwriter expects but is not required, to engage in secondary market trading in the Certificates, subject to applicable securities laws. For information with respect to the Underwriter, see “UNDERWRITING” herein.

DATED:______________, 2015

*Preliminary, subject to change

DAVIDSON
D.A. Davidson & Co. member SIPC
and rate of premium amortization, as well as the state and local tax consequences of owning and selling Certificates acquired at a premium.

The foregoing discussion of the collateral federal tax consequences which may arise from the receipt of interest on the Certificates is not intended to be comprehensive. All prospective purchasers or holders of the Certificates should consult their tax advisors as to the tax consequences of purchasing or holding the Certificates.

CONTINUING DISCLOSURE

The District has covenanted for the benefit of the holders and Beneficial Owners of the Certificates to provide certain financial information and operating data relating to the District (the “Annual Report”) by not later than twelve months following the end of the District’s fiscal year (currently ending June 30), commencing with the report for the fiscal year ended June 30, 2015 (which is due no later than June 30, 2016) and to provide notices of the occurrence of certain enumerated events (the “Listed Events”). The Annual Report and the notices of Listed Events will be filed by the District with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report or the notices of Listed Events is described in the Continuing Disclosure Certificate (the “Disclosure Certificate”), the form of which is set forth in APPENDIX C: “FORM OF CONTINUING DISCLOSURE CERTIFICATE” hereto. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(d)(2) (the “Rule”).

A failure by the District to comply with the Disclosure Certificate will not constitute an event of default with respect to the Certificates, although any holder will have any available remedy at law or in equity, including seeking specific performance by court order, to cause the District to comply with its obligations under the Disclosure Certificate. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Certificates in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Certificates and their market price.

During the past 5 years the District has failed to timely provide certain annual financial information as required under its existing undertakings entered into pursuant to the Rule.

LEGAL OPINION

The approving opinion of Meierhenry Sargent LLP (“Bond Counsel”) will affirm, among other things, that the Certificates have been authorized and issued in accordance with the Constitution and statutes of the State of South Dakota, and constitute valid and legally binding obligations of the District, and that the District has power and is obligated to levy ad valorem taxes for the payment of the Certificates and the interest thereon not in excess of three dollars per $1,000 annually upon all of the taxable property in the District. The rights of the holders of the Certificates and the enforceability thereof may be subject to valid bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors.

The Underwriter is being represented by Kutak Rock LLP, Omaha, Nebraska.

FINANCIAL STATEMENTS

The financial statements of the District included in Appendix B to this Official Statement for the fiscal year ended June 30, 2014 have been audited by Schoenfish & Co., Inc., Certified Public Accountants, Parkston,
APPENDIX C

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by Hanson School District No. 30-1, Hanson and Miner Counties, South Dakota (the “Issuer”) in connection with the issuance of its $_______ Limited Tax Capital Outlay Refunding Certificates, Series 2015 (the “Certificates”). The Certificates are being issued pursuant to a resolution (the “Resolution”) adopted by the Issuer on March 9, 2015. The CUSIP Number of the final maturity of the Certificates is _________.

The Issuer covenants and agrees as follows:

SECTION 1. 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 Certificates and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission (“S.E.C.”) Rule 15c2-12(d)(2).

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” shall mean 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, prepared in accordance with generally accepted accounting principles (“GAAP”) for Governmental Units as prescribed by the Governmental Accounting Standards Board (“GASB”).

“Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Certificates (including persons holding Certificates through nominees, depositaries or other intermediaries).

“Disclosure Representative” shall mean the Business Manager or his or her designee, or such other officer or employee as the Issuer shall designate in writing from time to time.

“Dissemination Agent” shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“EMMA” means the Electronic Municipal Market Access system operated by the MSRB as the primary portal for complying with the continuing disclosure requirements of the Rule.

“Financial Information or Operating Data” means financial information or operating data of the Issuer of the type presented in the final official statement, to the extent customarily prepared by the Issuer and made publicly available.

“Holder” shall mean the person in whose name any Certificate shall be registered.

