ALASKA MUNICIPAL BOND BANK AUTHORITY

BOARD OF DIRECTOR'S MEETING

TO BE HELD AT:
TELEPHONIC MEETING
For Participation Call: 1-800-315-6338
With Code 907100#

April 29, 2020

1:30 PM ADT

333 Willoughby Avenue, 11th Floor
P.O. Box 110405
Juneau, Alaska 99811-405

Phone: (907) 465-2388
Fax: (907) 465-2902
dor.trs.ambba@alaska.gov

AGENDA FOR BOARD OF DIRECTOR'S MEETING

Meeting Place:
TELEPHONIC MEETING
For participation: 1-800-315-6338
Code 907100#
April 29, 2020 at 1:30 p.m. ADT

I. **Call to Order**
II. **Roll Call**
III. **Public Meeting Notice**
IV. **Approval of Agenda**
V. **Minutes of the March 3, 2020 Meeting of the Board of Directors**
VI. **General Business**

- **A.** **Fairbanks North Star Borough Loan Application and Credit Review**
- **B.** **Kodiak Island Borough Loan Application and Credit Review**
- **C.** **City & Borough of Sitka Credit Overview**
- **D.** **AMBBA Resolution 2020-01 Authorizing the 2020 Series One**
- **E.** **AMBBA Resolution 2020-02 Authorizing the 2020 Series Two ("Taxable")**
- **F.** **Finance Director's Report**
- **G.** **Executive Director's Report**

VII. **Public Comments**

VIII. **Board Comments**

IX. **Adjournment**

STATUS: Active

NOTICE OF PUBLIC MEETING - AMBBA Board of Director's Meeting

AGENDA FOR AMBBA BOARD of DIRECTOR'S MEETING:

The Alaska Municipal Bond Bank Authority ('AMBBA') will hold a meeting on April 29, 2020, at 1:30 PM ADT. For participation please call 1-800-315-6338, with code 907100#.

The public is invited to attend telephonically. Individuals who may need special modifications to participate should call (907) 723-1309 prior to the meeting.

Call-in: 1-800-315-6338 with passcode 907100#

1) Call to Order
2) Roll Call
3) Public Meeting Notice
4) Approval of Agenda
5) Minutes of the March 3, 2020 Meeting of the Board of Directors
6) General Business
a) Fairbanks North Star Borough Loan Application and Credit Review
b) Kodiak Island Borough Loan Application and Credit Review
c) City & Borough of Sitka Credit Overview
d) AMBBA Resolution 2020-01 Authorizing the 2020 Series One
e) AMBBA Resolution 2020-02 Authorizing the 2020 Series Two ('Taxable')
f) Finance Director's Report
g) Executive Director's Report
7) Public Comments
8) Board Comments
9) Adjournment

Attachments, History, Details

Attachments

AMBBA Agenda 4-29-2020 FINAL.pdf

Revision History

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Details

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Sub-Category:	
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Project/Regulation #:	
Publish Date:	4/13/2020
Archive Date:	4/30/2020
Events/Deadlines:	

333 Willoughby Avenue, 11th floor
P.O. Box 110405
Juneau, Alaska 99811-0405

Tel (907) 465-2388
FAX (907) 465-2902
E-mail: ambba@revenue.state.ak.us

MINUTES of the BOARD OF DIRECTORS MEETING

ALASKA MUNICIPAL BOND BANK AUTHORITY

March 3, 2020

I. CALL TO ORDER

Luke Welles called the meeting to order at 10:01 a.m., Alaska Daylight Time. Members participated at the State Office Building, Amalga Conference Room Floor 11, Juneau, Alaska 99801, and telephonically.

II. ROLL CALL

Luke Welles
Craig Chapman
Mike Barnhill
John Springsteen
Lamar Cotten

OTHERS IN ATTENDANCE:

- Deven Mitchell, Executive Director, Alaska Municipal Bond Bank
- Ryan Williams, Finance Director, Alaska Municipal Bond Bank
- Fred Eoff, Financial Advisor, PFM
- Alex Qin, Senior Analyst, PFM
- Leslie Krusen, Orrick, Herrington & Sutcliffe, LLP
- Doug Goe, Orrick, Herrington & Sutcliffe, LLP
- Greg Blonde, Orrick, Herrington & Sutcliffe, LLP
- John Stanley, Orrick, Herrington & Sutcliffe, LLP
- Laura Janke, RBC

III. PUBLIC MEETING NOTICE

A copy of the Online Public Notice concerning the date, location, and purpose of the meeting was reviewed for the record. The public notice was officially published on February 24, 2020, on the Alaska Online Public Notice website for the March 3, 2020 meeting date.

IV. APPROVAL OF AGENDA

The agenda was reviewed by the board. There were no modifications. The Agenda was approved unanimously as written with no objections.

V. MINUTES of the September 5, 2019 Board of Directors Meeting

The September 5, 2019 minutes of the AMBBA Board of Director’s meeting were reviewed by the board. Mr. Chapman moved to adopt the September 5, 2019 minutes as written, and approval was seconded by Mr. Cotten. Mr. Welles called an all-in-favor vote with five “aye” (yes) votes, no objections, and the September 5, 2019 minutes were unanimously approved and adopted by board members.

VI. GENERAL BUISNESS

City of Ketchikan Loan Application and Credit Review

Mr. Eoff presented an application credit review summary for the City of Ketchikan (‘City’) for the Ketchikan Public Utility (‘KPU’), $11.5 million utility revenue bond loan request from the Bond Bank for construction of a 48-fiber undersea fiber optic telecommunications cable between Ketchikan and Prince Rupert, BC, Canada. Extensive engineering and a bathymetric route survey has been completed (2018), necessary easements and permits were obtained in 2019 and 2020, and construction bids were solicited with the City receiving three responsive bids. Construction is planned for 2020 with turn-up of the new cable anticipated for October 2020. KPU will use the new transport medium for internet, television, wireless, and other telecommunications broadband services in the City. KPU’s existing transport-networks are at-capacity, with over-capacity mitigated through expensive month-to-month rentals of additional capacity, which is projected to be an expense in excess of $1 million annually. Mr. Eoff mentioned that the new cable will allow KPU to connect to competitive transport providers in Canada (and ultimately Seattle), which will disconnect any month-to-month rental of excess transport capacity, utilize those funds previously paid in rentals for annual utility revenue bond payments, meet future growth expectations, and have excess capacity for sale to other telecom carriers upon completion of the project. Mr. Eoff reviewed total revenues of the KPU from 2014 through 2018 broken out by electric, telecom, and water. Total revenues have grown year over year ranging from approximately $36.0 million in 2014 to $45.6 million in 2018. KPU's bond covenants require that for every dollar of debt service KPU must generate at least $1.25 of net revenue to satisfy debt service coverage requirements, and rates must be increased if not sufficient. Mr. Eoff reviewed gross revenue, expenses, net available revenues, debt service, and historical debt service coverage from 2009 through 2018. Net revenue has ranged from approximately $6.8 million to $11.6 million over that time period, and debt service coverage has ranged from approximately 2.29 in 2009 to 9.24 in 2018 (2018 is unaudited), with an average coverage of approximately 3.25x. Mr. Eoff reviewed the impact of the Governor's proposed budget. The City has benefited from capital matching grants and the drinking and clean water loan programs for their utilities and public facilities, and the City has stated their counsel is cognizant of the fact that it must carefully assess the finances of the State as it develops and approves future budgets. Mr. Eoff mentioned that future capital plans of the City include addressing the need to invest in port and uplands improvements in order to accommodate neo-panamax cruise ships, and the City's current port infrastructure is undersized, and will potentially seek out partners for investment. The 2020 through 2024 capital improvement programs for general government and KPU will require $3 million of future bonding that has yet to be approved by voters to accomplish the council's five-year goals for improving facilities and infrastructure; however, the City has no definitive immediate plans to issue future general obligation or revenue bonds. Mr. Springsteen asked if the Bond Bank is in receipt of the no litigation letter. Mr. Eoff mentioned that the no litigation letter has not been received from the City, and any loan approvals should be subject to receipt of that letter. Mr. Eoff reviewed the State-aid intercept provision, with total revenue subject to intercept by the Bond Bank of approximately $6.5 million, total fiscal year 2020 debt service of $8.1 million (including the projected debt service on the 2020 loan), providing a coverage ratio of 0.81x. Mr. Mitchell made an observation that while coverage is less than 1x on the State-aid intercept, there's a diversity of pledged revenues stemming from general obligation, port, and utility debt, so the payment source is diversified as well as diversified through purpose. Mr. Welles asked if the City would have to go to the regulatory commission to make rate changes. Mr. Mitchell made an observation that the City would likely not be subject to RCA oversight as it's a municipally owned utility, similar to the Sitka hydro project, and Mr. Eoff seconded this projected outcome of not having to go through the RCA to modify rates.

Mr. Eoff stated that based on PFM's assessment, the security offered by the City provides sufficient security to justify approval of the application. The City's public utility fund has sufficient revenue sources to meet debt service coverage requirements, maintains high fund balances, and the Bond Bank's ability to intercept State aid adds additional security. Mr. Chapman moved to approve the $11,500,000 utility revenue loan to the City of Ketchikan, for their KPU fiber optic cable project, and is contingent upon the receipt of the no litigation letter, and Mr. Cotten seconded the motion. There was no additional discussion. Mr. Welles called an all-in-favor vote, there were five "aye" (yes) votes with no objections, and the loan was approved unanimously by all board members.

AMBBA 2019 Series Three and Four – Post-Sale Summary

Mr. Eoff discussed a summary of the pricing for the Bond Bank's 2019 Series Three and Four Bonds. These bonds were sold by negotiated sale on October 22, 2019, to RBC at a true interest cost of 1.7561 percent for the Series Three, and 2.0209 percent for the Series Four (subject to the AMT). Fitch downgraded the Bond Bank's rating from AA- to A+ due to an earlier downgrade of the State of Alaska's credit on 9/5/2019 (Bond Bank is one notch off the State's GO rating). Yields have been in decline for approximately 12 months leading up to the sale, and the 2019 Series Three bonds priced 2-5 basis points wider to the MMD AAA index than the 2019 Series One bonds before the call date, and 11-17 basis points wider after the call date. Part of the widening is attributed to the fact that the maturities after the call date had relatively small block sizes. The 2019 Series Four bonds priced 5-11 basis points tighter compared to the 2018 Series One Bonds (the most recent comparison for AMT bonds the Bond Bank has issued). Order results were mixed due to municipal market volatility. There was significant strength on the front-end, and there was a proposed reoffering scale by RBC of 2 basis points wider on the 2027 through 2034 maturities for the 2019 Series Three bonds. There was a proposed reoffering across the curve of 10 basis points on the 2019 Series Four bonds. PFM felt these adjustments were appropriate given the limited order flow and modest maturity amounts, and the Bond Bank agreed to give the verbal award to RBC. RBC was willing to underwrite approximately $6 million unsold with these adjustments. The selling group was under the opinion that RBC performed well given the circumstances of lot structure and market volatility. The proceeds of the bonds were provided to the City and Borough of Juneau and the Kenai Peninsula Borough. The bond sale closed on November 18, 2019, in Anchorage.

Finance Director's Report

Mr. Williams provided an update to the board on the Bond Bank's 2019 annual report and audit process, with all documents meeting their statutory deadline. Mr. Williams included a copy of the annual report which includes the reserve certification, letter, and final audited statements. Mr. Williams recommended the board consider formal adoption of both the annual report and audit. Mr. Williams stated that the board and staff convened for an evaluation committee on an updated underwriting pool procurement. With eight proposals received, five participants were approved for the underwriting pool: Bank of America, RBC, Jefferies, Citi, and Wells Fargo. In proposals, there was a varying degree of refinancing analysis, and staff intends to work with our financial advisor, bond counsel, and underwriters to explore the most economical transaction that may utilize a mixture of tax-exempt and taxable bonds. Mr. Williams presented fund performance and portfolio market values through January 31, 2020. Mr. Barnhill made a motion to approve the final annual report and audit for the Bond Bank for fiscal year 2019, and Mr. Chapman seconded the motion. There was no additional discussion. Mr. Welles called an all-in-favor vote, there were five "aye" (yes) votes with no objections, and the annual report and audit were adopted and approved unanimously by all board members.

Executive Director's Report

Mr. Mitchell mentioned that Mr. Williams provided the annual ongoing disclosures for the Bond Bank that include the audit, statutory reserve certification, annual report, as well as other information needed to monitor ongoing activity through the EMMA disclosure system.

Mr. Mitchell reported that work on a legislative proposal is ongoing regarding the effort to expand authority for regional health organizations and the University of Alaska. Mr. Mitchell mentioned that we haven't had a hearing yet, but legislative legal has drafted language at the direction of a State Senator, and representative LeBon (Fairbanks) has sponsored the bill so there's a vehicle for potential changes in Bond Bank statutes in HB 268.

Mr. Mitchell mentioned that we've sent a letter outlining the Bond Bank's RHO program to the Maniilaq Association as they contemplate heath related expansion projects.

Mr. Mitchell stated that the last two quarterly ethics reports have been filed with the Department of Law, with copies provided in the board packet.

Mr. Mitchell mentioned that he attended AML's February Winter legislative conference, which had local elected officials, and helped outline current activity at the community level.

Mr. Mitchell stated that there are additional applications expected for a future potential issuance, including the Kodiak Island Borough which has existing authority for school construction projects. Additionally, we continue to work to find present value savings opportunities on existing debt, and expect another meeting within two months for consideration by the board.

Mr. Barnhill asked how many underlying loans are being considered for a refunding bond transaction. Mr. Mitchell outlined an extensive transaction with up to twenty borrowers for each a current and new money tax-exempt transaction as well as a taxable advance refunding transaction dependent on municipal market rates.

VII. PUBLIC COMMENTS

There were none.

VIII. <u>BOARD COMMENTS</u>

Mr. Welles recapped the underwriting pool procurement process, including the varying degrees of analysis that may provide for a robust refunding transaction subject to additional review and analysis.

Mr. Welles anticipates the Indian Health Service to provide a list of six potential regional health projects to be tentatively approved by the end of March. The total valuation on the six capital projects is projected to be in excess of $750 million, done through the Joint Venture methodology through the Indian Health Service (similar to the Bethel project / YKHC that the Bond Bank conducted).

<u>ADJOURNMENT</u>

Mr. Welles adjourned the meeting without objection at 10:46 a.m. ADT.

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Luke Welles, Chairperson

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	Fairbanks North Star Borough ("FNSB")
Loan Amount:	$29,604,175
Project Type:	Refunding of prior FNSB general obligation bonds (issued for school capital improvements)
Project Description:	FNSB will apply the proceeds of the Bond Bank loan to refund on a current basis $29,575,000 of outstanding callable bonds.
Term of Loan:	12 years
Revenues Pledged to Loan:	Property taxes
Most recent FY Net Pledged Revenues:	General Fund Unrestricted Fund Balance*: $49,671,340 Total Property Tax Revenues: $107,013,338
Estimated Annual Debt Service on requested loan:	Approximately $4.2 million in the first year, scheduled to match the debt service of refunded debt.
Estimated Annual Debt Service (all Bond Bank loans plus requested loan):	$9.05 million
Most Recent FY Debt Service Coverage Ratio:	N/A
Total Revenue Subject to Intercept:	$126,202,754
Debt Service Coverage of AMBB DS from Total Revenue Subject to Intercept :	13.95x
Loan Subject to State Debt Service Reimbursement:	Yes
No Litigation Letter Received:	No

*Unrestricted Fund Balance; does not include Nonspendable and Restricted fund balances.

Loan Application Evaluation
Fairbanks North Star Borough

Introduction

The Fairbanks North Star Borough ("FNSB" or "the Borough") has submitted an application to the Alaska Municipal Bond Bank (the "Bond Bank") for a General Obligation Bond Refunding Loan totaling $29,604,175. FNSB will use the Bond Bank loan to refund five (5) series of currently callable outstanding bonds, totaling $29,575,000 principal and $29,175 call premium.

The Project

The FNSB will use the Bond Bank's loan to refund the following bonds originally issued for school capital improvements purposes:

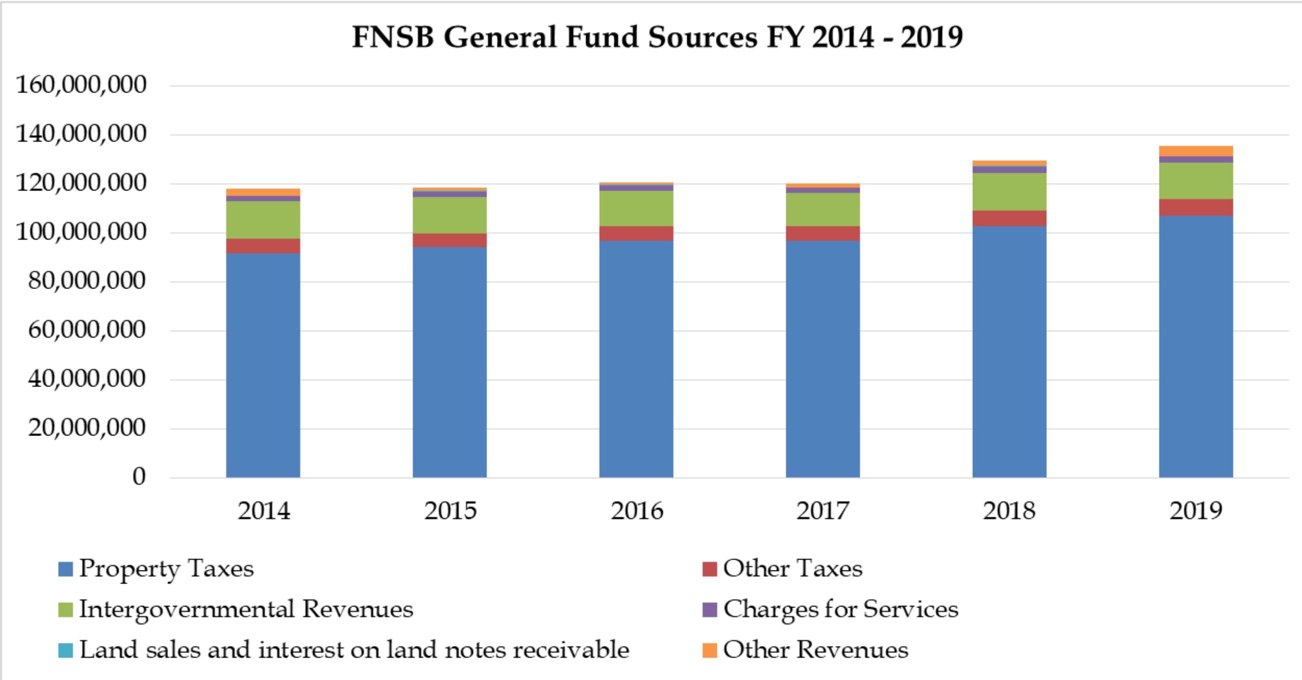
Tax-Exempt Current Refundings

- 2006 Series I
- 2007 Series J
- 2008 Series L
- 2010 Series M
- 2012 Series R

Borough Financial Position

In FY 2019 the Borough derived its revenues primarily from property taxes which have ranged from $91.7 million to $107.3 million over the past 6 years. Property taxes have increased during this reporting period, recently increasing $2.82 million year over year (from FY18 to FY19).

The following graph depicts the stability of FNSB's General Fund revenue distribution, increasing from $118.0 million in fiscal year 2014 to $135.6 million in fiscal year 2019. The highest revenue year, over this period, was fiscal year 2019. Property tax collections have consistently been the primary source of general fund revenues, with intergovernmental revenue coming in directly behind property taxes each year.



Property value exemptions increased the Borough's fiscal year 2020 areawide mill rate by 19.2 percent or 2.24 mills (18.7 percent or 2.02 mills for fiscal year 2019) more than it would have been without exemptions, including both State-mandated exemptions at 10.2 percent (9.8 percent for fiscal year 2019) and optional exemptions at 9.0 percent (8.9 percent for fiscal year 2019).

State-mandated exemptions, particularly senior citizen exemptions, are increasing year after year, both in total dollars and as a percent of "full" value. Over the past decade, the impact of increased mill rates on non-exempted property has grown 1.288 mills, or $258 per $200,000 of net taxable assessed value. The average annual increase in State-mandated exemptions over the last five years is 6.25 percent.

An increase in the optional primary residence exemption was approved by the voters in October 2016, effective for the tax year beginning January 1, 2018 (fiscal year 2019), more than doubling the previous exemption. The total of all local-option assessed value exemptions increased by over $452 million to $741 million. The bulk of the optional exemptions are for properties that are the taxpayer's primary residence.

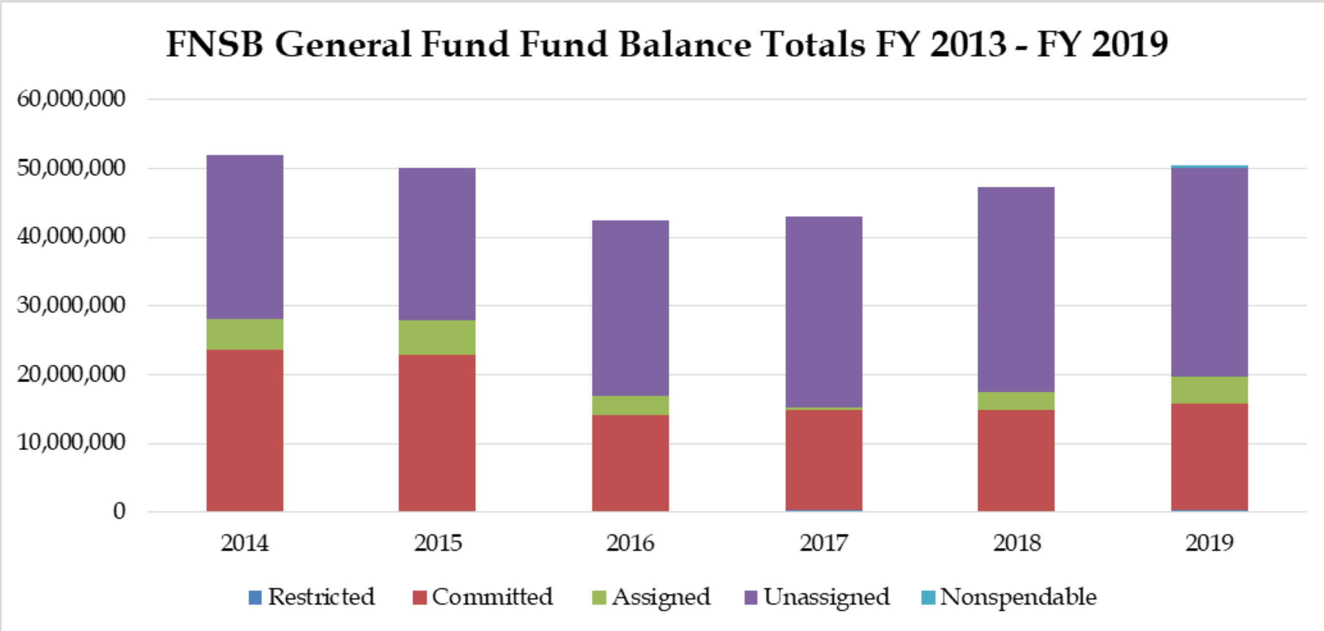
The Borough made a concerted effort over a great number of years to avoid large fluctuations in its areawide mill rate. A persistent concern for the Borough has been the financial pressure on homeowners and businesses that can result from combining the high cost of space heating energy in arctic Interior Alaska (relative to southcentral Alaska or the Lower 48) with high property taxes. Consequently, there was pressure to avoid large increases in property taxes to free up money for property owners to pay for the costs of energy.

For over 20 years, area wide mill rates trended downward, for fiscal years 1994 through 2016, with a flattening in the last nine of those years. Notably, the mill rates for each of the fiscal years 2009 through 2017 were lower than any mill rate in the 19-year period from fiscal year 1990 through fiscal year 2008. In the fiscal year 2018 budget, despite a general fund budget that was down by 2.3 percent from the fiscal year 2017 revised budget, the mill rate was increased by 4.3 percent, primarily due to reduced State revenues. There was also a desire to make a significant contribution to the Facilities Maintenance Reserve and a need to make up for the lowest amount of new construction assessed values in 15 years. The fiscal year 2018 taxes were levied at the maximum allowed by the local tax revenue limit, yet the mill rate was still lower than any mill rate from fiscal year 1991 through 2008.

In the fiscal year 2019 budget, taxes were again levied to the maximum allowed by the tax cap to make up for another low year for new construction values, the lowest in 16 years, and another year of State revenue declines; and to make the largest possible contribution toward the maintenance of Borough owned facilities, which include School District facilities. Additionally, to offset the $452 million increase in the optional exemptions, the fiscal year 2019 mill rate was higher by 0.735 of a mill, equating to a 6.17 percent increase in the mill rate. Excluding the effect of the increase in the optional exemptions, the fiscal year 2019 mill rate increased by 1.70 percent over the fiscal year 2018 mill rate. Even with the increase in the fiscal year 2019 mill rate, it is still lower than any mill rate in the 16-year period from fiscal year 1992 through fiscal year 2007.

In the fiscal year 2020 budget, the Assembly chose to use almost $3.5 million of fund balance instead of levying taxes to the maximum allowed by the tax revenue cap. In doing so, however, they designated the $3.5 million for tax reduction, which authorizes it to be added back to the fiscal year 2021 tax revenue cap. At the time the budget was adopted, the Borough expected no State reimbursement for school debt service of over $9.0 million. To cover this shortfall, the Assembly used almost $2.2 million of the draw on fund balance and $6.8 million of increased property taxes. Taxes to pay debt service cannot, by law, be limited. There was another slight decline in new construction values and once again, a substantial contribution was made to the Facilities Maintenance Reserve. Altogether, these actions, and the previously mentioned growing exemptions, resulted in another 8 percent increase in the mill rate, although the fiscal year 2020 mill rate is still lower than any mill rate in the eleven years from fiscal year 1993 through 2003.

In many prior years, a stable mill rate was achievable due to the annual addition of new construction assessed values and rising values of existing properties. For fiscal year 2016, areawide property taxes were levied $6.0 million under the tax limit. Fiscal year 2017's levy was $8.2 million under the limit. Historically, for many years, the Borough has levied significantly under the tax limit, a combined total of $76.1 million over the last 20 years; compounded, the amount not collected in those 20 years is over $560 million. A levy under the limit, if not partially recaptured in the next budget under very specific rules, will become a permanent reduction in the amount of taxes that can be levied in all subsequent years. The average cumulative effect for those 20 years is $28.0 million annually. For fiscal years 2018 and 2019, the levy was at the limit. It is expected that levies will be set at the limit in future years to maximize the contribution to the Borough's facilities maintenance reserve account.



At the end of fiscal year 2019 the total general fund fund balance was $50.4 million. The total general fund fund balance increased by approximately $3.2 million during fiscal year 2019, compared to a $4.3 million increase in the prior year. The unassigned value makes up a majority of the classification for general fund fund balance, and totaled $30.4 million at the end of fiscal year 2019. The Borough has a policy of targeting unassigned fund balance at 17% of General Fund expenditures and is currently above that target. For the past six years, unassigned fund balance has grown at an average rate of 5.7% every year.

Impact of COVID-19

The Mayor presented his recommended FY21 Budget to the Assembly on April 2, 2020. The budget reflected a modest increase in operational costs, fully funding capital mandates, levying taxes $3,499,832 under the tax cap, and an areawide mill rate increase of 0.554 mills more than the prior year. The Administration immediately began developing amendments to that budget for impacts related to COVID-19. The premise of the revisions was to address revenue shortfalls and at the same time provide relief to the community by keeping the FY21 mill rate the same as the FY20 mill rate.

New estimates of property, sales and excise tax revenues, State revenue, interest earnings and contributions to capital and education as well as reductions to various departmental expenditures were presented to the Assembly on April 18, 2020. A summary of the proposed amendments is presented in the following table:

FY21 Budget - Mayor's Proposed Amendments due to COVID-19

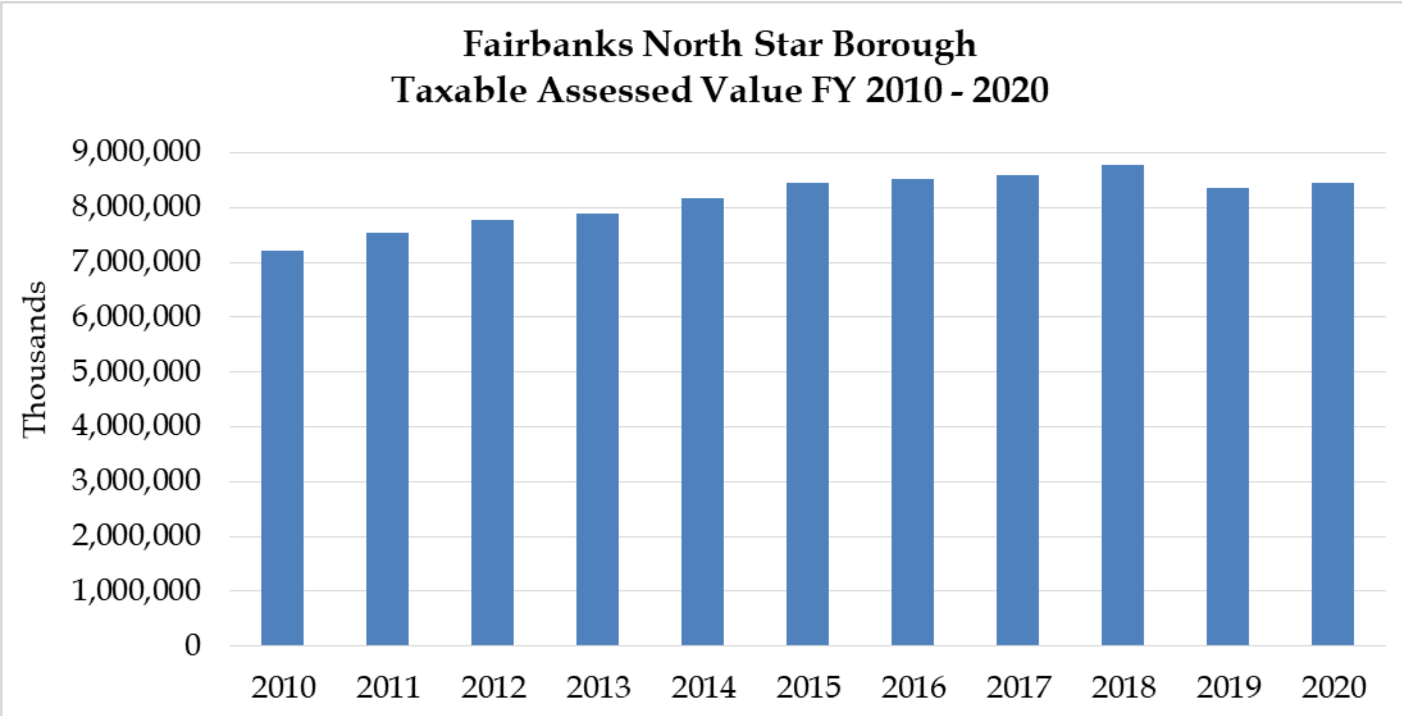
Revenue Shortfalls:		
Property Taxes	(5,311,440)	
Sales and Excise Taxes	(1,580,000)	
Investment Earnings	(1,752,630)	
State Aid to School Construction	(4,364,770)	
Total Revenue Shortfalls		($13,008,840)
Expenditure Reductions:		
Contribution to Facility Maintenance Reserve	2,000,000	
Contribution to Education	2,000,000	
Contribution to Multi-Year Projects & Grants	1,200,000	
Salaries (COLA and Step) & Benefits	958,000	
Other reductions	656,000	
Total Expenditure Reductions		$6,814,000
Contribution from Fund Balance		$6,500,000

It is important to note that most Borough employees are covered by collective bargaining agreements (CBAs) and that those CBAs are subject to appropriation (as ruled on by the Alaska Supreme Court, City of Fairbanks). The Administration has had discussions with all three unions and has advised the Assembly that two of the CBAs require that "should the Assembly fail to fund the monetary terms of the CBA, the parties agree to reenter negotiations for a period of 10 working days. At the end of the 10-day period, if the parties have reached an impasse, Federal Mediation and Conciliation Service mediation will be required prior to authorization by the union of a strike vote."

The Assembly's Finance Committee has indicated a willingness to accept many of the Mayor's proposed reductions. The Finance Committee is continuing its deliberations. The final decision on the FY21 Budget will be made by the Assembly in May of 2020.

<u>Security and Repayment</u>

FNSB will pledge the full faith, credit and resources for repayment of the Bond Bank loan. The net taxable assessed value of the Borough is $8.4 billion (FY 2020). The graph below presents the assessed value of the Borough from FY 2010 – FY 2020. The decrease in 2019 was due to a voter-approved increase in the residential exemption.



State-Aid

In addition to the pledge of FNSB's full faith, credit, and resources, the Bond Bank has the ability to intercept state-shared revenues that will otherwise flow to FNSB. This is a significant source of security for this loan. The table below summarizes the revenues subject to intercept, along with the maximum annual debt service on FNSB's bonds, including this proposed loan.

Shared Taxes and Fees	$420,441
Dept. of Transportation Reimbursement	$0
Reimbursement and Other Education Funding	$4,352,835
Education Support Funding	$110,565,543
Matching Grants	$9,493,104
Community Jails	$0
PILT Transfers	$0
Revenue Sharing	$1,370,831
Total Revenue Subject to Intercept	$126,202,754
Fiscal Year 2020 Debt Service (includes 2020 Loans DS)	$9,047,644
Debt Service Coverage	**13.95x**

Future Capital Plans

The Borough does anticipate issuing more General Obligation bonds in the future to fund a portion of its Capital Improvement Plan, however the Borough has no plans to seek additional GO authorization currently.

Statement of No Litigation

To be provided closer to date of Board Meeting

Summary

Based on our assessment, the security offered by FNSB, as set forth in FNSB's loan application and supplemental materials, provides sufficient security to justify approval of the application. This security, which is primarily provided by pledge of the full faith, credit and resources of FNSB, is augmented by the ability to intercept state revenues that would otherwise flow to the Borough.

We recommend approval of this loan application conditioned upon receipt of the No Litigation letter. If you or any of the Board members have any questions regarding our analysis, please feel free to call me at (206) 858-5370.

For PFM Financial Advisors, LLC

Fred Eoff, Director

Fairbanks North Star Borough Economic and Demographic Information

The Fairbanks North Star Borough is a second-class borough incorporated on January 1, 1964 under the provisions of the State of Alaska Borough Act (1963), as amended. The Borough covers 7,361 square miles within the Tanana River valley of the interior region of Alaska. The Borough population is 97,121 and has an assessed valuation for real property of $8.4 billion, of which $716.4 million is related to the trans-Alaska oil pipeline system. There are two incorporated cities located within the Borough's boundaries: North Pole with 2,101 residents and Fairbanks with a population of 31,668. There are also two large military installations within the Borough, Fort Wainwright Army Post and Eielson Air Force Base.

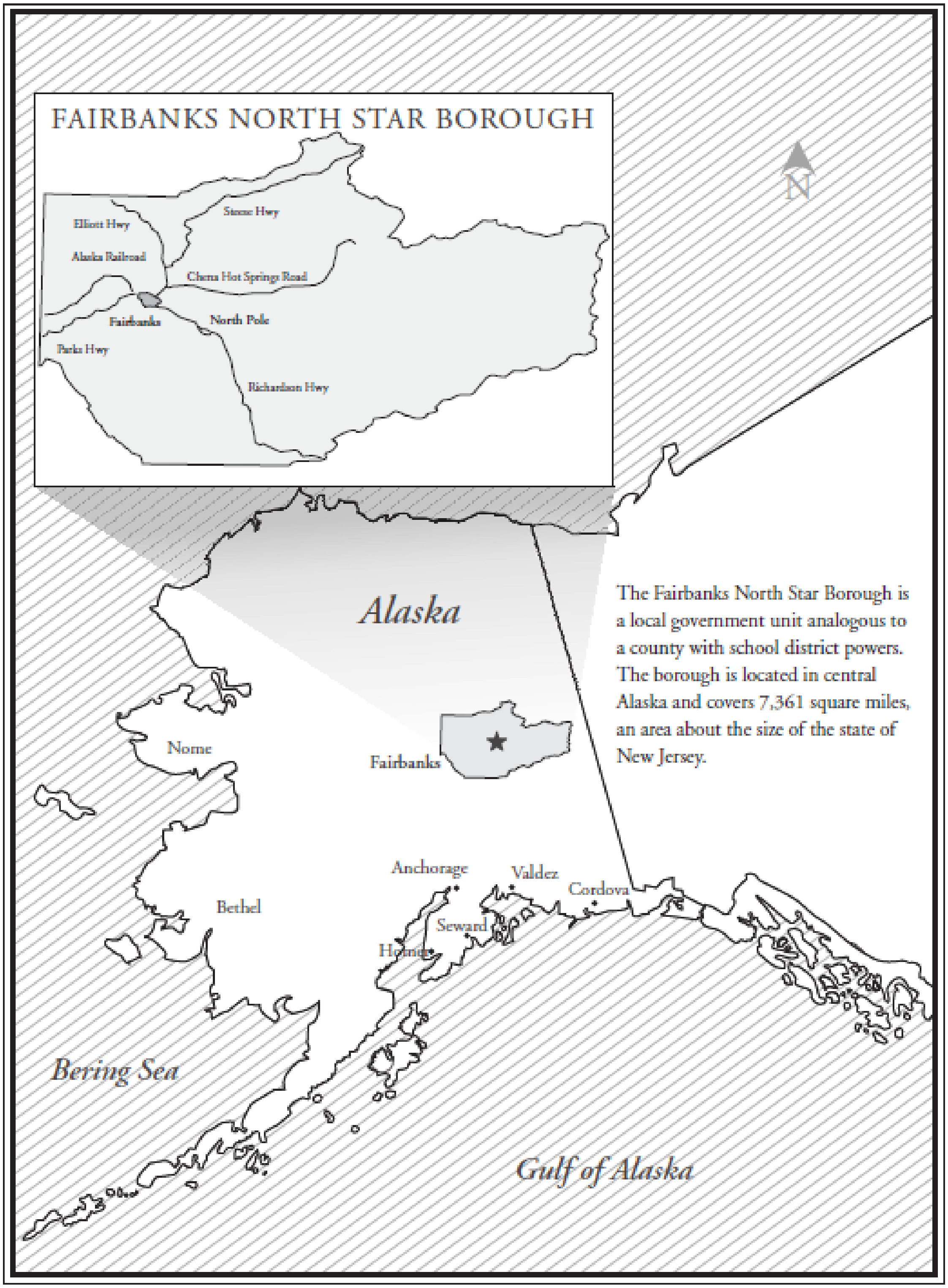
Fairbanks is 200 miles south of the Arctic Circle with a semi-arid climate and very little wind. Precipitation averages just under 11 inches each year, including an annual snowfall of around five and a half feet. There is snow on the ground from October to April. By summer solstice, there are almost 22 hours of sunlight and the average high temperature in July is 73° F. Temperatures often reach into the 80s and can occasionally reach 90° F during the short summer. In the coldest month, January, the average low and high temperatures are -17° F and 1° F. At winter solstice, the sun is up for less than four hours. It is not uncommon for the temperature to get down to -40° F a few times each winter and even down to -60° F in some winters.

From Fairbanks International Airport, it is 50 minutes by air to Anchorage, four hours to Seattle, eight hours to Tokyo, eight and a half hours to New York, and nine and a half hours to London. Two domestic and seven regional carriers, along with three cargo-only carriers, serve Fairbanks year round, with another domestic and three international carriers providing seasonal or charter services. All major highways in interior Alaska converge on Fairbanks. The Parks Highway connects the interior with Denali National Park and Anchorage. The Steese, Elliott, and Dalton Highways extend north and east to the Yukon River at Circle, north and west to the Tanana River at Manley Hot Springs, and north to the Arctic Ocean and the North Slope oil fields. The Richardson and Alaska Highways link Fairbanks to Valdez to the south and southeast to Dawson Creek, British Columbia, Canada. Fairbanks is the northern terminus of the Alaska Railroad, which carries freight and passengers to and from Denali National Park, Anchorage, Whittier, and Seward.

The University of Alaska Fairbanks (UAF) is the flagship campus of the State university system. UAF employs 1,770 regular staff (full and part-time). Fall 2019 undergraduate enrollment reached 6,284 students (2,596 full-time and 3,688 part-time), with 976 students enrolled in graduate studies. In fiscal year 2019, 1,325 students graduated from an academic program. UAF expended $104.3 million in research in fiscal year 2019. The university has an exceptional museum which received 85,629 visitors in fiscal year 2019. UAF's excellent research facilities include the Geophysical Institute's Poker Flat Rocket Range, the only university-owned and operated sounding rocket launch facility in the world. UAF is a Land, Sea, and Space Grant institution, one of only a handful of such universities in the country.

The Fairbanks area provides a rich offering of arts, cultural, and recreational activities throughout the year. The Borough operates an outstanding library system and over 100 parks. A major attraction among the parks is the 44-acre Pioneer Park -- a look at yesteryear -- with historic buildings, a stern-wheeler riverboat, and small shops. The largest of the Borough parks is the 2,200-acre Chena Lake Recreation Area with 85 campsites, swimming, and boating. The second largest is the 750-acre Tanana Lakes Recreation Area, with a swim beach, picnic area, and calm-water boat launch (to the Tanana River) and dock facility. The Borough's parks and recreational facilities include over 850 miles of summer and winter trails, playgrounds, picnic areas and pavilions, indoor and outdoor ice rinks, a community activity and convention center, numerous athletic fields, and three indoor swimming pools.

In the Borough, there are 45 hotels, motels, and lodges. In addition, 216 bed and breakfasts and several recreational vehicle parks and campgrounds supply accommodations in the area.


FAIRBANKS NORTH STAR BOROUGH
Steese Hwy
Elliott Hwy
Alaska Railroad
Chena Hot Springs Road
Fairbanks
North Pole
Parks Hwy
Richardson Hwy
N
Alaska
The Fairbanks North Star Borough is a local government unit analogous to a county with school district powers. The borough is located in central Alaska and covers 7,361 square miles, an area about the size of the state of New Jersey.
Nome
Fairbanks
Anchorage
Valdez
Cordova
Bethel
Seward
Homer
Bering Sea
Gulf of Alaska

Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information

A. Name of Governmental Unit (Applicant):

Fairbanks North Star Borough

B. Type of government (home rule, first class, authority, etc.):

Second class borough

C. Contact Person for the government:

Name:		Title:		
Debbie Brady		Chief Financial Officer		
Delivery Address:		**City:**	**State:**	**Zip:**
907 Terminal Street		Fairbanks	AK	99701
Mailing Address:		**City:**	**State:**	**Zip:**
PO Box 71267		Fairbanks	AK	99707
Phone:	**Fax:**	**E-mail:**		
907-459-1394	907-459-1379	brady.dlr@co.fairbanks.ak.us		

D. Applicant's Bond Counsel:

Name:		Title:		
David O. Thompson, Stadling Yocca Carlson & Rauth PC		Partner		
Address:		**City:**	**State:**	**Zip:**
999 Third Avenue, Suite 3610		Seattle	WA	98104
Phone:	**Fax:**	**E-mail:**		
206-829-3006	206-299-4117	DThompson@SYCR.com		

E. Applicant's Financial Advisor or Underwriter (if applicable):

Name:		Title:		
Alex Handlers, Bartle Wells Associates		Principal		
Address:		**City:**	**State:**	**Zip:**
1889 Alcatraz Avenue		Berkeley	CA	94703
Phone:	**Fax:**	**E-mail:**		
510-653-3399, x109	510-563-3769	alex@bartlewells.com		

II. Issue Information

A. Total amount of bond purchase request:

$29,575,000 Tax-Exempt $13,715,000 Taxable

B. Total term of requested loan: 13 **years** (to match maturity schedule of current bonds)

C. Preferred principal and interest payment months:	November (anything but July)	**principa l/interest**	May	**interest only**

D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition. Not Applicable

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots:

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of the additional security. ☐Attached No

E. Will you need interim financing? No

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ☐ Attached N/A

F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it. Refunding Bonds

1. Are engineering and specifications completed? ☐Yes ☐No Not Applicable
2. If not, when are they projected for completion?
3. Have construction bids been awarded? ☐Yes ☐No Not Applicable
4. Are there additional state or local approvals required? ☒Yes ☐No Preliminary DEED and DOTPF approval granted.
5. Describe timing/scheduling plan:
6. What is the projected completion date? Not Applicable

G. Sources of uses of funds

Sources of Funds			**Uses of Funds**		
Bonds (this application)	$	43,852,770	Construction	$	
Federal Funds*	$		Engineering	$	
State Funds*	$		Contingency	$	
Applicant's Funds	$		Cost of Issuance	$	562,770
Other (specify)	$		Other - Refunding Bonds	$	43,290,000
Total:	$	43,852,770	Total:	$	43,852,770

*If federal or state funds are involved, provide a compete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. ☒ Attached

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? ☒ Yes ❑No See attached Summary.
If yes, provide amount of financed, purpose and principal amount outstanding. $

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? ☒Yes ❑No
If yes, please attach details. ☒Attached See Debt Service by Project for details on State Reimbursement.

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ❑Yes ☒ No
If yes, please attach an explanation. ❑Attached

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ❑Yes ☒ No
If yes, please attach an explanation. ❑Attached

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. ❑Attached. The Fairbanks North Star Borough has no authorized, unissued bonds.

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy. ❑Attached
There are no bond propositions planned at this time.

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.) Attached. Find our summary in the FY19 Comprehensive Annual Financial Report Transmittal Letter as well as the State of Alaska, DOL&WD "Alaska Economic Trends" for January 2020.

I. Are any of the community's major employers expected to make changes in work force or operations? ☒ Yes ❑No
If yes, provide an explanations. ☒ Attached See FY19 CAFR Transmittal Letter.

J. Please provide population figures for your community for the last five years. Indicate the source of your figures. See attached.

Year	Population	Source
2018	98,971	https://factfinder.census.gov
2017	99,725	
2016	100,683	
2015	99,630	
2014	99,256	

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. ☒ Attached

M. Provide your audited financial statements from the last two years (provide your unaduited statement if audit hasn't been preformed). ☒ Attached

N. Provide your current year's budget. See attached.

O. Provide your capital improvement plan. ☒ Attached See Resolution, Project Spreadsheet and Action Memo

P. Provide any other financial or economic information that will assist evaluation of your application.
☒Attached See FNSB Community Research Quarterly Fall 2019.

IV. Legal Information
A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened in any court in any way: 1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or 2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.
B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.
C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Debra L. R. Brady
Name (print)

Chief Financial Officer, Fairbanks North Star Borough
Title

Joanne K Pascoe for DLRB CFO
Signature

3/26/2020
Date of Application

Please return all applications to:
Deven Mitchell
Alaska Municipal Bond Bank Authority
Department of Revenue
PO Box 110405
Juneau, AK 99811-0405
(907)465-2388 phone
(907)465-2389 fax
deven_mitchell@revenue.state.ak.us

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	Kodiak Island Borough (KIB)
Loan Amount:	Loan 1: $410,422 for High School Project Loan 2: $2,230,000 for School Renovation Project
Project Type:	School improvements
Project Description:	Capital improvements to local school facilities
Term of Loan:	10 years
Revenues Pledged to Loan:	Property taxes
Most recent FY Net Pledged Revenues:	General Fund Unassigned Fund Balance*: $5,292,862 Total Property Tax Revenues: $16,660,329
Estimated Annual Debt Service on requested loan:	Loan 1: Approximately $241 thousand Loan 2: Approximately $45 thousand
Estimated Annual Debt Service (all Bond Bank loans plus requested loan):	$9.53 million
Most Recent FY Debt Service Coverage Ratio:	N/A
Total Revenue Subject to Intercept:	$28,910,742
Debt Service Coverage of AMBB DS from Total Revenue Subject to Intercept :	3.03x
Loan Subject to State Debt Service Reimbursement:	No
No Litigation Letter Received:	No

*Unassigned fund balance; does not include nonspendable fund balance

Loan Application Evaluation
Kodiak Island Borough

Introduction

The Kodiak Island Borough ("KIB" or "the Borough") has submitted applications to the Alaska Municipal Bond Bank (the "Bond Bank") for two loans backed by the Borough's General Obligation pledge. Both loans will be used for funding improvements to local school facilities. The first loan request is for $410,422 and the second is for $2,230,000.

