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**OMNIBUS AMENDMENT**

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**entered into by and among the**

**South Dakota Health and Educational Facilities Authority,  
South Dakota State Board of Education,  
Watertown School District No. 14-4, and  
The First National Bank in Sioux Falls, as Trustee**

**for the purpose of  
amending various agreements relating to the**

**\$18,810,000 Vocational Education Program Revenue Bonds, Series 2012A  
of the  
South Dakota Health and Educational Facilities Authority  
(Issued February 16, 2012)**

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**Dated as of June 1, 2013**

**THIS OMNIBUS AMENDMENT** Document is entered into as of the 1st day of June, 2013 by and among (i) the SOUTH DAKOTA HEALTH AND EDUCATIONAL FACILITIES AUTHORITY (the “*Authority*”), (ii) the SOUTH DAKOTA STATE BOARD OF EDUCATION (the “*Board*”), (iii) WATERTOWN SCHOOL DISTRICT NO. 14-4 (the “*Watertown School District*”), and (iv) THE FIRST NATIONAL BANK OF SIOUX FALLS, in its capacity as trustee under the Indenture described further below (the “*Trustee*”), each sometimes referred to as a “*Party*” to this Omnibus Amendment Document and collectively as the “*Parties*.”

**RECITALS:**

**WHEREAS**, the Watertown School District, together with certain other school districts in the State of South Dakota (collectively, the “*Participating Institutions*”) are authorized pursuant to Title 13, South Dakota Codified Laws to operate post-secondary vocational technical education institutes under the general supervision of the Board; and

**WHEREAS**, pursuant to such authority, the Watertown School District operates the Lake Area Technical Institute in Watertown, South Dakota; and

**WHEREAS**, the Authority is authorized pursuant to Chapter 1-16A, South Dakota Codified Laws, to issue bonds to finance the acquisition and improvement of post-secondary vocational technical education facilities for use by the Participating Institutions and the Board; and

**WHEREAS**, Title 1-16A and Title 13, South Dakota Codified Laws, permits the Board to lease-purchase post-secondary vocational technical education facilities from the Authority and permits the Board to sublease such facilities to the Participating Institutions; and

**WHEREAS**, the Authority and the Board have heretofore entered into a Lease Purchase Agreement dated as of August 1, 1988, as supplemented by various Supplements through and most recently including a Sixteenth Supplement to Lease Purchase Agreement dated as of February 1, 2012 (the “*Sixteenth Supplement to Lease Purchase Agreement*”) (collectively, as so supplemented from time to time, the “*Lease*”), pursuant to which the Board is leasing with an option to purchase certain facilities the acquisition and/or improvement and equipping of which was financed or refinanced in part or in whole with the proceeds derived from the issuance and sale by the Authority of various series of Vocational Education Program Revenue Bonds (collectively, together with any future obligations issued on a parity with such bonds, the “*Bonds*”); and

**WHEREAS**, the Bonds most recently include the Authority’s Vocational Education Program Revenue Bonds, Series 2012A in the principal amount of \$18,810,000 (the “*Series 2012A Bonds*”); and

**WHEREAS**, the Authority issued the Bonds pursuant to an Indenture of Trust dated as of August 1, 1988 (the “*Original Indenture*”) between the Authority and The First National Bank in Sioux Falls, as Trustee (the “*Trustee*”), as the same has been supplemented from time to time (with the Original Indenture, as so supplemented from time to time, being referred to herein as the “*Indenture*”); and

**WHEREAS**, the Authority issued its Series 2012A Bonds pursuant to the Original Indenture as amended and supplemented by the Fourteenth Supplemental Indenture of Trust dated as of February 1, 2012 between the Authority and the Trustee (the “*Fourteenth Supplemental Indenture*”); and

**WHEREAS**, the Authority issued and sold its Series 2012A Bonds for various purposes, including to finance a portion of the costs of certain improvements to the campus of Lake Area Technical Institute in Watertown, South Dakota referred to variously in the Fourteenth Supplemental Indenture and the Sixteenth Supplement to Lease Purchase Agreement as either the “Lake Area Project” or as the “Series 2012A Project (referred to herein as the “*Series 2012A Project*”); and

**WHEREAS**, the Series 2012A Project and its site, having been leased by the Authority to the Board pursuant to the Sixteenth Supplement to Lease Purchase Agreement, was in turn subleased by the Board to the Watertown School District under the terms of a Tenth Supplement to Sublease Agreement, dated as of February 1, 2012, between the Board and the Watertown School District (the “*Tenth Supplement to Watertown Sublease*”), which Tenth Supplement amended and supplemented a Sublease Agreement, dated as of August 1, 1988, between the Board and the Watertown School District (as amended from time to time, the “*Watertown Sublease*”); and