“Listed Event” means any of the events listed in Section 5(a) of this Disclosure Certificate.
"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1900 Duke Street, Suite 600, Alexandria, VA 22314. Reference is made to Commission Release No. 34-59602, December 5, 2008 (the "Release") relating to the MSRB’s Electronic Municipal Market Access ("EMMA") system for municipal securities disclosure that became effective on July 1, 2009. To the extent applicable to this Disclosure Certificate, the Issuer shall comply with the Release and with EMMA.

"Official Statement" shall mean the Official Statement of the Issuer dated ______, 2015, prepared in connection with the issuance of the Certificates.

"Participating Underwriter" shall mean any of the original underwriters of the Certificates required to comply with the Rule in connection with offering of the Certificates.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of South Dakota.

SECTION 3. Provision of Annual Reports. The Issuer shall, or shall cause the Dissemination Agent to, not later than twelve months following the end of the Issuer’s fiscal year (currently June 30), commencing June 30, 2016 with respect to the report for the fiscal year ended June 30, 2015, provide a copy of its Annual Report to the MSRB which is consistent with the requirements of Section 4 of this Disclosure Certificate and which Annual Report is in the format and accompanied by such identifying information as is prescribed by the MSRB. 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. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

SECTION 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or include by reference the following:

(a) The Audited Financial Statements of the Issuer prepared in accordance with the laws of the State and including all statements and information prescribed for inclusion therein by the Department of Legislative Audit of the State. If the Issuer’s Audited Financial Statements are not available, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, to the extent that such unaudited financial statements are available, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not included in the Audited Financial Statements of the Issuer, and only to the extent such information is customarily prepared by the Issuer each year and is made publicly available, the Annual Report shall also include updates of the following headings under Appendix A to the Official Statement:

a. Current Taxable Valuation;
b. District Valuation History;
c. Breakdown of Current Taxable Valuation;
d. Hanson School District No. 30-1 Property Tax Collections;
e. District Enrollment History; and
f. Employment/Staffing.

To the extent all or portions of such financial information and operating data are included in the District’s Audited Financial Statements, such information and data need not be separately provided, but the District shall file or cause to be filed a notice to such effect to accompany the Audited Financial Statements.

(c) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, within ten (10) business days after the occurrence of the event, to MSRB notice of the occurrence of any of the following Listed Events with respect to the Certificates:

(1) Principal and interest payment delinquencies;
(2) Non-payment related defaults, if material;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties;
(4) Unscheduled draws on credit enhancements reflecting financial difficulties;
(5) Substitution of credit or liquidity providers, or their failure to perform;
(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
(7) Modifications to rights of Certificate Holders;
(8) Certificate calls, if material, and tender offers;
(9) Defeasances;
(10) Release, substitution, or sale of property securing repayment of the Certificates;
(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the Issuer*;

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the 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, if material; and

(14) Appointment of a successor or additional trustee, or the change of name of a trustee, if material.

(b) Each Listed Event Notice shall be in electronic form and shall be so captioned and prominently state the date, title and (to the extent less than all of the Certificates are affected by the related Listed Event) CUSIP numbers of the Certificates. The Issuer may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, but the Issuer does not undertake any commitment to provide such notice of any event except those events listed above or otherwise specified herein.

SECTION 6. EMMA. The SEC has designated EMMA as the exclusive portal for complying with the continuing disclosure requirements of the Rule. Until the EMMA system is amended or altered by the MSRB and the SEC, the Issuer shall make all filings required under this Disclosure Certificate solely with EMMA.

SECTION 7. 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 Certificates or upon the Issuer’s receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended. If such termination occurs prior to the final maturity of the Certificates, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist in carrying out its obligations under this Disclosure Certificate, and may discharge any such 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. The initial Dissemination Agent shall be the Issuer.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

* This 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.
(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Certificates, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Certificates, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Certificates.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. 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 Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. 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 Certificates may take such actions 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. 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.

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 Certificates, and shall create no rights in any other person or entity.

SECTION 13. Issuer Contact. The Issuer designates as the person from whom its Annual Report and Listed Events Disclosure can be obtained: ______________, Business Manager, ______________, Alexandria, South Dakota ______________, (___) ______________.
Section 11.4. Amendment.