The Project

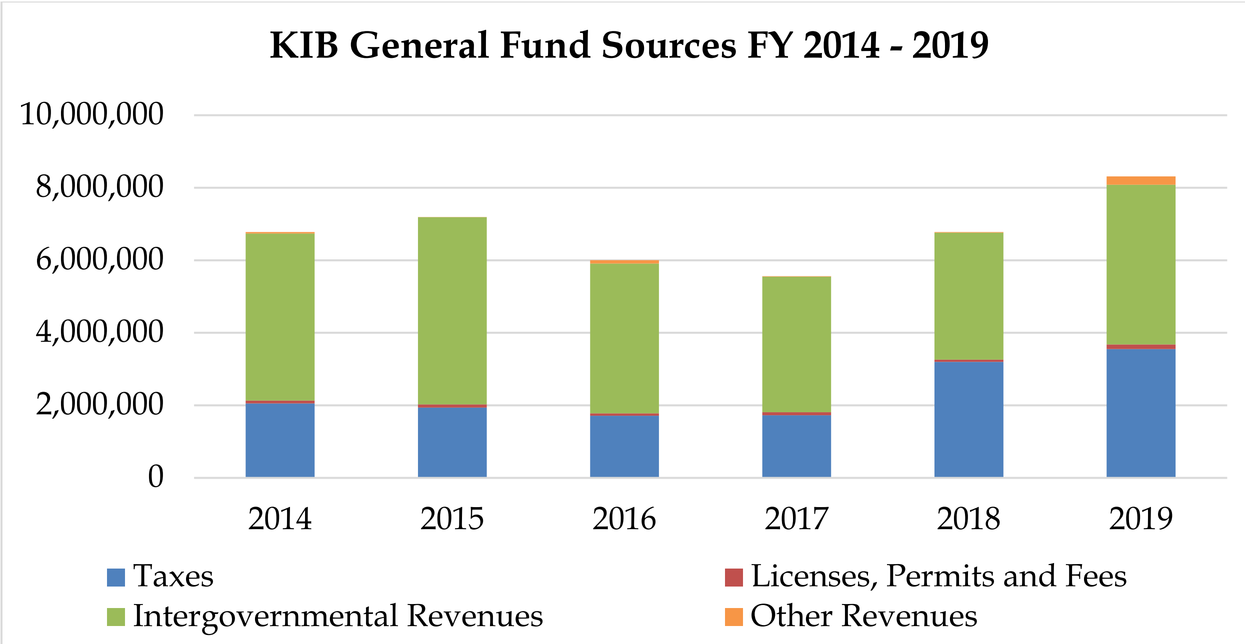
High School Project: KIB will use the Bond Bank loans to provide funding for additional ventilation rebalancing, and security and access upgrades specifically locks and appropriate panic hardware based on needs identified since new school was completed.

School Renovation Project: KIB has Alaska Department of Education and Early Development approvals for various facility repairs and renovations including new siding, roofing, and painting type projects.

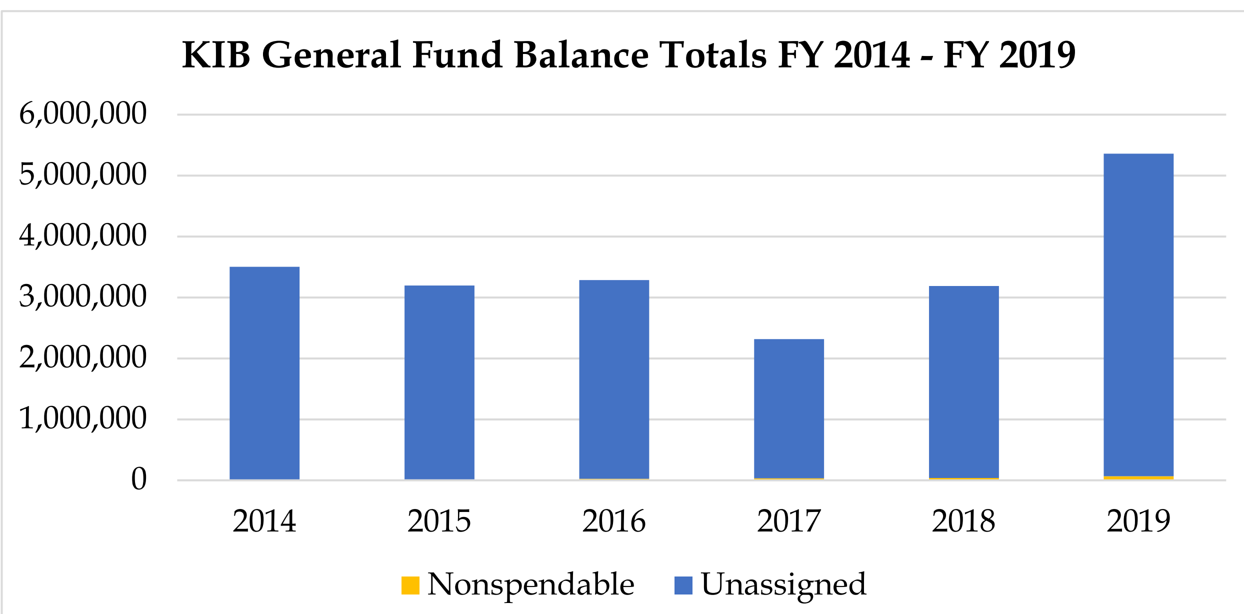
Borough Financial Position

In FY 2019 the Borough's highest source of revenue comes from property taxes. In FY 2019, total property tax revenue was $16.66 million, a 3.83% increase over 2018. Prior to FY2012 all area wide property taxes were deposited into the General Fund and then transferred to the other area wide funds. Beginning with FY2012 the Borough began setting a separate mill rate for each area wide function that was funded by property taxes. For FY2019 the Borough set mill rates of 1.10 mills for the General Fund, 7.05 mills for the Education Support Special Revenue Fund, 1.87 mills for the Education Debt Service Fund, and 0.73 mills for the Renewal and Replacement Projects Capital Project Fund for a total area wide mill rate of 10.75. This was the same area wide mill rate as FY2018.

The following graph depicts the KIB's General Fund revenue distribution, increasing from $6.78 million in fiscal year 2014 to $8.31 million in fiscal year 2019. The highest revenue fiscal year over this period was fiscal year 2019. Intergovernmental revenues have consistently been the highest source of general fund revenues. General fund revenues derived from Intergovernmental receipts have ranged from $3.5 million to $5.2 million over the past 6 years. Intergovernmental revenues had been trending downwards from 2015 to 2018, but has increased from 2018 - 2019 by $901,169 (25.7%).



At the end of fiscal year 2019 the total general fund balance was $5.4 million. The majority of the general fund balance is classified as "unassigned" and totaled $5.3 million of the $5.4 million fiscal year 2019 balance. The FY 2019 general fund balance increased by $2,171,470 (68.09%) over FY 2018 balance. There were three main contributors to this significant increased. First, the Borough received $961,970 more in various state revenues than anticipated. Second, the Borough received $314,393 more in Federal PILT revenues than anticipated, and lastly, the Borough experienced a $465,085 reduction in General Fund expenditure, which was more than anticipated.

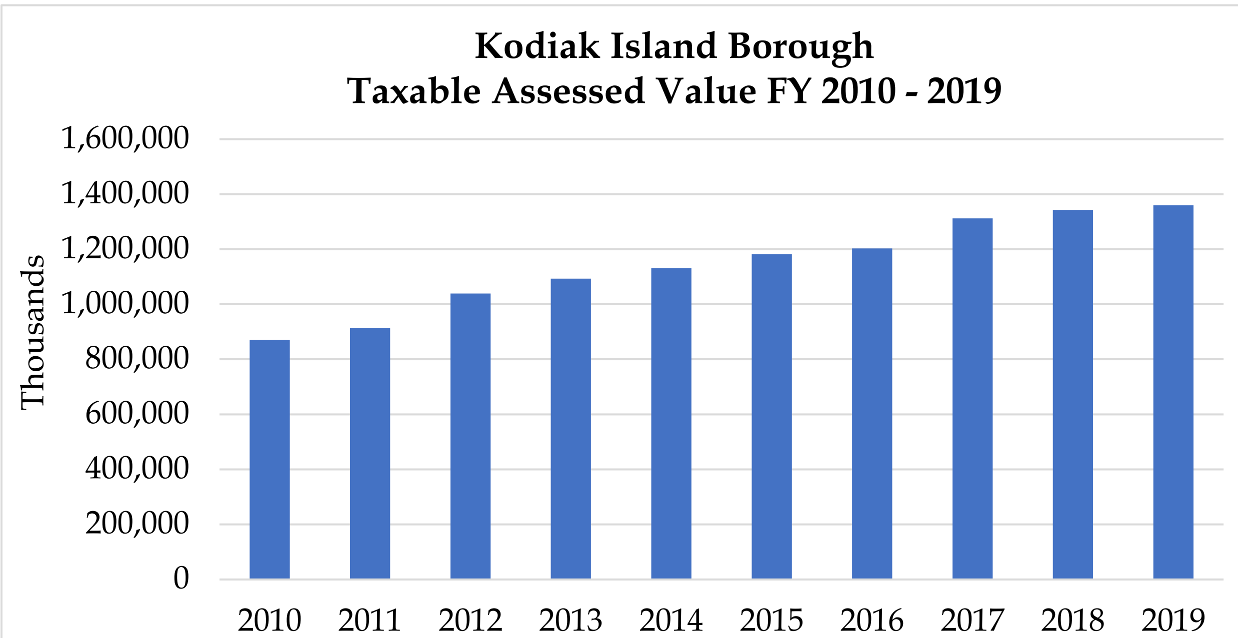


__Impact of COVID-19__

The City of Kodiak is responsible for COVID-19 expenses because they are in command of emergency response for the Borough (both the Emergency Command Center and the Emergency Services Council). The Borough does expect some impact, but does not expect it to be significant. As of 4/17/2020, there had been only one confirmed case on KIB.

__Security and Repayment__

KIB will pledge its full faith, credit and resources for repayment of the Bond Bank loan. The taxable value of the Borough is $1.4 billion. The graph below presents the taxable assessed value of the Borough from FY 2010 – FY 2019.



State-Aid

In addition to the pledge of KIB's full faith, credit, and resources, the Bond Bank has the ability to intercept state-shared revenues that will otherwise flow to KIB. This is a significant source of security for this loan. The table below summarizes the revenues subject to intercept, along with the maximum annual debt service on KIB's bonds, including this proposed loan.

Shared Taxes and Fees	$851,575
Dept. of Transportation Reimbursement	$0
Reimbursement and Other Education Funding	$2,786,589
Education Support Funding	$24,406,757
Matching Grants	$457,799
Community Jails	$0
PILT Transfers	$0
Revenue Sharing	$408,022
Total Revenue Subject to Intercept	$28,910,742
Fiscal Year 2020 Debt Service (includes 2020 Loans DS)	$9,528,521.25
Debt Service Coverage	**3.03**

Future Capital Plans

The Borough has no plans to seek additional GO authorization at this time.

Statement of No Litigation

To be provided closer to date of Board Meeting

Summary

Based on our assessment, the security offered by KIB, as set forth in KIB's loan application and supplemental materials, provides sufficient security to justify approval of the application. This security, primarily provided by the pledge of the full faith, credit and resources of KIB and a historically strong fund balance, is augmented by the ability to intercept state revenues that would otherwise flow to the Borough.

We recommend approval of this loan application conditioned upon receipt of the No Litigation letter. If you or any of the Board members have any questions regarding our analysis, please feel free to call me at (206) 858-5370.

For PFM Financial Advisors, LLC

Fred R. Eoff

Fred Eoff, Director

Kodiak Island Borough Economic and Demographic Information

The Kodiak Island Borough lies in the western sector of the Gulf of Alaska, approximately 40 miles south of the Kenai Peninsula. Kodiak Island is the largest island in Alaska and the second largest in the United States. About two-thirds of the Borough lies in the Kodiak archipelago with the remaining third on the Alaska Peninsula, across the Shelikof Strait from Kodiak Island. The Shelikof Strait is only 20 miles wide in places. The Borough encompasses 7,130 square miles, making it slightly smaller than the State of Massachusetts and serves a population of 13,136.

The Borough was incorporated September 30, 1963, as a Second Class Borough by Chapter 146 Sessions, Laws of Alaska 1961, as amended. The powers granted to the Borough include area-wide powers and non area-wide powers. Area-wide powers are health, education, planning and zoning, emergency services planning, and assessment and collection of taxes for both the Borough and cities within the Borough. Non area-wide powers include parks and recreation, economic development, solid waste disposal, animal control, fire protection, street lighting and road maintenance and construction. The Borough uses a Manager form of government. The Mayor is elected at-large and the Borough Assembly appoints the Manager. The Assembly is composed of seven members who are elected at-large.

The Borough provides a full range of services including fire protection, the construction and maintenance of roads and other infrastructure, community and economic development, health, culture and recreation and solid waste collection and disposal. The Borough also is financially accountable for a legally separate school district which is reported separately within the Borough’s financial statements. Additional information on this legally separate entity can be found in the basic financial statements.

The economic condition of the Kodiak Island Borough generally remains stable. The seafood industry is by far the largest industry in the Kodiak Island Borough. This industry includes commercial fishing, fisheries research, management and enforcement, seafood processing, and maintenance and support services. Kodiak is home to the largest port in the State, housing over 500 commercial vessels and consistently ranks among the top ten ports in the United States in terms of amount and value of product delivered. While the commercial fishing industry in Kodiak has been stable with severance taxes on seafood ranging from $1,287,693 in FY2010 to $1,163,238 in FY2019, there have been new federal and state environmental and quota restrictions that may reduce future revenues.

Tourism also has a strong presence in Kodiak, however the recent trend of increased online lodging bookings, the construction of a new hotel within the city limits, and remote locations which cannot be readily monitored, may make forecasting the transient tax revenues increasingly difficult. Transient accommodations tax (bed tax) revenues have decreased from $104,074 in FY2015 to $78,971 in FY2019, a decrease of 26.3%. Offsetting this decrease, cruise ship calls continue to increase from 21 in 2010 to 31 in 2019, and the Commercial Passenger Vessel tax revenues have increased from $25,488 in FY2010 to $42,753 in FY2019.

The Kodiak Island Borough is also home to an element of the aerospace industry due to the construction of the Kodiak Launch Complex in 1998. Owned by the Alaska Aerospace Development Corporation (AADC), a public corporation of the State of Alaska, the Kodiak Launch complex is the first complete launch facility built in the United States since the 1960’s and the first not owned by the Federal Government. The state-of-the-art facility includes a launch control center, payload processing facility, spacecraft assembly building and launch pad. It is designed to handle small to medium sized rockets used to launch low earth orbit satellites, as well as military, scientific and research missions.

Kodiak is also home to the largest U.S. Coast Guard base in the country, employing nearly 1,350 people providing vital services to the marine industries that are an integral part of Kodiak's make-up as well as making a significant contribution to the Kodiak community. Employment varies throughout the year with July, August, and September being the peak months due to the increased activity in the fisheries and related businesses, followed by regular declines in November and December when fishing quotas are reached. At June 30, 2019, the unemployment rate for the Kodiak Island Borough was 4.2% compared to the State of Alaska's rate of 6.2%.

Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general oblibgation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information

A. Name of Governmental Unit (Applicant):

Kodiak Island Borough

B. Type of government (home rule, first class, authority, etc.):

Second Class

C. Contact Person for the government:

Name:		Title:		
Michael Powers		Borough Manager		
Address:		**City:**	**State:**	**Zip:**
710 Mill Bay Road		Kodiak	AK	99615
Phone:	**Fax:**	**E-mail:**		
907.486.9320		dcross@kodiakak.us		

D. Applicant's Bond Counsel:

Name:		Title:		
Foster Garvey, PC		Marc Greenough, principal		
Address:		**City:**	**State:**	**Zip:**
1111 Third Ave, Suite 3000		Seattle	WA	98101
Phone:	**Fax:**	**E-mail:**		
206.447.7888		marc.greenough@foster.com		

E. Applicant's Financial Advisor or Underwriter (if applicable):

Name:		Title:		
N/A				
Address:		**City:**	**State:**	**Zip:**
Phone:	**Fax:**	**E-mail:**		

II. Issue Information

A. Total amount of bond purchase request:

$ 2,230,000 + expenses

B. Total term of requested loan: ________ **years**

C. Preferred principal and interest payment months: ________ **principa l/interest** ________ **interest only**

D. If a bond election is required, provide a copy of the bond election ordinance and ballot propos

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots
		%

See previous applications

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide

No

E. Will you need interim financing? **No**

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ☐ Attached

F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

1. Are engineering and specifications completed? ☐Yes ☐No
2. If not, when are they projected for completion? ________
3. Have construction bids been awarded? ☐Yes ☐No
4. Are there additional state or local approvals required? ☐Yes ☐No
5. Describe timing/scheduling plan: ________
6. What is the projected completion date? **Within 18-24 months**

G. Sources of uses of funds

Sources of Funds		Uses of Funds	
Bonds (this application)	$	Construction	$
Federal Funds*	$	Engineering	$
State Funds*	$	Contingency	$
Applicant's Funds	$	Cost of Issuance	$
Other (specify)	$	Other	$
Total:	$	Total:	$

*If federal or state funds are involved, provide a compete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:

DEED approved school repair and renovation projects.

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. ❑Attached **Already provided for previous requests.**

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? ❑Yes ❑No
If yes, provide amount of financed, purpose and principal amount outstanding. **$ N/A**

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? ❑Yes ❑No
If yes, please attach details. ❑Attached **No**

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ❑Yes ❑No
If yes, please attach an explanation. ❑Attached **No**

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ❑Yes ❑No
If yes, please attach an explanation. ❑Attached **No**

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. ❑Attached. **$2,230,000 for this project but asking for $410,422 + Expenses on the HS project.**

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy.
❑Attached **N/A**

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.) ❑Attached **Please see our FY2019 CAFR**

Are any of the community's major employers expected to make changes in work force or operations?
❑Yes ❑No
If yes, provide an explanations. ❑Attached **No**

J. Please provide population figures for your community for the last five years. Indicate the source of your figures.

Year	Population	Source
	Please see page 143 in our FY2019 CAFR	

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. ❑Attached **Please see page 143 in our FY2019 CAFR**

M. Provide your audited financial statements from the last two years (provide your unaduited statement if audit hasn't been preformed). ❑Attached

N. Provide your current year's budget. ❑Attached

O. Provide your capital improvement plan. ❑Attached

P. Provide any other financial or economic information that will assist evaluation of your application.
❑Attached

IV. Legal Information

A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened

1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or

2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.

B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.

C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Dora Cross
Name (print)

Finance Director
Title

Dora Cross
Signature

3/31/20
Date of Application

Please return all applications to:

Deven Mitchell
Alaska Municipal Bond Bank Authority
Department of Revenue
PO Box 110405
Juneau, AK 99811-0405
(907)465-2388 phone
(907)465-2389 fax
deven_mitchell@revenue.state.ak.us

Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general oblibgation bond issue of the applicant. This isn’t considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information

A. Name of Governmental Unit (Applicant):

Kodiak Island Borough

B. Type of government (home rule, first class, authority, etc.):

Second Class

C. Contact Person for the government:

Name:	Title:		
Michael Powers	Borough Manager		
Address:	**City:**	**State:**	**Zip:**
710 Mill Bay Road	Kodiak	AK	99615
Phone:	**Fax:**	**E-mail:**	
907.486.9320		dcross@kodiakak.us	

D. Applicant's Bond Counsel:

Name:	Title:		
Foster Garvey, PC	Marc Greenough, principal		
Address:	**City:**	**State:**	**Zip:**
1111 Third Ave, Suite 3000	Seattle	WA	98101
Phone:	**Fax:**	**E-mail:**	
206.447.7888		marc.greenough@foster.com	

E. Applicant's Financial Advisor or Underwriter (if applicable):

Name:	Title:		
N/A			
Address:	**City:**	**State:**	**Zip:**
Phone:	**Fax:**	**E-mail:**	

II. Issue Information

A. Total amount of bond purchase request:

$ 410,422 + expenses

B. Total term of requested loan: **10** years

C. Preferred principal and interest payment months: ________ **principal/interest** ________ **interest only**

D. If a bond election is required, provide a copy of the bond election ordinance and ballot propos

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots
		%

See previous applications

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide

No

E. Will you need interim financing? **No**

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ❑ Attached

F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

1. Are engineering and specifications completed? ❑Yes ❑No
2. If not, when are they projected for completion? ________
3. Have construction bids been awarded? ❑Yes ❑No
4. Are there additional state or local approvals required? ❑Yes ❑No
5. Describe timing/scheduling plan: ________
6. What is the projected completion date? **Final Expenses occurred on 02/22/20**

G. Sources of uses of funds

Sources of Funds		Uses of Funds	
Bonds (this application)	$	Construction	$
Federal Funds*	$	Engineering	$
State Funds*	$	Contingency	$
Applicant's Funds	$	Cost of Issuance	$
Other (specify)	$	Other	$
Total:	$	Total:	$

*If federal or state funds are involved, provide a compete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:

Final punch list projects and costs of issuance.

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. ❑Attached **Already provided for previous requests.**

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? ❑Yes ❑No
If yes, provide amount of financed, purpose and principal amount outstanding. **$ N/A**

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? ❑Yes ❑No
If yes, please attach details. ❑Attached **No**

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ❑Yes ❑No
If yes, please attach an explanation. ❑Attached **No**

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ❑Yes ❑No
If yes, please attach an explanation. ❑Attached **No**

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. ❑Attached. **$1,222,000 for this HS project but only asking for $410,422 + Expenses. Also asking for $2,230,000 on School Renovation Project.**

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy.
❑Attached **N/A**

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.) ❑Attached **Please see our FY2019 CAFR**

Are any of the community's major employers expected to make changes in work force or operations?
❑Yes ❑No
If yes, provide an explanations. ❑Attached **No**

J. Please provide population figures for your community for the last five years. Indicate the source of your figures.

Year	Population	Source
	Please see page 143 in our FY2019 CAFR	

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. ❑Attached **Please see page 143 in our FY2019 CAFR**

M. Provide your audited financial statements from the last two years (provide your unaduited statement if audit hasn't been preformed). ❑Attached

N. Provide your current year's budget. ❑Attached

O. Provide your capital improvement plan. ❑Attached

P. Provide any other financial or economic information that will assist evaluation of your application.
❑Attached

IV. Legal Information

A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened

1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or

2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.

B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.

C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Dora Cross
Name (print)

Finance Director
Title

Dora Cross
Signature

3/31/20
Date of Application

Please return all applications to:
Deven Mitchell
Alaska Municipal Bond Bank Authority
Department of Revenue
PO Box 110405
Juneau, AK 99811-0405
(907)465-2388 phone
(907)465-2389 fax
deven_mitchell@revenue.state.ak.us

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	City and Borough of Sitka ("Sitka")
Loan Amount:	Estimated $6,000,000
Project Type:	Refunding of outstanding AEA Loan
Project Description:	Sitka will apply the proceeds of the Bond Bank loan to refund on a current basis $5,994,442 of outstanding Alaska Energy Authority notes.
Term of Loan:	13 years
Revenues Pledged to Loan:	Second lien on the revenues of the electric and water supply system
Most recent FY Net Pledged Revenues:	Electric and water supply system revenues net of senior lien debt service: $2.75 million
Estimated Annual Debt Service on requested loan:	Approximately $590 thousand
Estimated Annual Debt Service (all Bond Bank loans):	Including GO: $12.52 million Utility revenue only: $8.49 million
Most Recent FY Debt Service Coverage Ratio:	1.25x of aggregate utility debt service
Most Recent FY State-Shared Revenues (SSR):	$17.24 million
Debt Service Coverage of AMBB DS from SSR:	1.38x
Loan Subject to State Debt Service Reimbursement:	No
No Litigation Letter Received:	No

Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information

A. Name of Governmental Unit (Applicant):

City and Borough of Sitka, Alaska

B. Type of government (home rule, first class, authority, etc.):

Unified Home Rule Municipality

C. Contact Person for the government:

Name:	Title:		
John P. (Jay) Sweeney	Chief Financial & Administrative Officer		
Address:	**City:**	**State:**	**Zip:**
100 Lincoln Street	Sitka	AK	99835
Phone:	**Fax:**	**E-mail:**	
(907)-747-1836	(907)-747-7403	jay.sweeney@cityofsitka.org	

D. Applicant's Bond Counsel:

Name:	Title:		
David Thompson, Stradling Yocca Carlson & Rauth			
Address:	**City:**	**State:**	**Zip:**
999 Third Avenue, Suite 3610	Seattle	WA	98104
Phone:	**Fax:**	**E-mail:**	
(206)-829-3006	(206)-299-4117	DThompson@SYCR.com	

E. Applicant's Financial Advisor or Underwriter (if applicable):

Name:	Title:		
Address:	**City:**	**State:**	**Zip:**
Phone:	**Fax:**	**E-mail:**	

II. Issue Information

A. Total amount of bond purchase request:

$6 117,921 Plus Debt Service Reserve

B. Total term of requested loan: 13 **years**

C. Preferred principal and interest payment months: June **principa l/interest** Dec. **interest only**

D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition. q Attached

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots:
		%

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of the additional security.

No.

E. Will you need interim financing? **No**

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ❑ Attached

F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

1. Are engineering and specifications completed? ❑Yes ❑No
2. If not, when are they projected for completion?
3. Have construction bids been awarded? ❑Yes ❑No
4. Are there additional state or local approvals required? ❑Yes ❑No
5. Describe timing/scheduling plan:

Funds are to be used to retire an existing loan with the Alaska Energy Authority, originally entered into in 1988 and rstructured in 2005 to partially finance Sitka's Green Lake Hydroelectric Facility

6. What is the projected completion date? Completed

G. Sources of uses of funds

Sources of Funds		**Uses of Funds**	
Bonds (this application)	$6,117,922 + DSR/COI	Construction	$
Federal Funds*	$	Engineering	$
State Funds*	$	Contingency	$
Applicant's Funds	$	Cost of Issuance	$
Other (specify)	$	Other	$6,117,922 + DSR/COI
Total:	$6,117,922 + DSR/COI	Total:	$6,117,922 + DSR/COI

*If federal or state funds are involved, provide a compete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:
Refinancing of existing loan, debt service reserve and costs of issuance.

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. ❑Attached

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? ❑Yes ❑No
If yes, provide amount of financed, purpose and principal amount outstanding. $

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? ❑Yes ❑No
If yes, please attach details. ❑Attached

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ❑Yes ❑No
If yes, please attach an explanation. ❑Attached

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ❑Yes ❑No
If yes, please attach an explanation. ❑Attached

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. ❑Attached.

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy. ❑Attached

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.) ❑Attached

Are any of the community's major employers expected to make changes in work force or operations?
❑Yes ❑No
If yes, provide an explanations. ❑Attached

J. Please provide population figures for your community for the last five years. Indicate the source of your figures.

Year	Population	Source
2019	8,647	Bea.gov, Sitka Trends
2018	8,689	
2017	8,830	
2016	8,844	
2015	8,883	

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. ❑Attached

M. Provide your audited financial statements from the last two years (provide your unaduited statement if audit hasn't been preformed). ❑Attached

N. Provide your current year's budget. ❑Attached

O. Provide your capital improvement plan. ❑Attached

P. Provide any other financial or economic information that will assist evaluation of your application. ❑Attached

IV. Legal Information

A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened in any

1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or
2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.

B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.

C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

John P Sweeney III
Name (print)

CHIEF FINANCIAL & ADMINISTRATIVE OFFICER
Title

John P. SWEENEY III
Signature

13 April 2020
Date of Application

Please return all applications to:

Deven Mitchell
Alaska Municipal Bond Bank Authority
Department of Revenue
PO Box 110405
Juneau, AK 99811-0405
(907)465-2388 phone
(907)465-2389 fax
deven_mitchell@revenue.state.ak.us

ALASKA MUNICIPAL BOND BANK
RESOLUTION NO. 2020-01

A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES ONE OF THE ALASKA MUNICIPAL BOND BANK

ADOPTED ON APRIL 29, 2020

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ALASKA MUNICIPAL BOND BANK
RESOLUTION NO. 2020-01

A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES ONE OF THE ALASKA MUNICIPAL BOND BANK

WHEREAS, the Board of Directors of the Alaska Municipal Bond Bank (the "Bank") by Resolution entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted on July 13, 2005, as amended (as further defined in Section 102 hereof, the "Resolution"), has created and established an issue of Bonds of the Bank; and

WHEREAS, the Resolution authorizes the issuance of said Bonds in one or more series pursuant to a Series Resolution authorizing each such series; and

WHEREAS, the Board of Directors of the Bank has determined that it is necessary and desirable that the Bank issue at this time a Series of Bonds in an aggregate principal amount of not to exceed $150,000,000 (or otherwise as provided in Section 201 hereof), to be designated "Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series One" to provide moneys to carry out the purposes of the Bank;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALASKA MUNICIPAL BOND BANK AS FOLLOWS:

ARTICLE I
AUTHORITY AND DEFINITIONS

Section 101 – Series Resolution.

This Series Resolution (the "2020 Series Resolution") is adopted in accordance with the provisions of the Resolution and pursuant to the authority contained in the Act.

Section 102 – Definitions.

In this 2020 Series Resolution and with respect to the 2020 Bonds:

(1) Unless otherwise defined in Article I herein, all capitalized terms herein shall have the meanings given to such terms in Article I of the Resolution.

(2) "Approved Bid" shall mean, in the case of a competitive sale, the applicable winning bid submitted for one or more series of the 2020 Bonds.

(3) "Bank" shall mean the Alaska Municipal Bond Bank (in the Act also referred to as the "Alaska Municipal Bond Bank Authority").

(4) "Beneficial Owner" shall mean the person in whose name a 2020 Bond is recorded as the beneficial owner of such 2020 Bond by the respective systems of The Depository Trust Company and Depository Trust Company Participants or the Holder of a 2020 Bond if such 2020 Bond is not then held in book-entry form pursuant to Section 206.

(5) "Bond Purchase Agreement" shall mean, in the case of a negotiated sale, one or more bond purchase agreements entered into among one or more Underwriters and the Bank, providing for the purchase and the terms of one or more series of the 2020 Bonds.

(6) "Bond Year" shall mean each one-year period that ends on an anniversary of the date of issue of the 2020 Bonds.

(7) "Chairman" shall mean the chairman of the Board of Directors of the Bank.

(8) "Code" shall mean the Internal Revenue Code of 1986, together with all regulations applicable thereto.

(9) "Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate executed by the Bank and dated the date of issuance and delivery of the 2020 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

(10) "Depository Trust Company" or "DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

(11) "Depository Trust Company Participant" or "DTC Participant" shall mean a trust company, bank, broker, dealer, clearing corporation and any other organization that is a participant of Depository Trust Company.

(12) "Escrow Agent" shall mean the Trustee, currently The Bank of New York Mellon Trust Company, N.A., as escrow agent.

(13) "Escrow Agreement" shall mean the agreement entered into by and between the Bank and the Escrow Agent, dated the date of issuance of the 2020 Bonds, securing payment for the Refunded Bonds.

(14) "Excess Investment Earnings" shall mean the amount of investment earnings on gross proceeds of the 2020 Bonds determined by the Bank to be required to be rebated to the United States of America under the Code.

(15) "FNSB Bonds" shall mean the Fairbank North Star Borough, Alaska General Obligation School Bonds, 2006 Series I, 2007 Series J, 2008 Series L, 2010 Series M and 2012 Series R, issued by Fairbanks, which are currently outstanding in the aggregate principal amount of $29,575,000.

(16) "Financial Advisor" shall mean PFM Financial Advisors LLC.

(17) "Letter of Representations" shall mean the Blanket Issuer Letter of Representations dated April 15, 2019, from the Bank to DTC, a copy of which is attached hereto as Appendix A, and the operational arrangements referred to therein.

(18) "Loan Agreement" shall mean, collectively, each of the following agreements pertaining to the repayment of a Loan or Loans to the related Governmental Unit as provided for herein: (a) the agreement by and between the Bank and the City of Ketchikan, Alaska (the "City of Ketchikan") for the purpose of financing costs of certain capital improvements related to an undersea fiber optic telecommunications cable; (b) the agreement by and between the Bank and Fairbanks North Star Borough, Alaska ("Fairbanks") for the purpose of refunding all or a portion of the FNSB Bonds; (c) the loan agreement(s) between the Bank and Kodiak Island Borough, Alaska ("KIB") for the purpose of financing certain costs of capital improvements related to the Kodiak High School; and (d) the agreement between the Bank and the Ketchikan Gateway Borough, Alaska ("KGB") for the purpose of refunding all or a part of the 2010 Series A-2 Bonds.

(19) "New-Money Portion" shall mean the 2020 Bonds or such other series or a portion of a series of 2020 Bonds designated by the Chairman or the Executive Director and the proceeds thereof other than the Refunding Portion.

(20) "Notice of Sale" shall mean, in the case of a competitive sale, the Official Notice of Sale and Bidding Instructions for the related series of 2020 Bonds, in substantially the form attached hereto as Appendix D.

(21) "Official Statement" shall have the meaning assigned thereto in Section 211 hereof.

(22) "Preliminary Official Statement" shall have the meaning assigned thereto in Section 211 hereof.

(23) "Record Date" shall mean the date fifteen calendar days preceding each interest payment date with respect to the 2020 Bonds of one or more series.

(24) "Refunded Bonds" shall mean, in each case, all or a portion of the following Outstanding Bonds that the Chairman or the Executive Director designates to be refunded pursuant to Section 304 hereof, at the request of:

(a) Aleutians East Borough, Alaska (“Aleutians East Borough”), $3,070,000 aggregate principal amount of the outstanding 2010B Series Three Bonds, maturing on October 1, 2025 and October 1, 2030;

(b) the City and Borough of Juneau, Alaska (“Juneau”, $7,580,000 aggregate principal amount of the outstanding 2010B Series Two Bonds, maturing on August 1, 2020, August 1, 2021 and August 1, 2025;

(c) the Kenai Peninsula Borough, Alaska (“KPB”), $10,430,000 aggregate principal amount of the outstanding 2010B Series Four Bonds, maturing on August 1, 2020 through August 1, 2025 and August 1, 2030;

(d) the City of Kenai, Alaska (“Kenai”), $1,165,000 aggregate principal amount of the outstanding 2010B Series One Bonds, maturing on September 1, 2025 and September 1, 2030;

(e) Ketchikan, $4,455,000 aggregate principal amount of the outstanding 2010B Series Four Bonds, maturing on August 1, 2020 through August 1, 2025 and August 1, 2030;

(f) KGB, $1,530,000 aggregate principal amount of the outstanding 2010B Series Four Bonds, maturing on August 1, 2020 through August 1, 2025 and August 1, 2030;

(g) the City of King Cove, Alaska (“King Cove”), $300,000 aggregate principal amount of the outstanding 2010B Series Two Bonds, maturing on August 1, 2020, August 1, 2021, August 1, 2025 and August 1, 2029;

(h) King Cove, $465,000 aggregate principal amount of the outstanding 2010B Series Three Bonds, maturing on October 1, 2025 and October 1, 2030;

(j) the Northwest Arctic Borough, Alaska (“Northwest Arctic Borough”), $165,000 aggregate principal amount of the outstanding 2010A Series One Bonds, maturing on March 1, 2021;

(k) Northwest Arctic Borough, $908,000 aggregate principal amount of the outstanding 2010B Series One Bonds, maturing on September 1, 2025 and September 1, 2030;

(l) Northwest Arctic Borough, $887,000 aggregate principal amount of the outstanding 2010B Series One Bonds, maturing on September 1, 2025 and September 1, 2030;

(m) Petersburg Borough, Alaska ("Petersburg"), $270,000 aggregate principal amount of the outstanding 2010A Series One Bonds, maturing on September 1, 2020 and September 1, 2021;

(n) Petersburg, $1,535,000 aggregate principal amount of the outstanding 2010B Series One Bonds, maturing on September 1, 2025 and September 1, 2030;

(o) the City and Borough of Sitka, Alaska ("Sitka"), $8,680,000 aggregate principal amount of the outstanding 2010A Series Four Bonds, maturing on August 1, 2020 through August 1, 2023;

(p) Sitka, $22,000,000 aggregate principal amount of the outstanding 2010B Series Four Bonds, maturing on August 1, 2023 through August 1, 2025 and August 1, 2030;

(q) Sitka, $820,000 aggregate principal amount of the outstanding 2010B Series Four Bonds, maturing on August 1, 2021;

(r) the City of Soldotna, Alaska ("Soldotna"), $1,550,000 aggregate principal amount of the outstanding 2010B Series Four Bonds, maturing on August 1, 2020 through August 1, 2025 and August 1, 2030;

(s) the City of Unalaska, Alaska ("Unalaska"), $245,000 aggregate principal amount of the outstanding 2010A Series One Bonds, maturing on March 1, 2021;

(t) Unalaska, $2,730,000 aggregate principal amount of the outstanding 2010B Series One Bonds, maturing on September 1, 2025 and September 1, 2030; and

(u) Unalaska, $3,365,000 aggregate principal amount of the outstanding 2010B Series Three Bonds, maturing on October 1, 2025 and October 1, 2030.

(25) "Refunding Portion" shall mean the portion of 2020 Bonds or such other series or a portion of a series and the proceeds thereof allocable to the refunding of the Refunded Bonds determined by the Chairman or the Executive Director pursuant to Section 304 hereof.

(26) "Resolution" shall mean the General Bond Resolution adopted by the Board of Directors on July 13, 2005, as amended by a Supplemental Resolution, Resolution No. 2009-03, adopted by the Board of Directors on May 28, 2009 and effective on August 19, 2009; and by a First Supplemental Resolution, Resolution No. 2013-02, adopted by the Board of Directors on February 19, 2013, the amendments in which are effective after all Bonds issued prior to

February 19, 2013 are no longer outstanding and the requirements of such First Supplemental Resolution are satisfied.

(27) "Surety Bond Issuer" shall mean the Credit Enhancement Agency, if any, selected by the Chairman or the Executive Director to provide Credit Enhancement for a portion of the Reserve Fund Requirement.

(28) "Underwriters" shall mean RBC Capital Markets, LLC and BofA Securities, Inc., the underwriters of the 2020 Bonds.

(29) "2010 Series A-2 Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds (2010 Municipal Obligation Bond Resolution), 2010 Series A-2, which are currently outstanding in the principal amount of $3,535,000.

(30) "2010A Series One Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2010A Series One, which are currently outstanding in the principal amount of $$680,000.

(31) "2010A Series Four Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2010A Series Four, which are currently outstanding in the principal amount of $8,680,000.

(32) "2010B Series One Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2010B Series One, which are currently outstanding in the principal amount of $7,225,000.

(33) "2010B Series Two Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2010B Series Two, which are currently outstanding in the principal amount of $8,605,000.

(34) "2010B Series Three Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2010B Series Three, which are currently outstanding in the principal amount of $6,900,000.

(35) "2010B Series Four Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2010B Series Four, which are currently outstanding in the principal amount of $40,785,000.

(36) "2020 Amendatory Loan Agreements" shall mean, collectively:

(a) the agreement by and between the Bank and Aleutians East Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of September 1, 2010;

(b) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2010;

(c) the agreement by and between the Bank and Kenai, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2010;

(d) the agreement by and between the Bank and KPB, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of December 1, 2010;

(e) the agreement by and between the Bank and Ketchikan, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of December 1, 2010;

(f) the agreement by and between the Bank and the KGB, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of December 1, 2010;

(g) (i) the agreement by and between the Bank and King Cove, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of September 1, 2010; and (ii) the agreement by and between the Bank and King Cove, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2010;

(h) the agreement by and between the Bank and Northwest Arctic Borough to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2010;

(i) the agreement by and between the Bank and Petersburg (formerly the City of Petersburg, Alaska), to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2010;

(j) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of December 1, 2010;

(k) the agreement by and between the Bank and Soldotna, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of December 1, 2010; and

(l) (i) the agreement by and between the Bank and Unalaska, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated March 1, 2010; and (ii) the agreement by and between the Bank and the

Unalaska, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated September 1, 2010.

(37) "2020 Bond Credit Enhancement" shall mean a Credit Enhancement, if any, issued by a 2020 Bond Insurer on the date of issuance of the 2020 Bonds for the purpose of further securing the payment of the principal of and interest on all or a portion of one or more series of 2020 Bonds.

(38) "2020 Bond Insurer" shall mean a monoline insurance company, if any, selected by the Chairman or the Executive Director to provide a 2020 Bond Credit Enhancement to further secure the payment of the principal of and interest on all or a portion of the one or more series of 2020 Bonds.

(39) "2020 Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series One and such other Series of Bonds authorized in Article II hereof.

(40) "2020 Reserve Fund Credit Enhancement" shall mean the Credit Enhancement, if any, issued by a Surety Bond Issuer on the date of issuance of the 2020 Bonds for the purpose of satisfying a portion of the Reserve Fund Requirement.

(41) "2020 Reserve Fund Credit Enhancement Agreement" shall mean if a 2020 Reserve Fund Credit Enhancement is obtained, a reimbursement agreement relating to a letter of credit, a policy from a monoline insurance company or an agreement with the State or with any department, political subdivision or agency thereof, credited to the Reserve Fund to satisfy all or a portion of the Reserve Fund Requirement, approved by the Authorized Officer in accordance with the provisions of Section 302 hereof.

(42) "2020 Series One Debt Service Account" shall mean the debt service account of that name established pursuant to Section 503 hereof.

ARTICLE II
AUTHORIZATION OF 2020 BONDS

Section 201 – Principal Amount, Designation and Series.

Pursuant to the provisions of the Resolution, a Series of Bonds designated as "Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series One" is hereby authorized to be issued in an aggregate principal amount not to exceed $150,000,000. The Chairman or the Executive Director, in consultation with the Bank's Financial Advisor, shall determine the number of series and the series names and designations and the aggregate principal amount of the 2020 Bonds of each series, provided that the aggregate principal amount of all 2020 Bonds issued pursuant to this 2020 Series Resolution does not exceed $150,000,000.

The Chairman or the Executive Director is authorized hereby to change the designations of the 2020 Bonds, and/or to establish additional series of 2020 Bonds, and/or to consolidate the 2020 Bonds into fewer series, and to determine designations thereof.

Section 202 – Purposes of the 2020 Bonds.

The purposes for which the 2020 Bonds are being issued are (i) to make Loans to the Governmental Units to the extent and in the manner provided in Article III, including in the case of the Refunding Portion, to refund the portions of the outstanding Refunded Bonds that the Chairman or the Executive Director designates to be refunded pursuant to Section 304 hereof; (ii) to make a deposit to the Reserve Fund, if necessary, as provided in Section 302 hereof; and (iii) to finance costs of issuing the 2020 Bonds.

Section 203 – Date, Maturities and Interest Rates.

The 2020 Bonds shall be dated the date the 2020 Bonds are delivered to the Underwriters, subject to the terms and conditions set forth in this 2020 Series Resolution and in the applicable Bond Purchase Agreement or Notice of Sale. Subject to adjustment as provided for in this Section 203, the 2020 Bonds shall mature, or have Sinking Fund Installments due, on the date(s) in each of the years and in the principal amounts to be set forth in the Notice of Sale in the case of a competitive sale or in the Bond Purchase Agreement in the case of a negotiated sale.

The number of series of 2020 Bonds, the names and designations of, the aggregate principal amount of, the principal amount of each maturity, the amount of each Sinking Fund Installment, if any, and the maturity dates, Sinking Fund Installment dates, interest rates and payment dates of the 2020 Bonds shall be fixed and determined by the Chairman or by the Executive Director at the time the Approved Bid is accepted, in the case of a competitive sale, or at the time a Bond Purchase Agreement is executed and delivered, in the case of a negotiated sale, pursuant to Section 210 hereof, but subject to the limitations set forth in Sections 201 and 210 hereof.

Section 204 – Interest Payments.

The 2020 Bonds shall bear interest from their date of delivery to the Underwriters, payable on such date or dates as may be fixed and determined by the Chairman or the Executive Director at the time the Approved Bid is accepted, in the case of a competitive sale, or at the time a Bond Purchase Agreement is signed, in the case of a negotiated sale). Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months.

Section 205 – Denominations, Numbers and Other Designation.

The 2020 Bonds shall be issued in registered form in the denomination of $5,000 or any integral multiple thereof within a maturity and interest rate, not exceeding the aggregate principal amount of the 2020 Bonds authorized herein. The 2020 Bonds shall be numbered serially with any additional designation that the Chairman or the Executive Director deems appropriate.

Section 206 – Securities Depository.

(1) The 2020 Bonds shall be registered initially in the name of "Cede & Co.," as nominee of DTC, and shall be issued initially in the form of a single bond for each maturity and interest rate, in the aggregate principal amount for such maturity and interest rate. Transfers of ownership of the 2020 Bonds or any portions thereof, may not thereafter be registered except transfers (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository or such substitute depository's successor; or (iii) to any person as provided in paragraph (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Bank that it is no longer in the best interest of Beneficial Owners to continue the system of book-entry transfers through DTC or its successors (or any substitute depository or its successor), the Bank may appoint a substitute depository or provide that 2020 Bonds no longer be held by a depository and instead be held as provided in paragraph (4). Any substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (i) or (ii) of paragraph (1) above, the Trustee shall, upon receipt of all Outstanding 2020 Bonds, together with a written request of an Authorized Officer and a supply of new 2020 Bonds, authenticate a single new 2020 Bond for the Outstanding 2020 Bonds for each maturity and interest rate, registered in the name of such successor or such substitute depository, or its nominee, as the case may be, all as specified in such written request.

(4) In the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Bank determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the ownership of 2020 Bonds may then be transferred to any person or entity as provided in the Resolution and the 2020 Bonds shall no longer be held in book-entry form. An Authorized Officer shall deliver a written request to the Trustee to authenticate 2020 Bonds as provided in the Resolution in any authorized denomination, together with a supply of definitive Bonds. Upon receipt of all then Outstanding 2020 Bonds by the Trustee, together with a written request of an Authorized Officer to the Trustee, new 2020 Bonds shall be issued and authenticated in such denominations and registered in the names of such persons as are requested in such written request.

(5) For so long as the 2020 Bonds are held in book-entry form under this Section, the Bank and the Trustee may treat DTC (or its nominee) or any substitute depository (or its nominee) as the sole and exclusive registered owner of the 2020 Bonds registered in its name for the purposes of payment of principal or Redemption Price of and interest on such 2020 Bonds, selecting such 2020 Bonds, or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Resolution (except as otherwise provided pursuant

to Section 508 hereof), registering the transfer of such 2020 Bonds and obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Bank nor the Trustee shall be affected by any notice to the contrary. Neither the Bank nor the Trustee shall have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the 2020 Bonds under or through DTC or any DTC Participant, or any other person not shown on the registration books of the Trustee as being a registered owner, with respect to the accuracy of any records maintained by DTC or any DTC Participant (or by any substitute depository or participant); the payment by DTC or any DTC Participant (or by any substitute depository or participant) of any amount in respect of the principal or Redemption Price of or interest on the 2020 Bonds, any notice that is permitted or required to be given to Bondholders under the Resolution, the selection by DTC or any DTC Participant (or by any substitute depository or participant) of any person to receive payment in the event of a partial redemption of the 2020 Bonds, or any consent given or other action taken by DTC as Bondholder. The Trustee shall pay from money available under the Resolution all principal and Redemption Price of and interest on the 2020 Bonds only to or upon the order of DTC of the 2020 Bonds are then requested to DTC or its nominee, and all such payments shall be valid and effective to fully satisfy and discharge the Bank's obligations with respect to the principal or Redemption Price of and interest on the 2020 Bonds to the extent of the sum or sums so paid.