**WHEREAS**, the Watertown School District has found and determined, owing to various cost savings and other factors, that the amount of proceeds of the Series 2012A Bonds that were set aside for certain building construction costs contemplated for the Series 2012A Project will exceed the actual costs of such construction by approximately \$2,000,000; and

**WHEREAS**, the Watertown School District desires to apply such excess (i) to purchase the “Additional Land” described below at a cost of approximately \$515,000, (ii) to pay the site preparation, paving, and other costs of providing a parking lot on the Additional Land at an aggregate cost of approximately \$200,000, and (iii) to purchase additional equipment for use by the Lake Area Technical Institute at an aggregate cost of approximately \$1,285,000; and

**WHEREAS**, the Authority, the Board, and the Watertown School District have accordingly agreed that it is necessary and appropriate to authorize the acquisition of the Additional Land, to make certain related changes to the description of the “*Series 2012A Project*,” and to make certain conforming amendments to reflect such modifications in the Fourteenth Supplemental Indenture, the Sixteenth Supplement to Lease Purchase Agreement, and the Watertown Sublease (collectively, the “*Series 2012A Bond Documents*”);

**NOW, THEREFORE**, the Parties to this Omnibus Amendment Document hereby agree as follows:

**Section 1. Acquisition of Additional Land; Related Changes to Series 2012A Project.** The Watertown School District hereby approves, and requests the Board and the Authority to implement, the acquisition of an approximately 96,470 square foot parcel of property (currently being used as a trailer court) adjoining the Lake Area Technical Institute campus for use as a parking lot for the lake Area Technical Institute. Such parcel is referred to herein as the “*Additional Land*,” and a legal description of the Additional Land is attached as Exhibit B hereto. The Board and the Authority agree to implement such acquisition; and the Parties intend that, upon its acquisition, the Additional Land will be leased by the Authority to the Board under the Lease, and in turn subleased

by the Board to the Watertown School District under the Watertown Sublease. Any references in the Series 2012A Bond Documents to either the “Lake Area Project” or to the “Series 2012A Project” shall henceforth be read as including the acquisition of the Additional Land and the provision of a parking lot thereon, as well as the acquisition of additional equipment for use by the Lake Area Technical Institute, with any proceeds of the Series 2012A Bonds that are not needed to finance the “Series 2012A Project” or “Lake Area Project” as originally described in the Series 2012A Bond Documents.

**Section 2. Amendments to the Indenture.** The description of the “Series 2012A Project” in Exhibit A to the Fourteenth Supplemental Indenture shall be amended to include the acquisition of the Additional Land.

**Section 3. Amendments to the Lease Purchase Agreement.** Exhibit B to the Sixteenth Supplement to Lease Purchase Agreement (which describes the Real Property subject to the Lease) shall be amended to include the legal description of the Additional Land as described on Exhibit B hereto.

**Section 4. Amendments to the Watertown Sublease.** Exhibits A and B to the Tenth Supplement to Watertown Sublease (describing, respectively, the Series 2012A Project and the Real Property subject to the Sublease) shall be amended to include the Additional Land and its legal description, as set forth on Exhibit B hereto.

**Section 5. Other Conforming Amendments; Further Assurances.** In addition to the amendments expressly set forth herein, the Series 2012A Bond Documents and any other agreements relating to any Bonds, to the Series 2012A Project, or to the lease or sublease of any project to which any Party may be a party shall otherwise be construed so as to reflect the changes provided for herein. The Parties covenant and agree that they shall each execute and deliver such additional documents, and that they shall each take such additional actions, as may be necessary or appropriate to effect or to evidence the transactions and purposes set forth herein.

**Section 6. Counterparts.** This Omnibus Amendment Document may be executed by the Parties in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 7. Governing Law.** This Omnibus Amendment Document shall be governed by and construed in accordance with the laws of the State of South Dakota.

(Signature Pages Follow)

**IN WITNESS WHEREOF**, the Parties, through their respectively duly authorized officers, have caused this Omnibus Amendment Document to be executed as of the day and year first written above.

**SOUTH DAKOTA HEALTH AND  
EDUCATIONAL FACILITIES AUTHORITY**

By: \_\_\_\_\_  
Chairman

Attest:

By \_\_\_\_\_  
Executive Director

**SOUTH DAKOTA BOARD OF EDUCATION**

By: \_\_\_\_\_  
President

**WATERTOWN SCHOOL DISTRICT NO. 14-4,  
as lessee**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Business Manager

**THE FIRST NATIONAL BANK IN  
SIOUX FALLS, as Trustee**

By; \_\_\_\_\_  
Its: Authorized Officer

**Exhibit B**\*

**Legal Description of the Additional Land**

Lots 1-8, inclusive, in Block 2, and Outlot "B," of Gilberts Addition to Watertown, Section 32, Township 117 North, Range 52 of Codington County, South Dakota.

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\*Exhibit B is the only attachment to the Omnibus Amendment