The School Board is hereby authorized to make such amendments to this Certificate Resolution as will not impair the rights of the Certificateholders.

Section 11.5. No Recourse Under Certificate Resolution or on Certificates.

All stipulations, promises, agreements, and obligations of the School District contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the School District and not of any officer, director, or employee of the School District in his or her individual capacity, and no recourse shall be had for the payment of the principal or interest on the Certificates or for any claim based thereon or on this Resolution against any officer, director, or employee of the School District or against any official or individual executing the Certificates.

Section 11.6. Partial Invalidity.

If any one or more of the provisions of this Certificate Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Certificate Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 11.7. Continuing Disclosure.

The School District hereby covenants and agrees that it will provide financial information and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission for the Certificates. The President is authorized to execute at the Closing of the sale of the Certificates, an agreement for the benefit of and enforceable by the owners of the Certificates specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the School District to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Certificates to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the School District to comply with its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 11.8. Post Issuance Compliance.

The School District does hereby adopt Meierhenry Sargent Post Issuance Compliance Manual procedures with regard to the Certificates. The School District appoints the Business Manager as the chief compliance officer.
ATTACHMENT TO RESOLUTION 2014-2015-098

Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Obligations and Continuing Disclosure

Definitions

“Compliance Officer” means the Business Manager of the Issuer.
“Issuer” means the Hanson School District No. 30-1.

Statement of Purpose

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Issuer designed to monitor post-issuance compliance:

(i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and

(ii) with applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax- exempt I tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminated related reports and information and reporting "material events" for the benefit of the holders of the Issuer’s obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.
6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).

D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.

E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.

B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 365 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.

C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB.

D. Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must transmitted within 10 days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.
E. Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.

F. Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.

G. Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

PASSED and ADOPTED by the Hanson School District 30-1, this __________ day of ____________________, ______.

President of the School Board

ATTEST:

______________________________________
Business Manager
Meierhenry Sargent LLP

TAX-EXEMPT BONDS
POST ISSUANCE COMPLIANCE MANUAL
Section 7. SECURITIES LAW DISCLOSURE FOR MUNICIPAL SECURITIES (SEC Rule 15c2-12)

Introduction (SEC RULE 15C2-12)

In 1984, the Securities and Exchange Commission (SEC) adopted Rule 15c2-12 to improve the quality, timing, and dissemination of disclosure in the municipal securities markets. Rule 15c2-12 requires an underwriter acting in a primary offering of municipal securities (1) to obtain and review an official statement “deemed final” by an issuer of the securities prior to making a bid, purchase, offer or sale of the municipal securities; (2) in non-competitively bid offerings, to send upon request, a copy of the most recent preliminary official statement to potential customers; (3) to send, upon request, a copy of the final official statement of potential customers for a specified period of time; and (4) to contract with the issuer to receive, within a specified time, sufficient copies of the final official statement to comply with the Rule’s delivery requirement and the requirements of the rules of the Municipal Securities Rule Making Board (MSRB).

In 1994, the SEC amended Rule 15c2-12 to enhance the quality, timing and dissemination of disclosure on the secondary market. Underwriters are prohibited in purchasing or selling municipal securities unless the Underwriter has reasonably determined that the issuer of municipal securities has undertaken in a written agreement or contract for the benefit of the holders of such securities (Continuing Disclosure Agreement) to provide specified annual information and event notices to, starting June 1, 2009, the Electronic Municipal Market Access website of the MSRB.

Who must provide continuing disclosure?

The Rule applies to "obligated persons," which the SEC defines as: any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account ... committed by contract or other arrangements to support payment of all, or part of the obligations on municipal securities...." The key to identifying the obligated person(s) is a "nexus" to the financing through contract or other arrangements structured to support payment of the bonds. The Rule requires disclosure commitment from those parties for whom financial information and operating data are presented in the Official Statement are covered. Thus, a purely conduit issuer of nonrecourse revenue bonds may opt out of continuing disclosure so long as the conduit borrower contracts to provide secondary market information. For pooled financings with multiple participants, objective criteria (e.g., percentage of overall payment support) will determine the identity of the appropriate disclosure parties are.