(6) In connection with any proposed transfer outside the book-entry system, prior to or in conjunction with the issuance of certificated 2020 Bonds the Bondholder (including, without limitation, DTC) shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Bank acknowledges such tax reporting obligations and, if necessary, and at the written request of the Trustee, shall provide such information to the Trustee, to the extent that such information is in the Bank's possession. Any transferor of the 2020 Bonds (to the extent not within the book-entry system) shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 207 – Places and Manner of Payment.

For so long as all Outstanding 2020 Bonds are registered in the name of Cede & Co. or its registered assigns, payment of principal and interest thereon shall be made as provided in the Letter of Representations and the operational arrangements referred to therein as amended from time to time. In the event that the 2020 Bonds are no longer registered in the name of Cede & Co. or its registered assigns or to a successor securities depository, (i) payment of interest on the 2020 Bonds will be made by check or draft mailed by first class mail to the registered owner, at the address appearing on the Record Date on the bond register of the Bank kept at the corporate trust office of the Trustee, or, upon the written request of a registered owner of at least $1,000,000 in principal amount of 2020 Bonds received at least fifteen (15) days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal of the 2020 Bonds will be payable at the corporate trust office of the Trustee upon surrender of the 2020 Bonds representing such principal. Both principal of and interest on the 2020 Bonds are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

Section 208 – Optional Redemption.

(a) The Chairman and the Executive Director are, and each of them is, hereby authorized to determine the optional redemption provisions, if any, for the 2020 Bonds, and such provisions shall be included in the applicable Notice of Sale and Approved Bid, in the case of a competitive sale, or in the Bond Purchase Agreement, in the case of a negotiated sale, and in the form of the 2020 Bonds.

(b) Unless otherwise determined by the Chairman or Executive Director by the time the Approved Bid is accepted or the Bond Purchase Agreement is executed, as applicable, notice of optional redemption shall be given at least 20 days, and not more than 60 days, prior to the date fixed for redemption of the 2020 Bonds to be redeemed and in addition to the requirements of Section 402(A)(1) through (5) and of Section 402(A)(7) of the Resolution, such notice of optional redemption shall state that it is a conditional notice and that on the date fixed for redemption, provided that moneys sufficient to redeem the 2020 Bonds specified in such notice are on deposit with the Trustee, the redemption price will become due and payable and interest thereon will cease to accrue from and after said date.

Section 209 – Mandatory Redemption.

The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the mandatory redemption provisions, if any, for the 2020 Bonds that are term bonds, and such provisions shall be included in the applicable Notice of Sale and in the applicable Approved Bid, in the case of a competitive sale, or in the Bond Purchase Agreement, in the case of a negotiated sale, and in 2020 Bonds of such maturity.

Unless otherwise determined by the Chairman or Executive Director by the time the Approved Bid is accepted or the Bond Purchase Agreement is executed, as applicable, notice of mandatory redemption shall be given at least 20 days, and not more than 60 days, prior to the date fixed for redemption of the 2020 to be redeemed.

Section 210 – Sale of 2020 Bonds.

(a) The 2020 Bonds shall be sold to the Underwriters at competitive sale pursuant to the terms of the Notice of Sale, in the case of a competitive sale, or pursuant to the terms of a Bond Purchase Agreement, in the case of a negotiated sale, as determined by the Executive Director or the Chairman after consulting with the Financial Advisor. The Chairman and the Executive Director are, and each of them is, hereby authorized to (i) amend or supplement the Notice of

Sale and to approve and accept an Approved Bid, in the case of a competitive sale, and in the case of a negotiated sale, to approve and execute and deliver a Bond Purchase Agreement, in each case with terms consistent with the provisions of this 2020 Series Resolution; (ii) determine the number of series of 2020 Bonds, and the name and designation of each such series, and for each series of 2020 Bonds, the dated date and the delivery date, the aggregate principal amount, the principal amount of Bonds of each series, maturity and interest rate, the purchase price, the maturity and the interest payment dates and the redemption provisions and interest rate(s); (iii) to designate, pursuant to Section 304 hereof, the Refunded Bonds, if any, to be refunded with proceeds of the 2020 Bonds; provided, however, that (A) the aggregate principal amount of the 2020 Bonds shall not exceed $150,000,000 and (B) the true interest cost on the 2020 Series One Bonds shall not exceed 4.5 percent. Prior to acceptance of the Approved Bid, in the case of a competitive sale, or in the case of a negotiated sale, prior to the execution and delivery of a Bond Purchase Agreement, the Chairman or the Executive Director, with the assistance of the Financial Advisor, shall take into account those factors that, in their judgment, will result in the lowest true interest cost of the 2020 Bonds of each series.

(b) The authority granted to the Chairman and the Executive Director under this Section 210 shall expire one hundred twenty (120) days after the date of adoption of this 2020 Series Resolution.

<u>Section 211 – Notice of Sale; Preliminary Official Statement and Official Statement.</u>

The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the final form of, and the distribution in electronic form to prospective purchasers and other interested persons of, the Notice of Sale, in the case of a competitive sale, and the preliminary official statement for the 2020 Bonds of one or more series (including any supplements and amendments thereto prior to acceptance of the Approved Bid and/or the execution and delivery of the Bond Purchase Agreement, the "<u>Preliminary Official Statement</u>"), each substantially in the form submitted to the Board prior to the date the Preliminary Official Statement is approved, with such changes as the Chairman or the Executive Director deems advisable. The distribution of the Notice of Sale (in the case of a competitive sale) and the Preliminary Official Statement is hereby authorized, ratified and approved. The Chairman and the Executive Director are hereby further authorized to approve and execute the final official statement for the 2020 Bonds of one or more series (the "<u>Official Statement</u>") substantially in the form of the Preliminary Official Statement with the addition of pricing information and such changes therein from the Preliminary Official Statement as the Chairman or the Executive Director deems advisable, and to approve and authorize the distribution of the final Official Statement in electronic and printed form.

There is hereby delegated to the Chairman or the Executive Director the authority to "deem final" the Preliminary Official Statement on behalf of the Bank for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

ARTICLE III
DISPOSITION OF BOND PROCEEDS

Section 301 – Disposition of Proceeds for Loan and Refunding Purposes.

(a) Subject to Section 304 hereof, the Refunding Portion of the proceeds of the 2020 Bonds shall be used to purchase direct, non-callable obligations of the United States of America, the principal of and the interest on which when due will provide moneys that, together with cash, if any, then held by the Escrow Agent for such purpose, shall be sufficient and available to pay when due the principal of the Refunded Bonds, and the interest to become due on such Refunded Bonds prior to and on the first maturity or optional redemption date, as applicable; provided, however, that such amounts shall be applied only with respect to the portions of the Bonds of the series and maturities that the Executive Director and/or the Chairman designates to be Refunded Bonds pursuant to Section 304 hereof.

(b) Upon the delivery of the 2020 Series One Bonds, the Bank shall apply, in accordance with Article V of the Resolution, the New-Money Portion of the proceeds derived from the sale of the 2020 Bonds (i) to make a Loan to Ketchikan, in an aggregate principal amount not to exceed $11,500,000, to finance costs of various capital improvements related to an undersea fiber optic telecommunications cable and to pay costs of issuance; (ii) to make a Loan to Fairbanks in an aggregate principal amount not to exceed $29,575,000, to finance a portion of the costs of refunding all or a portion of the FNSB Bonds and to pay costs of issuance; (iii) to make a Loan to KIB, in an aggregate principal amount not to exceed $500,000, to finance certain costs of capital improvements related to the Kodiak High School and to pay costs of issuance; (iv) to make a Loan to KIB, in an aggregate principal amount not to exceed $2,500,000, to finance certain costs of capital improvements related to the Kodiak High School and to pay costs of issuance (v) to make a Loan to KGB, in an aggregate principal amount not to exceed $3,500,000, to finance a portion of the costs of refunding all or a portion of the 2010 Series A-2 Bonds and to pay costs of issuance; (vi) to satisfy the Reserve Fund Requirement as provided in Section 302 hereof; and (vii) to finance costs of issuance of the 2020 Bonds.

Section 302 – Reserve Fund Deposit; Credit Enhancement.

(a) On or before the date of sale of the 2020 Bonds, but subject to Section 201 hereof, the Chairman or the Executive Director shall determine whether an additional deposit to the Reserve Fund is required and if so, whether it is in the best interest of the Bank to use (1) available cash, (2) a portion of the proceeds received from the sale of the 2020 Bonds, (3) a 2020 Reserve Fund Credit Enhancement or (4) a combination of cash, proceeds from the sale of the 2020 Bonds and/or a 2020 Reserve Fund Credit Enhancement, to satisfy the Reserve Fund Requirement upon delivery of the 2020 Bonds, and shall cause such deposits and/or purchase to be made on or before the date of delivery of the 2020 Bonds.

(b) In the event a deposit to the Reserve Fund is required to satisfy the portion of the Reserve Fund Requirement related to the 2020 Bonds, the Chairman and the Executive Director are each hereby authorized to determine whether to satisfy such requirement by depositing with the Trustee a 2020 Reserve Fund Credit Enhancement in the form of a debt service reserve surety bond; to select a Surety Bond Issuer and purchase such 2020 Reserve Fund Credit Enhancement; and to negotiate, approve, execute and deliver a 2020 Reserve Fund Credit Enhancement Agreement in form and with terms that comply with the requirements of the Resolution and that, in the Chairman's or Executive Director's judgment after consulting with the Bank's Financial Advisor, are advisable and in the best interest of the Bank.

(c) The Governmental Units' responsibility for paying, or for reimbursing the Bank for, the payment of any costs of providing and maintaining the Reserve Fund Requirement and the application (or the method for determining the application) of any moneys in excess of the Reserve Fund Requirement shall be determined by the Executive Director and set forth in each Loan Agreement and/or Amendatory Loan Agreement, as applicable, authorized in Section 507 hereof.

(d) The Chairman and the Executive Director are each hereby authorized to determine whether purchasing a 2020 Bond Credit Enhancement for any of the 2020 Bonds is in the best interest of the Bank and if so, to solicit commitments for such 2020 Bond Credit Enhancement with respect to payment of the interest on and principal of all or a portion of the 2020 Bonds and thereafter to accept one or more such commitments that are in the best interest of the Bank, to purchase such 2020 Bond Credit Enhancement, and to negotiate, approve, execute and deliver a 2020 Bond Credit Enhancement Agreement in form and with terms that comply with the requirements of the Resolution and that, in the Chairman's or Executive Director's judgment after consulting with the Bank's Financial Advisor, are advisable and in the best interest of the Bank.

Section 303 – Disposition of Remainder of Bond Proceeds.

The balance of the proceeds received from the sale of the New-Money Portion of the 2020 Bonds, including any premium received over the principal amount of the 2020 Bonds, after deducting the amounts to be paid for costs of issuing the 2020 Bonds, amounts, if any, necessary to ensure the deposit to the Reserve Fund equals the Required Debt Service Reserve, and after deducting the amount allocable to the Reserve Obligations, if any, which amount shall be deposited in the Reserve Fund, shall be deposited with the Governmental Units and applied towards costs of issuance and debt service payments due and owing on their respective Municipal Bonds (as such term is defined in the related Loan Agreements or 2020 Amendatory Loan Agreements) or such other permitted purpose, including costs of the projects financed or refinanced with proceeds of the New-Money Portion of the 2020 Bonds.

Section 304 – Designation of Refunded Bonds.

The Chairman and the Executive Director are, and each of them is, hereby authorized to determine, after consulting with the Financial Advisor, whether any of the following shall be refunded, eliminating from the category of Refunded Bonds loan obligations corresponding to municipal bonds whose terms have not been amended by the Governmental Unit to conform to the terms of the refunding authorized by this 2020 Series Resolution as of the date of delivery of the 2020 Bonds:

(a) the 2010A Series One Bonds, maturing on September 1, 2020 through September 1, 2021;

(b) the 2010B Series One Bonds, maturing on September 1, 2025 and September 1, 2030;

(c) the 2010B Series Two Bonds, maturing on August 1, 2020, August 1, 2021, August 1, 2025 and August 1, 2029;

(d) the 2010B Series Three Bonds, maturing on October 1, 2025 and October 1, 2030;

(e) the 2010A Series Four Bonds, maturing on August 1, 2020 through August 1, 2023;

(f) the 2010B Series Four Bonds, maturing on August 1, 2020 through August 1, 2025 and August 1, 2030; and

Section 305 – Escrow Agreement(s).

The Chairman and Executive Director are, and each of them is, hereby authorized and directed to enter into one or more Escrow Agreements with the Escrow Agent providing for the use and disposition of moneys, if any, and direct, non-callable obligations of the United States of America for the purpose set forth in Section 301(b) hereof.

Section 306 – Election for Redemption of Refunded Bonds.

The Chairman and Executive Director are, and each of them is, hereby authorized to provide irrevocable instructions to the trustee of the Refunded Bonds to redeem such bonds, designated to be Refunded Bonds pursuant to Section 304 hereof, on the first available optional redemption date in accordance with the terms of the respective authorizing resolutions for the Refunded Bonds and as set forth in the applicable Escrow Agreement.

ARTICLE IV
EXECUTION AND FORM OF 2020 BONDS

Section 401 – Execution and Form of 2020 Bonds.

The 2020 Bonds shall be executed in the manner set forth in Section 303 of the Resolution. Subject to the provisions of the Resolution, the 2020 Bonds, and the Trustee's certificate of authentication, shall be of substantially the following form and tenor:

ALASKA MUNICIPAL BOND BANK
GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES ONE

INTEREST RATE:	MATURITY DATE:	CUSIP NO.:
_____%	[__________ 1, 20__]	_____

Registered Owner: CEDE & Co.

Principal Amount: ________________ and No/100 Dollars

Alaska Municipal Bond Bank (herein called the "Bank"), a public body corporate and politic, constituted as an instrumentality of the State of Alaska, organized and existing under and pursuant to the laws of the State of Alaska, acknowledges itself indebted to, and for value received, hereby promises to pay to CEDE & CO. or registered assigns, the principal sum specified above on the Maturity Date specified above, and to pay to the registered owner hereof interest on such principal sum from the date hereof to the date of maturity of this Bond at the rate per annum specified above, payable on each [__________ 1] and [__________ 1], commencing [__________ 1, 2020]. For so long as this Bond is held in book-entry form, payment of principal and interest shall be made by wire transfer to the registered owner pursuant to written instructions furnished to The Bank of New York Mellon Trust Company, N.A., in San Francisco, California, as trustee under the General Bond Resolution of the Bank, adopted July 13, 2005, as amended (herein called the "Resolution"), or its successor or assigns as trustee (herein called the "Trustee"). In the event this Bond is no longer held in book-entry form, (i) payment of interest will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the bond register of the Bank kept by the Trustee, or, upon the written request of a registered owner of at least $1,000,000 in principal amount of 2020 Series One Bonds received at least 15 days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal will be payable upon presentation and surrender hereof at the corporate trust office of the Trustee. Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months. Both principal of and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is a general obligation of the Bank and is one of a duly authorized issue of Bonds of the Bank designated "Alaska Municipal Bond Bank General Obligation and Refunding Bonds" (herein called the "Bonds"), issued and to be issued in various series under and pursuant to the Alaska Municipal Bond Bank Act, constituting Chapter 85, Title 44, of the Alaska Statutes (herein called the "Act"), and under and pursuant to the Resolution and a series resolution authorizing each such series. As provided in the Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and, subject to the provisions thereof, may otherwise vary. The aggregate principal amount of Bonds that may be issued under the Resolution is not limited except as provided in the Resolution, the applicable Series

Resolution, and the Act, and all Bonds issued and to be issued under said Resolution are and will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution and the applicable Series Resolution.

The Bank is obligated to pay the principal of and premium, if any, and interest on the Bonds, including this Bond, only from the revenues or funds of the Bank pledged under the Resolutions (as defined below), and the State of Alaska is not obligated to pay the principal or premium, if any, or interest on the Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged to the payment of the principal, premium, if any, or interest on the Bonds, including this Bond. The Bank has no taxing power.

This Bond is one of a series of Bonds (the "2020 Series One Bonds") issued in the aggregate principal amount of $__________ under the Resolution of the Bank and a series resolution of the Bank, adopted on April 29, 2020, and entitled "A Series Resolution Authorizing the Issuance of General Obligation and Refunding Bonds, 2020 Series One of the Alaska Municipal Bond Bank" (said resolutions being herein collectively called the "Resolutions").

Copies of the Resolutions are on file at the office of the Bank and at the corporate trust office of the Trustee, and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2020 Series One Bonds; the nature, extent and manner of enforcement of such pledges; the rights and remedies of the registered owners of the 2020 Series One Bonds with respect thereto; and the terms and conditions upon which the Bonds are issued and may be issued thereunder; to all of the provisions of which the registered owner of this Bond, by acceptance of this Bond, consents and agrees. To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto may be modified or amended by the Bank, with the written consent of the registered owners of at least two-thirds in principal amount of the Bonds then outstanding and, in case less than all of the several Series of Bonds would be affected thereby, with such consent of the registered owners of at least two-thirds in principal amount of the Bonds of each series so affected then outstanding.

The 2020 Series One Bonds are subject to redemption prior to their respective scheduled maturities as set forth below.

The 2020 Series One Bonds maturing on or after [__________] 1, 20__, are subject to redemption, in whole or in part, on or after _________ 1, 20__, at the option of the Bank at a redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

[Unless previously redeemed pursuant to the foregoing optional redemption provisions or purchased for cancellation, the 2020 Series One Bonds maturing on [__________] 1, 20__ (the "Term Bonds") are subject to mandatory redemption on [__________] 1 of the following years and in the following principal amounts at a redemption price equal to 100% of the principal amount of the 2020 Series One Bonds to be redeemed plus accrued interest, if any, to the date fixed for redemption.**]**

Term Bonds Due [__________] 1, 20__

Year	Sinking Fund Requirement

Notice of redemption (which in the case of optional redemption shall be a conditional notice) will be mailed to registered owners of 2020 Series One Bonds called for redemption not less than 20 days or more than 60 days before the date fixed for redemption. Except as provided in the Resolutions, interest on any 2020 Series One Bonds called for redemption will cease on the date fixed for redemption.

This Bond is transferable, as provided in the Resolutions, only upon the books of the Bank kept for that purpose at the corporate trust office of the Trustee, by the registered owner hereof in person or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new registered 2020 Series One Bond or Bonds in the same aggregate principal amount and of the same maturity, in authorized denominations, shall be issued to the transferee in exchange therefor as provided in the Resolutions and upon the payment of the charges, if any, therein prescribed.

The 2020 Series One Bonds are issuable in the denomination of $5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of 2020 Series One Bonds maturing in the year of maturity of the Bond for which the denomination of the Bond is to be specified. Subject to such conditions and upon payment of such charges, if any, 2020 Series One Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or its attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered 2020 Series One Bonds of any other authorized denominations, of the same maturity.

This Bond is fully negotiable for all purposes of the Uniform Commercial Code, and each owner of this Bond by accepting this Bond shall be conclusively considered to have agreed that this Bond is fully negotiable for those purposes.

The obligations of the Bank contained in the Resolutions and in this 2020 Series One Bond are the obligations of the Bank and not of any member, director, officer or employee of the Bank, and no recourse shall be had for the payment of the principal or redemption price or interest on this bond or for any claim hereon or on the Resolutions against any member, director, officer or employee of the Bank or any natural person executing the 2020 Series One Bonds.

This Bond shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

The Bank modified the Resolution, effective on the date when all Bonds issued prior to February 19, 2013 cease to be Outstanding, by: (i) authorizing the Trustee to release to the Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve; (ii) requiring the Trustee to withdraw earnings and profits realized in the Reserve Fund, and to provide such amounts to the Bank on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve; (iii) authorizing certain amendments and modifications to the Resolution effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding; and (iv) providing that an underwriter or purchaser of a Series of Bonds may consent to a modification of, or amendment to, the Resolution as Holder of such Bonds at the time such Bonds are issued.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of Alaska and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 2020 Series One Bonds, together with all other indebtedness of the Bank, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the Alaska Municipal Bond Bank has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Executive Director all as of the _____ day of ________ 2020.

ALASKA MUNICIPAL BOND BANK

[S E A L]

____

LUKE WELLES
Chairman

A T T E S T:

____

DEVEN J. MITCHELL
Executive Director

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 2020 Series One Bonds of the Alaska Municipal Bond Bank.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Date of Authentication:

____________________________ ______________________________________

Authorized Officer

****

ARTICLE V
MISCELLANEOUS

Section 501 – Paying Agent.

The Bank of New York Mellon Trust Company, N.A., or its successor or assigns, is appointed paying agent for the 2020 Bonds.

Section 502 – Arbitrage Rebate.

Except as otherwise provided in the Bank's tax certificate, within 30 days after the end of every fifth Bond Year and within 60 days after the date on which all of the 2020 Bonds have been retired (and/or at such other times as may be required by the Code and applicable Income Tax Regulations), the Bank shall determine the Excess Investment Earnings and shall pay rebate amounts due to the United States of America as provided in Section 148(f) of the Code.

Section 503 – 2020 Series One Debt Service Accounts.

There is hereby established as a special account in the Debt Service Fund the "2020 Series One Debt Service Account," for the purpose of receiving amounts in the Debt Service Fund allocable to the 2020 Series One Bonds; provided, that if so determined by the Chairman or Executive Director, separate debt service accounts for any additional series of 2020 Bonds are hereby authorized to be established. Such amounts and the earnings thereon shall be deposited and held, and separately accounted for, in the 2020 Series One Debt Service Account.

Section 504 – Tax Exemption and General Tax Covenant.

The Bank intends that interest on the 2020 Bonds shall be excludable from gross income for federal income tax purposes pursuant to Section 103 and 141 through 150 of the Code, and the applicable regulations. The Bank covenants not to take any action, or knowingly omit to take any action within its control, that if taken or omitted would cause the interest on the 2020 Bonds issued on a tax-exempt basis to be included in gross income, as defined in Section 61 of the Code, for federal income tax purposes.

Section 505 – Arbitrage Covenant.

The Bank shall make no use or investment of the gross proceeds of the 2020 Bonds which will cause the 2020 Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code. The Bank hereby covenants that so long as any of the 2020 Bonds are outstanding, the Bank, with respect to the gross proceeds of the 2020 Bonds, shall comply with all requirements of said Section 148 and of all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.

Section 506 – Resolution Clarification.

It shall hereby be clarified that the Resolution, at Section 919, shall only apply to Bonds issued on a tax-exempt basis.

Section 507 – Loan Agreements and 2020 Amendatory Loan Agreements.

The Chairman and the Executive Director are each hereby authorized to execute the Loan Agreements and the 2020 Amendatory Loan Agreements between the Bank and the Governmental Units referred to therein, each in a form substantially similar to the applicable forms attached hereto as Appendix C and submitted to and part of the records of the meeting on April 29, 2020, with such changes as the Chairman or the Executive Director shall deem advisable.

Section 508 – Continuing Disclosure.

The Bank hereby covenants and agrees that it will execute and deliver and will comply with and carry out all of the provisions of the form of Continuing Disclosure Certificate, the proposed form of which is attached hereto as Appendix B with such changes as the Chairman or the Executive Director shall deem advisable and in the best interest of the Bank. Notwithstanding any other provision of this 2020 Series Resolution, failure of the Bank to comply with the Continuing Disclosure Certificate shall not be a default of the Bank's obligations under this 2020 Series Resolution, the Resolution or the 2020 Bonds; however, the Beneficial Owner of any 2020 Bond may bring an action for specific performance, to cause the Bank to comply with its obligations under the Continuing Disclosure Certificate and this Section.

Section 509 – Chairman and Executive Director.

The Chairman and the Executive Director are, and each is, hereby authorized to execute all documents and to take any action necessary or desirable to carry out the provisions of this 2020 Series Resolution and to effectuate the issuance, delivery and management of the 2020 Bonds, including acceptance of the Approved Bid, or the approval and execution and delivery of one or more of the Bond Purchase Agreements, for the 2020 Bonds of one or more series, and all prior actions taken to effectuate and in connection with the provisions of this 2020 Series Resolution and the issuance and delivery of the 2020 Bonds are hereby ratified and confirmed. The authority and ratification granted in this Section 509 to the Chairman and the Executive Director includes authorization to determine the manner of sale and authorization to solicit commitments for a policy of insurance with respect to payment of the interest on and principal of all or a portion of the 2020 Bonds and/or a surety policy and thereafter to accept such commitment which is in the best interest of the Bank and enter into such agreement with the bond insurer as shall be in the best interests of the Bank.

Section 510 – Effective Date.

This 2020 Resolution shall take effect immediately on the date hereof (April 29, 2020).

APPENDIX A

BLANKET ISSUER LETTER OF REPRESENTATIONS

The Depository Trust Company
A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS
(To be completed by Issuer and Co-Issuer(s), if applicable)

Alaska Municipal Bond Bank
(Name of Issuer and Co-Issuer(s), if applicable)

April 15, 2019
(Date)

The Depository Trust Company
18301 Bermuda Green Drive
Tampa, FL 33647
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: **(Note: Issuer shall represent one and cross out the other.)**

~~[incorporated in]~~ [formed under the laws of] the State of Alaska.

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:
Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

Alaska Municipal Bond Bank
(Issuer)

By: [signature]
(Authorized Officer's Signature)

Deven Mitchell, Executive Director
(Print Name)

333 Willoughby Avenue, 11th Floor
(Street Address)

Juneau, Alaska USA 99811
(City) (State) (Country) (Zip Code)

(907) 465-2388
(Phone Number)

deven.mitchell@alaska.gov
(E-mail)

DTCC
Address)

BLOR 06-2013

APPENDIX B

FORM OF CONTINUING DISCLOSURE CERTIFICATE

The Alaska Municipal Bond Bank (the "Issuer") executes and delivers this Continuing Disclosure Certificate (the "Disclosure Certificate") in connection with the issuance of $__________ Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series One (the "Bonds"). The Bonds are being issued under the General Bond Resolution of the Issuer entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted July 13, 2005, as amended on August 19, 2009 (the "General Bond Resolution"), and Series Resolution No. 2020-01 adopted on April 29, 2020 (the "Series Resolution," and together with the General Bond Resolution, the "Resolutions"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Issuer is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, 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" means any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 of this Disclosure Certificate.

"Financial Obligation" shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access ("EMMA") website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" means the final official statement dated __________ __, 2020 relating to the Bonds.

"Participating Underwriter" means any of the original underwriters of the Bonds of one or more series required to comply with the Rule in connection with the offering of the Bonds of one or more series.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Annual Report for Fiscal Year ending June 30, 2020, the Issuer will provide to the MSRB, in a format as prescribed by the Rule:

(a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference: (i) annual audited financial statements of the Issuer; (ii) a statement of authorized, issued and outstanding bonded debt of the Issuer; (iii) the Reserve Fund balance; and (iv) financial and operating data of Governmental Units that had an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution of the type included in the Official Statement, if any, as of the end of the prior Fiscal Year. Any or all of these items may be included by specific reference to documents available to the public or the internet website of the MSRB or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements may be submitted separately from the remainder of the Annual Report.

(b) Not later than 120 days after the end of each Fiscal Year, the Issuer will notify each Governmental Unit, that had, as of the end of such Fiscal Year, an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution, of its continuing disclosure undertaking responsibility. A list of such Governmental Units for the prior Fiscal Year will be included in the Annual Report. The Issuer undertakes no responsibility and shall incur no liability whatsoever to any person, including any holder or beneficial owner of the Bonds, in respect of any obligations or reports, notices or disclosures provided or required to be provided by such Governmental Unit under its continuing disclosure agreement.

Section 4. Notice of Failure to Provide Information. The Issuer shall provide in a timely manner to the MSRB notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Reporting of Significant Events. (a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds of one or more series, within ten (10) business days of the occurrence of such event:

(1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or the issuance by the Internal Revenue Service (“IRS”) of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB).

(6) Defeasances.

(7) Rating changes.

(8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar event of the Issuer.[1]

(10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds of one or more series, within ten (10) business days of the occurrence of such event, if material:

(1) Unless described in Section 5(a)(5), other notices or determinations by the IRS with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds.

(2) Nonpayment-related defaults.

(3) Modifications to rights of holders of the Bonds.

(4) Bond calls.

(5) Release, substitution or sale of property securing repayment of the Bonds.

(6) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

[1] Note: for the purposes of the event identified in subparagraph 5(a)(9), the 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 governmental 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.

(7) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

(8) Incurrence of a Financial Obligation of the Issuer, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Bonds.

Section 6. 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.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is 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 the Issuer;

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances;

(c) The Issuer obtains an opinion of counsel unaffiliated with the Issuer that the amendment does not materially impair the interests of the Beneficial Owners of the Bonds; and

(d) The Issuer notifies and provides the MSRB with copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 8. Filing. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at http://www.emma.msrb.org, or in such other manner as may be permitted from time to time by the Securities Exchange Commission.

Section 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Issuer to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and 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 specific performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATED this ___ day of _______ 2020.

ALASKA MUNICIPAL BOND BANK

____

DEVEN J. MITCHELL
Executive Director

APPENDIX C

FORM OF

LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of the ___ day of ____________ 20__ (the "Loan Agreement"), between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and the [City] [Borough], Alaska, a duly constituted ____________ [City] [Borough] of the State (the "[City] [Borough]"):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and make loans of money (the "Loan" or "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, the [City] [Borough] desires to borrow money from the Bank in the amount not to exceed $________ and has submitted an application to the Bank for a Loan in the amount not to exceed $________; and

WHEREAS, the [City] [Borough] has duly authorized the issuance of its fully registered bond in the principal amount of $________ (the "Municipal Bond"), which Municipal Bond is to be purchased by the Bank as evidence of and security for the [City's] [Borough's] obligation to repay the Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the [City] [Borough] contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make and/or refinance Loans, the Board of Directors of the Bank (the "Board") has adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution"); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, on April 29, 2020, the Board adopted Series Resolution No. 2020-01 (the "Series Resolution" and together with the General Bond Resolution, the "Bond Resolution"), authorizing the Bank to, among other things, issue the Bank's General Obligation and Refunding Bonds, 2020 Series One Bonds (the "Bonds"), make the Loan to the [City][Borough] and purchase the [City's][Borough's] Municipal Bond.

NOW, THEREFORE, the parties agree as follows:,

1. The Bank hereby makes the Loan and the [City] [Borough], hereby accepts the Loan in the principal amount of $_________. As evidence of the Loan made to the [City] [Borough] and such money borrowed from the Bank by the [City] [Borough], the [City] [Borough] hereby agrees to sell to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A.

2. The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. _______, adopted on _______ ___, 20__ (the "[City] [Borough] [Ordinance] [Resolution]"). The [City] [Borough] further represents to the Bank that the [City] [Borough] has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and to issue its Municipal Bond to the Bank and that the Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, secured by a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] [Ordinance] [Resolution].

The [City][Borough] represents that the [City][Borough] [Resolution][Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than as may have been previously certified by the [City][Borough] to the Bank.

3. Subject to any applicable legal limitations, the amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing interest due on its Municipal Bond (the "Municipal Bond Interest Payments") shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the Loan and to purchase the Municipal Bond (the "Loan Obligations") and shall be paid by the [City] [Borough] [for revenue obligations in monthly installments] at least seven (7) Business Days before the Interest Payment Date to provide funds sufficient to pay interest as the same becomes due on the Loan Obligations.

4. The amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing principal due on its Municipal Bond in amounts sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit A (the "Municipal Bond Principal Payments"), shall be paid [for revenue obligations, in monthly installments on the dates and in amounts sufficient] at least seven (7) Business Days before the payment date stated in the Municipal Bond.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the [City] [Borough] pursuant to this Loan Agreement are not made available at any time specified herein, the [City] [Borough] agrees that any money payable to it by any department or agency of

the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the [City] [Borough], as provided in the Act.

6. In the event that all or a portion of the Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the [City] [Borough] on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the [City] [Borough] on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of the Bank's refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of the Loan Obligations, the Bank shall present to the [City] [Borough] for the [City's] [Borough's] approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the [City] [Borough] the revised schedule shall be attached hereto as Exhibit A and incorporated herein in replacement of the previous Exhibit A detailing said principal installment amounts and interest rates.

7. The [City] [Borough] is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the [City] [Borough] shall be in an amount sufficient, together with the [City's] [Borough's] Allocable Proportion (as defined below) of other money available therefor under the provisions of the Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to Section 606 of the General Bond Resolution:

(a) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

The [City's] [Borough's] Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

8. The [City] [Borough] is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due at least seven (7) Business Days prior to each date indicated in Exhibit A, and thereafter on the anniversary thereof each year. The [City] [Borough] is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing seven (7) Business Days prior to each date indicated in Exhibit A, and to pay any Fees and Charges imposed by the Bank within 30 days after receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the [City] [Borough] shall not redeem prior to maturity any portion of the [City's] [Borough's] Municipal Bond in an amount greater than the related Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The [City] [Borough] shall give the Bank at least 50 days' prior written notice of the [City's] [Borough's] intention to redeem its Municipal Bond.

In the event that the Loan Obligations with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligations were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event that all or a portion of the Loan Obligations have been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligations, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event that all or a portion of the Loan Obligations have been refunded, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligations or portion thereof are redeemed, shall be the premium, if any, on the Loan Obligations to be redeemed.

Nothing in this Section shall be construed as preventing the [City] [Borough] from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of all or a portion of the Loan Obligations.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the [City] [Borough] shall furnish to the Bank evidence satisfactory to the Bank which shall set forth,

among other things, that the Municipal Bond will constitute a valid and binding [general obligation] [special and limited obligation] of the [City] [Borough], secured by the [full faith and credit] [revenue of the ____________] of the [City] [Borough].

11. Invoices for payments under this Loan Agreement shall be addressed to the [City] [Borough], Attention: ________, ________, ________, Alaska 99___. The [City] [Borough] shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' prior written notice of any change in such address.

12. [The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to $ _______________) which secures payment of principal and interest on its Municipal Bond, that such fund shall be held in the name of the [City] [Borough] with the Trustee, and that the yield on amounts held in such fund shall be restricted to a yield not in excess of ___________ percent. **(Applies to revenue bonds only.)**]

13. **[Rate covenant and other covenant language – if applicable.]**

14. The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.

15. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the [City] [Borough] to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The [City] [Borough] has violated commitments made by it in the terms of this Loan Agreement.

(c) The financial position of the [City] [Borough] has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

16. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its General Obligation Bonds, 20__ Series _____ and receipt of the proceeds thereof.

17. The [City] [Borough] agrees that it will provide the Bank with written notice of any default in covenants under the [City] [Borough] [Ordinance] [Resolution] within thirty (30) days after the date thereof.

18. The [City] [Borough] agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

[The [City] [Borough] shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a "private activity bond" within the meaning of Section 141 of the Code.]

The [City] [Borough] shall make no use or investment of the proceeds of the Municipal Bond that will cause the Municipal Bond to be an "arbitrage bond" under Section 148 of the Code. So long as the Municipal Bond is outstanding, the [City] [Borough], shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect. The [City] [Borough] shall indemnify and hold harmless the Bank from any obligation of the [City] [Borough] to make rebate payments to the United States under said Section 148 arising from the [City's] [Borough's] use or investment of the proceeds of the Municipal Bond.

19. Upon request of the Bank, the [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purposes of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

20. The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide to the Bank for inclusion in future official statements of the Bank and the Bank's annual reports, to the extent required by the Bank's continuing disclosure undertakings, financial and operating information of the City of the type and in the form requested by the Bank.

21. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

22. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

23. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

24. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same meanings, respectively, as such terms are given in Article I of the General Bond Resolution.

25. This Loan Agreement shall remain in full force and effect so long as the Municipal Bond remains outstanding.

26. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: ___________________________________
DEVEN J. MITCHELL
Executive Director

[CITY] [BOROUGH] OF _____________,
ALASKA

By: ___________________________________

____

Its: ___________________________________

EXHIBIT A

$____________
[City] [Borough], Alaska
[General Obligation] [Revenue] Bond, 20__[__]
(the "Municipal Bond")

Due _________1	Principal Amount	Interest Rate

Principal installments shall be payable on _________ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on _______1, 20__, and thereafter on ___________1 and ___________ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after _________1, 20__ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after _________1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

FORM OF
AMENDATORY LOAN AGREEMENT

THIS AMENDATORY LOAN AGREEMENT, dated as of the [___] day of [____] 20[__] (the "Loan Agreement"), between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and [___________________], Alaska, a duly constituted ______________ of the State (the "[City] [Borough]"):

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and loan money (the "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make, and or refinance, municipal Loans, the Board of Directors of the Bank (the "Board") adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution"); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, the Bank made a Loan to the [City] [Borough] from proceeds of the Bank's _______________ Bonds, _____ Series __ ("_____ Series __ Bonds") in the amount of $_______________, evidenced by a Loan Agreement dated ________________ 1, ____ (the "Loan Agreement") between the Bank and the [City] [Borough]; and

WHEREAS, the Bank's _____ Series ___ Bonds were issued pursuant to the terms of the Bank's General Bond Resolution, as amended and supplemented by a series resolution; and

WHEREAS, as security for repayment of the Loan and as provided in the [_____] Loan Agreement, the [City] [Borough] issued its _________________ Bond, ____ Series __, dated ________________ __, _____ (the "Municipal Bond") of which the Bank is the registered owner; and

WHEREAS, the Bank has determined that refunding a portion of the outstanding ____ Series __ Bonds will result in a debt service savings thereon and on the Municipal Bond; and

WHEREAS, on April 29, 2020, the Board adopted Series Resolution No. 2020-01 (the "Series Resolution" and, together with the General Bond Resolution, the "Bond Resolution") authorizing, among other things, the issuance of its General Obligation and Refunding Bonds, 2020 Series One (the "Refunding Bonds"), in part to refund a portion of the ____ Series __ Bonds; and

WHEREAS, to effect the proposed refunding and resulting debt service savings on the ____ Series __ Bonds and the Municipal Bond, and to conform the terms of the Loan Agreement to the current practices of the Bank, it is necessary to amend the terms of the Loan Agreement and to provide for the issuance by the [City][Borough] to the Bank of the [City's][Borough's] _________ Bond (the "_____ Municipal Bonds" and together with the ______ Municipal Bond, the "Municipal Bond") and for the refunding of the [City's][Borough's] Municipal Bond as provided herein.

NOW, THEREFORE, the parties agree as follows:

1. The Bank will refund a portion of the outstanding _____ Series __ Bonds as provided in the Series Resolution. The amounts of the principal installments of the Municipal Bond corresponding to the refunded maturities of the ____ Series __ Bonds, and the interest payable thereon, shall be adjusted pro rata in accordance with the debt service payable on the Refunding Bonds, as set forth in the ____ Municipal Bond delivered to the Bank in exchange for the ____ Municipal Bond. The ____ Municipal Bond shall mature in the principal amounts and bear interest at the rates per annum as stated on Exhibit A appended hereto.

2. Section 2 of the ______ Loan Agreement is amended to include the following paragraph:

The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. ________, adopted on _________ __, 20__ (the "[City] [Borough] Refunding [Ordinance] [Resolution]" and together with the [City's][Borough's] ____ [Resolution][Ordinance], the "[City's][Borough's] [Resolution][Ordinance]"), and has taken or will take all proceedings required by law to enable it to enter into this Amendatory Loan Agreement and to issue its ____ Municipal Bond to the Bank and that the ____ Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] Refunding [Ordinance] [Resolution].

3. The ____ Municipal Bond shall be subject to optional prepayment prior to maturity on and after the same date, and on the same terms as the Refunding Bonds may be subject to optional redemption as set forth in Appendix A.

4. [__] of the ____ Loan Agreement is amended to include the following paragraph:

The [City][Borough] represents that the [City's][Borough's] [Resolution][Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than by the [City][Borough] Refunding [Resolution]Ordinance] and as previously certified by the [City][Borough] to the Bank.

5. [Section [_] of the _____ Loan Agreement is amended by replacing the current language with the following:

The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide to the Bank for inclusion in future official statements of the Bank and the Bank's annual reports, to the extent required by the Bank's continuing disclosure undertakings, financial and operating information of the City of the type and in the form requested by the Bank.

The [City] [Borough] further agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purpose of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.]

[6. A new Section __ is added to the Loan Agreement, as follows:

The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the ____ Municipal Bond, or any bond issued to refund the ____ Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its ____ Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.]

[7. A new Section __ is added to the ____ Loan Agreement, as follows:

The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to $_____________) which secures payment of principal and interest on its Municipal Bond, and that such fund shall be held in the name of the [City] [Borough] with the Trustee. The [City] [Borough] further agrees that the yield on amounts held in such debt service reserve account shall be restricted to a yield not in excess of ______________ percent.]

8. A new Section __ is added to the ____ Loan Agreement, as follows:

(a) The [City] [Borough] hereby certifies that all ____ Municipal Bond proceeds, except for those proceeds that are accounted for as transferred proceeds in the arbitrage certificate for its ____ Municipal Bond, have been expended prior to the date hereof.

(b) The [City] [Borough] hereby certifies that to date all required rebate calculations relating to the ____ Municipal Bond have been timely performed and the [City] [Borough] has remitted any necessary amount(s) to the Internal Revenue Service.

(c) The [City] [Borough] hereby certifies that (i) the ____ Municipal Bond was issued exclusively for new money purposes; and (ii) the ____ Municipal Bond has not previously been used to directly or indirectly advance refund a prior issue of any municipal bonds of the [City][Borough].]

9. A new Section __ is added to the ____ Loan Agreement, as follows:

Except as heretofore amended and as amended hereby, the Loan Agreement will remain in full force and effect so long as the ____ Municipal Bond remains outstanding.

IN WITNESS WHEREOF, the parties hereto have executed this Amendatory Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: ________________________________
DEVEN MITCHELL
Executive Director

[CITY] [BOROUGH], ALASKA

By: ________________________________
____
Its: ________________________________

EXHIBIT A

_________________, Alaska
____________________, ____ Series __, As Amended on _____________ __, 20__

Principal Sum of $_____________________

Principal Payment Date (______1, 20___)	Principal Amount	Interest Rate

Principal installments shall be payable on __________ 1 in each of the years, and in the amounts set forth above. Interest on the ____ Municipal Bond shall be payable on _________ 1, 20__, and thereafter on ________ 1 and ________ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after ___________ 1, 20__ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after __________ 1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

APPENDIX D

FORM OF
OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

[ALASKA MUNICIPAL BOND BANK
$__________ GENERAL OBLIGATION AND REFUNDING BONDS,
2020 SERIES ONE]

THE SALE

NOTICE IS HEREBY GIVEN that electronic bids will be received at the place, on the date and until the time specified below for the purchase of all, but not less than all, of $_________* aggregate principal amount of General Obligation and Refunding Bonds, 2020 Series One (the "Bonds") to be issued by the Alaska Municipal Bond Bank (the "Bond Bank").

DATE: __________ __, 2020**

TIME: [9:00] A.M. Pacific Daylight Time**

ELECTRONIC BIDS: Must be submitted in their entirety via BiDCOMP™/Parity® as described below. **No other form of bid or provider of electronic bidding services will be accepted.**

ELECTRONIC BIDDING AND BIDDING PROCEDURES

Registration to Bid. All prospective bidders must be contracted customers of BiDCOMP™/Parity® Competitive Bidding System ("BIDCOMP/Parity"). If you do not have a contract with BiDCOMP/Parity, call (212) 849-5021 to become a customer. No other provider of electronic bidding services and no other means of delivery (i.e. telephone, telefax, telegraph, personal delivery, etc.) of bids will be accepted. **If any provision of this Notice of Sale conflicts with information provided by BiDCOMP/Parity as approved provider of electronic bidding services, this Notice of Sale shall control.** Further information about submitting a bid using BiDCOMP/Parity, including any fee charged, may be obtained from BiDCOMP/Parity at (212) 849-5021 or from Fred Eoff, PFM Financial Advisors LLC, the Bond Bank's Financial Advisor, at (206) 858-5370.

By submitting a bid for the Bonds, a prospective bidder represents and warrants to the Bond Bank that such bidder's bid for the purchase of the Bonds (if a bid is submitted) is submitted for and on behalf of such prospective bidder by an officer or agent who is authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

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* Preliminary, subject to change.
** Preliminary, subject to change before the Sale Date and time, as provided in this Notice of Sale.

Disclaimer. Each prospective bidder shall be solely responsible to register to bid via BiDCOMP/Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access BiDCOMP/Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Bond Bank nor BiDCOMP/Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Bond Bank nor BiDCOMP/Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/Parity. The Bond Bank is using BiDCOMP/Parity as a communication mechanism, and not as the Bond Bank's agent, to conduct electronic bidding for the Bonds. The Bond Bank is not bound by any advice and determination of BiDCOMP/Parity to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the "Bidding Procedures" described below. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders, and the Bond Bank is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Bonds, it should telephone BiDCOMP/Parity or notify the Bond Bank's Financial Advisor by email to eofff@pfm.com.

Bidding Procedures. Bids must be submitted electronically for the purchase of the Bonds (all or none) by means of the Bid Forms via BiDCOMP/Parity by **[**9:00**]** A.M. Pacific Daylight Time on __________, __________ __, 2020*, unless postponed as described herein. See "Postponement." Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP/Parity. Once the final bid has been saved in BiDCOMP/Parity, the bidder may select the final bid button in BiDCOMP/Parity to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the Bond Bank, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on BiDCOMP/Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Bond Bank, as described below under "Basis of Award."

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of the Bid Form via BiDCOMP/Parity. No bid will be received after the time specified above for receiving such bids.

Award of the Bonds. The Bond Bank will notify the responsible bidder complying with the terms of this Notice of Sale and offering to purchase the Bonds at the lowest true interest cost to the Bond Bank of the award the Bonds (or all bids will be rejected) by 12:00 p.m. Pacific Daylight Time on __________, __________ __, 2020.*

Basis of Award. The Bonds will be awarded to the bidder whose proposal produces the lowest true interest cost. The true interest cost will be that annual interest rate, which, when

* Preliminary, subject to change before the Sale Date and time as provided below. See "Postponement."
* Preliminary, subject to change before the Sale Date and time as provided below. See "Postponement."

compounded semiannually and used to discount all payments of principal and interest payable on the Bonds under such proposal to the date of delivery, results in an amount equal to the purchase price for the Bonds. If two or more bids provide the same lowest true interest cost, the Bond Bank shall determine, in its sole discretion, which bid shall be accepted, and such determination shall be final. See "Interest Rates and Bid Price."

Modifications. The Bond Bank reserves the right to modify any term of this Notice of Sale and/or the Preliminary Official Statement for any other reason by notice on the Amendments Page of the BiDCOMP/Parity website no later than 5:00 p.m., Eastern Daylight Time, on __________ __________ __, 2020* (or, in the event of a postponement in accordance herewith, the day prior to the reset bid date).

Postponement. The Bond Bank also reserves the right to postpone the sale and to set a new time for the sale either separately or at one time. Postponement may be effected by 8:00 a.m. Pacific Daylight Time on __________ __, 2020,* by a Statement of Postponement carried on the Amendments page of the BiDCOMP/Parity website (the "Statement of Postponement"). At the same time or within 48 hours following the Statement of Postponement, the Bond Bank may reset a new time for the sale. The reset sale notice may state different terms and conditions of sale and may refer to this notice for any or all terms of sale. All bidders will be deemed to have assented to the above conditions by submitting a bid, and lack of actual notice of the postponement or of the reset terms of sale will not be considered.

Right of Rejection. The Bond Bank reserves the right to reject any and all bids, to waive any irregularity or informality in any bid, to take any actions adjourning or postponing the sale of the Bonds or to take any other action that the Bond Bank may deem to be in its best interest. In the event that the Bond Bank rejects all bids, notice of a new sale date, if any, will be carried on the Amendments page of the BiDCOMP/Parity website.

THE BONDS

Bond Details. The Bonds will be dated the date of delivery and will bear interest from their dated date, payable semiannually on each __________ 1 and __________ 1 of each year, commencing on __________ 1, 2020. Interest will be computed upon the basis of a 360-day year of twelve 30-day months. The Bonds will be dated to mature on the following dates and in the following principal amounts:

2020 Series One*

$_______ of 2020 Series One Bonds will mature on _________ 1, 2020.* The remaining 2020 Series One Bonds will mature on __________ 1 in the years and principal amounts set forth below.*

Year	Principal	Year	Principal

* Preliminary, subject to change before the Sale Date and time as provided below.

(__________1)	Amount*	(__________1)	Amount*

Adjustment of Maturities. The Bond Bank reserves the right to adjust the principal amount of each maturity as may be necessary to achieve structuring objectives related to the underlying loans. The principal amount of any maturity of the Bonds will only be adjusted in increments of $5,000. Notice of any adjustment will be provided within two hours after the time at which bids are opened through BiDCOMP/Parity. The Bond Bank will attempt to maintain the Underwriter's compensation as a percentage of the final principal amount of the Bonds when adjusting the maturities. The successful bidder may not withdraw its bid or change the interest rates bid or the initial reoffering prices as a result of any changes made to the revised amounts within these limits.

Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption. Bidders have the option of specifying in their bid proposal that all of the principal amount of Bonds scheduled to mature in any two or more consecutive years may, in lieu of maturing in each such year, be combined to comprise one or more maturities of the Bonds (the "Term Bonds") scheduled to mature in the latest year of each such combination. The Term Bonds so specified by the bidder will then be subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount thereof, in the principal amount in each year during the combined period of such Term Bonds, which otherwise would have been scheduled to mature in such years. If no Term Bonds are designated in the successful bid, the Bonds will mature serially without Term Bonds.

Immobilization of the Bonds. The Bonds are being issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds, and immobilized in the custody of DTC, which will act as securities depository for the Bonds. A book-entry system will be employed by DTC evidencing ownership of the Bonds in principal amount of $5,000 or any integral multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC.

The principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfers of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and persons acting through such participants (the "Participants"), and other nominees of beneficial owners. The Bond Bank will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, the payment by DTC or by Participants of principal of or interest on the Bonds, any notice to bondholders or any consent given or other action taken by DTC as the registered owner of the Bonds.

Optional Redemption. The Bonds maturing on or after ___________ 1, 20__, are subject to redemption at the option of the Bond Bank in whole or in part on any date on or after _______, 20__, at a redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

* Preliminary, subject to change. See "Adjustment of Maturities."

Security for the Bonds. The Bonds are general obligations of the Bond Bank payable only from revenues or funds of the Bond Bank. The Bond Bank has no taxing power. The State of Alaska is not liable for payment on the Bonds, and the Bonds are not a debt of the State of Alaska. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for payment of the Bonds.

The security for the Bonds is described in the Preliminary Official Statement and the 2005 General Bond Resolution and Series Resolution, and those documents should be consulted for a complete description of the security for the Bonds.

Bond Insurance At Bidder's Option And Expense. Bidders may elect to insure the Bonds at the bidders' risk and expense. The Trustee will only enter into agreements to comply with the administrative requirements of the bond insurer; **the Bond Bank will not amend the General Bond Resolution, the Series Resolution or any of the loan agreements**. The Bond Bank will pay the fee for ratings from S&P Global Ratings and Fitch Ratings, regardless of whether the Bonds are insured.

The Bond Bank is not seeking and has not requested or obtained a commitment for any credit enhancement, including a policy to insure payment of scheduled debt service on the Bonds. If the Bond Bank selects a bid that is based on providing insurance on the Bonds, then the Official Statement and closing certificates will be amended accordingly. No additional security beyond that described in the Preliminary Official Statement will be allowed, however. **Failure of a bond insurer to deliver a policy of insurance for the Bonds will not release the successful bidder from its obligation to purchase the Bonds.**

Interest Rates and Bid Price. The Bonds will be sold in one block on an "all or none" basis, and **at a price of not less than one hundred percent (100%) of the aggregate principal amount of the Bonds**. **No serial or term bond maturity may bear a price of less than ____ percent (__%).** Bidders must specify the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be a multiple of one-eighth (1/8) of one percent (1%) or one-twentieth (1/20) of one percent (1%). The highest interest rate bid may not exceed ___%. No limitation is imposed upon bidders as to the number of rates which may be used, except that all Bonds of one maturity must bear one and the same interest rate. **The bidding is permitted either with or without bond insurance at the discretion of the bidder. In either event, the winning bid will be selected on the basis of the true interest cost to the Bond Bank, and in all cases the insurance premium will be paid by the bidder.**

Good Faith Deposit. The successful bidder will be required to provide a good faith deposit in the amount of ________________________ Dollars ($_______) in immediately available funds wired to the Bond Bank's Trustee not later than 2:00 p.m. (Pacific Daylight Time) on ___________, __________ __, 2020.* Wire information will be provided to the successful bidder by the Financial Advisor upon bid award.

The Good Faith Deposit will be held by the Bond Bank to ensure the successful bidder's

* Preliminary, subject to change before the Sale Date and time.

compliance with the terms of its bid and the Notice of Sale and Bidding Instructions and will be applied to the purchase price on the date of delivery of the Bonds. Pending delivery of the Bonds, the good faith deposit may be invested for the sole benefit of the Bond Bank. In the event the successful bidder fails or refuses to pay for the Bonds in accordance with its bid, the amount of the good faith deposit and any investment earnings thereon shall be accepted by the Bond Bank as full and complete liquidated damages.

Establishment of Issue Price and Certificate of Successful Bidder; Hold the Offering Price Rule May Apply If Competitive Sale Requirements Are Not Satisfied The successful bidder will be required to provide the Bond Bank within one-half (1/2) hour after the verbal award of the Bonds the initial offering price/yields of the Bonds resold to the Public.

(a) The successful bidder shall assist the Bond Bank in establishing the issue price of the Bonds and shall execute and deliver to the Bond Bank at the closing date of the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Bond Bank and Bond Counsel (as defined herein).

(b) The Bond Bank intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "Competitive Sale Requirements"), which require that:

(1) the Bond Bank disseminates this Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;

(2) the Bond Bank provides all bidders shall have an equal opportunity to bid;

(3) the Bond Bank awards the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest overall true interest cost), as set forth in this Notice of Sale; and

(4) the Bond Bank receives bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds. The Bond Bank intends to satisfy the first three of these requirements.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the Bond Bank shall so advise the successful bidder. The Bond Bank may determine to treat (i) the first price at which 10% of a maturity of the Bonds (and if different interest rates apply within a maturity, to each separate CUSIP number within the maturity) (the "10% test") is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The successful bidder shall advise the Bond Bank if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Bond Bank shall promptly advise the successful bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the Bond Bank determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the successful bidder shall (i) confirm that the Underwriter has offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the successful bidder and (ii) agree that the Underwriter will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public.

The successful bidder shall promptly advise the Bond Bank when the Underwriter has sold 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the successful bidder agrees to promptly report to the Bond Bank the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date of the Bonds has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

(f) [The Bond Bank acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that the Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Bond Bank further acknowledges that the Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that it shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.]

(g) By submitting a bid, each bidder confirms that any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "Public" means any person other than an Underwriter or a Related Party,

(ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the Bond Bank (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),

(iii) a purchaser of any of the Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "Sale Date" means the date that the Bonds are awarded by the Bond Bank to the successful bidder.

Delivery. It is expected that the Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York on or about ___________ __, 2020,* and closing will take place on the same date in Seattle, Washington or at another location specified by the Bond Bank. The successful bidder will be required to provide the Bond Bank with information as to the initial offering price of the Bonds to the Public (excluding bond-houses, brokers and similar persons acting as Underwriters or wholesalers) at which a substantial amount of the Bonds were sold and the insurance premium (if insurance is purchased by the bidder). Such information must be confirmed with a certificate dated the date of closing of the Bonds, in the form attached to this Notice of Sale as Exhibit A and satisfactory to Bond Counsel.

There will be furnished to the successful bidder without cost, the executed Bonds to be delivered to DTC or its agent and the usual closing documents dated as of the date of delivery of and payment for the Bonds, including a certificate that there is no litigation pending or threatened affecting the validity of the Bonds.

The Bond Bank will confirm to the successful bidder, by a certificate signed on its behalf by the Executive Director or Chairman and delivered at the closing, that at the time of the acceptance of the bid, and at the time of the closing, insofar as the Bond Bank and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Payment. The successful bidder shall make full payment of the purchase price of the Bonds to the Bond Bank at the time of delivery in federal funds or other immediately available funds without cost to the Bond Bank.

Tax-Exempt Status. **2020 Series One Bonds**. The opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the Bond Bank ("Bond Counsel"), will state that based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance by the Bond Bank and by the Governmental Units with certain covenants, interest on the 2020 Series One Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is not a specific preference item for purposes of the federal alternative minimum tax. For further information, please refer to "TAX MATTERS" in the Preliminary Official Statement.]

Legal Opinion. The opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank, approving the validity of the Bonds, will be furnished upon delivery of the Bonds. The proposed form of Bond Counsel's opinion is included in the Preliminary Official Statement as an appendix.

CUSIP Numbers. CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bonds nor any error with respect thereto shall constitute cause for the successful bidder to fail or to refuse to accept delivery of and to pay for the Bonds. No liability shall attach to the Bond Bank or to any director, officer, employee or agent thereof, including any paying agent or registrar for the Bonds, by reason of such number or by reason of any inaccuracy, error, or omission with respect thereto.

Continuing Disclosure Undertaking. The Bond Bank covenants and agrees to execute and deliver on or before the date of delivery of the Bonds a continuing disclosure certificate constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Bond Bank for the benefit of the beneficial owners of the Bonds as required under paragraph (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. In the Undertaking, the Bond Bank will undertake to provide certain annual financial information and to provide notices of certain events with respect to the Bonds. The proposed form of the Bond Bank's Undertaking is set forth in the Preliminary Official Statement and will be set forth in the final Official Statement.

The Bond Bank is represented by an Independent Registered Municipal Advisor. The Bond Bank has engaged, is represented by and will rely upon the advice of Western Financial Group, LLC, a wholly-owned subsidiary of PFM Financial Advisors LLC, an independent registered municipal advisor, to advise it on the issuance of the Bonds offered for sale in this Notice of Sale, and other aspects of the financing for which the Bonds are being issued. The Bond Bank intends that (i) this statement constitutes the "required representation" for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi)(B) and (ii) by publicly making this written statement in this Notice of Sale, all prospective bidders and other market participants may rely on this written statement and receive and use it for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi).

Additional Information. A Preliminary Official Statement relating to the Bonds and an Official Bid Form for the Bonds may be obtained from Fed Eoff, PFM Financial Advisors LLC, at eofff@pfm.com, (206) 858-5370 or from Deven J. Mitchell, Executive Director of the Alaska Municipal Bond Bank, 333 Willoughby Avenue, State Office Building, 11th Floor, Juneau, Alaska 99811, (907) 465-3750.

The Preliminary Official Statement, referred to above, has been "deemed final" by the Bond Bank for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion including by the final Official Statement.

By awarding the Bonds to any Underwriter or underwriting syndicate submitting a bid, the Bond Bank agrees that within seven (7) business days after the date of such award the Bond Bank shall provide the senior managing Underwriter of the successful syndicate with copies of a final Official Statement. The senior managing Underwriter of the successful syndicate will be supplied with final Official Statements in a quantity sufficient to meet its request. Up to 100 copies of the final Official Statement will be furnished without cost.

The Bond Bank designates the senior managing Underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating Underwriter. Any Underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Bond Bank, (i) it will accept such designation, (ii) it will enter into a contractual relationship with all participating Underwriters of the Bonds for purposes of assuring the receipt by each such participating Underwriter of the final Official Statement, and (iii) within one business day following the receipt from the Bond Bank, it will file, or cause to be filed, with the Municipal Securities Rulemaking Board the final Official Statement and the escrow agreement.

DATED: __________, 2020

ALASKA MUNICIPAL BOND BANK

By________________________________
DEVEN J. MITCHELL
Executive Director

EXHIBIT A

FORM OF

CERTIFICATE OF THE UNDERWRITER'S REPRESENTATIVE

_____________________ has acted as the Underwriter's Representative in connection with the sale and issuance by the Alaska Municipal Bond Bank (the "Bank") of its $_________________* Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series One (the "Bonds"), through its purchase of the Bonds at competitive bid, being issued on the date hereof, and the Underwriter's Representative hereby certifies and represents the following:

Issue Price.

[**AT LEAST 3 BIDS RECEIVED]**

1. The Underwriter's Representative received the notice of sale issued in connection with the sale of the Bonds, submitted a bid that constituted a firm bid to purchase the Bonds, and was not given the opportunity to review other bids prior to submitting its bid. As of [SALE DATE], the Underwriter's Representative reasonably expected to offer the Bonds to the Public at the Initial Offering Prices. The Initial Offering Prices are the prices used by the Underwriter's Representative in formulating its bid to purchase the Bonds. Attached hereto as Schedule 1 is a true and correct copy of the bid provided by Underwriter's Representative to purchase the Bonds.

[LESS THAN 3 BIDS RECEIVED, NOT USING HOLD THE PRICE]

1. As of the date hereof, other than the Bonds listed on Schedule 1 hereto as undersold maturities (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter's Representative to the Public was the price set forth on Schedule 1 hereto.

2. With respect to the Undersold Maturities, the Underwriter's Representative agrees to notify the Bank in writing of the first price or yield at which at least 10% of each such Undersold Maturity is ultimately sold by the Underwriter's Representative to the Public as soon as practicable after such applicable sales have occurred. If all of an Undersold Maturity is sold to the Public but not more than 10% of the Undersold Maturity is sold by the Underwriter's Representative to the Public at any particular price or yield, the Underwriter's Representative agrees to notify the Bank in writing of the amount of the Undersold Maturity sold by the Underwriter's Representative to the Public at each of the respective prices or yields at which the Undersold Maturity is sold to the Public.

[LESS THAN 3 BIDS RECEIVED, USING HOLD THE PRICE]

* Preliminary, subject to change.

1. As of [SALE DATE] (the "Sale Date"), all of the Bonds were the subject of an offering to the Public at the Initial Offering Price.

2. [As set forth in the Official Notice of Sale and bid award, and as agreed to in writing by the Underwriter's Representative, the Underwriter's Representative has not offered or sold any Bond to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter's Representative or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication. ***][OR][*** As set forth in the Official Notice of Sale and bid award, the Underwriter's Representative has agreed in writing that, for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter's Representative or (b) the close of the fifth business day following the Sale Date (the "Holding Period"), (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "Hold-the-Offering-Price Rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. Pursuant to such agreement, no Underwriter's Representative (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

[ADD SECTION ON DSRF/QUALIFIED GUARANTEE IF APPLICABLE]

<u>Defined Terms</u>.

(a) *Initial Offering Price* means the prices or yields set forth on the [inside] cover page of the Bank's Official Statement in respect of such Bonds dated [O/S DATE].

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter's Representative or a related party to an Underwriter's Representative.

(d) *Related Party* means any entity if an Underwriter's Representative and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) *Underwriter's Representative* means (i) any person that agrees pursuant to a written contract with the Bank (or with the lead underwriter and individual that has formed an underwriting syndicate) to participate in the initial sale of the Bonds to the Public as a representative of the underwriter, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The Underwriter's Representative understands that the foregoing information will be relied upon by the Bank with respect to certain of the representations set forth in the Tax Certificate and Agreement to which this certificate is included as Exhibit A and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, Bond Counsel, in connection with its opinion as to the exclusion of interest on the Bonds from federal gross income, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Bank from time to time relating to the Bonds. The Underwriter is certifying only as to facts in existence on the date hereof. Nothing herein represents the interpretation of the Underwriter's Representative of any laws; in particular the Treasury Regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

Dated: _______________

[UNDERWRITER'S REPRESENTATIVE]

By: ___________________________________
Authorized Representative

SCHEDULE 1

[IF RECEIVED 3 BIDS]

BIDDING DOCUMENTATION

[IF USING HOLD THE PRICE]

FINAL PRICING WIRE OR EQUIVALENT DOCUMENTATION

ALASKA MUNICIPAL BOND BANK
RESOLUTION NO. 2020-02

A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES TWO OF THE ALASKA MUNICIPAL BOND BANK

ADOPTED ON APRIL 29, 2020

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ALASKA MUNICIPAL BOND BANK
RESOLUTION NO. 2020-02

A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES TWO OF THE ALASKA MUNICIPAL BOND BANK

WHEREAS, the Board of Directors of the Alaska Municipal Bond Bank (the "Bank") by Resolution entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted on July 13, 2005, as amended (as further defined in Section 102 hereof, the "Resolution"), has created and established an issue of Bonds of the Bank; and

WHEREAS, the Resolution authorizes the issuance of said Bonds in one or more series pursuant to a Series Resolution authorizing each such series; and

WHEREAS, the Board of Directors of the Bank has determined that it is necessary and desirable that the Bank issue at this time a Series of Bonds in an aggregate principal amount of not to exceed $271,425,000 (or otherwise as provided in Section 201 hereof), to be designated "Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series Two" to provide moneys to carry out the purposes of the Bank;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALASKA MUNICIPAL BOND BANK AS FOLLOWS:

ARTICLE I
AUTHORITY AND DEFINITIONS

<u>Section 101 – Series Resolution.</u>

This Series Resolution (the "2020 Series Resolution") is adopted in accordance with the provisions of the Resolution and pursuant to the authority contained in the Act.

<u>Section 102 – Definitions.</u>

In this 2020 Series Resolution and with respect to the 2020 Bonds:

(1) Unless otherwise defined in Article I herein, all capitalized terms herein shall have the meanings given to such terms in Article I of the Resolution.

(2) "<u>AEA Loan</u>" shall mean the loan from the Alaska Energy Authority to the City and Borough of Sitka, Alaska ("Sitka"), originally entered into under a Loan and Security

Agreement, dated as of August 24, 1982, subsequently amended, and currently outstanding in the aggregate principal amount of $6,177,921.70.

(3) "Approved Bid" shall mean, in the case of a competitive sale, the applicable winning bid submitted for one or more series of the 2020 Bonds.

(4) "Bank" shall mean the Alaska Municipal Bond Bank (in the Act also referred to as the "Alaska Municipal Bond Bank Authority").

(5) "Beneficial Owner" shall mean the person in whose name a 2020 Bond is recorded as the beneficial owner of such 2020 Bond by the respective systems of The Depository Trust Company and Depository Trust Company Participants or the Holder of a 2020 Bond if such 2020 Bond is not then held in book-entry form pursuant to Section 206.

(6) "Bond Purchase Agreement" shall mean, in the case of a negotiated sale, one or more bond purchase agreements entered into among one or more Underwriters and the Bank, providing for the purchase and the terms of one or more series of the 2020 Bonds.

(7) "Bond Year" shall mean each one-year period that ends on an anniversary of the date of issue of the 2020 Bonds.

(8) "Chairman" shall mean the chairman of the Board of Directors of the Bank.

(9) "Code" shall mean the Internal Revenue Code of 1986, together with all regulations applicable thereto.

(10) "Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate executed by the Bank and dated the date of issuance and delivery of the 2020 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

(11) "Depository Trust Company" or "DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

(12) "Depository Trust Company Participant" or "DTC Participant" shall mean a trust company, bank, broker, dealer, clearing corporation and any other organization that is a participant of Depository Trust Company.

(13) "Escrow Agent" shall mean the Trustee, currently The Bank of New York Mellon Trust Company, N.A., as escrow agent.

(14) "Escrow Agreement" shall mean the agreement entered into by and between the Bank and the Escrow Agent, dated the date of issuance of the 2020 Bonds, securing payment for the Refunded Bonds.

(15) "Excess Investment Earnings" shall mean the amount of investment earnings on gross proceeds of the 2020 Bonds determined by the Bank to be required to be rebated to the United States of America under the Code.

(16) "Financial Advisor" shall mean PFM Financial Advisors LLC.

(17) "Letter of Representations" shall mean the Blanket Issuer Letter of Representations dated April 15, 2019, from the Bank to DTC, a copy of which is attached hereto as Appendix A, and the operational arrangements referred to therein.

(18) "Loan Agreement" shall mean the following agreement(s) pertaining to the repayment of a Loan or Loans to the related Governmental Unit as provided for herein:

(a) the agreement by and between the Bank and Sitka for the purpose of refinancing all or a portion of the AEA Loan.

(19) "New-Money Portion" shall mean the 2020 Bonds or such other series or a portion of a series of 2020 Bonds designated by the Chairman or the Executive Director and the proceeds thereof other than the Refunding Portion.

(20) "Notice of Sale" shall mean, in the case of a competitive sale, the Official Notice of Sale and Bidding Instructions for the related series of 2020 Bonds, in substantially the form attached hereto as Appendix D.

(21) "Official Statement" shall have the meaning assigned thereto in Section 211 hereof.

(22) "Preliminary Official Statement" shall have the meaning assigned thereto in Section 211 hereof.

(23) "Record Date" shall mean the date fifteen calendar days preceding each interest payment date with respect to the 2020 Bonds of one or more series.

(24) "Refunded Bonds" shall mean, in each case, all or a portion of the following Outstanding Bonds that the Chairman or the Executive Director designates to be refunded pursuant to Section 304 hereof, at the request of:

(a) City of Homer, Alaska ("Homer"), $2,270,000 aggregate principal amount of the outstanding 2013A Series Two Bonds, maturing on June 1, 2024 through June 1, 2033;

(b) the City and Borough of Juneau, Alaska ("Juneau"), $16,980,000 aggregate principal amount of the outstanding 2013 Series One Bonds, maturing on February 1, 2024 through February 1, 2033 and February 1, 2035;

(c) Juneau, $4,390,000 aggregate principal amount of the outstanding 2014A Series One Bonds, maturing on March 1, 2025 through March 1, 2031, March 1, 2033 through March 1, 2035, and March 1, 2039;

(d) Juneau $6,595,000 aggregate principal amount of the outstanding 2014 Series Three Bonds, maturing on October 1, 2025 through October 1, 2033;

(e) Juneau, $11,785,000 aggregate principal amount of the outstanding 2015B Series Two Bonds, maturing on March 1, 2026 through March 1, 2029 and March 1, 2034;

(f) the Kenai Peninsula Borough, Alaska ("Kenai Peninsula Borough"), $7,645,000 aggregate principal amount of the outstanding 2011 Series Three Bonds, maturing on September 1, 2022 and September 1, 2023;

(g) Kenai Peninsula Borough, $740,000 aggregate principal amount of the outstanding 2013 Series One Bonds, maturing on February 1, 2024 through February 1, 2033;

(h) Kenai Peninsula Borough, $12,890,000 aggregate principal amount of the outstanding 2013 Series Three Bonds, maturing on August 1, 2024 through August 1, 2033;

(i) Kenai Peninsula Borough, $12,850,000 aggregate principal amount of the outstanding 2014A Series One Bonds, maturing on March 1, 2025 through March 1, 2029;

(j) the City of Ketchikan, Alaska ("Ketchikan"), $3,005,000 aggregate principal amount of the outstanding 2012 Series Two Bonds, maturing on September 1, 2022 through September 1, 2029 and September 1, 2031;

(k) Ketchikan, $8,345,000 aggregate principal amount of the outstanding 2013A Series Two Bonds, maturing on June 1, 2024 through June 1, 2033;

(l) the Kodiak Island Borough, Alaska ("Kodiak Island Borough"), $4,815,000 aggregate principal amount of the outstanding 2011 Series One Bonds, maturing on March 1, 2026 and March 1, 2031;

(m) Kodiak Island Borough, $1,355,000 aggregate principal amount of the outstanding 2011 Series Three Bonds, maturing on September 1, 2022 through September 1, 2026;

(n) Kodiak Island Borough, $3,995,000 aggregate principal amount of the outstanding 2012 Series Two Bonds, maturing on September 1, 2022 through September 1, 2024;

(o) Kodiak Island Borough, $13,195,000 aggregate principal amount of the outstanding 2013 Series One Bonds, maturing on February 1, 2024 through February 1, 2033;

(p) Kodiak Island Borough, $9,080,000 aggregate principal amount of the outstanding 2013B Series Two Bonds, maturing on June 1, 2024 and June 1, 2030 through June 1, 2033;

(q) Kodiak Island Borough, $13,755,000 aggregate principal amount of the outstanding 2014A Series One Bonds, maturing on March 1, 2025 through March 1, 2031, March 1, 2033 and March 1, 2034;

(r) the Lake and Peninsula Borough, Alaska ("Lake and Peninsula Borough"), $11,255,000 aggregate principal amount of the outstanding 2013 Series Three Bonds, maturing on August 1, 2024 through August 1, 2033;

(s) the City of Sand Point, Alaska ("Sand Point"), $1,910,000 aggregate principal amount of the outstanding 2013 Series One Bonds, maturing on February 1, 2024 through February 1, 2033, February 1, 2035 and February 1, 2038;

(t) the City of Seward, Alaska ("Seward"), $2,660,000 aggregate principal amount of the outstanding 2011 Series Three Bonds, maturing on September 1, 2022 through September 1, 2026, September 1, 2031 and September 1, 2036;

(u) Sitka, $3,300,000 aggregate principal amount of the outstanding 2011 Series Two Bonds, maturing on April 1, 2022 through April 1, 2025 and April 1, 2027 through April 1, 2031;

(v) Sitka, $3,320,000 aggregate principal amount of the outstanding 2012 Series Two Bonds, maturing on September 1, 2022 through September 1, 2024;

(w) Sitka, $37,945,000 aggregate principal amount of the outstanding 2013 Series One Bonds, maturing on February 1, 2024 through February 1, 2033, February 1, 2035, February 1, 2038, February 1, 2043 and February 1, 2047;

(x) Sitka, $25,615,000 aggregate principal amount of the outstanding 2013 Series Three Bonds, maturing on August 1, 2031 through August 1, 2033, August 1, 2035, August 1, 2036, August 1, 2042 and August 1, 2048; and

(y) Sitka, $16,325,000 aggregate principal amount of the outstanding 2014 Series Three Bonds, maturing on October 1, 2031 through October 1, 2034, October 1, 2039 and October 1, 2044.

(25) "Refunding Portion" shall mean the portion of 2020 Bonds or such other series or a portion of a series and the proceeds thereof allocable to the refunding of the Refunded Bonds determined by the Chairman or the Executive Director pursuant to Section 304 hereof.

(26) "Resolution" shall mean the General Bond Resolution adopted by the Board of Directors on July 13, 2005, as amended by a Supplemental Resolution, Resolution No. 2009-03, adopted by the Board of Directors on May 28, 2009 and effective on August 19, 2009; and by a First Supplemental Resolution, Resolution No. 2013-02, adopted by the Board of Directors on February 19, 2013, the amendments in which are effective after all Bonds issued prior to February 19, 2013 are no longer outstanding and the requirements of such First Supplemental Resolution are satisfied.

(27) "Surety Bond Issuer" shall mean the Credit Enhancement Agency, if any, selected by the Chairman or the Executive Director to provide Credit Enhancement for a portion of the Reserve Fund Requirement.

(28) "Underwriters" shall mean BofA Securities, Inc. and RBC Capital Markets, LLC, the underwriters of the 2020 Bonds.

(29) "2011 Series One Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2011 Series One, which are currently outstanding in the principal amount of $5,210,000.

(30) "2011 Series Two Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2011 Series Two, which are currently outstanding in the principal amount of $4,195,000.

(31) "2011 Series Three Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2011 Series Three, which are currently outstanding in the principal amount of $33,315,000.

(32) "2012 Series Two Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2012 Series Two, which are currently outstanding in the principal amount of $20,630,000.

(33) "2013 Series One Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2013 Series One, which are currently outstanding in the principal amount of $79,390,000.

(34) "2013 Series Three Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2013 Series Three, which are currently outstanding in the principal amount of $59,850,000.

(35) "2013A Series Two Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2013A Series Two, which are currently outstanding in the principal amount of $14,330,000.

(36) "2013B Series Two Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2013B Series Two, which are currently outstanding in the principal amount of $12,130,000.

(37) "2014 Series Three Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2014 Series Three, which are currently outstanding in the principal amount of $44,335,000.

(38) "2014A Series One Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2014A Series One, which are currently outstanding in the principal amount of $41,325,000.

(39) "2015B Series Two Bonds" shall mean the Alaska Municipal Bond Bank General Obligation Bonds, 2015B Series Two, which are currently outstanding in the principal amount of $20,420,000.

(40) "2020 Amendatory Loan Agreements" shall mean, collectively:

(a) the agreement by and between the Bank and Homer, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2013;

(b) (i) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2013; (ii) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of August 1, 2004, as amended by the amendatory loan agreement entered into by the parties, dated as of March 1, 2013; (iii) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of February 1, 2014; (iv) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement, entered into by the parties dated as of October 1, 2014; and (v) the agreement by and between the Bank and Juneau, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement, entered into by the parties dated as of June 1, 2015;

(c) (i) the agreement by and between the Bank and Kenai Peninsula Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of September 1, 2011; (ii) the agreement by and between the Bank and Kenai Peninsula Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2013; (iii) the agreement by and between the Bank and Kenai Peninsula Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of November 1, 2013; and the agreement by and between the bank and Kenai Peninsula Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of February 1, 2014;

(d) (i) the agreement by and between the Bank and Ketchikan, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of May 1, 2012 and (ii) the agreement by and between the Bank and Ketchikan, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2013;

(e) (i) the agreement by and between the Bank and Kodiak Island Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2011; (ii) the agreement by and between the Bank and Kodiak Island Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of September 1, 2011; (iii) the agreement by and between the Bank and Kodiak Island Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2013; (iv) the agreement by and between the Bank and Kodiak Island Borough, to be dated the date of sale of the

2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of February 1, 2014; (v) the agreement by and between the Bank and Kodiak Island Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of June 1, 2013; and (vi) the agreement by and between the Bank and Kodiak Island Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of December 1, 2004, as amended by the amendatory loan agreement entered into by the parties, dated as of May 1, 2012;

(f) the agreement by and between the Bank and Lake and Peninsula Borough, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of November 1, 2013;

(g) the agreement by and between the Bank and Sand Point, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2013;

(h) the agreement by and between the Bank and Seward, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of September 1, 2013; and

(i) (i) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the Bank and Sitka, dated as of May 1, 2011; (ii) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of February 1, 2004, as amended by the amendatory loan agreement entered into by the parties, dated as of May 1, 2012; (iii) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of May 1, 2005, as amended by the amendatory loan agreement entered into by the parties, dated as of May 1, 2012; (iv) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2013; (v) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of March 1, 2013; (vi) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of November 1, 2013; and (vii) the agreement by and between the Bank and Sitka, to be dated the date of sale of the 2020 Bonds, amending certain terms of the loan agreement entered into by the parties, dated as of October 1, 2014.

(41) "2020 Bond Credit Enhancement" shall mean a Credit Enhancement, if any, issued by a 2020 Bond Insurer on the date of issuance of the 2020 Bonds for the purpose of further securing the payment of the principal of and interest on all or a portion of one or more series of 2020 Bonds.

(42) "2020 Bond Insurer" shall mean a monoline insurance company, if any, selected by the Chairman or the Executive Director to provide a 2020 Bond Credit Enhancement to further secure the payment of the principal of and interest on all or a portion of the one or more series of 2020 Bonds.

(43) "2020 Bonds" shall mean the Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series Two and such other Series of Bonds authorized in Article II hereof.

(44) "2020 Reserve Fund Credit Enhancement" shall mean the Credit Enhancement, if any, issued by a Surety Bond Issuer on the date of issuance of the 2020 Bonds for the purpose of satisfying a portion of the Reserve Fund Requirement.

(45) "2020 Reserve Fund Credit Enhancement Agreement" shall mean if a 2020 Reserve Fund Credit Enhancement is obtained, a reimbursement agreement relating to a letter of credit, a policy from a monoline insurance company or an agreement with the State or with any department, political subdivision or agency thereof, credited to the Reserve Fund to satisfy all or a portion of the Reserve Fund Requirement, approved by the Authorized Officer in accordance with the provisions of Section 302 hereof.

(46) "2020 Series Two Debt Service Account" shall mean the debt service account of that name established pursuant to Section 503 hereof.

ARTICLE II
AUTHORIZATION OF 2020 BONDS

Section 201 – Principal Amount, Designation and Series.

Pursuant to the provisions of the Resolution, a Series of Bonds designated as "Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series Two" is hereby authorized to be issued in an aggregate principal amount not to exceed $271,425,000. The Chairman or the Executive Director, in consultation with the Bank's Financial Advisor, shall determine the number of series and the series names and designations and the aggregate principal amount of the 2020 Bonds of each series, provided that the aggregate principal amount of all 2020 Bonds issued pursuant to this 2020 Series Resolution does not exceed $271,425,000.

The Chairman or the Executive Director is authorized hereby to change the designations of the 2020 Bonds, and/or to establish additional series of 2020 Bonds, and/or to consolidate the 2020 Bonds into fewer series, and to determine designations thereof.

Section 202 – Purposes of the 2020 Bonds.

The purposes for which the 2020 Bonds are being issued are (i) to make Loans to the Governmental Units to the extent and in the manner provided in Article III, including in the case of the Refunding Portion, to refund the portions of the outstanding Refunded Bonds that the Chairman or the Executive Director designates to be refunded pursuant to Section 304 hereof; (ii) to make a deposit to the Reserve Fund, if necessary, as provided in Section 302 hereof; and (iii) to finance costs of issuing the 2020 Bonds.

Section 203 – Date, Maturities and Interest Rates.

The 2020 Bonds shall be dated the date the 2020 Bonds are delivered to the Underwriters, subject to the terms and conditions set forth in this 2020 Series Resolution and in the applicable Bond Purchase Agreement or Notice of Sale. Subject to adjustment as provided for in this Section 203, the 2020 Bonds shall mature, or have Sinking Fund Installments due, on the date(s) in each of the years and in the principal amounts to be set forth in the Notice of Sale in the case of a competitive sale or in the Bond Purchase Agreement in the case of a negotiated sale.

The number of series of 2020 Bonds, the names and designations of, the aggregate principal amount of, the principal amount of each maturity, the amount of each Sinking Fund Installment, if any, and the maturity dates, Sinking Fund Installment dates, interest rates and payment dates of the 2020 Bonds shall be fixed and determined by the Chairman or by the Executive Director at the time the Approved Bid is accepted, in the case of a competitive sale, or at the time a Bond Purchase Agreement is executed and delivered, in the case of a negotiated sale, pursuant to Section 210 hereof, but subject to the limitations set forth in Sections 201 and 210 hereof.

Section 204 – Interest Payments.

The 2020 Bonds shall bear interest from their date of delivery to the Underwriters, payable on such date or dates as may be fixed and determined by the Chairman or the Executive Director at the time the Approved Bid is accepted, in the case of a competitive sale, or at the time a Bond Purchase Agreement is signed, in the case of a negotiated sale). Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months.

Section 205 – Denominations, Numbers and Other Designation.

The 2020 Bonds shall be issued in registered form in the denomination of $5,000 or any integral multiple thereof within a maturity and interest rate, not exceeding the aggregate principal amount of the 2020 Bonds authorized herein. The 2020 Bonds shall be numbered serially with any additional designation that the Chairman or the Executive Director deems appropriate.

Section 206 – Securities Depository.

(1) The 2020 Bonds shall be registered initially in the name of "Cede & Co.," as nominee of DTC, and shall be issued initially in the form of a single bond for each maturity and interest rate, in the aggregate principal amount for such maturity and interest rate. Transfers of ownership of the 2020 Bonds or any portions thereof, may not thereafter be registered except transfers (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository or such substitute depository's successor; or (iii) to any person as provided in paragraph (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Bank that it is no longer in the best interest of Beneficial Owners to continue the system of book-entry transfers through DTC or its successors (or any substitute depository or its successor), the Bank may appoint a substitute depository or provide that 2020 Bonds no longer be held by a depository and instead be held as provided in paragraph (4). Any substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (i) or (ii) of paragraph (1) above, the Trustee shall, upon receipt of all Outstanding 2020 Bonds, together with a written request of an Authorized Officer and a supply of new 2020 Bonds, authenticate a single new 2020 Bond for the Outstanding 2020 Bonds for each maturity and interest rate, registered in the name of such successor or such substitute depository, or its nominee, as the case may be, all as specified in such written request.

(4) In the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Bank determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the ownership of 2020 Bonds may then be transferred to any person or entity as provided in the Resolution and the 2020 Bonds shall no longer be held in book-entry form. An Authorized Officer shall deliver a written request to the Trustee to authenticate 2020 Bonds as provided in the Resolution in any authorized denomination, together with a supply of definitive Bonds. Upon receipt of all then Outstanding 2020 Bonds by the Trustee, together with a written request of an Authorized Officer to the Trustee, new 2020 Bonds shall be issued and authenticated in such denominations and registered in the names of such persons as are requested in such written request.

(5) For so long as the 2020 Bonds are held in book-entry form under this Section, the Bank and the Trustee may treat DTC (or its nominee) or any substitute depository (or its

nominee) as the sole and exclusive registered owner of the 2020 Bonds registered in its name for the purposes of payment of principal or Redemption Price of and interest on such 2020 Bonds, selecting such 2020 Bonds, or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Resolution (except as otherwise provided pursuant to Section 508 hereof), registering the transfer of such 2020 Bonds and obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Bank nor the Trustee shall be affected by any notice to the contrary. Neither the Bank nor the Trustee shall have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the 2020 Bonds under or through DTC or any DTC Participant, or any other person not shown on the registration books of the Trustee as being a registered owner, with respect to the accuracy of any records maintained by DTC or any DTC Participant (or by any substitute depository or participant); the payment by DTC or any DTC Participant (or by any substitute depository or participant) of any amount in respect of the principal or Redemption Price of or interest on the 2020 Bonds, any notice that is permitted or required to be given to Bondholders under the Resolution, the selection by DTC or any DTC Participant (or by any substitute depository or participant) of any person to receive payment in the event of a partial redemption of the 2020 Bonds, or any consent given or other action taken by DTC as Bondholder. The Trustee shall pay from money available under the Resolution all principal and Redemption Price of and interest on the 2020 Bonds only to or upon the order of DTC of the 2020 Bonds are then requested to DTC or its nominee, and all such payments shall be valid and effective to fully satisfy and discharge the Bank's obligations with respect to the principal or Redemption Price of and interest on the 2020 Bonds to the extent of the sum or sums so paid.

(6) In connection with any proposed transfer outside the book-entry system, prior to or in conjunction with the issuance of certificated 2020 Bonds the Bondholder (including, without limitation, DTC) shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Bank acknowledges such tax reporting obligations and, if necessary, and at the written request of the Trustee, shall provide such information to the Trustee, to the extent that such information is in the Bank's possession. Any transferor of the 2020 Bonds (to the extent not within the book-entry system) shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 207 – Places and Manner of Payment.

For so long as all Outstanding 2020 Bonds are registered in the name of Cede & Co. or its registered assigns, payment of principal and interest thereon shall be made as provided in the Letter of Representations and the operational arrangements referred to therein as amended from time to time. In the event that the 2020 Bonds are no longer registered in the name of Cede & Co. or its registered assigns or to a successor securities depository, (i) payment of interest on the 2020 Bonds will be made by check or draft mailed by first class mail to the registered owner, at the address appearing on the Record Date on the bond register of the Bank kept at the corporate trust office of the Trustee, or, upon the written request of a registered owner of at least $1,000,000 in principal amount of 2020 Bonds received at least fifteen (15) days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal of the 2020 Bonds will be payable at the corporate trust office of the Trustee upon surrender of the 2020 Bonds representing such principal. Both principal of and interest on the 2020 Bonds are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

Section 208 – Optional Redemption.

(a) The Chairman and the Executive Director are, and each of them is, hereby authorized to determine the optional redemption provisions, if any, for the 2020 Bonds, and such provisions shall be included in the applicable Notice of Sale and Approved Bid, in the case of a competitive sale, or in the Bond Purchase Agreement, in the case of a negotiated sale, and in the form of the 2020 Bonds.

(b) Unless otherwise determined by the Chairman or Executive Director by the time the Approved Bid is accepted or the Bond Purchase Agreement is executed, as applicable, notice of optional redemption shall be given at least 20 days, and not more than 60 days, prior to the date fixed for redemption of the 2020 Bonds to be redeemed and in addition to the requirements of Section 402(A)(1) through (5) and of Section 402(A)(7) of the Resolution, such notice of optional redemption shall state that it is a conditional notice and that on the date fixed for redemption, provided that moneys sufficient to redeem the 2020 Bonds specified in such notice are on deposit with the Trustee, the redemption price will become due and payable and interest thereon will cease to accrue from and after said date.

Section 209 – Mandatory Redemption.

The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the mandatory redemption provisions, if any, for the 2020 Bonds that are term bonds, and such provisions shall be included in the applicable Notice of Sale and in the applicable Approved Bid, in the case of a competitive sale, or in the Bond Purchase Agreement, in the case of a negotiated sale, and in 2020 Bonds of such maturity.

Unless otherwise determined by the Chairman or Executive Director by the time the Approved Bid is accepted or the Bond Purchase Agreement is executed, as applicable, notice of mandatory redemption shall be given at least 20 days, and not more than 60 days, prior to the date fixed for redemption of the 2020 to be redeemed.

Section 210 – Sale of 2020 Bonds.

(a) The 2020 Bonds shall be sold to the Underwriters at competitive sale pursuant to the terms of the Notice of Sale, in the case of a competitive sale, or pursuant to the terms of a Bond Purchase Agreement, in the case of a negotiated sale, as determined by the Executive Director or the Chairman after consulting with the Financial Advisor. The Chairman and the Executive Director are, and each of them is, hereby authorized to (i) amend or supplement the Notice of Sale and to approve and accept an Approved Bid, in the case of a competitive sale, and in the case of a negotiated sale, to approve and execute and deliver a Bond Purchase Agreement, in each case with terms consistent with the provisions of this 2020 Series Resolution; (ii) determine the number of series of 2020 Bonds, and the name and designation of each such series, and for each series of 2020 Bonds, the dated date and the delivery date, the aggregate principal amount, the principal amount of Bonds of each series, maturity and interest rate, the purchase price, the maturity and the interest payment dates and the redemption provisions and interest rate(s); (iii) to designate, pursuant to Section 304 hereof, the Refunded Bonds, if any, to be refunded with proceeds of the 2020 Bonds; provided, however, that (A) the aggregate principal amount of the 2020 Bonds shall not exceed $271,425,000; and (B) the true interest cost on the 2020 Bonds shall not exceed 4.5 percent. Prior to acceptance of the Approved Bid, in the case of a competitive sale, or in the case of a negotiated sale, prior to the execution and delivery of a Bond Purchase Agreement, the Chairman or the Executive Director, with the assistance of the Financial Advisor, shall take into account those factors that, in their judgment, will result in the lowest true interest cost of the 2020 Bonds of each series.

(b) The authority granted to the Chairman and the Executive Director under this Section 210 shall expire one hundred twenty (120) days after the date of adoption of this 2020 Series Resolution.

Section 211 – Notice of Sale; Preliminary Official Statement and Official Statement.

The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the final form of, and the distribution in electronic form to prospective purchasers and other interested persons of, the Notice of Sale, in the case of a competitive sale, and the preliminary official statement for the 2020 Bonds of one or more series (including any supplements and amendments thereto prior to acceptance of the Approved Bid and/or the execution and delivery of the Bond Purchase Agreement, the "Preliminary Official Statement"), each substantially in the form submitted to the Board prior to the date the Preliminary Official Statement is approved, with such changes as the Chairman or the Executive Director deems advisable. The distribution of the Notice of Sale (in the case of a competitive sale) and the Preliminary Official Statement is hereby authorized, ratified and approved. The Chairman and the Executive Director are hereby further authorized to approve and execute the final official statement for the 2020 Bonds of one or more series (the "Official Statement") substantially in the form of the Preliminary Official Statement with the addition of pricing information and such changes therein from the Preliminary Official Statement as the Chairman or the Executive Director deems advisable, and to approve and authorize the distribution of the final Official Statement in electronic and printed form.

There is hereby delegated to the Chairman or the Executive Director the authority to "deem final" the Preliminary Official Statement on behalf of the Bank for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

ARTICLE III
DISPOSITION OF BOND PROCEEDS

Section 301 – Disposition of Proceeds for Loan and Refunding Purposes.

(a) Subject to Section 304 hereof, the Refunding Portion of the proceeds of the 2020 Bonds shall be used to purchase direct, non-callable obligations of the United States of America, the principal of and the interest on which when due will provide moneys that, together with cash, if any, then held by the Escrow Agent for such purpose, shall be sufficient and available to pay when due the principal of the Refunded Bonds, and the interest to become due on such Refunded Bonds prior to and on the first maturity or optional redemption date, as applicable; provided, however, that such amounts shall be applied only with respect to the portions of the Bonds of the series and maturities that the Executive Director and/or the Chairman designates to be Refunded Bonds pursuant to Section 304 hereof.

(b) Upon the delivery of the 2020 Bonds, the Bank shall apply, in accordance with Article V of the Resolution, the New-Money Portion of the proceeds derived from the sale of the 2020 Bonds (i) to make a Loan to the Sitka, in an aggregate principal amount not to exceed $7,000,000, to finance a portion of the costs of refinancing all or a portion of the AEA Loan and to pay costs of issuance; (ii) to satisfy the Reserve Fund Requirement as provided in Section 302 hereof; and (iii) to finance costs of issuance of the 2020 Bonds.

Section 302 – Reserve Fund Deposit; Credit Enhancement.

(a) On or before the date of sale of the 2020 Bonds, but subject to Section 201 hereof, the Chairman or the Executive Director shall determine whether an additional deposit to the Reserve Fund is required and if so, whether it is in the best interest of the Bank to use (1) available cash, (2) a portion of the proceeds received from the sale of the 2020 Bonds, (3) a 2020 Reserve Fund Credit Enhancement or (4) a combination of cash, proceeds from the sale of the 2020 Bonds and/or a 2020 Reserve Fund Credit Enhancement, to satisfy the Reserve Fund Requirement upon delivery of the 2020 Bonds, and shall cause such deposits and/or purchase to be made on or before the date of delivery of the 2020 Bonds.

(b) In the event a deposit to the Reserve Fund is required to satisfy the portion of the Reserve Fund Requirement related to the 2020 Bonds, the Chairman and the Executive Director are each hereby authorized to determine whether to satisfy such requirement by depositing with the Trustee a 2020 Reserve Fund Credit Enhancement in the form of a debt service reserve surety bond; to select a Surety Bond Issuer and purchase such 2020 Reserve Fund Credit Enhancement; and to negotiate, approve, execute and deliver a 2020 Reserve Fund Credit Enhancement Agreement in form and with terms that comply with the requirements of the Resolution and that, in the Chairman's or Executive Director's judgment after consulting with the Bank's Financial Advisor, are advisable and in the best interest of the Bank.

(c) The Governmental Units' responsibility for paying, or for reimbursing the Bank for, the payment of any costs of providing and maintaining the Reserve Fund Requirement and the application (or the method for determining the application) of any moneys in excess of the Reserve Fund Requirement shall be determined by the Executive Director and set forth in each Loan Agreement and/or Amendatory Loan Agreement, as applicable, authorized in Section 507 hereof.

(d) The Chairman and the Executive Director are each hereby authorized to determine whether purchasing a 2020 Bond Credit Enhancement for any of the 2020 Bonds is in the best interest of the Bank and if so, to solicit commitments for such 2020 Bond Credit Enhancement with respect to payment of the interest on and principal of all or a portion of the 2020 Bonds and thereafter to accept one or more such commitments that are in the best interest of the Bank, to purchase such 2020 Bond Credit Enhancement, and to negotiate, approve, execute and deliver a 2020 Bond Credit Enhancement Agreement in form and with terms that comply with the requirements of the Resolution and that, in the Chairman's or Executive Director's judgment after consulting with the Bank's Financial Advisor, are advisable and in the best interest of the Bank.

Section 303 – Disposition of Remainder of Bond Proceeds.

The balance of the proceeds received from the sale of the New-Money Portion of the 2020 Bonds, including any premium received over the principal amount of the 2020 Bonds, after deducting the amounts to be paid for costs of issuing the 2020 Bonds, amounts, if any, necessary to ensure the deposit to the Reserve Fund equals the Required Debt Service Reserve, and after deducting the amount allocable to the Reserve Obligations, if any, which amount shall be deposited in the Reserve Fund, shall be deposited with the Governmental Units and applied towards costs of issuance and debt service payments due and owing on their respective Municipal Bonds (as such term is defined in the related Loan Agreements or 2020 Amendatory Loan Agreements) or such other permitted purpose, including costs of the projects financed or refinanced with proceeds of the New-Money Portion of the 2020 Bonds.