The Rule excludes providers of most forms of credit enhancement (bond insurance).

How are disclosure obligations determined?

The undertaking to provide continuing disclosure may be included in the principal documents under which the securities are issued (e.g., the trust indenture, ordinance, or resolution), or it may be included in a separate agreement or certificate entered into for the benefit of bondholders.

An underwriter must receive reasonable assurance regarding the continuing disclosure commitment before agreeing to act as underwriter. In negotiated offerings, this assurance will be obtained at the time of signing the underwriting agreement or bond purchase contract. In competitive offerings, such assurance should be contained in the issuer’s notice of sale.
The Rule allows for delegation of information dissemination responsibilities to designated agents or to indenture trustees. The Rule does not enumerate the consequences if an issuer breaches its disclosure undertaking. Remedies for breach will vary under state law and, the SEC concludes, are a subject for negotiations between the parties. The Rule does require, however, that issuers disclose in their final Official Statements all instances in the previous five years in which they have failed to comply with any continuing disclosure obligations.

What must be disclosed?

Two areas must be disclosed under the Rule: annual financial information and certain material events. Annual financial information is defined as, “financial information or operating data, provided at least annually, of the type included in the final Official Statement with respect to an obligated person.”

The Rule does not dictate strict form and content requirements for what constitutes the "annual financial information." The written undertaking by the issuer or obligated person, as well as the final Official Statement, must specify in reasonable detail those categories of information that will be included. The undertaking must also specify the date by which the annual financial information will be provided (e.g., so many days following the end of the fiscal year).

The undertaking must describe the accounting principles used in preparation of the annual financial information, including whether or not audited financial statements will be prepared. An undertaking that references generally accepted accounting principles (GAAP), as modified by the Government Accounting Standards Board (GASB), or mandated state statutory principles as in effect from time to time would satisfy this provision of the Rule.

"Operating data" is a subset of annual financial information and refers to quantitative information given in the Official Statement to help investors place the financial information in context. For example, in a health care financing, operating data would include a description of hospital administration and management, service area and economic base, capital plan and operating statistics (such as bed use), admissions criteria, payor utilization, etc.

Since the Rule’s enactment, the final Official Statement has assumed even greater significance because it serves as the template for future disclosure. It establishes which elements of a financing are "material" and therefore subject to ongoing disclosure. Issuers and obligated persons should carefully consider both the content and the context of how financial information is presented in the final Official Statement. Since the Rule requires that financial information and operating data "of the type" in the Official Statement be updated annually, issuers should consider formatting their Official Statements to group all material financial information and operating data under one or more conspicuous headings to highlight the information which investors should expect to be updated annually.

In addition to annual disclosure of financial information, the Rule requires "timely" disclosure of eleven listed events, if material. These are:

1) Principal and interest payment delinquencies.

2) Non-payment related defaults.

3) Unscheduled draws on debt service reserves reflecting financial difficulties.
4) Unscheduled draws on credit enhancement reflecting financial difficulties.

5) Substitution of credit or liquidity providers or their failure to perform.

6) Adverse tax opinions or events affecting the tax-exempt status of the securities.

7) Modifications to rights of security holders.

8) Bond calls.

9) Defeasances.

10) Release, substitution or sale of property securing repayment of the security.

11) Rating changes.

12) Failure to provide annual financial information by the date specified in the written undertaking is also a disclosure item.

The determination of whether other events also should be the subject of notification is left to the parties. But issuers should beware of undertaking to provide notice of material events beyond those specifically listed in the Rule. Issuers may provide notice of other events as they see fit, but should not contractually obligate themselves to do so. Undertakings that expand the list of eleven with open-ended disclosure commitments like "... and any other material events" should be avoided.

The SEC does not specify what constitutes "timely" disclosure due to the wide variety of events and issuer circumstances. In general, the determination must take into account the time needed to discover the event, assess its materiality, and prepare and disseminate the notice.

Where are disclosures made?