Section 304 – Designation of Refunded Bonds.

The Chairman and the Executive Director are, and each of them is, hereby authorized to determine, after consulting with the Financial Advisor, whether any of the following shall be refunded, eliminating from the category of Refunded Bonds loan obligations corresponding to municipal bonds whose terms have not been amended by the Governmental Unit to conform to the terms of the refunding authorized by this 2020 Series Resolution as of the date of delivery of the 2020 Bonds:

(a) the 2011 Series One Bonds, maturing on March 1, 2026 and March 1, 2031;

(b) the 2011 Series Two Bonds, maturing on April 1, 2022 through April 1, 2025 and April 1, 2027 through April 1, 2031;

(c) the 2011 Series Three Bonds, maturing on September 1, 2022 through September 1, 2026, September 1, 2031 and September 1, 2036;

(d) the 2012 Series Two Bonds, maturing on September 1, 2022 through September 1, 2029 and September 1, 2031;

(e) the 2013 Series One Bonds, maturing on February 1, 2024 through February 1, 2033, February 1, 2035, February 1, 2038, February 1, 2043 and February 1, 2047;

(f) the 2013 Series Three Bonds, maturing on August 1, 2024 through August 1, 2033, August 1, 2035, August 1, 2036, August 1, 2042 and August 1, 2048;

(g) the 2013A Series Two Bonds, maturing on June 1, 2024 through June 1, 2033;

(h) the 2013B Series Two Bonds, maturing on June 1, 2024 and June 1, 2030 through June 1, 2033;

(i) the 2014A Series One Bonds, maturing on March 1, 2025 through March 1, 2031, March 1, 2033 through March 1, 2035 and March 1, 2039;

(j) the 2014 Series Three Bonds, maturing on October 1, 2025 through October 1, 2034, October 1, 2039 and October 1, 2044; and

(k) the 2015B Series Two Bonds, maturing on March 1, 2026 through March 1, 2029 and March 1, 2034.

<u>Section 305 – Escrow Agreement(s).</u>

The Chairman and Executive Director are, and each of them is, hereby authorized and directed to enter into one or more Escrow Agreements with the Escrow Agent providing for the use and disposition of moneys, if any, and direct, non-callable obligations of the United States of America for the purpose set forth in Section 301(b) hereof.

Section 306 – Election for Redemption of Refunded Bonds.

The Chairman and Executive Director are, and each of them is, hereby authorized to provide irrevocable instructions to the trustee of the Refunded Bonds to redeem such bonds, designated to be Refunded Bonds pursuant to Section 304 hereof, on the first available optional redemption date in accordance with the terms of the respective authorizing resolutions for the Refunded Bonds and as set forth in the applicable Escrow Agreement.

ARTICLE IV
EXECUTION AND FORM OF 2020 BONDS

Section 401 – Execution and Form of 2020 Bonds.

The 2020 Bonds shall be executed in the manner set forth in Section 303 of the Resolution. Subject to the provisions of the Resolution, the 2020 Bonds, and the Trustee's certificate of authentication, shall be of substantially the following form and tenor:

ALASKA MUNICIPAL BOND BANK
GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES TWO

INTEREST RATE:	MATURITY DATE:	CUSIP NO.:
_____%	[__________ 1, 20__]	_____

Registered Owner: CEDE & Co.

Principal Amount: ________________ and No/100 Dollars

Alaska Municipal Bond Bank (herein called the "Bank"), a public body corporate and politic, constituted as an instrumentality of the State of Alaska, organized and existing under and pursuant to the laws of the State of Alaska, acknowledges itself indebted to, and for value received, hereby promises to pay to CEDE & CO. or registered assigns, the principal sum specified above on the Maturity Date specified above, and to pay to the registered owner hereof interest on such principal sum from the date hereof to the date of maturity of this Bond at the rate per annum specified above, payable on each [__________ 1] and [__________ 1], commencing [__________ 1, 2020]. For so long as this Bond is held in book-entry form, payment of principal and interest shall be made by wire transfer to the registered owner pursuant to written instructions furnished to The Bank of New York Mellon Trust Company, N.A., in San Francisco, California, as trustee under the General Bond Resolution of the Bank, adopted July 13, 2005, as amended (herein called the "Resolution"), or its successor or assigns as trustee (herein called the "Trustee"). In the event this Bond is no longer held in book-entry form, (i) payment of interest will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the bond register of the Bank kept by the Trustee, or, upon the written request of a registered owner of at least $1,000,000 in principal amount of 2020 Series Two Bonds received at least 15 days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal will be payable upon presentation and surrender hereof at the corporate trust office of the Trustee. Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months. Both principal of and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is a general obligation of the Bank and is one of a duly authorized issue of Bonds of the Bank designated "Alaska Municipal Bond Bank General Obligation and Refunding Bonds" (herein called the "Bonds"), issued and to be issued in various series under and pursuant to the Alaska Municipal Bond Bank Act, constituting Chapter 85, Title 44, of the Alaska Statutes (herein called the "Act"), and under and pursuant to the Resolution and a series resolution authorizing each such series. As provided in the Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and, subject to the provisions thereof, may otherwise vary. The aggregate principal amount of Bonds that may be issued under the Resolution is not limited except as provided in the Resolution, the applicable Series Resolution, and the Act, and all Bonds issued and to be issued under said Resolution are and will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution and the applicable Series Resolution.

The Bank is obligated to pay the principal of and premium, if any, and interest on the Bonds, including this Bond, only from the revenues or funds of the Bank pledged under the Resolutions (as defined below), and the State of Alaska is not obligated to pay the principal or premium, if any, or interest on the Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged to the payment of the principal, premium, if any, or interest on the Bonds, including this Bond. The Bank has no taxing power.

This Bond is one of a series of Bonds (the "2020 Series Two Bonds") issued in the aggregate principal amount of $__________ under the Resolution of the Bank and a series resolution of the Bank, adopted on April 29, 2020, and entitled "A Series Resolution Authorizing the Issuance of General Obligation and Refunding Bonds, 2020 Series Two of the Alaska Municipal Bond Bank" (said resolutions being herein collectively called the "Resolutions").

Copies of the Resolutions are on file at the office of the Bank and at the corporate trust office of the Trustee, and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2020 Series Two Bonds; the nature, extent and manner of enforcement of such pledges; the rights and remedies of the registered owners of the 2020 Series Two Bonds with respect thereto; and the terms and conditions upon which the Bonds are issued and may be issued thereunder; to all of the provisions of which the registered owner of this Bond, by acceptance of this Bond, consents and agrees. To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto may be modified or amended by the Bank, with the written consent of the registered owners of at least two-thirds in principal amount of the Bonds then outstanding and, in case less than all of the several Series of Bonds would be affected thereby, with such consent of the registered owners of at least two-thirds in principal amount of the Bonds of each series so affected then outstanding.

The 2020 Series Two Bonds are subject to redemption prior to their respective scheduled maturities as set forth below.

The 2020 Series Two Bonds maturing on or after [__________] 1, 20__, are subject to redemption, in whole or in part, on or after _________ 1, 20__, at the option of the Bank at a redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

[Unless previously redeemed pursuant to the foregoing optional redemption provisions or purchased for cancellation, the 2020 Series Two Bonds maturing on [__________] 1, 20__ (the "Term Bonds") are subject to mandatory redemption on [__________] 1 of the following years and in the following principal amounts at a redemption price equal to 100% of the principal amount of the 2020 Series Two Bonds to be redeemed plus accrued interest, if any, to the date fixed for redemption.**]**

Term Bonds Due [__________] 1, 20__

Year	Sinking Fund Requirement

Notice of redemption (which in the case of optional redemption shall be a conditional notice) will be mailed to registered owners of 2020 Series Two Bonds called for redemption not less than 20 days or more than 60 days before the date fixed for redemption. Except as provided in the Resolutions, interest on any 2020 Series Two Bonds called for redemption will cease on the date fixed for redemption.

This Bond is transferable, as provided in the Resolutions, only upon the books of the Bank kept for that purpose at the corporate trust office of the Trustee, by the registered owner hereof in person or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new registered 2020 Series Two Bond or Bonds in the same aggregate principal amount and of the same maturity, in authorized denominations, shall be issued to the transferee in exchange therefor as provided in the Resolutions and upon the payment of the charges, if any, therein prescribed.

The 2020 Series Two Bonds are issuable in the denomination of $5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of 2020 Series Two Bonds maturing in the year of maturity of the Bond for which the denomination of the Bond is to be specified. Subject to such conditions and upon payment of such charges, if any, 2020 Series Two Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or its attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered 2020 Series Two Bonds of any other authorized denominations, of the same maturity.

This Bond is fully negotiable for all purposes of the Uniform Commercial Code, and each owner of this Bond by accepting this Bond shall be conclusively considered to have agreed that this Bond is fully negotiable for those purposes.

The obligations of the Bank contained in the Resolutions and in this 2020 Series Two Bond are the obligations of the Bank and not of any member, director, officer or employee of the

Bank, and no recourse shall be had for the payment of the principal or redemption price or interest on this bond or for any claim hereon or on the Resolutions against any member, director, officer or employee of the Bank or any natural person executing the 2020 Series Two Bonds.

This Bond shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

The Bank modified the Resolution, effective on the date when all Bonds issued prior to February 19, 2013 cease to be Outstanding, by: (i) authorizing the Trustee to release to the Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve; (ii) requiring the Trustee to withdraw earnings and profits realized in the Reserve Fund, and to provide such amounts to the Bank on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve; (iii) authorizing certain amendments and modifications to the Resolution effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding; and (iv) providing that an underwriter or purchaser of a Series of Bonds may consent to a modification of, or amendment to, the Resolution as Holder of such Bonds at the time such Bonds are issued.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of Alaska and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 2020 Series Two Bonds, together with all other indebtedness of the Bank, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the Alaska Municipal Bond Bank has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Executive Director all as of the _____ day of ________ 2020.

ALASKA MUNICIPAL BOND BANK

[S E A L]

____

LUKE WELLES
Chairman

A T T E S T:

____

DEVEN J. MITCHELL
Executive Director

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 2020 Series Two Bonds of the Alaska Municipal Bond Bank.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Date of Authentication:

______________________________ ______________________________________
Authorized Officer

****

ARTICLE V
MISCELLANEOUS

Section 501 – Paying Agent.

The Bank of New York Mellon Trust Company, N.A., or its successor or assigns, is appointed paying agent for the 2020 Bonds.

Section 502 – Arbitrage Rebate.

If any of the 2020 Bonds are issued on a tax-exempt basis, except as otherwise provided in the Bank's tax certificate, within 30 days after the end of every fifth Bond Year and within 60 days after the date on which all of the 2020 Bonds issued on a tax-exempt basis have been retired (and/or at such other times as may be required by the Code and applicable Income Tax Regulations), the Bank shall determine the Excess Investment Earnings and shall pay rebate amounts due to the United States of America as provided in Section 148(f) of the Code related to such 2020 Bonds issued on a tax-exempt basis.

Section 503 – 2020 Series Two Debt Service Accounts.

There is hereby established as a special account in the Debt Service Fund the "2020 Series Two Debt Service Account," for the purpose of receiving amounts in the Debt Service Fund allocable to the 2020 Bonds; provided, that if so determined by the Chairman or Executive Director, separate debt service accounts for any additional series of 2020 Bonds are hereby authorized to be established. Such amounts and the earnings thereon shall be deposited and held, and separately accounted for, in the 2020 Series Two Debt Service Account.

Section 504 – Tax Exemption and General Tax Covenant.

The Bank intends that interest on any 2020 Bonds issued on a tax-exempt basis shall be excludable from gross income for federal income tax purposes pursuant to Section 103 and 141 through 150 of the Code, and the applicable regulations. If any 2020 Bonds are issued as tax-exempt bonds, the Bank covenants not to take any action, or knowingly omit to take any action within its control, that if taken or omitted would cause the interest on such 2020 Bonds issued on a tax-exempt basis to be included in gross income, as defined in Section 61 of the Code, for federal income tax purposes.

Section 505 – Arbitrage Covenant.

If any 2020 Bonds are issued on a tax-exempt basis, the Bank shall make no use or investment of the gross proceeds of such 2020 Bonds issued on a tax-exempt basis which will cause such 2020 Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code. The Bank hereby covenants that so long as any of the 2020 Bonds issued on a tax-exempt basis are outstanding, the Bank, with respect to the gross proceeds of such 2020 Bonds, shall comply with all requirements of said Section 148 and of all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.

Section 506 – Resolution Clarification.

It shall hereby be clarified that the Resolution, at Section 919, shall only apply to Bonds issued on a tax-exempt basis.

Section 507 – Loan Agreements and 2020 Amendatory Loan Agreements.

The Chairman and the Executive Director are each hereby authorized to execute the Loan Agreements and the 2020 Amendatory Loan Agreements between the Bank and the Governmental Units referred to therein, each in a form substantially similar to the applicable forms attached hereto as Appendix C and submitted to and part of the records of the meeting on April 29, 2020, with such changes as the Chairman or the Executive Director shall deem advisable.

Section 508 – Continuing Disclosure.

The Bank hereby covenants and agrees that it will execute and deliver and will comply with and carry out all of the provisions of the form of Continuing Disclosure Certificate, the proposed form of which is attached hereto as Appendix B with such changes as the Chairman or the Executive Director shall deem advisable and in the best interest of the Bank. Notwithstanding any other provision of this 2020 Series Resolution, failure of the Bank to comply with the Continuing Disclosure Certificate shall not be a default of the Bank's obligations under this 2020 Series Resolution, the Resolution or the 2020 Bonds; however, the Beneficial Owner of any 2020 Bond may bring an action for specific performance, to cause the Bank to comply with its obligations under the Continuing Disclosure Certificate and this Section.

Section 509 – Chairman and Executive Director.

The Chairman and the Executive Director are, and each is, hereby authorized to execute all documents and to take any action necessary or desirable to carry out the provisions of this 2020 Series Resolution and to effectuate the issuance, delivery and management of the 2020 Bonds, including acceptance of the Approved Bid, or the approval and execution and delivery of one or more of the Bond Purchase Agreements, for the 2020 Bonds of one or more series, and all prior actions taken to effectuate and in connection with the provisions of this 2020 Series Resolution and the issuance and delivery of the 2020 Bonds are hereby ratified and confirmed. The authority and ratification granted in this Section 509 to the Chairman and the Executive Director includes authorization to determine the manner of sale and authorization to solicit commitments for a policy of insurance with respect to payment of the interest on and principal of all or a portion of the 2020 Bonds and/or a surety policy and thereafter to accept such commitment which is in the best interest of the Bank and enter into such agreement with the bond insurer as shall be in the best interests of the Bank.

Section 510 – Effective Date.

This 2020 Resolution shall take effect immediately on the date hereof (April 29, 2020).

APPENDIX A

BLANKET ISSUER LETTER OF REPRESENTATIONS

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

Alaska Municipal Bond Bank

(Name of Issuer and Co-Issuer(s), if applicable)

April 15, 2019

(Date)

The Depository Trust Company
18301 Bermuda Green Drive
Tampa, FL 33647
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: **(Note: Issuer shall represent one and cross out the other.)**

~~[incorporated in]~~ [formed under the laws of] the State of Alaska.

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:
Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

Alaska Municipal Bond Bank
(Issuer)

By: [signature]
(Authorized Officer's Signature)

Deven Mitchell, Executive Director
(Print Name)

333 Willoughby Avenue, 11th Floor
(Street Address)

Juneau, Alaska USA 99811
(City) (State) (Country) (Zip Code)

(907) 465-2388
(Phone Number)

deven.mitchell@alaska.gov
(E-mail)

DTCC

Address)

BLOR 06-2013

APPENDIX B

FORM OF CONTINUING DISCLOSURE CERTIFICATE

The Alaska Municipal Bond Bank (the "Issuer") executes and delivers this Continuing Disclosure Certificate (the "Disclosure Certificate") in connection with the issuance of $__________ Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series Two (the "Bonds"). The Bonds are being issued under the General Bond Resolution of the Issuer entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted July 13, 2005, as amended on August 19, 2009 (the "General Bond Resolution"), and Series Resolution No. 2020-02 adopted on April 29, 2020 (the "Series Resolution," and together with the General Bond Resolution, the "Resolutions"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Issuer is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, 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" means any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 of this Disclosure Certificate.

"Financial Obligation" shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access ("EMMA") website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" means the final official statement dated __________ __, 2020 relating to the Bonds.

"Participating Underwriter" means any of the original underwriters of the Bonds of one or more series required to comply with the Rule in connection with the offering of the Bonds of one or more series.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Annual Report for Fiscal Year ending June 30, 2020, the Issuer will provide to the MSRB, in a format as prescribed by the Rule:

(a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference: (i) annual audited financial statements of the Issuer; (ii) a statement of authorized, issued and outstanding bonded debt of the Issuer; (iii) the Reserve Fund balance; and (iv) financial and operating data of Governmental Units that had an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution of the type included in the Official Statement, if any, as of the end of the prior Fiscal Year. Any or all of these items may be included by specific reference to documents available to the public or the internet website of the MSRB or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements may be submitted separately from the remainder of the Annual Report.

(b) Not later than 120 days after the end of each Fiscal Year, the Issuer will notify each Governmental Unit, that had, as of the end of such Fiscal Year, an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution, of its continuing disclosure undertaking responsibility. A list of such Governmental Units for the prior Fiscal Year will be included in the Annual Report. The Issuer undertakes no responsibility and shall incur no liability whatsoever to any person, including any holder or beneficial owner of the Bonds, in respect of any obligations or reports, notices or disclosures provided or required to be provided by such Governmental Unit under its continuing disclosure agreement.

Section 4. Notice of Failure to Provide Information. The Issuer shall provide in a timely manner to the MSRB notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Reporting of Significant Events. (a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds of one or more series, within ten (10) business days of the occurrence of such event:

(1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or the issuance by the Internal Revenue Service ("IRS") of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB).

(6) Defeasances.

(7) Rating changes.

(8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar event of the Issuer.[1]

(10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds of one or more series, within ten (10) business days of the occurrence of such event, if material:

(1) Unless described in Section 5(a)(5), other notices or determinations by the IRS with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds.

(2) Nonpayment-related defaults.

(3) Modifications to rights of holders of the Bonds.

(4) Bond calls.

(5) Release, substitution or sale of property securing repayment of the Bonds.

(6) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an

[1] Note: for the purposes of the event identified in subparagraph 5(a)(9), the 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 governmental 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.

action, or a termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(7) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

(8) Incurrence of a Financial Obligation of the Issuer, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Bonds.

Section 6. 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.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is 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 the Issuer;

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances;

(c) The Issuer obtains an opinion of counsel unaffiliated with the Issuer that the amendment does not materially impair the interests of the Beneficial Owners of the Bonds; and

(d) The Issuer notifies and provides the MSRB with copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 8. Filing. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at http://www.emma.msrb.org, or in such other manner as may be permitted from time to time by the Securities Exchange Commission.

Section 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Issuer to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and 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 specific performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATED this ___ day of _______ 2020.

ALASKA MUNICIPAL BOND BANK

____

DEVEN J. MITCHELL
Executive Director

APPENDIX C

FORM OF

<u>LOAN AGREEMENT</u>

THIS LOAN AGREEMENT, dated as of the ___ day of ____________ 20__ (the “Loan Agreement”), between the Alaska Municipal Bond Bank (the “Bank”), a body corporate and politic constituted as an instrumentality of the State of Alaska (the “State”) exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the “Act”), having its principal place of business at Juneau, Alaska, and the [City] [Borough], Alaska, a duly constituted ____________ [City] [Borough] of the State (the “[City] [Borough]”):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and make loans of money (the “Loan” or “Loans”) to governmental units; and

WHEREAS, the [City] [Borough] is a “Governmental Unit” as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, the [City] [Borough] desires to borrow money from the Bank in the amount not to exceed $________ and has submitted an application to the Bank for a Loan in the amount not to exceed $________; and

WHEREAS, the [City] [Borough] has duly authorized the issuance of its fully registered bond in the principal amount of $________ (the “Municipal Bond”), which Municipal Bond is to be purchased by the Bank as evidence of and security for the [City’s] [Borough’s] obligation to repay the Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the [City] [Borough] contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make and/or refinance Loans, the Board of Directors of the Bank (the “Board”) has adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the “General Bond Resolution”); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, on April 29, 2020, the Board adopted Series Resolution No. 2020-02 (the “Series Resolution” and together with the General Bond Resolution, the “Bond Resolution”), authorizing the Bank to, among other things, issue the Bank's General Obligation and Refunding Bonds, 2020 Series Two Bonds (the "Bonds"), make the Loan to the [City][Borough] and purchase the [City's][Borough's] Municipal Bond.

NOW, THEREFORE, the parties agree as follows:,

1. The Bank hereby makes the Loan and the [City] [Borough], hereby accepts the Loan in the principal amount of $_________. As evidence of the Loan made to the [City] [Borough] and such money borrowed from the Bank by the [City] [Borough], the [City] [Borough] hereby agrees to sell to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A.

2. The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. _______, adopted on _______ ___, 20__ (the "[City] [Borough] [Ordinance] [Resolution]"). The [City] [Borough] further represents to the Bank that the [City] [Borough] has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and to issue its Municipal Bond to the Bank and that the Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, secured by a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] [Ordinance] [Resolution].

The [City][Borough] represents that the [City][Borough] [Resolution][Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than as may have been previously certified by the [City][Borough] to the Bank.

3. Subject to any applicable legal limitations, the amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing interest due on its Municipal Bond (the "Municipal Bond Interest Payments") shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the Loan and to purchase the Municipal Bond (the "Loan Obligations") and shall be paid by the [City] [Borough] [for revenue obligations in monthly installments] at least seven (7) Business Days before the Interest Payment Date to provide funds sufficient to pay interest as the same becomes due on the Loan Obligations.

4. The amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing principal due on its Municipal Bond in amounts sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit A (the "Municipal Bond Principal Payments"), shall be paid [for revenue obligations, in monthly installments on the dates and in amounts sufficient] at least seven (7) Business Days before the payment date stated in the Municipal Bond.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the [City] [Borough] pursuant to this Loan Agreement are not made available at any time specified herein, the [City] [Borough] agrees that any money payable to it by any department or agency of

the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the [City] [Borough], as provided in the Act.

6. In the event that all or a portion of the Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the [City] [Borough] on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the [City] [Borough] on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of the Bank's refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of the Loan Obligations, the Bank shall present to the [City] [Borough] for the [City's] [Borough's] approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the [City] [Borough] the revised schedule shall be attached hereto as Exhibit A and incorporated herein in replacement of the previous Exhibit A detailing said principal installment amounts and interest rates.

7. The [City] [Borough] is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the [City] [Borough] shall be in an amount sufficient, together with the [City's] [Borough's] Allocable Proportion (as defined below) of other money available therefor under the provisions of the Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to Section 606 of the General Bond Resolution:

(a) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

The [City's] [Borough's] Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

8. The [City] [Borough] is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due at least seven (7) Business Days prior to each date indicated in Exhibit A, and thereafter on the anniversary thereof each year. The [City] [Borough] is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing seven (7) Business Days prior to each date indicated in Exhibit A, and to pay any Fees and Charges imposed by the Bank within 30 days after receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the [City] [Borough] shall not redeem prior to maturity any portion of the [City's] [Borough's] Municipal Bond in an amount greater than the related Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The [City] [Borough] shall give the Bank at least 50 days' prior written notice of the [City's] [Borough's] intention to redeem its Municipal Bond.

In the event that the Loan Obligations with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligations were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event that all or a portion of the Loan Obligations have been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligations, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event that all or a portion of the Loan Obligations have been refunded, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligations or portion thereof are redeemed, shall be the premium, if any, on the Loan Obligations to be redeemed.

Nothing in this Section shall be construed as preventing the [City] [Borough] from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of all or a portion of the Loan Obligations.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the [City] [Borough] shall furnish to the Bank evidence satisfactory to the Bank which shall set forth,

among other things, that the Municipal Bond will constitute a valid and binding [general obligation] [special and limited obligation] of the [City] [Borough], secured by the [full faith and credit] [revenue of the ____________] of the [City] [Borough].

11. Invoices for payments under this Loan Agreement shall be addressed to the [City] [Borough], Attention: ________, ________, ________, Alaska 99___. The [City] [Borough] shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' prior written notice of any change in such address.

12. [The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to $ _______________) which secures payment of principal and interest on its Municipal Bond, that such fund shall be held in the name of the [City] [Borough] with the Trustee, and that the yield on amounts held in such fund shall be restricted to a yield not in excess of ___________ percent. **(Applies to revenue bonds only.)**]

13. **[Rate covenant and other covenant language – if applicable.]**

14. The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.

15. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the [City] [Borough] to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The [City] [Borough] has violated commitments made by it in the terms of this Loan Agreement.

(c) The financial position of the [City] [Borough] has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

16. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its General Obligation Bonds, 20__ Series _____ and receipt of the proceeds thereof.

17. The [City] [Borough] agrees that it will provide the Bank with written notice of any default in covenants under the [City] [Borough] [Ordinance] [Resolution] within thirty (30) days after the date thereof.

18. [The [City] [Borough] agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

[The [City] [Borough] shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a "private activity bond" within the meaning of Section 141 of the Code.

The [City] [Borough] shall make no use or investment of the proceeds of the Municipal Bond that will cause the Municipal Bond to be an "arbitrage bond" under Section 148 of the Code. So long as the Municipal Bond is outstanding, the [City] [Borough], shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect. The [City] [Borough] shall indemnify and hold harmless the Bank from any obligation of the [City] [Borough] to make rebate payments to the United States under said Section 148 arising from the [City's] [Borough's] use or investment of the proceeds of the Municipal Bond.]

19. Upon request of the Bank, the [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purposes of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

20. The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide to the Bank for inclusion in future official statements of the Bank and the Bank's annual reports, to the extent required by the Bank's continuing disclosure undertakings, financial and operating information of the City of the type and in the form requested by the Bank.

21. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

22. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

23. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

24. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same meanings, respectively, as such terms are given in Article I of the General Bond Resolution.

25. This Loan Agreement shall remain in full force and effect so long as the Municipal Bond remains outstanding.

26. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: ___________________________________
DEVEN J. MITCHELL
Executive Director

[CITY] [BOROUGH] OF _____________,
ALASKA

By: ___________________________________

____

Its: ___________________________________

EXHIBIT A

$____________
[City] [Borough], Alaska
[General Obligation] [Revenue] Bond, 20__[__]
(the "Municipal Bond")

Due _________1	Principal Amount	Interest Rate

Principal installments shall be payable on _________ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on _______1, 20__, and thereafter on ___________1 and ___________ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after _________1, 20__ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after _________1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

FORM OF
AMENDATORY LOAN AGREEMENT

THIS AMENDATORY LOAN AGREEMENT, dated as of the [___] day of [____] 20[__] (the "Loan Agreement"), between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and [___________________], Alaska, a duly constituted ______________ of the State (the "[City] [Borough]"):

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and loan money (the "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make, and or refinance, municipal Loans, the Board of Directors of the Bank (the "Board") adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution"); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, the Bank made a Loan to the [City] [Borough] from proceeds of the Bank's _______________ Bonds, _____ Series __ ("_____ Series __ Bonds") in the amount of $_______________, evidenced by a Loan Agreement dated ________________ 1, ____ (the "Loan Agreement") between the Bank and the [City] [Borough]; and

WHEREAS, the Bank's _____ Series ___ Bonds were issued pursuant to the terms of the Bank's General Bond Resolution, as amended and supplemented by a series resolution; and

WHEREAS, as security for repayment of the Loan and as provided in the [_____] Loan Agreement, the [City] [Borough] issued its _________________ Bond, ____ Series __, dated ________________ __, _____ (the "Municipal Bond") of which the Bank is the registered owner; and

WHEREAS, the Bank has determined that refunding a portion of the outstanding ____ Series __ Bonds will result in a debt service savings thereon and on the Municipal Bond; and

WHEREAS, on April 29, 2020, the Board adopted Series Resolution No. 2020-02 (the "Series Resolution" and, together with the General Bond Resolution, the "Bond Resolution") authorizing, among other things, the issuance of its General Obligation and Refunding Bonds, 2020 Series Two (the "Refunding Bonds"), in part to refund a portion of the ____ Series __ Bonds; and

WHEREAS, to effect the proposed refunding and resulting debt service savings on the ____ Series __ Bonds and the Municipal Bond, and to conform the terms of the Loan Agreement to the current practices of the Bank, it is necessary to amend the terms of the Loan Agreement and to provide for the issuance by the [City][Borough] to the Bank of the [City's][Borough's] _________ Bond (the "_____ Municipal Bonds" and together with the ______ Municipal Bond, the "Municipal Bond") and for the refunding of the [City's][Borough's] Municipal Bond as provided herein.

NOW, THEREFORE, the parties agree as follows:

1. The Bank will refund a portion of the outstanding _____ Series __ Bonds as provided in the Series Resolution. The amounts of the principal installments of the Municipal Bond corresponding to the refunded maturities of the ____ Series __ Bonds, and the interest payable thereon, shall be adjusted pro rata in accordance with the debt service payable on the Refunding Bonds, as set forth in the ____ Municipal Bond delivered to the Bank in exchange for the ____ Municipal Bond. The ____ Municipal Bond shall mature in the principal amounts and bear interest at the rates per annum as stated on Exhibit A appended hereto.

2. Section 2 of the ______ Loan Agreement is amended to include the following paragraph:

The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. ________, adopted on _________ __, 20__ (the "[City] [Borough] Refunding [Ordinance] [Resolution]" and together with the [City's][Borough's] ____ [Resolution][Ordinance], the "[City's][Borough's] [Resolution][Ordinance]"), and has taken or will take all proceedings required by law to enable it to enter into this Amendatory Loan Agreement and to issue its ____ Municipal Bond to the Bank and that the ____ Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] Refunding [Ordinance] [Resolution].

3. The ____ Municipal Bond shall be subject to optional prepayment prior to maturity on and after the same date, and on the same terms as the Refunding Bonds may be subject to optional redemption as set forth in Appendix A.

4. [__] of the ____ Loan Agreement is amended to include the following paragraph:

The [City][Borough] represents that the [City's][Borough's] [Resolution][Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than by the [City][Borough] Refunding [Resolution]Ordinance] and as previously certified by the [City][Borough] to the Bank.

5. [Section [_] of the _____ Loan Agreement is amended by replacing the current language with the following:

The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide to the Bank for inclusion in future official statements of the Bank and the Bank's annual reports, to the extent required by the Bank's continuing disclosure undertakings, financial and operating information of the City of the type and in the form requested by the Bank.

The [City] [Borough] further agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purpose of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.]

[6. A new Section __ is added to the Loan Agreement, as follows:

The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the ____ Municipal Bond, or any bond issued to refund the ____ Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its ____ Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.]

[7. A new Section __ is added to the ____ Loan Agreement, as follows:

The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to $_____________) which secures payment of principal and interest on its Municipal Bond, and that such fund shall be held in the name of the [City] [Borough] with the Trustee. The [City] [Borough] further agrees that the yield on amounts held in such debt service reserve account shall be restricted to a yield not in excess of ______________ percent.]

8. A new Section __ is added to the ____ Loan Agreement, as follows:

(a) The [City] [Borough] hereby certifies that all ____ Municipal Bond proceeds, except for those proceeds that are accounted for as transferred proceeds in the arbitrage certificate for its ____ Municipal Bond, have been expended prior to the date hereof.

(b) The [City] [Borough] hereby certifies that to date all required rebate calculations relating to the ____ Municipal Bond have been timely performed and the [City] [Borough] has remitted any necessary amount(s) to the Internal Revenue Service.

(c) The [City] [Borough] hereby certifies that (i) the ____ Municipal Bond was issued exclusively for new money purposes; and (ii) the ____ Municipal Bond has not previously been used to directly or indirectly advance refund a prior issue of any municipal bonds of the [City][Borough].]

9. A new Section __ is added to the ____ Loan Agreement, as follows:

Except as heretofore amended and as amended hereby, the Loan Agreement will remain in full force and effect so long as the ____ Municipal Bond remains outstanding.

IN WITNESS WHEREOF, the parties hereto have executed this Amendatory Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: ________________________________

DEVEN MITCHELL
Executive Director

[CITY] [BOROUGH], ALASKA

By: ________________________________
____
Its: ________________________________

EXHIBIT A

_________________, Alaska
____________________, ____ Series __, As Amended on _____________ __, 20__

Principal Sum of $_____________________

Principal Payment Date (______1, 20__)	Principal Amount	Interest Rate

Principal installments shall be payable on __________ 1 in each of the years, and in the amounts set forth above. Interest on the ____ Municipal Bond shall be payable on _________ 1, 20__, and thereafter on ________ 1 and ________ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after ___________ 1, 20__ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after __________ 1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

APPENDIX D

FORM OF
OFFICIAL NOTICE OF SALE AND BIDDING INSTRUCTIONS

ALASKA MUNICIPAL BOND BANK
$__________ GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES TWO

THE SALE

NOTICE IS HEREBY GIVEN that electronic bids will be received at the place, on the date and until the time specified below for the purchase of all, but not less than all, of $_________* aggregate principal amount of General Obligation and Refunding Bonds, 2020 Series Two (the "Bonds") to be issued by the Alaska Municipal Bond Bank (the "Bond Bank").

DATE: __________ __, 2020**

TIME: [9:00] A.M. Pacific Daylight Time**

ELECTRONIC BIDS: Must be submitted in their entirety via BiDCOMP™/Parity® as described below. **No other form of bid or provider of electronic bidding services will be accepted.**

ELECTRONIC BIDDING AND BIDDING PROCEDURES

Registration to Bid. All prospective bidders must be contracted customers of BiDCOMP™/Parity® Competitive Bidding System ("BIDCOMP/Parity"). If you do not have a contract with BiDCOMP/Parity, call (212) 849-5021 to become a customer. No other provider of electronic bidding services and no other means of delivery (i.e. telephone, telefax, telegraph, personal delivery, etc.) of bids will be accepted. **If any provision of this Notice of Sale conflicts with information provided by BiDCOMP/Parity as approved provider of electronic bidding services, this Notice of Sale shall control.** Further information about submitting a bid using BiDCOMP/Parity, including any fee charged, may be obtained from BiDCOMP/Parity at (212) 849-5021 or from Fred Eoff, PFM Financial Advisors LLC, the Bond Bank's Financial Advisor, at (206) 858-5370.

By submitting a bid for the Bonds, a prospective bidder represents and warrants to the Bond Bank that such bidder's bid for the purchase of the Bonds (if a bid is submitted) is submitted for and on behalf of such prospective bidder by an officer or agent who is authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

* Preliminary, subject to change.
** Preliminary, subject to change before the Sale Date and time, as provided in this Notice of Sale.

Disclaimer. Each prospective bidder shall be solely responsible to register to bid via BiDCOMP/Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access BiDCOMP/Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Bond Bank nor BiDCOMP/Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Bond Bank nor BiDCOMP/Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by BiDCOMP/Parity. The Bond Bank is using BiDCOMP/Parity as a communication mechanism, and not as the Bond Bank's agent, to conduct electronic bidding for the Bonds. The Bond Bank is not bound by any advice and determination of BiDCOMP/Parity to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the "Bidding Procedures" described below. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders, and the Bond Bank is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Bonds, it should telephone BiDCOMP/Parity or notify the Bond Bank's Financial Advisor by email to eofff@pfm.com.

Bidding Procedures. Bids must be submitted electronically for the purchase of the Bonds (all or none) by means of the Bid Forms via BiDCOMP/Parity by **[**9:00**]** A.M. Pacific Daylight Time on __________, __________ __, 2020*, unless postponed as described herein. See "Postponement." Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP/Parity. Once the final bid has been saved in BiDCOMP/Parity, the bidder may select the final bid button in BiDCOMP/Parity to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the Bond Bank, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on BiDCOMP/Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Bond Bank, as described below under "Basis of Award."

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of the Bid Form via BiDCOMP/Parity. No bid will be received after the time specified above for receiving such bids.

Award of the Bonds. The Bond Bank will notify the responsible bidder complying with the terms of this Notice of Sale and offering to purchase the Bonds at the lowest true interest cost to the Bond Bank of the award the Bonds (or all bids will be rejected) by 12:00 p.m. Pacific Daylight Time on __________, __________ __, 2020.*

Basis of Award. The Bonds will be awarded to the bidder whose proposal produces the lowest true interest cost. The true interest cost will be that annual interest rate, which, when

* Preliminary, subject to change before the Sale Date and time as provided below. See "Postponement."
* Preliminary, subject to change before the Sale Date and time as provided below. See "Postponement."

compounded semiannually and used to discount all payments of principal and interest payable on the Bonds under such proposal to the date of delivery, results in an amount equal to the purchase price for the Bonds. If two or more bids provide the same lowest true interest cost, the Bond Bank shall determine, in its sole discretion, which bid shall be accepted, and such determination shall be final. See "Interest Rates and Bid Price."

Modifications. The Bond Bank reserves the right to modify any term of this Notice of Sale and/or the Preliminary Official Statement for any other reason by notice on the Amendments Page of the BiDCOMP/Parity website no later than 5:00 p.m., Eastern Daylight Time, on __________ __________ __, 2020* (or, in the event of a postponement in accordance herewith, the day prior to the reset bid date).

Postponement. The Bond Bank also reserves the right to postpone the sale and to set a new time for the sale either separately or at one time. Postponement may be effected by 8:00 a.m. Pacific Daylight Time on __________ __, 2020,* by a Statement of Postponement carried on the Amendments page of the BiDCOMP/Parity website (the "Statement of Postponement"). At the same time or within 48 hours following the Statement of Postponement, the Bond Bank may reset a new time for the sale. The reset sale notice may state different terms and conditions of sale and may refer to this notice for any or all terms of sale. All bidders will be deemed to have assented to the above conditions by submitting a bid, and lack of actual notice of the postponement or of the reset terms of sale will not be considered.

Right of Rejection. The Bond Bank reserves the right to reject any and all bids, to waive any irregularity or informality in any bid, to take any actions adjourning or postponing the sale of the Bonds or to take any other action that the Bond Bank may deem to be in its best interest. In the event that the Bond Bank rejects all bids, notice of a new sale date, if any, will be carried on the Amendments page of the BiDCOMP/Parity website.

THE BONDS

Bond Details. The Bonds will be dated the date of delivery and will bear interest from their dated date, payable semiannually on each __________ 1 and __________ 1 of each year, commencing on __________ 1, 2020. Interest will be computed upon the basis of a 360-day year of twelve 30-day months. The Bonds will be dated to mature on the following dates and in the following principal amounts:

2020 Series Two*

$_______ of 2020 Series Two Bonds will mature on _________ 1, 2020.* The remaining 2020 Series Two Bonds will mature on __________ 1 in the years and principal amounts set forth below.*

* Preliminary, subject to change before the Sale Date and time as provided below.

Year (__________1)	Principal Amount*	Year (__________1)	Principal Amount*

Adjustment of Maturities. The Bond Bank reserves the right to adjust the principal amount of each maturity as may be necessary to achieve structuring objectives related to the underlying loans. The principal amount of any maturity of the Bonds will only be adjusted in increments of $5,000. Notice of any adjustment will be provided within two hours after the time at which bids are opened through BiDCOMP/Parity. The Bond Bank will attempt to maintain the Underwriter's compensation as a percentage of the final principal amount of the Bonds when adjusting the maturities. The successful bidder may not withdraw its bid or change the interest rates bid or the initial reoffering prices as a result of any changes made to the revised amounts within these limits.

Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption. Bidders have the option of specifying in their bid proposal that all of the principal amount of Bonds scheduled to mature in any two or more consecutive years may, in lieu of maturing in each such year, be combined to comprise one or more maturities of the Bonds (the "Term Bonds") scheduled to mature in the latest year of each such combination. The Term Bonds so specified by the bidder will then be subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount thereof, in the principal amount in each year during the combined period of such Term Bonds, which otherwise would have been scheduled to mature in such years. If no Term Bonds are designated in the successful bid, the Bonds will mature serially without Term Bonds.

Immobilization of the Bonds. The Bonds are being issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds, and immobilized in the custody of DTC, which will act as securities depository for the Bonds. A book-entry system will be employed by DTC evidencing ownership of the Bonds in principal amount of $5,000 or any integral multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC.

The principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfers of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and persons acting through such participants (the "Participants"), and other nominees of beneficial owners. The Bond Bank will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, the payment by DTC or by Participants of principal of or interest on the Bonds, any notice to bondholders or any consent given or other action taken by DTC as the registered owner of the Bonds.

Optional Redemption. The Bonds maturing on or after ___________ 1, 20__, are subject to redemption at the option of the Bond Bank in whole or in part on any date on or after _______,

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* Preliminary, subject to change. See "Adjustment of Maturities."

20__, at a redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption.

Security for the Bonds. The Bonds are general obligations of the Bond Bank payable only from revenues or funds of the Bond Bank. The Bond Bank has no taxing power. The State of Alaska is not liable for payment on the Bonds, and the Bonds are not a debt of the State of Alaska. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for payment of the Bonds.

The security for the Bonds is described in the Preliminary Official Statement and the 2005 General Bond Resolution and Series Resolution, and those documents should be consulted for a complete description of the security for the Bonds.

Bond Insurance At Bidder's Option And Expense. Bidders may elect to insure the Bonds at the bidders' risk and expense. The Trustee will only enter into agreements to comply with the administrative requirements of the bond insurer; **the Bond Bank will not amend the General Bond Resolution, the Series Resolution or any of the loan agreements**. The Bond Bank will pay the fee for ratings from S&P Global Ratings and Fitch Ratings, regardless of whether the Bonds are insured.

The Bond Bank is not seeking and has not requested or obtained a commitment for any credit enhancement, including a policy to insure payment of scheduled debt service on the Bonds. If the Bond Bank selects a bid that is based on providing insurance on the Bonds, then the Official Statement and closing certificates will be amended accordingly. No additional security beyond that described in the Preliminary Official Statement will be allowed, however. **Failure of a bond insurer to deliver a policy of insurance for the Bonds will not release the successful bidder from its obligation to purchase the Bonds.**

Interest Rates and Bid Price. The Bonds will be sold in one block on an "all or none" basis, and **at a price of not less than one hundred percent (100%) of the aggregate principal amount of the Bonds**. **No serial or term bond maturity may bear a price of less than ____ percent (__%).** Bidders must specify the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be a multiple of one-eighth (1/8) of one percent (1%) or one-twentieth (1/20) of one percent (1%). The highest interest rate bid may not exceed ___%. No limitation is imposed upon bidders as to the number of rates which may be used, except that all Bonds of one maturity must bear one and the same interest rate. **The bidding is permitted either with or without bond insurance at the discretion of the bidder. In either event, the winning bid will be selected on the basis of the true interest cost to the Bond Bank, and in all cases the insurance premium will be paid by the bidder.**

Good Faith Deposit. The successful bidder will be required to provide a good faith deposit in the amount of ________________________ Dollars ($_______) in immediately available funds wired to the Bond Bank's Trustee not later than 2:00 p.m. (Pacific Daylight Time) on ___________, __________ __, 2020.* Wire information will be provided to the

* Preliminary, subject to change before the Sale Date and time.

successful bidder by the Financial Advisor upon bid award.

The Good Faith Deposit will be held by the Bond Bank to ensure the successful bidder's compliance with the terms of its bid and the Notice of Sale and Bidding Instructions and will be applied to the purchase price on the date of delivery of the Bonds. Pending delivery of the Bonds, the good faith deposit may be invested for the sole benefit of the Bond Bank. In the event the successful bidder fails or refuses to pay for the Bonds in accordance with its bid, the amount of the good faith deposit and any investment earnings thereon shall be accepted by the Bond Bank as full and complete liquidated damages.

[Establishment of Issue Price and Certificate of Successful Bidder; Hold the Offering Price Rule May Apply If Competitive Sale Requirements Are Not Satisfied The successful bidder will be required to provide the Bond Bank within one-half (1/2) hour after the verbal award of the Bonds the initial offering price/yields of the Bonds resold to the Public.

(a) The successful bidder shall assist the Bond Bank in establishing the issue price of the Bonds and shall execute and deliver to the Bond Bank at the closing date of the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Bond Bank and Bond Counsel (as defined herein).

(b) The Bond Bank intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "Competitive Sale Requirements"), which require that:

(1) the Bond Bank disseminates this Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;

(2) the Bond Bank provides all bidders shall have an equal opportunity to bid;

(3) the Bond Bank awards the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest overall true interest cost), as set forth in this Notice of Sale; and

(4) the Bond Bank receives bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds. The Bond Bank intends to satisfy the first three of these requirements.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the Bond Bank shall so advise the successful bidder. The Bond Bank may determine to treat (i) the first price at which 10% of a maturity of the Bonds (and if different interest rates apply within a maturity, to each separate CUSIP number within the maturity) (the "10% test") is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The successful bidder shall advise the Bond Bank if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Bond Bank shall promptly advise the successful bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the Bond Bank determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the successful bidder shall (i) confirm that the Underwriter has offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the successful bidder and (ii) agree that the Underwriter will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public.

The successful bidder shall promptly advise the Bond Bank when the Underwriter has sold 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the successful bidder agrees to promptly report to the Bond Bank the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date of the Bonds has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

(f) **[**The Bond Bank acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that the Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Bond Bank further acknowledges that the Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that it shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.]

(g) By submitting a bid, each bidder confirms that any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "Public" means any person other than an Underwriter or a Related Party,

(ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the Bond Bank (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),

(iii) a purchaser of any of the Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "Sale Date" means the date that the Bonds are awarded by the Bond Bank to the successful bidder.]

Delivery. It is expected that the Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York on about ___________ __, 2020,* and closing will take place on the same date in Seattle, Washington or at another location specified by the Bond Bank. The successful bidder will be required to provide the Bond Bank with information as to the initial offering price of the Bonds to the Public (excluding bond-houses, brokers and similar persons acting as Underwriters or wholesalers) at which a substantial amount of the Bonds were sold and the insurance premium (if insurance is purchased by the bidder). [Such information must be confirmed with a certificate dated the date of closing of the Bonds, in the form attached to this Notice of Sale as Exhibit A if intended to be issued on a tax-exempt basis and satisfactory to Bond Counsel].

There will be furnished to the successful bidder without cost, the executed Bonds to be delivered to DTC or its agent and the usual closing documents dated as of the date of delivery of and payment for the Bonds, including a certificate that there is no litigation pending or threatened affecting the validity of the Bonds.

The Bond Bank will confirm to the successful bidder, by a certificate signed on its behalf by the Executive Director or Chairman and delivered at the closing, that at the time of the acceptance of the bid, and at the time of the closing, insofar as the Bond Bank and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Payment. The successful bidder shall make full payment of the purchase price of the Bonds to the Bond Bank at the time of delivery in federal funds or other immediately available funds without cost to the Bond Bank.

Tax-Exempt Status. [**2020 Series Two Bonds**. The opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank ("Bond Counsel"), will state that based upon an analysis of existing laws, regulations, rulings and court decisions, interest on the 2020 Series Two Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. For further information, please refer to "TAX MATTERS" in the Preliminary Official Statement.]

Legal Opinion. The opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank, approving the validity of the Bonds, will be furnished upon delivery of the Bonds. The proposed form of Bond Counsel's opinion is included in the Preliminary Official Statement as an appendix.

CUSIP Numbers. CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bonds nor any error with respect thereto shall constitute cause for the successful bidder to fail or to refuse to accept delivery of and to pay for the Bonds. No liability shall attach to the Bond Bank or to any director, officer, employee or agent thereof, including any paying agent or registrar for the Bonds, by reason of such number or by reason of any inaccuracy, error, or omission with respect thereto.

Continuing Disclosure Undertaking. The Bond Bank covenants and agrees to execute and deliver on or before the date of delivery of the Bonds a continuing disclosure certificate constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Bond Bank for the benefit of the beneficial owners of the Bonds as required under paragraph (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. In the Undertaking, the Bond Bank will undertake to provide certain annual financial information and to provide notices of certain events with respect to the Bonds. The proposed form of the Bond Bank's Undertaking is set forth in the Preliminary Official Statement and will be set forth in the final Official Statement.

The Bond Bank is represented by an Independent Registered Municipal Advisor. The Bond Bank has engaged, is represented by and will rely upon the advice of Western Financial Group, LLC, a wholly-owned subsidiary of PFM Financial Advisors LLC, an independent registered municipal advisor, to advise it on the issuance of the Bonds offered for sale in this Notice of Sale, and other aspects of the financing for which the Bonds are being issued. The Bond Bank intends that (i) this statement constitutes the "required representation" for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi)(B) and (ii) by publicly making this written statement in this Notice of Sale, all prospective bidders and other market participants may rely on this written statement and receive and use it for purposes of the independent registered municipal advisor exemption set forth in SEC Rule 15Ba1-1(d)(3)(vi).

Additional Information. A Preliminary Official Statement relating to the Bonds and an Official Bid Form for the Bonds may be obtained from Fed Eoff, PFM Financial Advisors LLC, at eofff@pfm.com, (206) 858-5370 or from Deven J. Mitchell, Executive Director of the Alaska Municipal Bond Bank, 333 Willoughby Avenue, State Office Building, 11th Floor, Juneau, Alaska 99811, (907) 465-3750.

The Preliminary Official Statement, referred to above, has been "deemed final" by the Bond Bank for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion including by the final Official Statement.

By awarding the Bonds to any Underwriter or underwriting syndicate submitting a bid, the Bond Bank agrees that within seven (7) business days after the date of such award the Bond Bank shall provide the senior managing Underwriter of the successful syndicate with copies of a final Official Statement. The senior managing Underwriter of the successful syndicate will be supplied with final Official Statements in a quantity sufficient to meet its request. Up to 100 copies of the final Official Statement will be furnished without cost.

The Bond Bank designates the senior managing Underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating Underwriter. Any Underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Bond Bank, (i) it will accept such designation, (ii) it will enter into a contractual relationship with all participating Underwriters of the Bonds for purposes of assuring the receipt by each such participating Underwriter of the final Official Statement, and (iii) within one business day following the receipt from the Bond Bank, it will file, or cause to be filed, with the Municipal Securities Rulemaking Board the final Official Statement and the escrow agreement.

DATED: __________, 2020

ALASKA MUNICIPAL BOND BANK

By_________________________________

DEVEN J. MITCHELL
Executive Director

EXHIBIT A

FORM OF

CERTIFICATE OF THE UNDERWRITER'S REPRESENTATIVE

_____________________ has acted as the Underwriter's Representative in connection with the sale and issuance by the Alaska Municipal Bond Bank (the "Bank") of its [$_________________* Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series Two (the "Bonds"), through its purchase of the Bonds at competitive bid, being issued on the date hereof, and the Underwriter's Representative hereby certifies and represents the following:

Issue Price.

[AT LEAST 3 BIDS RECEIVED]

1. The Underwriter's Representative received the notice of sale issued in connection with the sale of the Bonds, submitted a bid that constituted a firm bid to purchase the Bonds, and was not given the opportunity to review other bids prior to submitting its bid. As of [SALE DATE], the Underwriter's Representative reasonably expected to offer the Bonds to the Public at the Initial Offering Prices. The Initial Offering Prices are the prices used by the Underwriter's Representative in formulating its bid to purchase the Bonds. Attached hereto as Schedule 1 is a true and correct copy of the bid provided by Underwriter's Representative to purchase the Bonds.

[LESS THAN 3 BIDS RECEIVED, NOT USING HOLD THE PRICE]

1. As of the date hereof, other than the Bonds listed on Schedule 1 hereto as undersold maturities (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter's Representative to the Public was the price set forth on Schedule 1 hereto.

2. With respect to the Undersold Maturities, the Underwriter's Representative agrees to notify the Bank in writing of the first price or yield at which at least 10% of each such Undersold Maturity is ultimately sold by the Underwriter's Representative to the Public as soon as practicable after such applicable sales have occurred. If all of an Undersold Maturity is sold to the Public but not more than 10% of the Undersold Maturity is sold by the Underwriter's Representative to the Public at any particular price or yield, the Underwriter's Representative agrees to notify the Bank in writing of the amount of the Undersold Maturity sold by the Underwriter's Representative to the Public at each of the respective prices or yields at which the Undersold Maturity is sold to the Public.

[LESS THAN 3 BIDS RECEIVED, USING HOLD THE PRICE]

* Preliminary, subject to change.

1. As of [SALE DATE] (the "Sale Date"), all of the Bonds were the subject of an offering to the Public at the Initial Offering Price.

2. [As set forth in the Official Notice of Sale and bid award, and as agreed to in writing by the Underwriter's Representative, the Underwriter's Representative has not offered or sold any Bond to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter's Representative or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication. ***]*[OR]*[*** As set forth in the Official Notice of Sale and bid award, the Underwriter's Representative has agreed in writing that, for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter's Representative or (b) the close of the fifth business day following the Sale Date (the "Holding Period"), (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "Hold-the-Offering-Price Rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. Pursuant to such agreement, no Underwriter's Representative (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

[ADD SECTION ON DSRF/QUALIFIED GUARANTEE IF APPLICABLE]

<u>Defined Terms</u>.

(a) *Initial Offering Price* means the prices or yields set forth on the [inside] cover page of the Bank's Official Statement in respect of such Bonds dated [O/S DATE].

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter's Representative or a related party to an Underwriter's Representative.

(d) *Related Party* means any entity if an Underwriter's Representative and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) *Underwriter's Representative* means (i) any person that agrees pursuant to a written contract with the Bank (or with the lead underwriter and individual that has formed an underwriting syndicate) to participate in the initial sale of the Bonds to the Public as a representative of the underwriter, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The Underwriter's Representative understands that the foregoing information will be relied upon by the Bank with respect to certain of the representations set forth in the Tax Certificate and Agreement to which this certificate is included as Exhibit A and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, Bond Counsel, in connection with its opinion as to the exclusion of interest on the Bonds from federal gross income, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Bank from time to time relating to the Bonds. The Underwriter is certifying only as to facts in existence on the date hereof. Nothing herein represents the interpretation of the Underwriter's Representative of any laws; in particular the Treasury Regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

Dated: _______________

[UNDERWRITER'S REPRESENTATIVE]

By: ___________________________________
Authorized Representative

SCHEDULE 1

[IF RECEIVED 3 BIDS]

<u>BIDDING DOCUMENTATION</u>

[IF USING HOLD THE PRICE]

FINAL PRICING WIRE OR EQUIVALENT DOCUMENTATION

DRAFT #2 dated 4/21/20

PRELIMINARY OFFICIAL STATEMENT DATED ________ __, 2020

NEW ISSUE	**FITCH RATING: ___**
BOOK-ENTRY ONLY	**S&P GLOBAL RATING: ___**
	(See "RATINGS")

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2020 Series Two Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel also is of the opinion based upon existing laws of the State of Alaska that interest on all of the 2020 Series Two Bonds is exempt from taxation by the State of Alaska except for transfer, inheritance, and estate taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the 2020 Series Two Bonds. See "TAX MATTERS."

ALASKA MUNICIPAL BOND BANK
$__________* GENERAL OBLIGATION AND REFUNDING BONDS, 2020 SERIES TWO (TAXABLE)

Dated: Date of Delivery **Due: _________ 1, as shown on inside cover**

The Alaska Municipal Bond Bank (the "Bond Bank") is issuing $___________* aggregate principal amount of its General Obligation and Refunding Bonds, 2020 Series Two (Taxable) (the "2020 Series Two Bonds"). The 2020 Series Two Bonds initially will be issued as fully registered bonds, in book-entry form only, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will serve as depository for the 2020 Series Two Bonds. Individual purchases of the 2020 Series Two Bonds will be made in principal amounts of $5,000 or integral multiples thereof within a series and maturity. Purchasers of the 2020 Series Two Bonds will not receive certificates representing their beneficial ownership interests in the 2020 Series Two Bonds. Interest on the 2020 Series Two Bonds will accrue from the date of delivery of the 2020 Series Two Bonds, or from the most recent interest payment date to which interest has been paid or provided for, and is payable on each _________ 1 and _________ 1, commencing ___________ 1, 2020.

The Bank of New York Mellon Trust Company, N.A., of San Francisco, California, as the Trustee and Paying Agent for the 2020 Series Two Bonds, will make principal and interest payments to DTC as the registered owner of the 2020 Series Two Bonds. Disbursement of such payments to DTC Participants is the responsibility of DTC. Disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. See "DESCRIPTION OF THE 2020 SERIES TWO BONDS" and Appendix H – "DTC AND ITS BOOK-ENTRY SYSTEM."

The 2020 Series Two Bonds are subject to redemption prior to their stated maturity dates. See "DESCRIPTION OF THE 2020 SERIES TWO BONDS."

The 2020 Series Two Bonds will be issued under the General Obligation Bond Resolution, adopted by the Board of Directors of the Bond Bank on July 13, 2005 (as amended on August 19, 2009, the "2005 General Bond Resolution"), as supplemented by Series Resolution No. 2020-__, adopted on April 29, 2020 (the "Bond Resolution," and together with the 2005 General Bond Resolution, the "Resolutions"). The 2020 Series Two Bonds are direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the 2020 Series Two Bonds, subject to any agreements made with the holders of any other notes or bonds of the Bond Bank pledging any particular revenues or assets not pledged under the 2005 General Bond Resolution. The 2020 Series Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank issued under the 2005 General Bond Resolution. The 2020 Series Two Bonds are the 47th Series of Bonds issued under the 2005 General Bond Resolution.

The 2020 Series Two Bonds are payable solely from the sources provided in the 2005 General Bond Resolution and the Bond Resolution described herein. The 2020 Series Two Bonds do not constitute a debt or other liability of the State of Alaska, and the 2020 Series Two Bonds do not directly, indirectly, or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2020 Series Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2020 Series Two Bonds. The Bond Bank has no taxing power.

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.

The 2020 Series Two Bonds are offered when, as, and if issued, subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank. Certain legal matters will be passed upon for the Governmental Units by their respective bond counsels. Certain legal matters will be passed upon for the Underwriter by its special counsel, K&L Gates LLP. It is expected that the 2020 Series Two Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York, on or about __________, 2020.

BofA Securities

___________ ___, 2020.

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* Preliminary, subject to change.

ALASKA MUNICIPAL BOND BANK

**$__________* GENERAL OBLIGATION AND REFUNDING BONDS,
2020 SERIES TWO (TAXABLE)**

MATURITIES, AMOUNTS, INTEREST RATES, AND YIELDS

(Base CUSIP No.† 01179R)

Due* (_______ 1)	Principal Amount*	Interest Rate	Yield	CUSIP No.†
	$	%	%	

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services ("CGS") is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. The CUSIP numbers herein are not intended to create a database and do not serve in any way as a substitute for the CGS database. The CUSIP numbers herein are provided for the convenience of reference only and are subject to change. Neither the Bond Bank nor the Underwriter takes any responsibility for the accuracy of such CUSIP numbers.

No dealer, broker, salesperson, or other person has been authorized by the Bond Bank or the Underwriter to give any information or to make any representations with respect to the 2020 Series Two Bonds other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the Bond Bank or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, the 2020 Series Two Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made by use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Bond Bank since the date hereof.

Information on website addresses set forth in this Official Statement is not incorporated into this Official Statement and cannot be relied upon to be accurate as of the date of this Official Statement, nor should any such information be relied upon in making investment decisions regarding the 2020 Series Two Bonds.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The 2020 Series Two Bonds have not been registered under the Securities Act of 1933, as amended, and the Resolutions have not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. The 2020 Series Two Bonds have not been recommended by any federal or state securities commission or regulatory authority. The foregoing authorities have not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

Certain statements contained in this Official Statement reflect not historical facts but forecasts and "forward-looking statements." The words "estimate," "project," "anticipate," "expect," "intend," "believe," "plan," "budget," "forecast," "assume," and similar expressions are intended to identify forward-looking statements. The achievement of certain results or other expectations contained in forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance, or achievements described to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Forward-looking statements are based upon underlying assumptions, many of which in turn are based upon further assumptions. No assurance can be given that the future results or plans discussed herein will be achieved, and actual results may differ, perhaps materially, from the plans, budgets, assumptions, forecasts, and projections described herein. Except for the historical information described in the continuing disclosure undertaking of the Bond Bank, the Bond Bank does not plan to issue any updates or revisions to any forward-looking statements contained herein. See "CONTINUING DISCLOSURE UNDERTAKINGS."

ALASKA MUNICIPAL BOND BANK

333 Willoughby Avenue, 11th Floor
P.O. Box 110405
Juneau, Alaska 99811-0405
(907) 465-2388
http://treasury.dor.alaska.gov/ambba/*

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Seattle, Washington

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The Bank of New York Mellon Trust Company, N.A.
San Francisco, California

Municipal Advisor

PFM Financial Advisors LLC
Seattle, Washington

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* The Bond Bank's website is not part of this Official Statement, and investors should not rely on information presented in the Bond Bank's website in determining whether to purchase the 2020 Series Two Bonds. This inactive textual reference to the Bond Bank's website is not a hyperlink and does not incorporate the Bond Bank's website by reference.

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OFFICIAL STATEMENT

Relating to

ALASKA MUNICIPAL BOND BANK
$__________[*] GENERAL OBLIGATION AND REFUNDING BONDS,
2020 SERIES TWO (TAXABLE)

INTRODUCTION

General

This Official Statement is furnished by the Alaska Municipal Bond Bank (the "Bond Bank") in connection with the sale of $__________[*] aggregate principal amount of its General Obligation and Refunding Bonds, 2020 Series Two (Taxable) (the "2020 Series Two Bonds"). See "PURPOSE OF THE 2020 SERIES TWO BONDS."

The 2020 Series Two Bonds will be issued under the General Obligation Bond Resolution, adopted by the Board of Directors of the Bond Bank (the "Board") on July 13, 2005 (as amended on August 19, 2009, the "2005 General Bond Resolution"), and as supplemented by Series Resolution No. 2020-__, adopted by the Board on April 29, 2020 (the "Bond Resolution," and together with the 2005 General Bond Resolution, the "Resolutions"). On February 19, 2013, the Board adopted a First Supplemental Resolution (the "2013 First Supplemental Resolution") that amends certain provisions of the 2005 General Bond Resolution, effective as of the first date on which all Bonds issued prior to February 19, 2013, are no longer Outstanding. Holders and Beneficial Owners of the 2020 Series Two Bonds are deemed to have consented to all of the amendments authorized in the 2013 First Supplemental Resolution. Copies of the 2005 General Bond Resolution and the 2013 First Supplemental Resolution are included as Appendix E. See "SUMMARY OF THE 2005 GENERAL BOND RESOLUTION – Modifications to the 2005 General Bond Resolution" and Appendix E – "2005 GENERAL BOND RESOLUTION AND 2013 FIRST SUPPLEMENTAL RESOLUTION."

The Bond Bank was created pursuant to Alaska Statutes 44.85.005 – 44.85.420, as amended (the "Act"), for the primary purpose of lending money to eligible borrowers in the State of Alaska (the "State"), including the purchase of bonds and promissory notes issued by such borrowers. Certain capitalized terms used in this Official Statement, and not otherwise defined herein, are defined in the 2005 General Bond Resolution.

The Bank of New York Mellon Trust Company, N.A., of San Francisco, California, as Trustee under the 2005 General Bond Resolution (the "Trustee"), serves as the Trustee and Paying Agent for the 2020 Series Two Bonds.

The 2020 Series Two Bonds are direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the 2020 Series Two Bonds, subject to any agreements made with the holders of any other notes or bonds of the Bond Bank pledging any particular revenues or assets not pledged under the 2005 General Bond Resolution. The 2020 Series Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank heretofore or hereafter issued under the 2005 General Bond

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[*] Preliminary, subject to change.

Resolution. The 2020 Series Two Bonds are the 47th Series of Bonds issued under the 2005 General Bond Resolution. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "BONDS OUTSTANDING."

The 2020 Series Two Bonds are payable solely from the sources provided in the 2005 General Bond Resolution and the Bond Resolution. The 2020 Series Two Bonds do not constitute a debt or other liability of the State of Alaska, and the 2020 Series Two Bonds do not directly, indirectly, or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2020 Series Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2020 Series Two Bonds. The Bond Bank has no taxing power. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

All references herein to agreements and documents are qualified in their entirety by reference to the definitive forms thereof, and all references to the 2020 Series Two Bonds are further qualified by reference to the provisions with respect thereto contained in the Bond Resolution. All bonds issued under and pursuant to the terms of the 2005 General Bond Resolution are referred to as the "Bonds."

Alaska Municipal Bond Bank

The Bond Bank is a public corporation of the State and an instrumentality of the State established and organized by the Act in 1975 within the State of Alaska Department of Revenue (the "DOR"), initially to assist municipalities in the State in accessing the financial markets by lending money through the purchase of municipal general obligation bonds. The Bond Bank is currently administered by staff that is shared with the DOR. A board of five directors authorizes the Bond Bank's actions including issuing bonds and approving loans. See "ALASKA MUNICIPAL BOND BANK."

The Act has been modified from time to time, including changes to allow the Bond Bank to finance loans to port authorities, joint action agencies, the Alaska Municipal League Joint Insurance Association, the University of Alaska, and regional health organizations and for purposes including revenue bond issues, other debt obligations, and electrical generation projects including hydroelectric projects. The bonds issued by the Bond Bank for the purpose of making loans to governmental borrowers are issued primarily pursuant to the 2005 General Bond Resolution, and in one instance pursuant to the 2010 General Bond Resolution adopted by the Board on October 19, 2010 (the "2010 Master Bond Resolution"). The bonds issued by the Bond Bank for the purpose of making loans to regional health organizations are issued pursuant to the 2016 Master Resolution, adopted by the Board on May 5, 2016 (the "2016 Master Bond Resolution").

The Bond Bank provides capital funds for the majority of eligible borrowers through loans to such entities funded by issuing its bonds and notes in the national market to finance such loans under conditions set forth in the Act and the administrative regulations thereunder (Chapter 144 of the Alaska Administrative Code). Loan payments by Governmental Units to the Bond Bank provide the primary source of funds for payment of principal of and interest on the Bonds, including the 2020 Series Two Bonds.

Although payments made by the Governmental Units on their Municipal Bonds are the primary security for the payment of principal of and interest on the Bonds, including the 2020 Series Two Bonds, the Bond Bank also maintains a reserve account within the reserve fund created under the Act as additional security for the payment of the Bonds and separate reserve accounts as security for bonds issued under the 2010 Master Bond Resolution and the 2016 Master Bond Resolution. The Bond Bank is required under the Act to report the sufficiency of the reserve fund and to seek appropriations from the Legislature to replenish the reserve fund if needed. See "SECURITY AND SOURCES OF PAYMENT FOR THE

BONDS – 2005 General Bond Resolution Reserve Fund.” For information regarding the State of Alaska and its appropriation process, see Appendix F – “INFORMATION CONCERNING THE STATE OF ALASKA.”

PURPOSE OF THE 2020 SERIES TWO BONDS

Purpose of the 2020 Series Two Bonds

The 2020 Series Two Bond proceeds are to be used: (i) to provide a loan to the City and Borough of Sitka, Alaska to refinance a Promissory Note with the Alaska Energy Authority; (ii) to refund **[**certain outstanding Reserve Fund Obligations (defined herein)**]** and certain outstanding bonds previously issued by the Bond Bank, the proceeds of which were used to make loans to the Kodiak Island Borough, City and Borough of Juneau, City and Borough of Sitka, Kenai Peninsula Borough, City of Seward, City of Ketchikan, City of Sand Point, City of Homer, and Lake and Peninsula Borough; and (iii) to pay a portion of the costs of issuing the 2020 Series Two Bonds.

Refunding Plan

Proceeds of the 2020 Series Two Bonds are to be used to refund and defease certain outstanding Bonds of the Bond Bank described below (the “Refunded Bonds”). The refunding of the Refunded Bonds is being undertaken to achieve net present value debt service savings for the Bond Bank and the Governmental Units.

REFUNDED BONDS

The Refunded Bonds to be refunded with proceeds of the 2020 Series Two Bonds are set forth below. **[TO BE UPDATED]**

Series	Maturity Date	Principal Amount	Interest Rate	Redemption Date	Redemption Price
2011 One					
2011 Two					
2011 Three					
2012 Two					
2013 One					
2013 Two A					
2013 Two B					
2013 Three					
2014 One A					
2014 Three					
2015 Two B					
Total					

(1) Term Bonds.
(2) To be defeased to maturity.
(3) Partial maturity.

Certain proceeds of the 2020 Series Two Bonds, together with other legally available funds, are to be deposited in one or more redemption accounts (the “Redemption Account”) to be held by The Bank of New York Mellon Trust Company, N.A., San Francisco, California, as escrow agent, pursuant to one or more escrow deposit agreements. Certain proceeds deposited in the Redemption Account are to be invested in noncallable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the "Escrow Obligations"). The maturing principal of and interest on the Escrow Obligations and the other money in the Redemption Account are to be used to pay interest on the Refunded Bonds when due and, on each maturity or redemption date, the principal of the Refunded Bonds when due.

The mathematical accuracy of the computations of the adequacy of the maturing principal amounts of and interest on the Escrow Obligations and the other money in the Redemption Account to pay principal of and interest on the Refunded Bonds as described above are to be verified by ____________________________________, independent certified public accountants.

SOURCES AND USES OF FUNDS

The table below sets forth the sources and uses of funds related to the 2020 Series Two Bonds, rounded to the nearest dollar.

	2020 Series Two (5)
Sources:	
Principal Amount	
[Net] Original Issue Premium/(Discount)	
Transfer from Reserve Fund (1)	
Prior Governmental Unit Reserves	
Other Sources (2)	
Total Sources	
Uses:	
Deposit to Redemption Account (3)	
Costs of Issuance and Rounding (4)	
Total Uses	

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(1) Represents available amounts to be transferred from the Reserve Fund. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS--2005 General Bond Resolution Reserve Fund."

(2) Represents prior Governmental Unit bond proceeds and Bond Bank contribution to payment of costs of issuance.

(3) See "PURPOSE OF THE 2020 SERIES TWO BONDS--Refunding Plan."

(4) Includes Bond Bank and Governmental Unit costs of issuance such as Underwriter's discount, legal fees, financial advisory fees, rating agency fees, Trustee Fees, accounting, printing and other costs of issuance of the 2020 Series Two Bonds.

(5) Total may not foot due to rounding.

DESCRIPTION OF THE 2020 SERIES TWO BONDS

General Description

The 2020 Series Two Bonds are issuable only as fully registered bonds, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), as securities depository for the 2020 Series Two Bonds. Principal of and interest on the 2020 Series Two

Bonds are payable by the Trustee to DTC which, in turn, is obligated to disburse such principal and interest payments to its participants (the "DTC Participants") in accordance with DTC procedures. See Appendix H – "DTC AND ITS BOOK-ENTRY SYSTEM."

2020 Series Two Bonds

The 2020 Series Two Bonds mature, subject to prior redemption, on the dates and bear interest at the rates set forth on the inside cover of this Official Statement. The 2020 Series Two Bonds are issuable in denominations of $5,000 or any integral multiple thereof within a maturity. Interest on the 2020 Series Two Bonds will accrue from the date of delivery of the 2020 Series Two Bonds, or from the most recent interest payment date to which interest has been paid or provided for, and is payable on each _______ 1 and _________ 1, commencing _________ 1, 2020.

Optional Redemption*The 2020 Series Two Bonds maturing on or after ________ 1, _____, are subject to redemption in whole or in part at the option of the Bond Bank on any date on or after _____ 1, _____, at a price of 100 percent of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption. The Loans to the Governmental Units have corresponding optional prepayment provisions.

Mandatory Sinking Fund Redemption*The 2020 Series Two Bonds maturing on ________ 1, _____, are subject to mandatory sinking fund redemption on _________ 1 of the years and in the principal amounts set forth in the following table. Any such redemption will be at a price of 100 percent of the principal amount to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption, but without premium.

2020 Series Two Term Bonds Due ____

Year	Principal Amount
	$

The Bond Resolution provides that if the Bond Bank redeems a portion of the 2020 Series Two Term Bonds pursuant to the optional redemption provisions described above or purchases for cancellation or defeases 2020 Series Two Term Bonds, the 2020 Series Two Term Bonds so redeemed, purchased or defeased may be credited against one or more of the scheduled mandatory sinking fund redemption amounts of the same maturity in the order directed by the Bond Bank (or if no direction is given, then in a random manner as determined by the Trustee).

Notice and Effect of Redemption

The Bond Resolution provides that at least 20 days, but not more than 60 days, prior to the date upon which any 2020 Series Two Bonds are to be redeemed, the Trustee will mail a notice of redemption to the registered owner (DTC so long as all of the 2020 Series Two Bonds are held under the DTC book-entry system) of any 2020 Series Two Bond all or a portion of which is to be redeemed, at the owner's last address appearing on the registration books of the Bond Bank kept by the Trustee. So long as all of the 2020 Series Two Bonds are held under the DTC book-entry system, such notice will be sent only to DTC, and any notice to the Beneficial Owners of the 2020 Series Two Bonds will be the responsibility of

* Preliminary, subject to change.

DTC Participants. Neither the Bond Bank nor the Trustee will provide redemption notices to the Beneficial Owners.

The Bond Resolution provides that a notice of redemption is required to state that on the date fixed for redemption the redemption price will become due and payable on each 2020 Series Two Bond called for redemption, unless, in the case of optional redemption, money sufficient to redeem the 2020 Series Two Bonds is not on deposit with the Trustee, and that if sufficient money is on deposit with the Trustee interest thereon will cease to accrue from and after such date. In the case of optional redemptions, the Bond Resolution requires that the notice state that it is a conditional notice and that on the date fixed for redemption, provided that money sufficient to redeem the 2020 Series Two Bonds specified in the notice is on deposit with the Trustee, the redemption price will become due and payable and interest thereon will cease to accrue.

The 2005 General Bond Resolution provides that if at the time of mailing any notice of optional redemption, money sufficient to redeem the 2020 Series Two Bonds to be redeemed is not on deposit with the Trustee, the notice is required to state that the redemption is subject to the deposit of the redemption money with the Trustee and that the notice will be of no effect unless such money is so deposited.

Selection of 2020 Series Two Bonds for Redemption

If fewer than all of the 2020 Series Two Bonds are to be redeemed prior to maturity at the option of the Bond Bank, the Bond Bank may select the maturity or maturities to be redeemed. If, at the time notice of redemption is given the 2020 Series Two Bonds to be redeemed are in book-entry only form, then DTC will select the 2020 Series Two Bonds for redemption within a maturity in accordance with operational procedures of DTC referred to in the Letter of Representations. The 2005 General Bond Resolution provides that if less than all of the Bonds of any maturity are called for redemption and the Bonds are not in book-entry form, the Bonds to be redeemed are to be selected by lot by the Trustee or in any manner as the Trustee, in its sole discretion, may deem appropriate and fair. See Appendix H – "DTC AND ITS BOOK-ENTRY SYSTEM."

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds, including the 2020 Series Two Bonds, are direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the Bonds, subject to any agreements made with the holders of any other notes or bonds of the Bond Bank pledging any particular revenues or assets not pledged under the 2005 General Bond Resolution. In addition to Bonds outstanding under the 2005 General Bond Resolution, the Bond Bank has issued and currently has bonds outstanding under the 2010 Master Bond Resolution and the 2016 Master Bond Resolution, and the revenues and assets pledged under those resolutions are not pledged to or available for payment of Bonds issued under the 2005 General Bond Resolution, including the 2020 Series Two Bonds. See "BONDS OUTSTANDING."

The 2020 Series Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank issued under the 2005 General Bond Resolution. The 2020 Series Two Bonds are the 47th Series of Bonds issued under the 2005 General Bond Resolution.

The 2020 Series Two Bonds are payable solely from the sources provided in the 2005 General Bond Resolution and the Bond Resolution. The 2020 Series Two Bonds do not constitute an indebtedness or other liability of the State of Alaska, and the 2020 Series Two Bonds do not directly, indirectly, or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2020 Series Two Bonds. As provided in the Act, the Bond Bank is obligated to pay the principal of and interest on the Bonds only from revenues or funds of the Bond Bank, and the State of Alaska is not obligated to pay the principal of or the interest on the Bonds, including the 2020 Series Two Bonds. **Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2020 Series Two Bonds. The Bond Bank has no taxing power.**

As additional security for payment of principal of and interest on the 2020 Series Two Bonds and the other Bonds issued under the 2005 General Bond Resolution, the Bond Bank has established a common Reserve Fund. See "2005 General Bond Resolution Reserve Fund." The Reserve Fund is a separate reserve account within the reserve fund created by the Act and does not secure the payment of bonds issued under the 2010 Master Bond Resolution, the 2016 Master Bond Resolution, or any other resolution. The Reserve Fund is separate from, and the Bonds are not secured by, the reserve accounts established pursuant to the 2010 Master Bond Resolution and the 2016 Master Bond Resolution.

The Act provides that to assure the maintenance of the Reserve Fund Requirement, the Legislature may appropriate annually to the Bond Bank for deposit in the Reserve Fund the amount, if any, necessary to restore the Reserve Fund to an amount equal to the Reserve Fund Requirement. The Chair of the Board is required annually (before each January 30) to make and deliver to the Governor and to the Legislature a certificate stating the amount, if any, required to restore the Reserve Fund to the amount of the Reserve Fund Requirement. Money received by the Bond Bank from the State pursuant to such certification is required, to the extent such certification was occasioned by the fact that the amount in the Reserve Fund was less than the Reserve Fund Requirement, to be deposited in the Reserve Fund. The Legislature is legally authorized, but not legally obligated, to appropriate such sums during the then-current State fiscal year. The State's fiscal year begins July 1 and ends June 30. This provision of the Act does not create a debt obligation on behalf of the State or a legally enforceable obligation of the State.

Beginning in 2009, the Bond Bank has been obligated by the 2005 General Bond Resolution to seek annually an appropriation within the State's annual operating budget to replenish the Reserve Fund, if necessary. The 2010 Master Bond Resolution and the 2016 Master Bond Resolution also require the Bond Bank to seek an annual appropriation to satisfy any unanticipated deficiency in the Bond Bank's reserve accounts established under those resolutions. An appropriation has been included in each State operating budget since the fiscal year 2010 budget, including for the current fiscal year ending June 30, 2020. No such replenishment from State appropriations has been necessary.

If the Bond Bank is required to draw on the Reserve Fund because of a default by a Governmental Unit, the appropriation provides that an amount equal to the amount drawn from the Reserve Fund is appropriated from the State's General Fund to the Reserve Fund. There is no guarantee that the Bond Bank will be able to secure future appropriations within the State's operating budget for replenishment of the Bond Bank's reserve accounts, including the Reserve Fund. See "2005 General Bond Resolution Reserve Fund" and Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations."

Starting in fiscal year 2010 and continuing through fiscal year 2020, the Bond Bank also has obtained annual appropriations of earnings on reserve accounts held by the Bond Bank in excess of the Bond Bank's operating expenses for the fiscal year; the Act otherwise would require such earnings to be appropriated to the General Fund. See "2005 General Bond Resolution Reserve Fund – Custodian Account."

Pledge Effected by the 2005 General Bond Resolution

Pursuant to the 2005 General Bond Resolution, all Municipal Bonds, all Municipal Bonds Payments, the investments thereof, and the proceeds of such investments, if any, and all funds and accounts established by the 2005 General Bond Resolution to be held by the Trustee are pledged and assigned to secure the payment of the principal of, redemption premium, if any, and interest on all Bonds, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions specified in the 2005 General Bond Resolution.

The Act and the 2005 General Bond Resolution provide among other things that (i) any pledge made in respect of the Bonds will be valid and binding from the time the pledge is made, (ii) the Municipal Bonds, the Municipal Bonds Payments, and all other money and securities so pledged and thereafter received by the Bond Bank immediately will be subject to the lien of such pledge without any further act, and (iii) the lien of any such pledge will be valid and binding against all parties having any claims of any kind in tort, contract, or otherwise against the Bond Bank irrespective of whether the parties have notice.

Municipal Bonds

Under the provisions of the Act and the 2005 General Bond Resolution, the Bond Bank is authorized to purchase Municipal Bonds from any Governmental Unit. The 2005 General Bond Resolution defines Municipal Bonds as "general obligation bonds, revenue bonds, notes, or other evidences of debt issued by any Governmental Unit as now or hereafter defined in the Act which have heretofore been or will hereafter be acquired by the Bond Bank as evidence of a Loan to the Governmental Unit pursuant to the Act."

For each issue of Municipal Bonds that the Bond Bank purchases, the 2005 General Bond Resolution requires the Bond Bank to obtain from bond counsel to the Governmental Unit an opinion stating that (i) such Municipal Bonds are valid obligations of the Governmental Unit as required by the Act and (ii) a Loan Agreement has been duly authorized and executed between the Bond Bank and the Governmental Unit that constitutes a valid and binding obligation of the Governmental Unit.

Each Loan Agreement obligates a Governmental Unit to (i) make interest payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet interest payments on its Loan Obligations as they become due; and (ii) make principal payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet principal payments on its Loan Obligations as they become due. Pursuant to the Loan Agreement, the Governmental Unit may be required to pay fees and charges to the Bond Bank to meet the Governmental Unit's allocable portion of certain expenses. Pursuant to each Loan Agreement relating to a revenue bond issued by a Governmental Unit, the Governmental Unit may be required to maintain with the Trustee a separate debt service reserve account to secure payment by the Governmental Unit of its Loan Obligations. Each Loan Agreement also contains restrictions on the sale or redemption of the Governmental Unit's Municipal Bonds.

2005 General Bond Resolution Reserve Fund

To secure the payment of all Bonds issued under the 2005 General Bond Resolution, the 2005 General Bond Resolution established the Reserve Fund to be held by the Trustee and maintained at an amount at least equal to the Reserve Fund Requirement, estimated at $_____ million* following the issuance of the 2020 Series Two Bonds. The Reserve Fund Requirement is equal to the least of the following: (i) 10 percent of the initial principal amount of each Series of Bonds then Outstanding; (ii) Maximum Annual Debt Service with respect to all Bonds Outstanding; (iii) 125 percent of Average Annual Debt Service on all Bonds Outstanding; or (iv) such lower amount as may be required by law. See "DEFINITIONS – Required Debt Service Reserve." The Reserve Fund Requirement may be satisfied entirely, or in part, by a letter of credit, line of credit, credit facility, surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds. See "Debt Service Reserve Fund Surety Bond."

[BOND BANK TO UPDATE PARAGRAPH]As of June 30, 2019, the valuation of assets in the Reserve Fund was approximately $61.9 million, an amount sufficient to satisfy the Reserve Fund Requirement. As of that date, approximately $43.9 million, representing 68.4 percent of the assets in the Reserve Fund, was funded from cash deposits by the Bond Bank from available funds; approximately $2.3 million, representing 3.6 percent, was funded from Bonds issued by the Bond Bank to make deposits in the Reserve Fund ("Reserve Fund Obligations"); and approximately $18.0 million, representing 28 percent, was funded with a surety policy (the "Debt Service Reserve Fund Surety Bond") from National Public Finance Guarantee Corporation ("National"). The Reserve Fund currently is funded at a level sufficient to meet the Reserve Fund Requirement with the issuance of the 2020 Series Two Bonds. See "—Debt Service Reserve Fund Surety Bond."

The 2005 General Bond Resolution requires the Bond Bank to submit annually to the State a budget request for an appropriation to replenish the Reserve Fund to the Reserve Fund Requirement in the event that there is a deficiency as a result of a default by a Governmental Unit. Since 2009 and continuing through fiscal year 2020, the State has included in its operating budget an appropriation to replenish the Reserve Fund, if necessary. Although the Bond Bank is obligated under the 2005 General Bond Resolution to seek and has obtained an appropriation within the State's annual operating budget in every year since fiscal year 2010, the State is not obligated, legally or otherwise, to include the appropriation in its annual operating budget. The Bond Bank's annual obligation to submit to the State a budget request for an appropriation is in addition to the Bond Bank's obligation to seek an appropriation to restore the Reserve Fund to the amount of the Required Debt Service Reserve as described below. See "Moral Obligation."

The 2005 General Bond Resolution provides that on or before December 31 of each year, and subject to the requirements of the 2005 General Bond Resolution, the Trustee will transfer from the Reserve Fund any amounts remaining in the Reserve Fund derived from income or interest earned and profits realized by the Reserve Fund due to investments thereof to the Operating Fund, but only to the extent that there remains after such transfer an amount in the Reserve Fund equal to the Required Debt Service Reserve. See "SUMMARY OF THE 2005 GENERAL BOND RESOLUTION – Funds and Accounts – Reserve Fund" and Section 911 of the 2005 General Bond Resolution in Appendix E.

Debt Service Reserve Fund Surety Bond. The amount credited to the Reserve Fund includes the Debt Service Reserve Fund Surety Bond, in the face amount of approximately $18.0 million. The Debt Service Reserve Fund Surety Bond provides that upon notice from the Trustee to National to the effect that insufficient amounts are on deposit in the Debt Service Fund to pay the principal of (at maturity or pursuant to mandatory redemption requirements) and interest on the Bonds, National will be required to deposit with the Trustee an amount sufficient to pay the principal of and interest on the Bonds or the available amount of the Debt Service Reserve Fund Surety Bond, whichever is less. Upon the later of:

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* Preliminary, subject to change.

(i) three days after receipt by National of a demand for payment, duly executed by the Paying Agent; or (ii) the payment date of the Bonds as specified in the demand for payment presented by the Trustee to National, National will be required to make a deposit of funds in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment to the Trustee of amounts then due to the Trustee (as specified in the demand for payment), subject to the coverage limits of the Debt Service Reserve Fund Surety Bond.

The available amount of the Debt Service Reserve Fund Surety Bond is the face amount of the Debt Service Reserve Fund Surety Bond then in effect less the amount of any previous deposits by National with the Trustee that have not been reimbursed by the Bond Bank. The Bond Bank and National have entered into a Financial Guaranty Agreement in connection with the Debt Service Reserve Fund Surety Bond. Pursuant to the Financial Guaranty Agreement, the Bond Bank is required to reimburse National, with interest, within one year after any deposit, the amount of such deposit made by National with the Trustee under the Debt Service Reserve Fund Surety Bond. The Bond Bank is also required to obtain National's consent to any amendment or modification of the 2005 General Bond Resolution that would also require consent of holders of the Bonds. The Financial Guaranty Agreement also provides that no optional redemption of Bonds may be made until the Debt Service Reserve Fund Surety Bond is reinstated.

Moral Obligation. The Bond Bank is required by the Act to deliver a statement to the Governor and the Legislature annually, before January 30, stating the amount, if any, necessary to restore the Reserve Fund to the Required Debt Service Reserve resulting from a draw on the Reserve Fund at any time during the prior year. The Legislature may, but is under no legal obligation to, appropriate money sufficient to restore the Reserve Fund to the Required Debt Service Reserve. Since its creation, the Bond Bank has annually reported a reserve sufficiency in all of the reserve accounts held by the Bond Bank.

Custodian Account. Money not held in the Reserve Fund, loaned to authorized borrowers, or held in reserve accounts for bonds issued under other bond resolutions is maintained by the Bond Bank in an account within the Operating Fund referred to as the Custodian Account (the "Custodian Account"). The Custodian Account contains direct and indirect State appropriations, prior year retained earnings, and current year investment earnings and as with the Operating Fund is not held by the Trustee or pledged to the payment of the Bonds. **[BOND BANK TO UPDATE SENTENCE]**As of June 30, 2019, the market value of the Custodian Account was $8.26 million.

The Act requires that earnings on funds directly appropriated by the State to the Bond Bank, net of the Bond Bank's operating expenses, be transferred to the State in the following fiscal year. Starting in fiscal year 2009, however, and continuing through fiscal year 2020, all such fiscal year earnings due to the General Fund by statute have been appropriated to the Bond Bank for deposit in the Custodian Account. The Legislature may, but is under no legal obligation to, appropriate statutory earnings back to the Bond Bank. The entire Custodian Account balance is available for appropriation by the Legislature, with a majority vote and the Governor's concurrence or with a three-quarter majority vote to overcome a Governor's veto of the appropriation, during any legislative session. The Legislature has not appropriated funds out of the Custodian Account for non-Bond Bank related purposes in the current, or any prior, fiscal year.

The Bond Bank uses the Custodian Account to pay operating expenses, to make direct loans to eligible borrowers, and to make deposits to the Reserve Fund.

State Payments to Governmental Units

The Act provides that, to the extent that any department or agency of the State is the custodian of money payable to a Governmental Unit, at any time after notice from the Bond Bank that the Governmental Unit is in default on the payment of the principal of or interest on its Municipal Bonds then held or owned by the Bond Bank, the department or agency is required to withhold the payment of such money held by it and pay over such money to the Bond Bank for the purpose of paying principal of and interest on the bonds of the Bond Bank. State payments to Governmental Units include, but are not limited to, payments through the School Debt Reimbursement Program (the "SDRP") and Education Support Funding through the Department of Education and Early Development; and community jail funding through the Department of Corrections. A table in Appendix B sets forth the amount of State payments to Governmental Units that have borrowed from the Bond Bank as well as the fiscal year 2019 Loan Obligations and estimated coverage provided by those State payments. Capital expenditures by the State that are the source of matching grant funding to municipalities have been reduced significantly since fiscal year 2015. Payments through the SDRP were reduced by 25 percent in fiscal year 2016 and have been reduced by 50 percent in fiscal year 2020.

The State's enacted budget for fiscal year 2021 diminished spending from fiscal year 2020 from $10.62 billion to $10.03 billion, a reduction of approximately $596 million, of which $389 million is reduced State fund spending. The enacted budget reduced State payments to Governmental Units subject to the Bond Bank's intercept authority under the Act by further payments for the SDRP by ___ percent from authorized amounts and eliminating payments for the State's Transportation and Infrastructure Debt Service Reimbursement Program (the "TIDSRP"), among other reductions. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA." Diminished State funding may continue to result in a diminishment of the balances in the matching grant column of the table in Appendix B. There is no guarantee that State payments to Governmental Units will continue, and all of the payments could be reduced from current levels.

The payment and amount of such State payments is uncertain, and legislative authorization for such payments is subject to appropriation and to amendment or repeal. Other State agencies may have similar rights to intercept State payments to local governments or to limit the amount intercepted, and no assurance can be given that the Bond Bank's claim would have priority or that the amount of available State payments would be sufficient. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations" and "– Government Funds" and Appendix B – "STATE PAYMENTS TO GOVERNMENTAL UNITS." The Bond Bank has never implemented the State payment intercept remedy.

Pledge and Agreement of the State

In the Act, the State has pledged and agreed with the holders of the Bonds that it will not limit or restrict the rights vested in the Bond Bank by the Act to, among other things, purchase, hold, and dispose of Municipal Bonds and fulfill the terms of an agreement (including the 2005 General Bond Resolution) made by the Bond Bank with such holders, or in any way impair the rights or remedies of such holders until the Bonds, including interest on the Bonds and interest on unpaid installments of interest and all costs and expenses in connection with an action or proceeding by or on behalf of such holders, are fully met, paid and discharged.

ALASKA MUNICIPAL BOND BANK

Organization

The powers of the Bond Bank are vested in the Board. The membership of the Board consists of five Directors: the Commissioners of the DOR and the Department of Commerce, Community and Economic Development ("DCCED") of the State and three Directors appointed by the Governor. The three appointees serve four-year staggered terms and must be qualified voting residents of the State. The Commissioners of the DOR and the DCCED may appoint delegates to serve in their absence.

The Act requires the Board in the first meeting of each fiscal year to elect one of the Directors as chair and one of the Directors as vice chair and also to elect a secretary and a treasurer, who need not be Directors. Action may be taken and motions and resolutions adopted by the Board at any meeting by the affirmative vote of at least three Directors. The Directors appoint an Executive Director and a Finance Director to manage the business of the Bond Bank.

Board of Directors

The members of the Board are listed below.

Luke Welles – Chair. Term expires July 15, 2023. Mr. Welles was originally appointed to the Board on May 21, 2008. Mr. Welles became Vice President of Finance of the Arctic Slope Native Association, Ltd. in 2011. Prior to his current job, he served as Chief Financial Officer of LifeMed Alaska, LLC, which provides medivac services in Alaska. Previously, Mr. Welles was the Chief Financial Officer for Yukon-Kuskokwim Health Corporation. He has management experience in healthcare, civil construction, and commercial real estate. Over the past 15 years he has served on several economic development commissions in the State, as a city council member in Homer, Alaska, and on multiple boards. Mr. Welles received a Bachelor of Arts Degree in Foreign Service and International Business from Baylor University.

Craig Chapman – Vice Chair. Term expires July 15, 2021. Mr. Chapman was appointed to the board on July 21, 2017. Mr. Chapman is a lifelong Alaskan. He graduated from Gonzaga University with a Bachelor of Business Administration with an emphasis in accounting. He has been a licensed Certified Public Accountant in the State of Alaska since 1983. In addition to spending six years in public accounting, Mr. Chapman has over 30 years of experience in private and governmental financial management positions including 20 years at the Kenai Peninsula Borough with almost 12 years as Finance Director. He previously served on the State of Alaska Board of Public Accountancy.

Lamar Cotten – Member. Term expires August 31, 2023. Mr. Cotten was originally appointed to the Board on August 31, 2018. Mr. Cotten has lived in Alaska since 1951. He has worked in, around, and for rural Alaska communities for the last 39 years. His professional experience includes administrator/manager in Aleutians East Borough (1987-91) and Lake and Peninsula Borough (2008-2013) as well City of Sand Point (1984-1987) and King Cove (1984-1986). Additionally, he served as Deputy Commissioner of Regional Affairs/AIDEA Rural Development Manager (1995-2002). He has in past years served on a series of boards and commissions including for the Bond Bank and Alaska Housing Finance Corporation. He presently serves as chair of the Local Boundary Commission for the State. He has a Master's Degree in Urban and Regional Planning from the University of Oregon.

John Springsteen – Member. Mr. Springsteen is the first delegate for Julie Anderson, Commissioner of the DCCED. Mr. Springsteen is the Deputy Commissioner of the DCCED, and began his working career as an environmental engineer. He has served as an economic advisor to multi-national corporations, as a management consultant to industrial and high-tech companies, and as Chief Financial Officer of a U.S. publicly traded natural gas exploration company. More recently, he was COO at the Alaska Industrial Development and Export Authority (AIDEA), where he worked in project finance and industrial infrastructure investment. Deputy Commissioner Springsteen received his undergraduate degree in Civil Engineering from the Massachusetts Institute of Technology and holds a Master of Business Administration (MBA) from the Kellogg Graduate School of Management, Northwestern University.

Pamela Leary – Member. Ms. Leary is the first delegate for the Commissioner of the DOR. She is the Director of the DOR – Treasury Division and serves as the State Treasurer. She previously served in the DOR as State Comptroller from 2007 through 2013. Ms. Leary began her career as an auditor with Price Waterhouse and became a partner in the firm PricewaterhouseCoopers, LLP. After moving to Alaska, Ms. Leary owned and operated a business before reentering the accounting profession with the Alaska Permanent Fund Corporation. She holds a bachelor's degree in economics from the Wharton School, University of Pennsylvania, and is a certified public accountant in the State of Alaska.

Management

The Bond Bank is a public corporation of the State of Alaska established and organized within the DOR in 1975. Following creation, the Bond Bank was independently staffed by a full time Executive Director, full-time Secretary, and additional short-term staff and maintained separate offices in Anchorage, Alaska. The Legislature determined in 1997 that the operation and management responsibility for the Bond Bank would be incorporated into the duties of existing DOR – Treasury Division staff. This resulted in the partial delegation of the State's Debt Manager to the Bond Bank. Staffing was augmented in 2013 when the DOR – Treasury Division Operations Research Analyst position was partially delegated to the Bond Bank.

Deven J. Mitchell, who also serves as State Debt Manager and Investment Officer in the DOR – Treasury Division, with responsibility for the management of all debt of the State, was appointed Executive Director of the Bond Bank in 1999. Mr. Mitchell has worked for the DOR since 1992. He previously held several positions in Alaska financial institutions. Mr. Mitchell holds a Bachelor of Science Degree in Business Administration from Northern Arizona University. He has served as board member and chairman of the Wildflower Court Nursing Home and as board member and president of the Alaska Government Finance Officers Association, and currently is serving on the boards of the Alaska Municipal League and the Alaska Municipal League Joint Insurance Association.