All disclosures are made to the EMMA website http://emma.msrb.org. EMMA accepts submissions from issuers, obligated persons, and their agents of (i) the continuing disclosure documents described in Rule 15c2-12, and (ii) other continuing disclosure documents concerning municipal securities not specifically described in Rule 15c2-12.

The continuing disclosure documents described in Rule 15c2-12 consist of the following categories of documents:

- annual financial information concerning issuers or other obligated persons as described in paragraph (b)(5)(i)(A) of Rule 15c2-12, or other financial information and operating data provided by issuers or other obligated persons as described in paragraph (d)(2)(ii)(A) of Rule 15c2-12;

- financial statements for issuers or other obligated persons if not included in the annual financial information as described in paragraph (b)(5)(i)(B) of Rule 15c2-12;

- notices of certain events, if material, as described in paragraph (b)(5)(i)(C) of Rule 15c2-12; and
• notices of failures to provide annual financial information on or before the date specified in the written undertaking as described in paragraph (b)(5)(D) of Rule 15c2-12.

• Categories of other disclosure documents concerning municipal securities not specifically described in Rule 15c2-12 include:

• other financial or operating data disclosures, including but not limited to quarterly or monthly financial information; interim or additional financial information or operating data; budget documents; investment, debt or financial policies; consultant reports; information provided to rating agencies, credit or liquidity providers or other third parties; changes in accounting standards, fiscal year or timing of annual disclosure; undertaking of an issuer or obligated person to prepare audited financial statements pursuant to generally accepted accounting principles as established by the Governmental Accounting Standards Board (GASB) or the Financial Accounting Standards Board (FASB), as applicable; undertaking of an issuer or obligated person to submit annual financial information to EMMA within 120 calendar days after the end of the applicable fiscal year (provided that the EMMA continuing disclosure service will accept the submission, through December 31, 2013, of an alternative transitional undertaking of an issuer or obligated person to submit annual financial information to EMMA within 150 calendar days after the end of the applicable fiscal year); uniform resource locator (URL) of the issuer’s or obligated person’s Internet-based investor relations or other repository of financial/operating information; and other uncategorized financial or operating data; and

• other event-based disclosures, including but not limited to amendments to continuing disclosure undertakings; changes in obligated person; notices to investors pursuant to bond documents; communications from the Internal Revenue Service; tender offer or secondary market purchase notices; notices of bid for auction rate or other securities; capital or other financing plans; litigation or enforcement action documents; documents relating to mergers, consolidations, reorganizations, insolvency or bankruptcy; changes of trustee, tender agent, remarketing agent, or other on-going party; materials relating to derivative or other similar transactions; and other uncategorized event-based disclosures.

In addition, for the categories of continuing disclosures listed below, a submitter may provide, in lieu of or in addition to a continuing disclosure document, a statement of the information indicated below by means of a text/data input field: undertaking of an issuer or obligated person to prepare audited financial statements pursuant to generally accepted accounting principles as established by GASB or FASB, as applicable; undertaking of an issuer or obligated person to submit annual financial information to EMMA within 120 calendar days (or, through December 31, 2013, within 150 calendar days) after the end of the applicable fiscal year; and of the issuer’s or obligated person’s Internet-based investor relations or other repository of financial/operating information. Submitters also may change or rescind any such undertaking or change or remove any such URL at any time by means of a text/data input field, and any such changes, rescissions or removals will be reflected on the EMMA portal; provided that an undertaking of an issuer or obligated person to submit annual financial information to EMMA within 150 calendar days after the end of the applicable fiscal year will continue to be displayed on the EMMA portal through June 30, 2014, and will automatically cease to be displayed on the EMMA portal after such date, unless the issuer or obligated person has previously changed or rescinded such undertaking.
Public Availability of Continuing Disclosure Documents

EMMA Portal. Submissions made through the EMMA continuing disclosure service accepted during the hours of 8:30 am to 6:00 pm Eastern time on an MSRB business day are, in general, posted on the EMMA portal within 15 minutes of acceptance, although during peak traffic periods posting may occur within one hour of acceptance. Submissions outside of such hours often are posted within 15 minutes although some submissions outside of the MSRB’s normal business hours may not be processed until the next business day. Except as otherwise provided herein in connection with a specific category of document or information that may be submitted to the EMMA continuing disclosure service, continuing disclosure documents, undertakings and related information submitted to EMMA shall be made available to the public through the EMMA portal for the life of the related securities.