Ryan S. Williams, who also serves as Operations Research Analyst in the DOR – Treasury Division, was appointed Finance Director of the Bond Bank in 2014. Mr. Williams has worked for the DOR since 2009. Mr. Williams holds a Bachelor of Science Degree in Business Administration from the University of Southern California, with a concentration in International Business. He has served as a board member and president of the Alaska Government Finance Officers Association.

The Bond Bank contracts in the private sector for a wide range of professional services. The Executive Director and Finance Director coordinate the activities of these professionals, which include bond counsel, municipal advisor, accountants, auditors, fund trustees, bond trustees, arbitrage rebate consultants, and investment managers.

BONDS OUTSTANDING

Under the provisions of the Act, within the limitations described below, the Bond Bank may issue additional Series of Bonds under the 2005 General Bond Resolution and, subject to certain additional limitations, may issue bonds under other resolutions. The total amount of Bond Bank bonds and notes outstanding at any one time may not exceed $1,792.5 million, consisting of statutory authorizations of: $87.5 million for the University of Alaska, $205 million for regional health organizations, and $1,500 million for municipalities and all other authorized purposes. As of May 1, 2020, the total principal amount of Bond Bank bonds and notes outstanding, not including the 2020 Series Two Bonds, was $_______________. The Bond Bank currently has bonds outstanding under the following resolutions.

2005 General Bond Resolution

The 2020 Series Two Bonds are the 47th Series of Bonds issued under the 2005 General Bond Resolution. As of May 1, 2020, the Bond Bank has issued $1,584,870,000 of general obligation bonds under the 2005 General Bond Resolution (not including the [2020 Series One Bonds and the] 2020 Series Two Bonds), $___________ of which remains outstanding. After the issuance of the [2020 Series One Bonds and the] 2020 Series Two Bonds, the Bond Bank will have issued $____________[*] of general obligation bonds under the 2005 General Bond Resolution, $____________[*] of which will remain outstanding. Bonds may be issued by the Bond Bank pursuant to the 2005 General Bond Resolution only to finance loans to Governmental Units. The Bond Bank expects to issue additional bonds under the 2005 General Bond Resolution within the next year and to continue to use the 2005 General Bond Resolution as the primary means of financing loans to Governmental Units.

2010 Master Bond Resolution

Bonds issued under the 2010 Master Bond Resolution are general obligations of the Bond Bank, equally and ratably secured by a pledge and assignment of all obligations acquired by the Bond Bank under the 2010 Master Bond Resolution. As of May 1, 2020, the Bond Bank has issued $4,765,000 of bonds under the 2010 Master Bond Resolution, $3,535,000 of which remain outstanding. The Bond Bank has no plans at this time to issue additional bonds under the 2010 Master Bond Resolution.

2016 Master Bond Resolution

Bonds issued under the 2016 Master Bond Resolution are general obligations of the Bond Bank, payable solely from the sources provided in and pledged pursuant to the 2016 Master Bond Resolution and the related series resolutions. As of May 1, 2020, the Bond Bank has issued $144,850,000 of bonds under the 2016 Master Bond Resolution, $100,715,000 of which remain outstanding. The Bond Bank expects to continue to use the 2016 Master Bond Resolution as the primary means of financing loans to regional health organizations.

Coastal Energy Impact Program

In the 1980s, the Bond Bank privately placed conduit bonds with the United States Department of Commerce National Oceanic and Atmospheric Administration ("NOAA") to provide loans to local governments that qualified for aid under the Coastal Energy Impact Program ("CEIP"). CEIP is a federal program designed to provide financial assistance to coastal states and municipalities facing impacts from offshore oil development. NOAA and the Bond Bank entered into an agreement whereby the Bond Bank was the direct lending agency for the CEIP in the State, with $50 million available to make loans to local governments or to establish reserves for loans to local governments.

The CEIP bonds that remain outstanding were issued for the City of Nome and the City of St. Paul. The total amount of CEIP bonds outstanding as of May 1, 2020, is $__________.

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[*] Preliminary, subject to change.

The CEIP loans are administered directly by NOAA without involvement of the Bond Bank. Bonds issued for the CEIP are not liabilities of the Bond Bank and are not secured by a pledge of any amounts held by or payable to the Bond Bank under the 2005 General Bond Resolution, including the Reserve Fund, nor are they secured directly or indirectly by any reserve account created under the Act. The CEIP loans are included, however, when calculating the amount of bonds the Bond Bank may issue under the Act. See Note 8 in Appendix D. The Bond Bank has no plans at this time to issue additional CEIP bonds.

Direct Loans

With money from the Custodian Account, the Bond Bank has periodically acquired certain Municipal Bonds and has defeased certain bonds while retaining the underlying Municipal Bonds. Additionally, on two occasions the State has appropriated funds to the Bond Bank for acquisition of two Municipal Bonds.

In the State's fiscal year 2011 capital budget, $2,450,000 was appropriated to the Bond Bank for the specific purpose of making loans to the City of Galena for electric utility and general fund needs at an interest rate of 1 percent. As of May 1, 2020, the Bond Bank held $__________ of City of Galena utility revenue bonds and $_________ of City of Galena appropriation obligations.

As of May 1, 2020, the Bond Bank held $__________ of Kenai Peninsula Borough taxable revenue bonds. The related loans were funded with money from the Custodian Account, bear interest at market rates, and are secured by a pledge of gross revenues of the Central Peninsula Hospital and a debt service reserve fund, all on a parity with other loans made for the Central Peninsula Hospital.

As of May 1, 2020, the Bond Bank held $___________ of Kodiak Island Borough taxable general obligation bonds. The loan was funded with money from the Custodian Account, bears interest at market rates, and is a general obligation, secured by the full faith and credit of the Kodiak Island Borough.

Loans by the State of Alaska

The Bond Bank has statutory authority to borrow funds from the General Fund at the discretion of the Commissioner of the DOR. In 2010 and 2011 the Bond Bank borrowed money from the State for authorized uses of the Bond Bank. The State's fiscal year 2013 capital budget converted the 2010 and 2011 loans to grants through an appropriation to the Bond Bank. The Bond Bank does not currently have any outstanding loans from the State.

BONDS ISSUED AND OUTSTANDING AS OF MAY 1, 2020[TABLE TO BE UPDATED BY BOND BANK]

	Principal Amount Issued	Principal Amount Outstanding
2005 General Bond Resolution Bonds (1)	$1,584,870,000	$962,580,000
2016 Master Resolution Bonds	144,850,000	100,715,000
1976 Master Bond Resolution Bonds (2)	721,985,000	–
2010 Master Bond Resolution Bonds	4,765,000	3,535,000
Coastal Energy Impact Program Loans (3)	35,456,046	9,882,339

(1) Includes the 2020 Series Two Bonds and excludes the Refunded Bonds. Preliminary, subject to change.

(2) As of February 1, 2016, no bonds remain outstanding under the 1976 Master Bond Resolution.

(3) The CEIP loans are not liabilities of the Bond Bank but are included when calculating the amount of bonds outstanding under the Act.

DEBT CAPACITY AS OF MAY 1, 2020

Debt Limit (1)		
University of Alaska	$ 87,500,000	
Regional Health Organizations	205,000,000	
All Other Authorized Purposes	1,500,000,000	
		$1,792,500,000
Less Outstanding Debt		
General Obligation Bonds		
2005 General Bond Resolution	________ (2)	
2016 Master Resolution	________ (3)	
2010 Master Bond Resolution	________	
		$________
Coastal Energy Impact Program Loans (4)		________
Total Outstanding Debt		$________
Remaining Debt Capacity		
University of Alaska	________	
Regional Health Organizations	________	
All Other Authorized Purposes	________	
		$________

(1) Excludes the authority of the Bond Bank (or a subsidiary corporation of the Bond Bank) to issue bonds to finance loans to governmental employers to prepay all or a portion of their shares of the unfunded accrued actuarial liabilities of retirement systems. The Bond Bank has never used this authority and has no current plans to do so. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Public Debt and Other Obligations of the State – Potential State-Supported Pension Obligation Bonds."

(2) Of this amount, $82,890,000 is attributable to the University of Alaska. Includes the 2020 Series Two Bonds and excludes the Refunded Bonds. Preliminary, subject to change.

(3) All of this amount was issued to make loans to regional health organizations.

(4) The CEIP loans are not liabilities of the Bond Bank but are included when calculating the amount of bonds outstanding under the Act.

DEBT SERVICE REQUIREMENTS[PFM OR BOND BANK TO SEND OUTSTANDING BONDS AMOUNTS]

BONDS ISSUED AND OUTSTANDING UNDER THE 2005 GENERAL BOND RESOLUTION AND THE 2020 Series Two BONDS

(Fiscal Years Ending June 30)

Fiscal Year	Outstanding Bonds[1]	2020 Series Two Bonds		Total [3]
		Principal [2]	Interest	
2020		$ –		
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
2049				
Total [3]				

(1) Excludes the Refunded Bonds.
(2) Preliminary, subject to change.
(3) Totals may not foot due to rounding.

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Future Financing Plans

The Bond Bank anticipates issuing additional bonds pursuant to the 2005 General Bond Resolution within the next year and making related loans to eligible borrowers. The principal amount of such additional bonds depends on the number and size of the applications from eligible borrowers.

Debt Payment Record

The Bond Bank has always made principal and interest payments on its general obligation and revenue bonds when due. No deficiencies have arisen in any Bond Bank debt service fund or reserve fund, nor has there been a need to exercise the provision requiring that State payments to Governmental Units be paid to the Bond Bank.

SUMMARY OF THE 2005 GENERAL BOND RESOLUTION

The following is a summary of certain provisions of the 2005 General Bond Resolution. A copy of the 2005 General Bond Resolution, together with the First Supplemental Resolution adopted in February 2013, is included as Appendix E. The 2013 First Supplemental Resolution includes amendments to the 2005 General Bond Resolution that take effect after all Bonds outstanding as of February 19, 2013 are no longer outstanding. See "Modifications to the 2005 General Bond Resolution." Capitalized terms used in this summary are defined in Section 103 of the 2005 General Bond Resolution.

2005 General Bond Resolution Constitutes Contract

The 2005 General Bond Resolution provides that the 2005 General Bond Resolution constitutes a contract between the Bond Bank, the Trustee, and the owners from time to time of the Bonds, that the pledges made in the 2005 General Bond Resolution and the covenants and agreements therein set forth to be performed by the Bond Bank will be for the benefit, protection, and security of the holders of any and all of the Bonds, and that each Bond, Credit Enhancement facility, and Interest Rate Exchange Agreement will be of equal rank without preference, priority or distinction.

Obligation of the Bond Bank

The Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the payment of the principal and redemption premium, if any, of, and interest on the Bonds solely from the sources provided in the 2005 General Bond Resolution and any Series Resolution. The Act and the 2005 General Bond Resolution each provides that the State is not obligated to pay the principal, premium, if any, or interest on the Bonds, and that the Bonds, are not a debt or liability of the State and neither the faith and credit of the State nor the taxing power of the State is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Pledge

The Municipal Bonds and the Municipal Bonds Payments, the investments thereof, and the proceeds of such investments, if any, and all funds and accounts established by the 2005 General Bond Resolution to be held by the Trustee are pledged and assigned for the payment of the principal of, redemption price of, interest on, and sinking fund installments for, the Bonds in accordance with the terms and provisions of the 2005 General Bond Resolution, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the 2005 General Bond Resolution. See Section 601 of the 2005 General Bond Resolution in Appendix E. The 2005 General Bond Resolution provides that Municipal Bonds and the

Municipal Bonds Payments and all other money and securities pledged pursuant to the 2005 General Bond Resolution immediately will be subject to the lien of such pledge without any further act, and such lien will be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Bond Bank, regardless of whether such parties have notice thereof.

Power to Issue Bonds and Make Pledges

The Bond Bank represents in the 2005 General Bond Resolution that it is duly authorized by law to authorize and issue the Bonds and to pledge the Municipal Bonds Payments, the Municipal Bonds, and other money, securities, funds, and property purported to be pledged by the 2005 General Bond Resolution, free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the 2005 General Bond Resolution, except for the liens in favor of the Trustee and Paying Agent as provided in the 2005 General Bond Resolution. The Bond Bank covenants in the 2005 General Bond Resolution that it will at all times, to the extent permitted by law, defend, preserve, and protect the pledge of the Municipal Bonds Payments, the Municipal Bonds, and other money, securities, funds, and property pledged under the 2005 General Bond Resolution and all the rights of the Bondholders under the 2005 General Bond Resolution against all claims and demands of all persons whomsoever.

General

The Bond Bank covenants in the 2005 General Bond Resolution that it will do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Bond Bank under law and the 2005 General Bond Resolution in accordance with the terms thereof.

The Act provides that the State will not limit or restrict, and the Bond Bank pledges and agrees in the 2005 General Bond Resolution with the Holders of the Bonds that it will not cause the State to limit or alter, the rights vested by the Act in the Bond Bank to fulfill the terms of any agreements made with Bondholders, or in any way impair the rights and remedies of such Bondholders, until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully met and discharged.

Waiver of Laws

The Bond Bank covenants in the 2005 General Bond Resolution in addition that it will not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of any stay or extension of law now or at any time hereafter in force which may affect the covenants and agreements contained in the 2005 General Bond Resolution or in any Series Resolution or in the Bonds, and all benefit or advantage of any such law or laws is expressly waived by the Bond Bank.

Loan Agreement Provisions

The 2005 General Bond Resolution provides that no loan will be made by the Bond Bank from proceeds of the sale of Bonds and no Bonds will be issued for the purpose of providing funds with which to make a loan, unless the Loan Agreement under which such loan is to be made will comply with, among other requirements in the 2005 General Bond Resolution, the following:

(a) The Governmental Unit which is a party to such Loan Agreement must be a Governmental Unit as defined by the 2005 General Bond Resolution, and the Loan Agreement must be executed in accordance with existing laws.

(b) The Governmental Unit, prior to or simultaneously with the issuance of Bonds issued to make a Loan to the Governmental Unit, will issue Municipal Bonds which are valid debt obligations of the Governmental Unit as required by the Act.

(c) The Municipal Bonds Payment to be made by the Governmental Unit under such Loan Agreement will be not less than the interest and principal payments the Bond Bank is required to make on the Loan Obligations and will be scheduled by the Bond Bank in such manner and at such times as to provide funds sufficient to pay principal and interest on the Loan Obligations as the same become due.

(d) The Governmental Unit will be obligated to pay Fees and Charges to the Bond Bank at the times and in the amounts which will enable the Bond Bank to comply with the provisions of the 2005 General Bond Resolution to pay Administrative Expenses and fees and expenses of the Trustee and Paying Agent.

(e) The Governmental Unit will agree that in the event the Municipal Bonds Payment is not paid by it to the Bond Bank on or before the times specified in the Loan Agreement, any money payable to the Governmental Unit by any department or agency of the State will be withheld from such Governmental Unit and paid over directly to the Trustee acting under the 2005 General Bond Resolution.

(f) The Bond Bank will not sell, and the Governmental Unit will not redeem prior to maturity, any of the Municipal Bonds with respect to which the Loan is made in an amount greater than the Outstanding Bonds issued with respect to such Loan which are then redeemable, and any such sale or redemption of such Municipal Bond will be in an amount not less than the aggregate of (i) the principal amount of the Loan Obligation so to be redeemed (or the amount of Refunding Bonds if the Loan is being refunded), (ii) the interest to accrue on the Loan Obligation so to be redeemed to the next redemption date, (iii) the applicable premium, if any, payable on the Loan Obligation so to be redeemed, and (iv) the costs and expenses of the Bond Bank in effecting the redemption of the Loan Obligation so to be redeemed.

(g) The Governmental Unit must give the Bond Bank at least fifty (50) days' notice of its intent to redeem its Municipal Bonds.

Modification of Loan Agreement Terms

The Bond Bank covenants in the 2005 General Bond Resolution that it will not consent to the modification of, or modify, the rates of interest of, or the amount or time of payment of any installment of principal of or interest on, any Municipal Bonds evidencing a Loan, or the amount or time of payment of any Fees and Charges payable with respect to such Loan, or the security for or any terms or provisions of such Loan or the Municipal Bonds evidencing the same, in a manner which adversely affects or diminishes the rights of the Bondholders.

Enforcement of Municipal Bonds

The 2005 General Bond Resolution provides that the Bond Bank will diligently enforce, and take all reasonable steps, actions, and proceedings necessary for the enforcement of, all terms, covenants, and conditions of all Loan Agreements and the Municipal Bonds, including the prompt collection, and the giving of notice to the Commissioner of Revenue, Commissioner of Commerce, Community and Economic Development, and Commissioner of Administration and any other department or agency of the State which is custodian of any money payable to the Governmental Unit of any failure or default of the

Governmental Unit in the payment of its Municipal Bonds Payments and will promptly transfer any such money, upon receipt thereof, to the Trustee and that in such event, or if such money is paid directly to the Trustee, the Trustee will deposit any such money in the Principal Account and Interest Account in place of said unpaid Municipal Bonds Payment or in the event deficiencies in said Accounts created by such default has been made up by the Reserve Fund, into the Reserve Fund to the extent of such deficiencies.

Funds and Accounts

The 2005 General Bond Resolution established a Debt Service Fund, consisting of an Interest Account, a Principal Account, and a Redemption Account; a Reserve Fund; a Rebate Fund, which consists of a separate sub-account for each Series of Bonds; and an Operating Fund. The Debt Service Fund, the Rebate Fund, and the Reserve Fund are held by the Trustee. The Operating Fund is held by the Bond Bank and is not pledged to the payment of the Bonds.

Debt Service Fund. The Trustee is required to deposit Municipal Bonds Interest Payments and any other money available for the payment of interest in the Interest Account upon receipt thereof and on or before each interest payment date, to pay out of the Interest Account the amounts required for the payment of the interest becoming due on each Series of Bonds on such interest payment date.

The Trustee is required to deposit Municipal Bonds Principal Payments and any other money available for the payment of principal in the Principal Account upon receipt thereof. The Trustee is required, on or before each principal payment date or Sinking Fund Installment date, to pay out of the Principal Account the amounts required for the payment of the principal or Sinking Fund Installment due on each Series of Bonds on such date.

The Trustee establishes in the Redemption Account a separate sub-account for each Series of Bonds. Any money deposited in the Redemption Account from any source other than excess money transferred from the Reserve Fund or certain proceeds received from sales or redemptions of Municipal Bonds pursuant to Section 607 or Section 916 of the 2005 General Bond Resolution will be applied to the purchase or redemption of Bonds. Any money deposited in the Redemption Account from the Reserve Fund because of a reduction in the Required Debt Service Reserve is to be applied to the purchase or redemption of Reserve Fund Obligations.

Reserve Fund. The 2005 General Bond Resolution established the Reserve Fund as a 2005 General Obligation Bond Resolution Reserve Account within the Alaska Municipal Bond Bank Reserve Fund created by the Act and provides that monthly, the Trustee will set aside from amounts in the Reserve Fund derived from investment earnings and profits realized by the Reserve Fund due to investments thereof, an amount which, when added to the amounts theretofore set aside for such purpose and not paid into the Interest Account, will on such date be equal to the unpaid interest on the Reserve Fund Obligations accrued and to accrue to the last day of such month.

On or before each principal payment date and Sinking Fund Installment payment date of Reserve Fund Obligations, the Trustee is to withdraw from amounts in the Reserve Fund and deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account and derived from sources other than Municipal Bonds Payments, will be equal to the Principal Installment of the Reserve Fund Obligations falling due on such date.

On or before December 31 of each year, after satisfying the deposit requirements described above, the Trustee is to withdraw from the Reserve Fund any amount remaining therein derived from investment earnings or profits due to investments thereof, and pay over said amount to the Bond Bank for deposit in the Custodian Account within the Operating Fund, but only to the extent that there remains after such withdrawal an amount in the Reserve Fund at least equal to the Reserve Fund Requirement.

The 2005 General Bond Resolution provides that the Reserve Fund Requirement may be satisfied with (i) money made available by the State and paid to the Bond Bank for the purpose of the Alaska Municipal Bond Bank Reserve Fund created by the Act in the amount provided by a Series Resolution; (ii) all money paid to the Bond Bank pursuant to the Act for the purpose of restoring the Reserve Fund to the amount of the Reserve Fund Requirement; (iii) such portion of the proceeds of sale of Bonds, if any, as provided by any Series Resolution; (iv) Credit Enhancement; (v) any other money which may be made available to the Bond Bank for the purposes of the Reserve Fund from any other source or sources; or (vi) any combination of the foregoing. The Reserve Fund Requirement may be satisfied entirely, or in part, by a letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds; provided, however, any credit enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution for any prior credit enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

In the event there is a deficiency in the Interest Account on any interest payment date or in the Principal Account on any principal payment date or Sinking Fund Installment payment date, the Trustee is to make up such deficiencies from the Reserve Fund.

Administration of Reserve Fund. The 2005 General Bond Resolution provides that money and securities held in the Reserve Fund will not be withdrawn therefrom at any time in such amount as would reduce the amount in such Fund to an amount less than the Reserve Fund Requirement except for the payment when due of debt service on Reserve Fund Obligations and to cure a deficiency in the Principal Account or the Interest Account.

Rebate Fund. There is to be deposited in the Rebate Fund the amount of the Rebate Requirement for each Series of Bonds, and the Trustee is to pay over to the United States Government such amounts as determined by the Bond Bank and as set forth in the 2005 General Bond Resolution. All amounts held in the Rebate Fund, including income earned from investment of the Rebate Fund, shall be held by the Trustee free and clear of the lien of the 2005 General Bond Resolution.

Operating Fund. The 2005 General Bond Resolution requires the deposit in the Operating Fund of all Fees and Charges, to the extent not otherwise encumbered or pledged, and any other money which may be made available to the Bond Bank for purposes of the Operating Fund from any other source or sources. Money at any time held for the credit of the Operating Fund is to be used for and applied solely to the following purposes: (i) to pay the Administrative Expenses of the Bond Bank; (ii) to pay the fees and expenses of the Trustee and any Paying Agent; (iii) to pay financing costs incurred with respect to a Series of Bonds; and (iv) to pay any expenses in carrying out any other purpose then authorized by the Act.

The Operating Fund is held by the Bond Bank, not by the Trustee, and the 2005 General Bond Resolution provides that all amounts in the Operating Fund will be free and clear of any lien or pledge created by the 2005 General Bond Resolution.

Security for Deposits and Investment of Funds

The 2005 General Bond Resolution provides that all money held by the Trustee under the 2005 General Bond Resolution will be continuously and fully secured, for the benefit of the Bond Bank and the

Bondholders in such manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds but does not require the Trustee or any Paying Agent to give security for the deposit of any money with them held in trust for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any money which is represented by obligations purchased under the provisions of the 2005 General Bond Resolution as an investment of such money. The 2005 General Bond Resolution also provides for the investment of funds held by the Trustee. See the definition of "Investment Securities" and Sections 702 and 703 of the 2005 General Bond Resolution in Appendix E.

Payment of Bonds

The Bond Bank covenants in the 2005 General Bond Resolution that it will duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof, and will duly and punctually pay, or caused to be paid, all Sinking Fund Installments, if any, becoming payable with respect to any Series of Bonds.

Fees and Charges

The Bond Bank may charge such Fees and Charges to each Governmental Unit to which a Loan is made, and will from time to time revise such Fees and Charges whenever necessary, so that such Fees and Charges actually collected from each such Governmental Unit will at all times produce money which, together with such Governmental Unit's Allocable Proportion of other money available under the provisions of the 2005 General Bond Resolution, and other money available therefor, will be at least sufficient to pay, as the same become due, the Governmental Unit's Allocable Proportion of (i) the Administrative Expenses of the Bond Bank and (ii) the fees and expenses of the Trustee and any Paying Agent.

Issuance of Additional Obligations

The Bond Bank may issue additional Bonds and refunding Bonds pursuant to the terms of the 2005 General Bond Resolution; however, no additional Series of Bonds are to be issued unless:

(a) the aggregate principal amount of Bonds and Notes Outstanding at the time of issuance and delivery of such additional Bonds, including the principal amount of such additional Bonds, will not exceed any limit thereon imposed by law;

(b) there is at the time of the issuance of such additional Bonds no deficiency in the amounts required by the 2005 General Bond Resolution or any Series Resolution to be paid into the Debt Service Fund and into the Reserve Fund;

(c) the amount of the Reserve Fund, upon the issuance and delivery of such additional Bonds, and the deposit in the Reserve Fund of any amount provided therefor in the Series Resolution authorizing the issuance of such additional Bonds, will not be less than the Required Debt Service Reserve; and

(d) the maturities of, or Sinking Fund Installments for, the additional Bonds representing Loan Obligations, unless such additional Bonds are being issued to refund Outstanding Bonds, will be equal to the scheduled Municipal Bonds Principal Payments to be made in respect of the Loans with respect to which such additional Bonds are to be issued.

The Bond Bank expressly reserves the right to adopt other general bond resolutions and reserves the right to issue Notes and any other obligations so long as the same are not a charge or lien on the Municipal Bonds, the Municipal Bonds Payments, and the Fees and Charges or payable from the Debt Service Fund or the Reserve Fund.

Defeasance

If the Bond Bank pays or causes to be paid to the holders of all Bonds then Outstanding the principal and interest and/or Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the 2005 General Bond Resolution and also pays or causes to be paid all other sums payable under the 2005 General Bond Resolution by the Bond Bank, including any amounts payable to the United States, then, at the option of the Bond Bank, as expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements, and other obligations of the Bond Bank to the Bondholders will be discharged and satisfied.

The 2005 General Bond Resolution provides that Bonds may, prior to the maturity or redemption date thereof, be deemed to have been paid if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Bond Bank has given to the Trustee in form satisfactory to it irrevocable instructions to publish notice of redemption on said date of such Bonds, and (ii) there has been deposited with the Trustee either monies in an amount which will be sufficient or Investment Securities which are not subject to redemption prior to the dates on which amounts will be needed to make payments on the Bonds and described in clause (1) of the definition of Investment Securities in the 2005 General Bond Resolution, the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee or Paying Agent at the same time, is sufficient, to pay, when due, the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as may be the case. See the definition of "Outstanding," the definition of "Investment Securities," and Article XIII of the 2005 General Bond Resolution in Appendix E.

Supplements and Amendments

The Bond Bank may adopt a Series Resolution or Supplemental Resolution without the consent of the Bondholders or the Trustee for various purposes not inconsistent with the 2005 General Bond Resolution, to provide for the issuance of additional Series of Bonds, to impose additional limitations or restrictions on the issuance of Bonds, to impose other restrictions on the Bond Bank, to surrender any right, power, or privilege, or to confirm any pledge of or lien upon the Municipal Bonds or the Municipal Bonds Payments or any other funds. The Bond Bank may also supplement the 2005 General Bond Resolution to cure any ambiguity or defect in the 2005 General Bond Resolution, provided such modifications are not contrary to or inconsistent with the 2005 General Bond Resolution as theretofore in effect.

Any other modification or amendment of the 2005 General Bond Resolution and of the rights and obligations of the Bond Bank and of the Bondholders may be made with the written consent (i) of the holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the holders of at least two-thirds in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that such modification or amendment will not permit (i) a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or Sinking Fund Installment therefor, (ii) a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, (iii) a reduction of the percentage of the Holders of which is required to effect any such modification or amendment, or (iv) the creation of any lien prior to or on a parity with the lien created by the 2005 General Bond Resolution (except in the manner provided by the 2005 General Bond Resolution) or deprive the Bondholders of the lien created by the 2005 General Bond Resolution, without the consent of the holders of all the Bonds Outstanding or of the Series of Bonds affected by such modification or amendment. To the extent that the full payment of the interest and principal of Bonds of a Series is secured by Credit Enhancement, the Credit Enhancement Agency will be considered to be the Bondholder of all the Bonds of the Series for purposes of exercising any rights with respect to supplements and amendments to the 2005 General Bond Resolution if the Credit Enhancement so provides. See Articles X and XI and the definition of "Bondholder" in the 2005 General Bond Resolution and Section 202 of the 2013 First Supplemental Resolution in Appendix E.

Events of Default and Remedies

Each of the following events is an Event of Default under the 2005 General Bond Resolution:

(a) the Bond Bank defaults in the payment of the principal or Redemption Price of, Sinking Fund Installment for, or interest on, any Bond when and as the same becomes due whether at maturity or upon call for redemption, or otherwise;

(b) the Bond Bank fails or refuses to comply with the provisions of the Act regarding the certification of deficiencies in the 2005 General Bond Resolution Reserve Fund, or such amounts as are certified by the Chair of the Bank to the Governor and to the Legislature pursuant to the Act are not appropriated and paid to the Bond Bank prior to the termination of the then-current State fiscal year; or

(c) the Bond Bank fails or refuses to comply with the provisions of the Act, other than as described in clause (b) above, or defaults in the performance or observance of any other of the covenants, agreements, or conditions on its part in the 2005 General Bond Resolution, any Series Resolution, any Supplemental Resolution, or in the Bonds contained, and such failure, refusal, or default continues for a period of 45 days after written notice thereof by the Trustee or the Holders of not less than 25 percent in principal amount of the Outstanding Bonds;

provided, however, that an event of default will not be deemed to exist under the provisions described in clause (c) above upon the failure of the Bond Bank to make and collect Fees and Charges required to be made and collected by the 2005 General Bond Resolution or upon the failure of the Bond Bank to enforce any obligation undertaken by a Governmental Unit pursuant to a Loan Agreement including the making of the stipulated Municipal Bonds Payments so long as the Bond Bank may be otherwise directed by law and so long as the Bond Bank is provided with money from the State or otherwise, other than withdrawals from or reimbursements of the Reserve Fund, sufficient in amount to pay the principal of and interest on all Bonds as the same becomes due during the period for which the Bond Bank is directed by law to abstain from making and collecting such Fees and Charges and from enforcing the obligations of a Governmental Unit under the applicable Loan Agreement.

The 2005 General Bond Resolution provides that upon the happening and continuance of any Event of Default described in clause (a) above, the Trustee will proceed, or upon the happening and continuance of any Event of Default described in clauses (b) and (c) above, the Trustee may proceed, and upon the written request of the holders of not less than 25 percent in principal amount of the Outstanding Bonds will proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies as the Trustee, being advised by counsel, deems most effectual to protect and enforce such rights:

(a) by mandamus or other suit, action, or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Bond Bank to make and collect Fees and Charges and Municipal Bonds Payments adequate to carry out the covenants and agreements as to, and pledge of, such Fees and Charges and Municipal Bonds Payments and other properties and to require the Bond Bank to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act;

(b) by bringing suit upon the Bonds;

(c) by action or suit in equity, require the Bond Bank to account as if it were the trustee of an express trust for the holders of the Bonds; and

(d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the Bonds.

Acceleration. The 2005 General Bond Resolution provides that upon the occurrence of an event of default in the payment of principal or Redemption Price of, Sinking Fund Installment for, or interest on Bonds then Outstanding, unless the principal of all Bonds has already become due and payable, the Trustee, by notice in writing to the Bond Bank, may, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding will, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same will be immediately due and payable. This provision, however, is subject to the condition that if, at any time after the principal of the Bonds has been so declared due and payable, and before any judgment or decree for the payment of the money due has been obtained or entered, the Bond Bank deposits with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest upon all the Bonds, with interest on such overdue installments of principal at the rate borne by the respective Bonds, and the reasonable expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate have been made therefor, then the holders of at least a majority in aggregate principal amount of the Bonds then outstanding, by written notice to the Bank and to the Trustee, may, on behalf of the holders of all of the Bonds, rescind and annul such declaration and its consequences and waive such default. See Sections 1203 and 1204 in Appendix E.

Bondholders' Direction of Proceedings. The holders of a majority in principal amount of the Bonds then Outstanding will have the right to direct the method of conducting all remedial proceedings to be taken by the Trustee, provided that such direction is not otherwise than in accordance with law or the 2005 General Bond Resolution, and that the Trustee has the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Limitation on Rights of Bondholders. No holder of any Bond will have any right to institute any suit, action, mandamus, or other proceeding in equity or at law under the 2005 General Bond Resolution, or for the protection or enforcement of any right under the 2005 General Bond Resolution or any right under law, unless such holder has given to the Trustee written notice of the event of default or breach of duty on account of which such suit, action, or proceeding is to be taken, and unless the holders of not less than 25 percent in principal amount of the Bonds then Outstanding have made written request of the Trustee and has afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted under law or to institute such action, suit, or proceeding in its name and unless, also, there has been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred thereby, and the Trustee has refused or neglected to comply with such request within a reasonable time. No holder of the Bonds will have any right to affect, disturb, or prejudice the security of the 2005 General Bond Resolution, or to enforce any right with respect to the Bonds or the 2005 General Bond Resolution, except in the manner provided in the 2005 General Bond Resolution, and all proceedings at law or in equity will be instituted, held, and maintained in the manner provided in the 2005 General Bond Resolution and for the benefit of all Bondholders.

Excess Earnings

The Bond Bank covenants and agrees in the 2005 General Bond Resolution to calculate Rebatable Arbitrage and to pay Rebatable Arbitrage to the United States of America in the manner necessary to comply with the then applicable federal tax law. Within 30 days after the end of every fifth Bond Year, and within 60 days of the date when all of each Series of Bonds have been retired (or at such other time or times as may then be required by the Code and the applicable Income Tax Regulations), the Bond Bank will determine the Rebatable Arbitrage with respect to each Series of Bonds, and pay rebate amounts due the United States of America with respect thereto, as provided in Section 148(f) of the Code.

Modifications to the 2005 General Bond Resolution

In addition to modifications with and without consent of Bondholders, the 2005 General Bond Resolution authorizes modifications of any provision set forth in the 2005 General Bond Resolution by the terms of a Supplemental Resolution, with such modifications becoming effective after all Bonds of each Series Outstanding as of the date of such Supplemental Resolution authorizing such modification cease to be Outstanding. The 2013 First Supplemental Resolution was adopted by the Board on February 19, 2013.

The 2013 First Supplemental Resolution authorizes the following modifications to the 2005 General Bond Resolution: (i) to authorize the Trustee to release to the Bond Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve, (ii) to authorize the Trustee to release to the Bond Bank earnings and profits realized from investments in the Reserve Fund on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve, (iii) to allow for certain amendments and modifications to the 2005 General Bond Resolution to be effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding, and (iv) to establish that consent of Holders of Bonds, when required under the terms of the 2005 General Bond Resolution, specifically includes the consent of an underwriter or purchaser of a Series of Bonds at the time such Bonds are issued.

The modifications to the 2005 General Bond Resolution set forth in the 2013 First Supplemental Resolution shall become effective after all Bonds issued prior to the 2013 Series Three Bonds cease to be Outstanding and compliance by the Bank with certain requirements set forth in the 2005 General Bond Resolution, at which time these modifications will apply to the 2020 Series Two Bonds and govern the rights and obligations of the Holders thereof.

LITIGATION

As a condition to the delivery of the 2020 Series Two Bonds, the Alaska Department of Law, as counsel to the Bond Bank, is required to furnish a certificate to the effect that as of the date of delivery, there is no litigation pending against the Bond Bank in any State court to restrain or enjoin the issuance or delivery by the Bond Bank of the 2020 Series Two Bonds or contesting the validity or enforceability of the 2020 Series Two Bonds, the 2005 General Bond Resolution, or the pledge made under the Bond Resolution.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2020 Series Two Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Internal Revenue Code"). Bond Counsel is also of the opinion, based on existing laws of the State of Alaska, that interest on the 2020 Series Two Bonds is exempt from taxation by the State of Alaska except for transfer, estate, and inheritance taxes. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the 2020 Series Two Bonds. A complete copy of the proposed form of opinion of Bond Counsel is included as Appendix A.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) of the 2020 Series Two Bonds that acquire their 2020 Series Two Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax considerations discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their 2020 Series Two Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the 2020 Series Two Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their 2020 Series Two Bonds pursuant to this offering for the issue price that is applicable to such 2020 Series Two Bonds (i.e., the price at which a substantial amount of the 2020 Series Two Bonds are sold to the public) and who will hold their 2020 Series Two Bonds as "capital assets" within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any investors in the 2020 Series Two Bonds other than investors that are U.S. Holders.

As used herein, "U.S. Holder" means a beneficial owner of a 2020 Series Two Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds 2020 Series Two Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership.

Partnerships holding 2020 Series Two Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the 2020 Series Two Bonds (including their status as U.S. Holders).

Notwithstanding the rules described below, it should be noted that certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the 2020 Series Two Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below (in the case of original issue discount, such requirements are only effective for tax years beginning after December 31, 2018).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the 2020 Series Two Bonds in light of their particular circumstances.

U.S. Holders

Interest. Interest on the 2020 Series Two Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of any maturity of the 2020 Series Two Bonds is less than the amount to be paid at maturity of such 2020 Series Two Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 2020 Series Two Bonds) by more than a de minimis amount, the difference may constitute original issue discount ("OID"). U.S. Holders of 2020 Series Two Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

2020 Series Two Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a 2020 Series Two Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such 2020 Series Two Bond.

Sale or Other Taxable Disposition of the 2020 Series Two Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Bond Bank) or other disposition of a 2020 Series Two Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a 2020 Series Two Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the 2020 Series Two Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the 2020 Series Two Bond (generally, the purchase price paid by the U.S. Holder for the 2020 Series Two Bond, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such 2020 Series Two Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the 2020 Series Two Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the 2020 Series Two Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the 2020 Series Two Bonds. If the Bond Bank defeases any 2020 Series Two Bond, the 2020 Series Two Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted tax basis in the 2020 Series Two Bond.

Information Reporting and Backup Withholding. Payments on the 2020 Series Two Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the 2020 Series Two Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the 2020 Series Two Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 2020 Series Two Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Foreign Account Tax Compliance Act ("FATCA")

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the 2020 Series Two Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term "foreign passthru payments." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of 2020 Series Two Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of 2020 Series Two Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

To the extent the issue price of any maturity of the 2020 Series Two Bonds is less than the amount to be paid at maturity of such 2020 Series Two Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 2020 Series Two Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the 2020 Series Two Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the 2020 Series Two Bonds is the first price at which a substantial amount of such maturity of the 2020 Series Two Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). The original issue discount with respect to any maturity of the 2020 Series Two Bonds accrues daily over the term to maturity of such 2020 Series Two Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such 2020 Series Two Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such 2020 Series Two Bonds. Beneficial Owners of the 2020 Series Two Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2020 Series Two Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such 2020 Series Two Bonds is sold to the public.

2020 Series Two Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2020 Series Two Bonds. The Bond Bank and each Governmental Unit have made certain representations and covenanted to comply with certain restrictions, conditions, and requirements designed to ensure that interest on the 2020 Series Two Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 2020 Series Two Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2020 Series Two Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the 2020 Series Two Bonds may adversely affect the value of, or the tax status of interest on, the 2020 Series Two Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the 2020 Series Two Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the 2020 Series Two Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Internal Revenue Code, or court decisions may cause interest on the 2020 Series Two Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Internal Revenue Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the 2020 Series Two Bonds. Prospective purchasers of the 2020 Series Two Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Bond Bank or the Governmental Units or about the effect of future changes in the Internal Revenue Code, the applicable regulations, the interpretation thereof, or the enforcement thereof by the IRS. The Bond Bank and the Governmental Units have covenanted, however, to comply with the requirements of the Internal Revenue Code.

Bond Counsel's engagement with respect to the 2020 Series Two Bonds ends with the issuance of the 2020 Series Two Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Bond Bank, the Governmental Units, or the Beneficial Owners regarding the tax-exempt status of interest on the 2020 Series Two Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Bond Bank, the Governmental Units, and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Bond Bank or the Governmental Units legitimately disagree may not be practicable. Any action of the IRS, including but not limited to selection of the 2020 Series Two Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2020 Series Two Bonds, and may cause the Bond Bank, the Governmental Units, or the Beneficial Owners to incur significant expense.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance, and sale by the Bond Bank of the 2020 Series Two Bonds are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Bond Bank. The proposed form of the opinion of Bond Counsel is included as Appendix A.

Certain legal matters will be passed upon for (i) the City and Borough of Juneau by its bond counsel, K&L Gates LLP of Seattle, Washington; (ii) City of Homer, City of Seward, and Kenai Peninsula Borough by its bond counsel, Jermain, Dunnagan & Owens, P.C. of Anchorage, Alaska; (iii) Lake and Peninsula Borough by its bond counsel, Birch Horton Bittner & Cherot of Anchorage, Alaska; (iv) City of Sand Point and Kodiak Island Borough by its bond counsel, Foster Garvey P.C. of Seattle, Washington; and (v) City of Ketchikan and City and Borough of Sitka by its bond counsel, Stradling Yocca Carlson & Rauth of Seattle, Washington.

Certain legal matters will be passed upon for the Underwriter by its special counsel, K&L Gates LLP, Seattle, Washington. Any opinion of such counsel will be limited in scope and delivered only to the Underwriter, and may not be relied upon by investors.

UNDERWRITING

The 2020 Series Two Bonds are to be purchased by BofA Securities, Inc. (the "Underwriter"), at a purchase price of $__________ (reflecting the aggregate principal amount of the 2020 Series Two Bonds, plus/less a [net] original issue premium/discount of $__________, and less an Underwriter's discount of $__________).

The initial offering prices or prices corresponding to the yields set forth on the inside cover of this Official Statement may be changed from time to time by the Underwriter without prior notice to any person. The Underwriter may offer and sell the 2020 Series Two Bonds to certain dealers, unit investment trusts, or money market funds at prices lower than the initial offering prices or prices corresponding to the yields set forth on the inside cover of this Official Statement.

The Underwriter and its affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, financial advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offerings of the Bond Bank or the Governmental Units. The Underwriter and its affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its affiliates may also communicate independent investment recommendations, market color, or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Bond Bank and the Governmental Units.

BofA Securities, Inc., the underwriter of the 2020 Series Two Bonds, has entered into a retail distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 2020 Series Two Bonds.

MUNICIPAL ADVISOR

The Bond Bank has retained PFM Financial Advisors LLC ("PFM") to serve as municipal advisor to provide certain advice to the Bond Bank with respect to the issuance of the 2020 Series Two Bonds. PFM is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in this Official Statement. PFM is an independent financial advisory firm registered with the Securities and Exchange Commission and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities.

FINANCIAL STATEMENTS

The financial statements of the Bond Bank for the fiscal year ended June 30, 2019, included in this Official Statement as Appendix D, have been audited by BDO USA, LLP, independent certified public accountants, to the extent and for the periods indicated in their report thereon. Such financial statements have been included in reliance upon the report of BDO USA, LLP. The Bond Bank has not requested BDO USA, LLP to provide written consent for inclusion of the financial statements in this Official Statement.

RATINGS

Fitch Ratings ("Fitch") and S&P Global Ratings ("S&P") have assigned ratings of "___" and "___," respectively, to the 2020 Series Two Bonds. Such ratings reflect only the views of such organizations, and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch, One State Street Plaza, New York, New York 10004, (212) 908-0500; S&P, 55 Water Street, New York, New York 10041, (212) 438-1000. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. **There can be no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price and marketability of the 2020 Series Two Bonds.**

CONTINUING DISCLOSURE UNDERTAKINGS

Bond Bank Continuing Disclosure Undertaking

The Bond Bank has covenanted for the benefit of the holders and Beneficial Owners of the 2020 Series Two Bonds to provide, or to cause to be provided, certain historical financial and operating information not later than 210 days after the end of each Fiscal Year (currently June 30) in which any 2020 Series Two Bonds are outstanding, commencing with its report for the Fiscal Year ended June 30, 2020 (each an "Annual Report"). The Bond Bank has also covenanted to not later than 120 days after the end of each Fiscal Year notify each Governmental Unit that had, as of the end of such Fiscal Year, an amount of its Municipal Bonds equal to or greater than 20 percent of the outstanding principal amount of the Municipal Bonds held by the Bond Bank under the 2005 General Bond Resolution, of such Governmental Unit's continuing disclosure undertaking responsibility. In addition, the Bond Bank has covenanted to provide notices of the occurrence of certain enumerated events. The Annual Reports are required to be filed by the Bond Bank with the MSRB through its EMMA system. The specific nature of information to be contained in the Annual Report and the enumerated events of which the Bond Bank is to give notice are set forth in the proposed form of the Continuing Disclosure Certificate of the Bond Bank included as Appendix G. These covenants have been made in order to assist the Underwriter in complying with paragraph (b)(5) of Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12").

Governmental Unit Continuing Disclosure Undertakings

Each of the Governmental Units from which the Bond Bank is purchasing Municipal Bonds with proceeds of the 2020 Series Two Bonds (the "2020 Series Two Governmental Units") has covenanted in its Loan Agreement that if its Municipal Bonds constitute 20 percent or more of the outstanding principal amount of the Municipal Bonds held by the Bond Bank under the 2005 General Bond Resolution, such 2020 Series Two Governmental Unit will execute a continuing disclosure agreement prepared by the Bond Bank for purposes of complying with Rule 15c2-12. There are currently no Governmental Units that reach this 20 percent threshold.

In connection with certain previous Bonds issued under the 2005 Master Resolution, each applicable Governmental Unit was required to covenant in its Loan Agreement to execute a continuing disclosure certificate if such Governmental Unit's Municipal Bonds constituted (i) prior to 2019, 10 percent or more, and (ii) from and after 2019 (including the 2020 Series Two Governmental Units), 20 percent or more of the outstanding principal amount of the Municipal Bonds held by the Bond Bank under the 2005 General Bond Resolution. The Bond Bank expects to retain the 20 percent threshold in connection with future Bonds issued under the 2005 Master Resolution.

Compliance with Prior Continuing Disclosure Undertakings

Bonds Issued Under the 2005 General Bond Resolution. The Bond Bank previously has entered into continuing disclosure undertakings under Rule 15c2-12 in connection with Bonds issued under the 2005 General Bond Resolution. The Bond Bank subsequently discovered it had not filed certain event notices in connection with rating downgrades of insurers and underlying ratings upgrades. The Bond Bank subsequently filed event notices with the MSRB.

In addition, the Bond Bank discovered it had not included in its annual report statistics of Governmental Units similar to the statistics of such Governmental Units set forth in the Bond Bank's official statements, as required by prior continuing disclosure undertakings. Such information was included in publicly available official statements prepared by the Bond Bank every year of noncompliance for Bonds issued under the 2005 General Bond Resolution. Such information was, however, dated on or about the date of the official statement rather than as of the end of the Bond Bank's fiscal year end. This technical deficiency was cured and the Bond Bank filed such information with the MSRB.

The Bond Bank has not retained Moody's Investors Service, Inc. ("Moody's") to rate bonds issued under the 2005 General Bond Resolution since February 20, 2014. Moody's does not rate the 2020 Series Two Bonds. Moody's does rate other bonds of the State, and on February 29, 2016, when it reduced its rating on the State's general obligation bonds, Moody's also reduced its rating on all of the State's moral obligation debt. This rating change affected bonds issued by the Bond Bank through February 20, 2014. Notices of Moody's downgrades were linked to the CUSIP numbers for the State's bonds and other obligations but were not linked to the CUSIP numbers for the Bond Bank's bonds. The Bond Bank has subsequently linked the notice to the applicable Bond Bank CUSIP numbers. The Bond Bank also discovered that one of the Governmental Units had not made all of its required disclosures on time and had not disclosed such failures when required. For a discussion of the ratings assigned to the 2020 Series Two Bonds by Fitch Ratings and S&P Global Ratings, see "RATINGS."

Other Bonds Issued by the Bond Bank. The Bond Bank previously entered into continuing disclosure undertakings for bonds issued under its 2010 Master Bond Resolution. The Bond Bank subsequently discovered it had not filed certain event notices in connection with rating downgrades of insurers and underlying ratings upgrades. The Bond Bank subsequently filed event notices with the MSRB. The Bond Bank discovered that certain annual information relating to the Bond Bank and the borrower under the 2010 Master Bond Resolution had not been filed in a timely manner. This deficiency was cured and such information was filed with the MSRB.

General. The Bond Bank has developed procedures to help ensure its compliance with its continuing disclosure obligations in all material respects. Although there have been instances of technical deficiencies with its previous undertakings, the Bond Bank has established appropriate written policies and procedures, including trainings and identifying a designated point of contact to help facilitate future compliance with Rule 15c2-12.