The EMMA portal provides on-line search functions utilizing available indexing information to allow users of the EMMA portal to readily identify and access documents and related information provided through the EMMA continuing disclosure service. Basic identifying information relating to specific municipal securities and/or specific issues accompanies the display of continuing disclosure documents.

The EMMA portal is available without charge to all members of the public. The MSRB has designed EMMA, including the EMMA portal, as a scalable system with sufficient current capacity and the ability to add further capacity to meet foreseeable usage levels based on reasonable estimates of expected usage, and the MSRB will monitor usage levels in order to assure continued capacity in the future.

The MSRB reserves the right to restrict or terminate malicious, illegal or abusive usage for such periods as may be necessary and appropriate to ensure continuous and efficient access to the EMMA portal and to maintain the integrity of EMMA and its operational components. The MSRB is not responsible for the content of the information or documents submitted by submitters displayed on the EMMA portal or distributed to subscribers of the EMMA continuing disclosure subscription service.

Can the disclosure undertaking be modified or terminated?

Generally, the undertaking to provide continuing disclosure may not be modified after the fact. However, an undertaking that includes an amendment provision may comply with the Rule if certain conditions are met. An issuer or obligated person may terminate their continuing disclosure obligations when they cease to have any liability for payment on the bonds. The SEC has stated that this occurs upon (i) redemption in full of the securities, or (ii) legal defeasance and release of any lien securing the bonds.

Although it is not expressly permitted by the Rule, many issuers include a provision authorizing them to terminate their disclosure undertaking if they obtain an opinion of bond counsel.

Are there any exemptions from continuing disclosure?

1) Bond issues of less than $1 million in aggregate principal amount are exempt from the Rule altogether.
2) Bond issues in large minimum denominations (i.e., $100,000 or more) are exempt from the Rule if:
   a. They are privately placed with no more than 35 sophisticated investors; or
   b. They have a maturity of 9 months or less; or
   c. They may be optionally tendered at par at least every 9 months.

Effectively, this means that most private placements and variable rate issues are exempt from the Rule.

3) Short-term notes and other municipal securities whose stated maturity is 18 months or less are exempt from the financial information disclosure requirements of the Rule. However, issuers must still undertake to provide timely notice of material events.

4) Prior to July 1, 2009, municipal securities whose issuer or obligated person has less than $10 million aggregate outstanding amount of municipal securities (including those being issued) on the issuance date qualify for a limited exemption from the Rule. Specifically, it is an exemption from the annual financial information filing requirement. However, the obligated person(s) must still undertake to provide upon request to any person (or at least annually to the appropriate state information depository, if any) financial information or operating data. The information and data must include at least that which is customarily prepared by such obligated person and is publicly available. Furthermore, under the limited exemption the obligated person must undertake to provide timely notice of material events.

**AFTER JULY 1, 2009, THE ISSUER OR OBLIGATED PERSON WILL BE REQUIRED ANNUALLY TO FINAL ANNUAL REPORTS AND FINANCIAL INFORMATION AND IF AVAILABLE AUDITED FINANCIAL INFORMATION.**

**Conclusion**

Rule 15c2-12 affects different bonding programs in different ways, particularly with respect to the "obligated person" analysis. Issuers must consider the kinds of debt they issue (e.g., general obligation, revenue, special assessment, etc.) and their own unique circumstances. This would include establishing a protocol for who will speak on an issuer's behalf and when, what they will say and how they will say it. Issuers with multiple bonding programs should also try to maintain consistency in their contractual undertakings. Standardizing the form of undertaking and the schedule for reporting should ease some of the administrative burden of providing continuing disclosure on numerous programs. Finally, when in doubt about disclosure obligations, issuers should consult with their bond counsel.