Governmental Units. The Bond Bank has been notified that certain Governmental Units that previously entered into continuing disclosure certificates have failed to fully comply with their continuing disclosure obligations. The Bond Bank has not verified such information, and the Bond Bank is under no obligation to monitor or ensure compliance by the Governmental Units with their continuing disclosure undertakings.

DEFINITIONS

The following terms are used in this Official Statement with the following meanings. See also the definitions in Article I of the 2005 General Bond Resolution in Appendix E.

"Act" — The Alaska Municipal Bond Bank Authority Act, codified as Chapter 85, Title 44, of the Alaska Statutes, as amended.

"Bond Bank" — The Alaska Municipal Bond Bank, a public corporation and instrumentality of the State of Alaska within the Department of Revenue but with legal existence independent of and separate from the State.

"Bonds" — Bonds issued by the Bond Bank under the 2005 General Bond Resolution pursuant to a Series Resolution. These include "Loan Obligations" and "Reserve Fund Obligations" as defined below.

"Code" — Internal Revenue Code of 1986 and the regulations thereunder, as amended.

"Credit Enhancement" — A letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds to further secure the payment of the Bonds of such Series or to satisfy the Reserve Fund Requirement.

"Credit Enhancement Agency" — Any bank or other institution that provides Credit Enhancement.

"Debt Service Fund" — A fund established by the 2005 General Bond Resolution to be maintained and held by the Trustee. The 2005 General Bond Resolution defines and provides that the "Interest Account," "Principal Account," and "Redemption Account" are maintained within the Debt Service Fund.

"Fees and Charges" — All fees and charges authorized to be charged by the Bond Bank pursuant to Section 44.85.080(8), (15), and (16) of the Act and charged by the Bank to Governmental Units pursuant to the terms and provisions of the Loan Agreements.

"Governmental Unit" — A municipality or such other entity from which the Bond Bank is authorized by law to purchase its revenue bonds, general obligation bonds, notes, or other forms of indebtedness and which otherwise satisfies conditions found in the 2005 General Bond Resolution and in the Loan Agreement.

"Loan Agreement" — An agreement, and any amendments thereto, entered into between the Bond Bank and a Governmental Unit setting forth the terms and conditions of a loan.

"Loan Obligations" — The amount of Bonds and the Bonds themselves issued by the Bond Bank for the purchase of Municipal Bonds of a Governmental Unit.

"Municipal Bonds" — General obligation bonds, revenue bonds, notes, or other evidence of debt issued by any Governmental Unit, as defined in the Act, which have been acquired by the Bond Bank as evidence of a loan to the Governmental Unit pursuant to the Act.

“Municipal Bonds Payment” — The amounts paid or required to be paid, from time to time, for principal and interest by a Governmental Unit to the Bond Bank on the Governmental Unit’s Municipal Bonds.

“Notes” — Any obligations referred to in the 2005 General Bond Resolution issued by the Bond Bank other than Bonds.

“Operating Fund” — A fund established by the 2005 General Bond Resolution. This fund is not held by the Trustee and money therein is not pledged as security for Bonds.

“Outstanding” — When used with reference to Bonds, as of any date, Bonds theretofore or then being authenticated and delivered under the provisions of the 2005 General Bond Resolution, other than Bonds owned or held by or for the account of the Bond Bank except: (i) any Bonds cancelled by the Bond Bank or the Trustee at or prior to such date, (ii) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds have been authenticated and delivered pursuant to the 2005 General Bond Resolution, and (iii) Bonds deemed to have been paid as provided in the 2005 General Bond Resolution.

“Reserve Fund” — The reserve account established by the 2005 General Bond Resolution and held by the Trustee pursuant to the provisions of the 2005 General Bond Resolution.

“Reserve Fund Obligations” — Bonds issued by the Bond Bank to obtain funds to be deposited in the Reserve Fund.

“Reserve Fund Requirement” — The amount required to be on deposit in the 2005 General Bond Resolution Reserve Fund is the least of the following: (i) 10 percent of the initial principal amount of each Series of Bonds then Outstanding; (ii) maximum annual principal and interest requirements on all Bonds then Outstanding; (iii) 125 percent of average annual principal and interest requirements on all Bonds then Outstanding; or (iv) such lower amount as may be required by law. The Reserve Fund Requirement may be satisfied entirely, or in part, by Credit Enhancement; provided, however, any Credit Enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution for any prior Credit Enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

“Required Debt Service Reserve” — As of any date of calculation, the amount required to be on deposit in the Reserve Fund which amount is required to be at least equal to the Reserve Fund Requirement.

“Series Resolution” — A resolution of the Bond Bank authorizing the issuance of a Series of Bonds in accordance with the terms of the 2005 General Bond Resolution.

“2005 General Bond Resolution” — The Bond Bank’s General Obligation Bond Resolution adopted July 13, 2005, as amended on August 19, 2009. The amendments adopted in the 2013 First Supplemental Resolution will be effective after all Bonds outstanding on February 19, 2013, are no longer are outstanding. See the forms of the 2005 General Bond Resolution and the 2013 First Supplemental Resolution in Appendix E.

MISCELLANEOUS

The summaries or descriptions of provisions in the 2005 General Bond Resolution and all references to other materials not purporting to be quoted in full are only brief outlines of certain provisions thereof and do not constitute complete statements of such documents or provisions, and reference is hereby made to the complete documents and materials, copies of which will be furnished by the Bond Bank on request. The 2005 General Bond Resolution is included as Appendix E.

Any statements made in this Official Statement indicated to involve matters of opinion or estimates are represented as opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated.

OFFICIAL STATEMENT

The Bond Bank has authorized the execution and distribution of this Official Statement.

ALASKA MUNICIPAL BOND BANK

By: ________________________________
Executive Director

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APPENDIX A

PROPOSED FORM OF OPINION OF BOND COUNSEL

________ __, 2020

Alaska Municipal Bond Bank
Juneau, Alaska

Alaska Municipal Bond Bank
General Obligation and Refunding Bonds, 2020 Series Two (Taxable)
(Final Opinion)

Ladies and Gentlemen:

[ORRICK TO PROVIDE]

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

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APPENDIX B

STATE PAYMENTS TO GOVERNMENTAL UNITS

The State of Alaska (the "State") disburses to Alaskan cities and boroughs funds that may be available for uses other than paying municipal bond debt service. In the event of default by a Governmental Unit with respect to a Loan Agreement, the Act requires that such funds held in custody by the State prior to disbursement be paid over to the Bond Bank. The State, however, may at any time reduce or terminate the disbursements or programs under which they are made. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA." In addition, other State agencies have similar rights to intercept State payments to Governmental Units. No assurance can be given that the Bond Bank's claim would have priority over any other eligible State agency's claim. Four of the departments of the State that disburse money to Governmental Units are as follows:

(1) Department of Education and Early Development. The Department of Education and Early Development ("DEED") disburses State aid for educational purposes primarily through the school debt reimbursement, foundation funding, and pupil transportation programs, in addition to funding for boarding homes, residential boarding, youth in detention, special schools, and the Alaska Challenge Youth Academy programs.

The school debt reimbursement program provides a system under which the State, subject to annual appropriation by the Legislature, reimburses municipalities that operate school districts for certain costs of school construction. State reimbursement applies to debt service on locally issued general obligation school bonds. Timing of reimbursements is determined by municipalities' debt service payments, and is made throughout the year. This program provides that subject to statutory and regulatory conditions, the State will reimburse municipalities for a pre-determined percentage of debt service incurred for such bonds, depending on when such bonds were issued and the project components. The State may appropriate less than the full amount to which the municipalities are entitled. When appropriations are less than 100 percent of the entitlement, funds have been allocated pro rata among the eligible school districts. See Appendix F – "INFORMATION CONCERNING THE STATE OF ALASKA – Government Budgets and Appropriations" and "– Public Debt and Other Obligations of the State."

Under the foundation funding program, the State aids local school districts in paying operating expenses under the State "K-12 foundation" funding, which provides education-related aid for operating costs associated with qualified K-12 schools as well as programs such as the handicapped facilities and nutrition programs. The program provides for monthly distributions to school districts.

Under the pupil transportation program, the State aids local school districts for pupil transportation. The program provides for monthly distributions to school districts.

Under other programs, the State has provided one-time grant funds.

(2) Department of Revenue. The Department of Revenue disburses shares of various State taxes collected by the Department of Revenue within the jurisdiction of certain Governmental Units, including aviation fuel, commercial passenger vessel, electric, telephone, liquor, and fisheries resources landed and business taxes. Payments are distributed both semi-annually in January and July and annually in October depending upon the type of tax.

(3) Department of Commerce, Community and Economic Development. The Department of Commerce, Community and Economic Development ("DCCED") administers a payment in lieu of taxes program under which the federal government pays a fee for use of land. The payments received from the

federal government are passed through the State to certain Governmental Units. Distributions occur annually in July. The State also disburses money to certain Governmental Units through DCCED's Capital Matching Grants program to provide assistance in financing capital projects. Distributions are made throughout the year as approved projects are constructed. Additionally, the State Revenue Sharing program provides an annual transfer to certain Governmental Units based on population. The revenue sharing transfers occur in the first quarter of the fiscal year.

(4) Department of Corrections. The Department of Corrections transfers monthly amounts to pay operational expenses of local communities that house prisoners in municipal-owned facilities.

In addition to the four sources listed above, the State disburses to Governmental Units funds that are not available for intercept by the Bond Bank. A reduction in the amount of such funds and the distribution of such funds, such as State assistance to Governmental Units to address pension liabilities, also could have a negative impact on the finances of Governmental Units.

The table included below sets forth the amount of State payments to Governmental Units that have borrowed from the Bond Bank subject to intercept under the Act as well as the fiscal year 2019 Loan Obligations and estimated coverage provided by those State payments.

Alaska Municipal Bond Bank Capability to Intercept Funds[BOND BANK TO UPDATE TABLE]

	FY 2018 Shared Taxes & Fees one time transfers for 7 categories of tax and license type	FY 2020 School Debt Reimbursement transferred as debt service comes due semi-annually (current year annual appropriation)	FY 2020 Education Support transferred in 12 level monthly installments during fiscal year (current year annual appropriation)	Active Matching Grants as of August 28, 2019, will be drawn down as projects complete (current and past year capital grant appropriations) (1)	FY 2020 Community Jails-transferred in 12 level monthly payments during fiscal year (current year annual appropriation)	FY 2020 PILT transfers	Revenue Sharing FY 2020 disbursed at one time by October of fiscal year (current year annual appropriation)	Total Intercept Capability	FY 2020 Total Debt Service(2)	Coverage Ratio
Boroughs										
Aleutians East Borough	$1,887,896	$319,103	$4,695,101	$1,582,554	$–	$–	$316,424	$8,801,078	$2,482,416	3.55
Municipality of Anchorage	1,323,960	19,982,499	322,941,190	123,062,614	–	–	4,557,777	471,868,040	298,500	1,580.80
Fairbanks North Star Borough	433,150	4,276,714	110,565,543	5,975,552	–	–	1,370,831	122,621,790	4,847,644	25.30
Haines Borough	589,355	436,967	2,292,445	1,722,641	215,954	–	441,698	5,699,060	1,372,019	4.15
City & Borough of Juneau (3)	5,348,967	3,471,301	37,248,902	1,253,813	–	–	831,662	48,154,645	19,012,116	2.53
Kenai Peninsula Borough (3)	1,430,737	1,373,455	79,297,077	838,600	–	–	1,269,916	84,209,785	16,450,170	5.12
Ketchikan Gateway Borough	2,676,032	1,144,498	25,314,603	6,498,254	–	–	374,560	36,007,947	5,087,912	7.08
Kodiak Island Borough	1,974,407	2,786,589	24,406,757	327,331	–	–	408,022	29,903,106	9,320,496	3.21
Lake & Peninsula Borough	229,719	468,222	9,115,328	–	–	–	455,455	10,268,724	1,423,900	7.21
Northwest Arctic Borough	5,159	1,978,859	37,351,895	–	–	–	329,228	39,665,141	6,908,032	5.74
Petersburg Borough	902,022	226,566	6,074,143	–	173,626	–	344,906	7,721,263	1,448,119	5.33
City & Borough of Sitka	1,704,375	909,640	12,323,983	1,696,581	391,194	–	497,524	17,523,297	11,927,770	1.47
Municipality of Skagway	4,216,035	–	986,909	8,817,556	–	–	331,197	14,351,697	1,509,638	9.51
City & Borough of Wrangell	367,020	81,931	4,131,196	1,464,440	325,274	–	409,356	6,779,217	268,250	25.27
Cities										
Adak	$198,487	$–	$–	$–	$–	$60,391	$79,192	$338,070	$104,500	3.24
Bethel*	23,176	–	–	241,014	–	909,685	161,880	1,335,755	253,050	5.28
Cordova	1,752,168	221,760	4,320,363	–	135,303	464,556	108,421	7,002,571	1,238,363	5.65
Craig	94,148	–	4,568,844	461,397	322,724	301,913	90,507	5,839,533	134,288	43.49
Dillingham	517,530	360,083	6,004,662	38,484	526,851	466,164	108,732	8,022,506	1,338,817	5.99
Hoonah	889,809	–	2,314,491	10,000	–	96,629	86,173	3,397,102	90,500	37.54
Homer*	166,010	–	–	128,542	424,080	–	152,080	870,712	683,731	1.27
Ketchikan*	2,713,801	–	–	5,207,808	–	–	190,514	8,112,123	7,146,393	1.14
Kenai*	220,531	–	–	4,228,563	–	–	174,116	4,623,210	172,704	26.77
King Cove*	566,674	–	–	609,069	–	–	88,028	1,263,771	314,607	4.02
Klawock	2,759	–	2,186,875	341,019	–	214,234	86,003	2,830,890	85,950	32.94
Kodiak*	994,468	–	–	69,121	991,552	–	159,147	2,214,288	845,544	2.62
Nome	28,715	76,434	8,846,733	2,142,047	–	486,862	126,859	11,707,650	725,525	16.14
North Pole*	26,468	–	–	46,649	–	–	104,753	177,870	100,775	1.77
Palmer*	149,294	–	–	301,174	–	–	163,126	613,594	104,850	5.85
Sand Point*	275,604	–	–	–	–	–	87,901	363,505	180,930	2.01
Saxman*	–	–	–	82,865	–	–	80,962	163,827	12,125	13.51
Seward*	930,259	–	–	1,432,673	368,952	–	111,593	2,843,477	2,910,338	0.98
Soldotna*	77,263	–	–	–	–	–	136,276	213,539	211,752	1.01
Unalaska	8,196,954	133,364	4,411,913	–	431,207	884,037	136,361	14,193,836	5,118,041	2.77
Valdez	738,106	795,933	4,803,918	66,925	354,749	768,288	130,272	7,658,191	343,725	22.28
Whittier	717,889	–	–	2,012	–	48,227	78,470	846,598	159,025	5.32
Other Jurisdictions										
University of Alaska (4)								310,553,325	5,589,588	55.56

* Communities that are located in a borough which operates the public schools in the community and receives that related Education Support Funding.
(1) Matching grants are appropriated by the Legislature and can vary significantly from year to year.
(2) Includes annual debt service associated with bonds sold under the Bond Bank's 2010 Resolution.
(3) Borrower to this issue.
(4) Interceptable revenue of the University of Alaska is comprised of direct appropriations from the State of Alaska, appropriations listed are for fiscal year 2020.
Source: State of Alaska Department of Administration—Finance Division; State of Alaska, Office of Management and Budget; and State of Alaska Department of Revenue—Tax Division. Further information regarding the State of Alaska may be found in Appendix F.

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APPENDIX C

GOVERNMENTAL UNIT STATISTICS REGARDING PARTICIPATION IN THE BOND BANK

2005 GENERAL BOND RESOLUTION
OUTSTANDING LOAN PRINCIPAL TO GOVERNMENTAL UNIT BORROWERS
AS OF MAY 1, 2020**[BOND BANK TO UPDATE TABLE]**

(Does Not Include 2020 Series Two Bonds)

Borrower	Outstanding Principal	Percent of Outstanding
City and Borough of Sitka	$137,110,000	14.58%
Kenai Peninsula Borough	115,765,000	12.31
City and Borough of Juneau	98,525,000	10.48
City of Ketchikan	87,440,000	9.30
University of Alaska	82,890,000	8.81
Kodiak Island Borough	77,690,000	8.26
Fairbanks North Star Borough	61,400,000	6.53
City of Unalaska	55,590,000	5.91
City of Seward	29,530,000	3.14
Northwest Arctic Borough	27,510,000	2.93
Ketchikan Gateway Borough	24,750,000	2.63
Aleutians East Borough	19,820,000	2.11
Municipality of Skagway	18,435,000	1.96
Lake & Peninsula Borough	14,430,000	1.53
City of Cordova	13,790,000	1.47
City of Kodiak	11,845,000	1.26
City of Dillingham	11,215,000	1.19
Haines Borough	8,085,000	0.86
Petersburg Borough	7,365,000	0.78
City of Homer	7,015,000	0.75
SE Alaska Power Agency	4,245,000	0.45
Municipality of Anchorage	3,100,000	0.33
City of Nome	2,870,000	0.31
City of King Cove	2,395,000	0.25
City of Sand Point	2,230,000	0.24
City of Whittier	1,875,000	0.20
City of Bethel	1,835,000	0.20
City of Soldotna	1,550,000	0.16
City of Craig	1,505,000	0.16
City of Valdez	1,500,000	0.16
City of Kenai	1,260,000	0.13
City of Klawock	1,230,000	0.13
City of Hoonah	830,000	0.09
City of North Pole	540,000	0.06
City of Palmer	475,000	0.05
City of Adak	450,000	0.05
City and Borough of Wrangell	285,000	0.03
City of Saxman	140,000	0.01
Reserve Obligations	1,820,000	0.19
Total Outstanding Par	$940,335,000	100.00%

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APPENDIX D

FINANCIAL STATEMENTS OF THE ALASKA MUNICIPAL BOND BANK FOR THE YEAR ENDED JUNE 30, 2019

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APPENDIX E

2005 GENERAL BOND RESOLUTION AND 2013 FIRST SUPPLEMENTAL RESOLUTION

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APPENDIX F

INFORMATION CONCERNING THE STATE OF ALASKA

The information concerning the State of Alaska ("Alaska" or the "State") set forth in this Appendix is dated as of the date of the Official Statement. The information contained herein is subject in all respects to the complete text of the financial reports referenced. The information contained herein has been obtained from sources that the State believes to be reliable but is not guaranteed as to accuracy.

General

Although payments made by the Governmental Units on their Municipal Bonds are the primary security for the payment of principal of and interest on the Bonds, including the 2020 Series Two Bonds, the Bond Bank also maintains the Reserve Fund as additional security for the payment of the Bonds. The Bond Bank is required under the Act to annually report the sufficiency of and to seek appropriations from the Legislature to replenish the Reserve Fund if needed. Starting in fiscal year 2010, the Bond Bank has been obligated by the 2005 General Bond Resolution to seek an annual appropriation from the State's General Fund for the Reserve Fund, in the event of a deficiency due to a payment default. From fiscal year 2010, and each subsequent year including fiscal year 2020, the Bond Bank has obtained an annual appropriation from the State's General Fund to replenish the Reserve Fund, which includes the Bond Bank reserve accounts under the 2010 Master Bond Resolution and the 2016 Master Bond Resolution in the event of a deficiency due to a payment default. No such defaults have occurred and none of the replenishment appropriation has been used. During these same years the Bond Bank has obtained an appropriation for any earnings on reserve accounts held by the Bond Bank in excess of the Bond Bank's operating expenses for the fiscal year; the Act otherwise would require such earnings to be appropriated to the General Fund. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – 2005 General Bond Resolution Reserve Fund" in the front of this Official Statement and "– Government Budgets and Appropriations" below. The State's fiscal year is July 1 to June 30.

Alaska is a sovereign state of the United States of America, located in the far northwest of North America to the west of Canada, with its southeastern border approximately 500 miles north of the State of Washington. Alaska became a state in 1959. The State's population increased approximately 7.7 percent between fiscal year 2008 and fiscal year 2016; however, since 2016 the population has contracted by approximately 1.2 percent with a population estimate as of June 30, 2019 of 731,007 (Alaska Department of Labor and Workforce Development, Research & Analysis Section).

Alaska includes approximately 586,412 square miles (approximately 365 million acres) of land and is the largest state of the United States (roughly equivalent in size to one-fifth of all of the other 49 states combined). Unlike the other 49 states, where significant portions of the land may be owned by individuals or entities in the private sector, less than one percent of the land in Alaska is owned by private, non-Alaska Native owners. As described below, most of the State's revenue is derived from resources owned by the State itself, including petroleum and minerals extracted from State-owned lands and investment income on securities in funds owned by the State.

State Government

Alaska became the 49th state in 1959 pursuant to the Alaska Statehood Act, which was enacted by the United States Congress in 1958 (the "Statehood Act"). The Alaska Constitution was adopted by the Constitutional Convention on February 5, 1956, ratified by the people of Alaska on April 24, 1956, and became operative with the formal proclamation of statehood on January 3, 1959.

Alaska government has three branches: legislative, executive, and judicial. The legislative power of the State is vested in a legislature consisting of a Senate with a membership of 20 and a House of Representatives with a membership of 40 (the "Legislature"). The executive power of the State is vested in the Governor. The judicial power of the State is vested in a supreme court, a superior court, and the courts established by the Legislature. The jurisdiction of courts and judicial districts is prescribed by law. The courts constitute a unified judicial system for operation and administration.

The State provides or funds a range of services including education, health and human services, transportation, law enforcement, judicial, public safety, community and economic development, public improvements, and general administrative services.

There are 19 organized boroughs in Alaska and 145 cities, 49 of which are located within an organized borough and 96 of which are located within the unorganized borough. Of these, 15 boroughs and 21 cities impose property taxes and 9 boroughs and 107 cities impose general sales taxes. [Confirm/update?]

State Revenues

The State does not currently impose personal income taxes and has never imposed statewide general sales taxes. The State does, however, impose a number of business-related taxes that, together with rents and royalties and fines and fees, represented nearly 100 percent of designated and unrestricted non-investment General Fund revenue in fiscal year 2019. Grants, contributions, and other revenue from the federal government and interest and investment income represent the remaining portions of State revenue.

The key drivers of the Alaska economy include natural resource development, federal (including national defense) and State government, seafood, and tourism. Approximately 24.2 percent of the State's total nonfarm employment is derived from government (including federal, state, and local). Other major industries in Alaska include the education and health services industry, and trade, transportation, and utilities, making up 15.4 percent and 19.6 percent of total nonfarm employment, respectively. The State's major exports are oil, seafood (primarily salmon, halibut, cod, pollock, and crab), coal, gold, silver, zinc, and other minerals (Alaska Department of Labor and Workforce Development, Research & Analysis, Employment Statistics; 2019 Annual Average).

The Department of Revenue – Tax Division (the "Tax Division") produces a semi-annual revenue sources book. The revenue sources book published each fall is the comprehensive annual forecast released in December, and the revenue forecast published in the spring is an annual, partial update of the revenue sources book published in the preceding fall. The most recent revenue forecast comes from the Revenue Sources Book Spring 2020 Revenue Forecast (the "Spring 2020 Revenue Forecast"), released by the Tax Division on April 6, 2020. The next comprehensive annual forecast, the Revenue Sources Book Fall 2020, is anticipated to be released in the last quarter of calendar year 2020.

Historically, petroleum-related revenue has been the largest source of unrestricted revenue for the General Fund. Approximately 78 percent of the fiscal year 2019 non-investment unrestricted General Fund revenue was generated from petroleum. In 2018, the Legislature enacted Senate Bill 26 ("SB 26"), which directs the State to appropriate amounts from the earnings reserve of the Alaska Permanent Fund to the General Fund as unrestricted General Fund revenue, diminishing the percentage of unrestricted revenue that petroleum-related revenue represents to approximately 38 percent in fiscal year 2019.

The Alaska Permanent Fund was established by a voter-approved constitutional amendment that took effect in February 1977. Pursuant to legislation enacted in 1982, annual appropriations are made from the Permanent Fund Earnings Reserve, first for dividends to qualified Alaska residents and then for inflation-proofing. The principal portion of the Permanent Fund, approximately $47.1 billion as of February 29, 2020, may not be spent without amending the State Constitution. The earnings reserve, approximately $17.8 billion as of February 29, 2020 (subsequent to June 30, 2019, with enacted legislation in the fiscal year 2020 budget, this amount includes approximately $2.9 billion committed to the General Fund and approximately $4.9 billion committed to the principal of the Permanent Fund for current and future fiscal year inflation proofing), may be appropriated by a majority vote of the Legislature. See "Government Funds – The Alaska Permanent Fund" below.

In fiscal year 2019, pursuant to SB 26, the State began appropriating amounts from the Permanent Fund Earnings Reserve to the General Fund as unrestricted General Fund revenue. SB 26 adjusted the transfer from the Permanent Fund Earnings Reserve to an amount determined by taking 5.25 percent of the average market value of the Permanent Fund for the first five of the preceding six fiscal years, including the fiscal year just ended. Effective July 1, 2021, the amount determined for transfer from the Permanent Fund Earnings Reserve is reduced to 5.00 percent of the average market value of the fund for the first five of the preceding six fiscal years, including the fiscal year just ended. As described below in "Government Funds – The Alaska Permanent Fund," this calculation does not include the principal attributable to the settlement of *State v. Amerada Hess*. The Alaska Permanent Fund Corporation ("APFC"), which manages the Permanent Fund, projects this annual transfer of unrestricted General Fund revenue to the General Fund in their monthly history and projections report, as reflected in Table 2. For fiscal year 2020, SB 26 resulted in a transfer of approximately $2.9 billion from the Permanent Fund Earnings Reserve to unrestricted General Fund revenue. For fiscal year 2021, SB 26 will result in a transfer of approximately $3.1 billion from the Earnings Reserve to unrestricted General Fund revenue. The Permanent Fund Dividend may be paid out of this transfer, and any residual revenue is available for other appropriation. In fiscal year 2019, the Permanent Fund Dividend appropriation was approximately $1,015 million. The 2019 Permanent Fund Dividend amount was $1,606 per qualified resident.

In the Spring 2020 Revenue Forecast, the general purpose unrestricted revenue forecast for fiscal year 2020 was an estimated $4,522.3 million and an estimated $4,244.3 million for fiscal year 2021. This compares to $5,349.8 million for fiscal year 2019 and $2,413.5 million for fiscal year 2018. The primary reason for this decrease was a decrease in petroleum revenue decreasing from $2,043.8 million in fiscal year 2019 to an estimated $1,098.8 million in fiscal year 2020, and an estimated $716.6 million in fiscal year 2021.

The Spring 2020 Revenue Forecast estimates that Alaska North Slope ("ANS") oil prices in fiscal year 2020 will be an estimated $51.65 compared to actual prices of $69.46 in fiscal year 2019 and $63.61 in fiscal year 2018. The estimate for ANS production in fiscal year 2020 is approximately 486.4 thousand barrels of oil per day compared to 496.9 thousand barrels of oil per day in 2019 and 518.4 thousand barrels of oil per day in fiscal year 2018. The Spring 2020 Revenue Forecast includes the State's forecast for ANS oil prices through fiscal year 2029 ($51.65 is forecasted for fiscal year 2020 and $37.00 is forecasted for fiscal year 2021). The Spring 2020 Revenue Forecast includes the State's forecast for general purpose unrestricted revenue through fiscal year 2029 ($4,522.3 million is forecasted for fiscal year 2020 and $4,244.3 million is forecasted for fiscal year 2021).

Forecast information is derived from a number of sources and is based upon a variety of assumptions, many of which themselves are based upon other forecasts and assumptions and most of which are not within the State's control. Actual budgets, plans, and results may differ materially from the plans, budgets, and results described herein. The forecast information has not been updated to reflect economic impacts of the COVID-19 pandemic, which may materially adversely impact the forecast. The World Health Organization has classified COVID-19 as a pandemic. Although the effects of COVID-19 cannot be predicted with certainty, COVID-19 and related social

distancing measures in response to COVID-19 are expected to have an adverse effect on economic activity within the State, economic markets, and the oil and gas sector. The State cannot predict the duration or extent of the COVID-19 epidemic, or the scope of the adverse impact on economic activity within the State and operations within the State.

Oil and Gas Revenues. The State's unrestricted General Fund revenues have historically been generated primarily from petroleum production activities. The State receives petroleum revenues (some of which are restricted) from five sources: oil and gas property taxes, oil and gas production taxes, bonuses and rents, oil and gas royalties, and corporate income taxes.

Oil and Gas Property Tax. The State levies an oil and gas property tax on the value of taxable oil and gas exploration, production and pipeline transportation property in the State at a rate of 20 mills (two percent) of the assessed value of the property. This is the only centrally assessed statewide property tax program in Alaska. Oil and gas reserves, oil or gas leases, the rights to explore or produce oil or gas, and intangible drilling expenses are not considered taxable property under the statute. The most notable properties that are subject to this tax are the Trans-Alaska Pipeline System, including the terminal at Valdez ("TAPS") and the field production systems at Prudhoe Bay. The assessed value of all existing properties subject to this tax was approximately $28.5 billion as of January 1, 2019, $28.2 billion as of January 1, 2018, $28.4 billion as of January 1, 2017, $27.7 billion as of January 1, 2016, and $28.6 billion as of January 1, 2015.

Property taxes on exploration property are based upon estimated market value of the property. For property taxes on production property, values are based upon replacement cost, less depreciation based on the economic life of the proven reserves (or the economic limit in the case of taxes on offshore platforms or onshore facilities). The amount collected from property taxes on existing production property is expected to decrease in the future. For property taxes on pipeline transportation property (primarily TAPS property), values are determined based upon the economic value, taking into account the estimated life of the proven reserves of gas or unrefined oil expected to be transported by the pipeline and replacement cost, less depreciation based on the economic life of the reserves.

Local governments may also levy a property tax on oil and gas properties at individual mill rates up to 20 mills using the assessed values determined by the State. Taxpayers receive a credit against the State oil and gas property tax for property taxes paid to municipalities on such property up to the amount of State tax that would otherwise be due. See "Government Budgets and Appropriations – General Appropriations" below. Of the $569.5 million of gross tax collected in fiscal year 2019 on oil and gas property in the State, the State's share was approximately $119.5 million. In the Spring 2020 Revenue Forecast, the State forecasts the State's share of income from the oil and gas property tax to be approximately $123.2 million in fiscal year 2020 and $116.7 million in fiscal year 2021.

Revenue from oil and gas property taxes is deposited in the General Fund; however, the State Constitution requires that settlement payments received by the State after a property tax assessment dispute be deposited in the Constitutional Budget Reserve Fund (the "CBRF"). In fiscal year 2018, $121.3 million in total settlements were deposited into the CBRF, $181.2 million for fiscal year 2019, and in the Spring 2020 Revenue Forecast, the State forecasts settlements to be $235 million for fiscal year 2020 and $75 million for fiscal year 2021. See "Government Funds – The Constitutional Budget Reserve Fund" below.

Oil and Gas Production Taxes. The State levies a tax on oil and gas production income generated from production activities in the State. The tax on production is levied on sales of all onshore oil and gas production, except for federal and State royalty shares and on offshore developments within three miles of shore.

The oil and gas production tax can be a significant source of revenue and in many past years has been the State's single largest source of revenue. The production tax is levied differently based upon the type of production (oil versus gas) and the geographical location (North Slope versus Cook Inlet, the State's two producing petroleum basins).

For North Slope oil and export gas, the tax uses the concept of "Production Tax Value" ("PTV"), which is the gross value at the point of production minus lease expenditures. PTV is similar in concept to net profit, but different in that all lease expenditures can be deducted in the year incurred; that is, capital expenditures are not subject to a depreciation schedule. The production tax rate is 35 percent of PTV with an alternative minimum tax of 0 percent to 4 percent of gross value, with the 4 percent minimum tax applying when average ANS oil prices for the year exceed $25 per barrel.

Several tax credits and other mechanisms are available for North Slope oil production to provide incentives for additional investment. A per-taxable-barrel credit is available, which is reduced progressively from $8 per barrel to $0 as wellhead value increases from $80 per barrel to $150 per barrel. A company that chooses to take this credit may not use any other credits to reduce tax paid to below the gross minimum tax. An additional incentive applies for qualifying new production areas on the North Slope. The so-called "Gross Value Reduction" ("GVR") allows a company to exclude 20 percent or 30 percent of the gross value for that production from the tax calculation. Qualifying production includes areas surrounding a currently producing area that may not be commercial to develop, as well as new oil pools. Oil that qualifies for this GVR receives a flat $5 per-taxable-barrel credit rather than the sliding-scale credit available for most other North Slope production. As a further incentive, this $5 per-taxable-barrel credit can be applied to reduce tax liability below the minimum tax. The GVR is available only for the first seven years of production and ends early if ANS prices exceed $70 per barrel for any three years.

Effective January 1, 2022, for North Slope export gas, the tax rate will be 13 percent of gross value at the point of production. Currently, only a very small amount of gas is technically export gas, which is sold for field operations in federal offshore leases. However, this tax rate would apply to a major gas export project.

For the North Slope, a Net Operating Loss ("NOL") credit in the amount of 35 percent of losses was available until December 31, 2017. It allowed a credit to be carried forward to offset a future tax liability or, in some cases, to be transferred or repurchased by the State. Effective January 1, 2018, the NOL credit was replaced with a new carried-forward annual loss provision. In lieu of credits, a company may carry forward 100 percent of lease expenditures not applied against the tax and may apply all or part of lease expenditures in a future year. A carried-forward annual loss may not reduce tax below the minimum tax and may only be used after the start of regular production from the area in which the expenditures were incurred. An unused carried-forward annual loss declines in value by one-tenth each year beginning in the eighth or eleventh year after it is earned, depending on whether the carried-forward annual loss was earned from a producing or non-producing area.

Cook Inlet oil production is officially subject to the same tax rate of 35 percent of PTV. However, the tax is limited by statute to a maximum of $1 per barrel.

For Cook Inlet gas production, the tax rate is 35 percent of PTV, and the tax is limited to a maximum value averaging 17.7 cents per thousand cubic feet. This rate also applies to North Slope gas used for qualifying in-State uses, commonly referred to as "non-export gas."

Taxpayers are required to make monthly estimated payments, based upon activities of the preceding month. These payments are due on the last day of the following month, and taxpayers are required to file an annual tax return to "true up" any tax liabilities or overpayments made during the year.

From fiscal year 2007 through fiscal year 2017, as an incentive for new exploration, companies without tax liability against which to apply credits could apply for a refund of the value of most of the credits, subject to appropriation. In fiscal year 2016, the State credited for potential purchase $498 million from companies claiming such credits. For fiscal year 2017, the State appropriated the minimum provided for in the statutorily based formula of $32.7 million for payments of such credits. In fiscal year 2018, the State purchased $75 million in tax credits through the Oil and Gas Tax Credit Fund and purchased an additional $103 million in fiscal year 2019. In the Spring 2020 Revenue Forecast, the State forecasts the statutory appropriation to the Oil and Gas Tax Credit Fund for Credit repurchases to be $1 in fiscal year 2020 due to uncertainty about timing and resolution of outstanding litigation. For fiscal year 2021, an estimated $738 million in tax credits are projected to be available for State repurchase, with the majority of those being credits earned in prior years. Payments of these credits are subject to future fiscal year appropriation.

In 2017, HB 111 was enacted, making multiple changes to the State's oil and gas production tax and tax credit statutes. Following passage of HB 111, new credits will no longer be eligible for cash repurchase. Instead, companies will retain their credits until such time as they owe a tax liability to the State, at which time the credits could be used to offset the company's oil and gas production taxes.

All unrestricted revenue generated by the oil and gas production taxes ($0.4 billion in fiscal year 2015, $0.2 billion in fiscal year 2016, $0.1 billion in fiscal year 2017, $0.7 billion in fiscal year 2018, $0.6 billion in 2019, and forecasted in the Spring 2020 Revenue Forecast to be $0.27 billion in fiscal year 2020) is deposited in the General Fund, except that any payments received as a result of an audit assessment under the oil and gas production tax or as a result of litigation with respect to the tax are deposited into the CBRF. See Table 1.

Oil and Gas Royalties, Rents and Bonuses. In fiscal year 2019, approximately 97 percent of all current oil production in the State, including the reserves at Prudhoe Bay, was from State land leased for exploration and development. As the land owner, through the Department of Natural Resources ("DNR"), the State earns revenue from leasing as (i) upfront bonuses, (ii) annual rent charges and (iii) retained royalty interests in the oil and gas production. State land historically has been leased largely based on a competitive bonus bid system. Under this system, the State retains a statutorily prescribed minimum royalty interest of at least 12.5 percent on oil and gas production from land leased from the State, although some leases contain royalty rates of 16.67 percent and some also include a net profit-share or sliding scale component. Under all lease contracts the State has ever written, the State reserves the right to switch between taking its royalty in-kind or in cash (in cash royalty is valued according to a formula based upon the contract prices received by the producers, net of transportation charges). When the State elects to take its royalty share in-kind, the State becomes responsible for selling and transporting that royalty share, which means establishing complex contracts to accomplish these tasks. The State regularly negotiates these contracts and has historically sold roughly 95 percent of North Slope oil royalties in this way. State royalty revenue from production on State land that is not obligated to the Permanent Fund or Public School Trust Fund is unrestricted revenue that is available for general appropriations.

In addition to royalties from production on State land, the State receives 50 percent of royalties and lease bonuses and rents received by the federal government from leases of federal lands in the National Petroleum Reserve Alaska (the "NPR-A"). The State is required to deposit its entire share of lease bonuses, rents, and royalties from oil activity in the NPR-A in the NPR-A Special Revenue Fund, from which a portion is used to make grants to municipalities that demonstrate present or future impact from oil development in the NPR-A. Of the revenue in the NPR-A Special Revenue Fund that is not appropriated to municipalities, 50 percent is to be deposited to the Permanent Fund, with up to 0.5 percent to the Public School Trust Fund and then to the Power Cost Equalization Fund. Any remaining amount is then available for General Fund appropriations. The State also receives a portion of revenues from federal royalties and bonuses on all other federal lands located within State borders and from certain federal waters.

Table 1 summarizes the sources and initial applications of oil and other petroleum-related revenue for fiscal years 2010 through 2019.

Table 1

Sources and Initial Applications of Oil and Other Petroleum-Related Revenue
Fiscal Years Ended June 30, 2010 – 2019

($ millions)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Oil Revenue to the General Fund										
Property Tax	$ 118.8	$ 110.6	$ 111.2	$ 99.3	$ 128.1	$ 125.2	$ 111.7	$ 120.4	$ 121.6	$ 119.5
Corporate Income Tax (1) .	446.1	542.1	568.8	434.6	307.6	94.8	(58.8)	(59.4)	66.4	217.7
Production Tax..	2,871.0	4,552.9	6,146.1	4,050.3	2,614.7	389.7	186.0	134.4	749.9	595.5
Royalties (including bonuses, rents and interest) (2)(3)	1,477.0	1,843.3	2,031.7	1,767.8	1,712.4	1,078.2	870.6	681.5	1,002.3	1,111.1
Subtotal	$4,912.9	$7,048.9	$8,857.8	$6,352.0	$4,762.8	$1,687.9	$1,109.5	$ 877.0	$ 1,940.2	$ 2,043.8
Oil Revenue to Other Funds										
Royalties to the Permanent Fund and School Fund (2)(3)	$ 707.2	$ 870.9	$ 919.6	$ 855.9	$ 786.2	$ 518.3	$ 396.9	$ 340.0	$ 363.1	$ 382.3
Tax settlements to CBRF	552.7	167.3	102.8	357.4	177.4	149.9	119.1	481.9	121.3	181.2
NPR-A royalties, rents and bonuses (4)	21.3	3.0	4.8	3.6	6.8	3.2	1.8	1.4	23.7	12.3
Subtotal	1,281.2	1,041.2	1,027.2	1,216.9	970.4	671.4	517.8	823.3	508.1	575.8
Total Oil Revenue	$6,194.1	$8,090.1	$9,885.0	$7,568.9	$5,733.2	$2,359.3	$1,627.3	$1,700.3	$2,448.3	$2,619.6

(1) Corporate income tax collections for fiscal years 2016 and 2017 were negative due to large refunds of prior-year estimated taxes and low estimated taxes for fiscal year 2016 and 2017.

(2) Net of deposits in the Permanent Fund and the CBRF. The State Constitution requires the State to deposit at least 25 percent in the Permanent Fund, and between 1980 and 2003, State statutes required the State to deposit at least 50 percent in the Permanent Fund. The statutory minimum was changed to 25 percent beginning July 1, 2003, and changed back to 50 percent as of October 1, 2008. In fiscal year 2018 and fiscal year 2019, only the constitutionally required 25 percent of royalties were deposited into the Permanent Fund. See "Government Funds – The Alaska Permanent Fund" below.

(3) Includes proceeds of royalties taken in-kind.

(4) By federal statute, the State receives 50 percent of federal revenues from oil and gas lease sales located in the NPR-A.

Source: 2009 through 2019 Revenue Sources Books and Spring 2020 Revenue Forecast, Tax Division.

Corporate Income Tax. The State levies a corporate income tax on Alaska taxable net income of corporations doing business in Alaska (other than certain qualified small businesses and income received by certain corporations from the sale of salmon or salmon eggs). Corporate income tax rates are graduated and range from zero percent to 9.4 percent of income earned in Alaska. Taxable income generally is calculated using the provisions of the federal Internal Revenue Code, and the calculation of Alaska taxable income varies, depending upon whether the corporation does business solely in Alaska, does business both inside and outside Alaska, or is part of a group of corporations that operate as a unit in the conduct of a single business (a "unitary" or "combined" group). Oil and gas companies are combined on a world-wide basis, although for other industries only the companies doing business in the United States are combined. Taxpayers may claim all federal incentive credits, but federal credits that refund other federal taxes are not allowed as credits against State corporate income taxes. In addition to the federal incentive credits, the State provides additional incentives, including an education credit for contributions made to accredited State universities or colleges for education purposes, a minerals exploration incentive, an oil and gas exploration incentive, and a gas exploration and development tax credit.

Most corporate net income tax collections are deposited in the General Fund, although collections from corporate income tax audit assessments of oil and gas corporations are deposited in the CBRF.

Non-Oil Revenues. The State also receives unrestricted and restricted General Fund revenues from activities unrelated to petroleum. The State receives revenues from corporate income taxes paid by corporations other than petroleum producers, cigarette/tobacco/marijuana excise taxes, motor fuel taxes, alcoholic beverage taxes, fishery business taxes, electric and telephone cooperative taxes, insurance premium taxes, commercial passenger vessel excise taxes and service charges, permit fees, fines and forfeitures, mining license taxes, and miscellaneous revenues. See "Government Budgets and Appropriations – General Appropriations" below. A number of these non-oil tax, license, and fee revenues (but not investment income and federal revenue) are shared with municipalities. In fiscal year 2019, unrestricted revenues unrelated to petroleum production (excluding investment income and federal revenues) was $490.1 million, and in the Spring 2020 Revenue Forecast, the State forecasts the fiscal year 2020 value to be $454.2 million and the fiscal year 2021 value to be $411.5 million. Contained in the non-oil figures is the minerals industry, which contributes State revenue in the form of corporate income tax, mining license tax, and mining rents and royalties. For additional information, see "Government Budgets and Appropriations – General Appropriations" below.

Federal Revenue. The federal government is a significant employer in Alaska, directly and indirectly, in connection with its military bases and as a result of procurement contracts, grants, and other spending. In addition to expenditures in connection with federal military bases and other activities in Alaska, the State receives funding from the federal government, approximately $2.5 billion in fiscal year 2015, $2.6 billion in fiscal year 2016, $3.2 billion in fiscal year 2017, $3.1 billion in fiscal year 2018, and $3.4 billion in fiscal year 2019. In the Spring 2020 Revenue Forecast, the State forecasts restricted federal revenue to be approximately $4.3 billion in fiscal year 2020 and $4.3 billion in fiscal year 2021. The forecasts represent total budgeted spending authority for federal receipts, and actual federal receipts are subject to change. The federal funds are used primarily for road and airport improvements, aid to schools, and Medicaid payments, all of which are restricted by legislative appropriation to specific uses. Federal funds are most often transferred to the State on a reimbursement basis, and all transfers are subject to federal and State audit. Most federal funding requires State matching. The State match for federal spending in fiscal year 2019 was approximately $[736] million for the operating budget and $[82] million for the capital budget.

Investment Revenues. The State earns unrestricted and restricted by custom investment earnings from a number of internal funds. Two primary sources of investment income for the State are the two constitutionally-mandated funds, the Permanent Fund and the CBRF. The Permanent Fund had a fund balance (principal and earnings reserve) of approximately $66.3 billion as of June 30, 2019, which includes the value of the fiscal year 2020 General Fund transfer commitment of $2.9 billion and approximately $4.9 billion committed to the principal of the Permanent Fund for inflation proofing. The Permanent Fund had a fund balance of $64.9 billion as of June 30, 2018, $59.8 billion as of June 30, 2017, $52.8 billion as of June 30, 2016, $52.8 billion as of June 30, 2015 and $51.2 billion as of June 30,

2014. The CBRF had an asset balance of approximately $1.8 billion as of June 30, 2019. The CBRF had an asset balance of approximately $2.4 billion as of June 30, 2018, $3.9 billion as of June 30, 2017, $7.3 billion as of June 30, 2016, $10.1 billion as of June 30, 2015 and $12.8 billion as of June 30, 2014. Restricted investment revenue from the CBRF was approximately $74.8 million in fiscal year 2019. In the Spring 2020 Revenue Forecast, the State forecasts restricted investment revenue from the CBRF to be $33.1 million in fiscal year 2020. The next comprehensive annual forecast, the Fall 2020 Revenue Sources Book, is anticipated to be released in the last quarter of calendar year 2020. The Permanent Fund Earnings Reserve balance is available for appropriation with a majority vote of the Legislature, while appropriation of the Permanent Fund's principal balance requires amendment of the State Constitution. The balance of the CBRF is available for appropriation with a three-fourths vote of each house of the Legislature, and as described below, the State has historically borrowed from the CBRF when needed to address mismatches between revenue receipts and expenditures in the General Fund and/or to balance the budget at the end of the fiscal year.

As previously described, Senate Bill 26 ("SB 26"), relating to the earnings of the Permanent Fund, was enacted in 2018. The Alaska Permanent Fund Corporation ("APFC") projects this annual transfer of unrestricted General Fund revenue to the General Fund in their monthly history and projections report, as reflected in Table 2. This shift of classification of revenue of the Permanent Fund from restricted to unrestricted was incorporated into the Fall 2018 Revenue Sources Book forecast and subsequent Revenue Forecasts of Fall 2019 and Spring 2020.

Table 2

State of Alaska
Transfer from the Permanent Fund Earnings Reserve
to the General Fund for the Fiscal Year Ending June 30, 2020
APFC FORECAST for Fiscal Years Ending June 30, 2021 – 2029

($ millions)

Fiscal Year	Transfer Amount
2020	$2,933
Projected [(1)]	
2021	3,091
2022	3,095
2023	3,262
2024	3,376
2025	3,456
2026	3,540
2027	3,625
2028	3,712
2029	3,800

(1) APFC transfer projections as of the unaudited February 29, 2020 report, and subject to change.

General Fund asset balances listed as of June 30 may include borrowings from the CBRF for future fiscal year operating requirements. All CBRF values for fiscal year 2019 stated above are asset values. See "Government Funds – The Constitutional Budget Reserve Fund" and "– The Alaska Permanent Fund" below.

In the past, the State has also received earnings on the Statutory Budget Reserve Fund (the "SBRF"). Earnings on the SBRF are considered General Fund unrestricted revenue unless otherwise appropriated back to the SBRF. Article IX, Section 17(d) of the Alaska Constitution provides that the amount of money in the General Fund available for appropriation at the end of each succeeding fiscal year is to be deposited in the CBRF until the amount appropriated is repaid. The available fund balance of the SBRF had diminished to zero by June 30, 2016, where it has remained since. See "Government Funds – The Statutory Budget Reserve Fund" below.

In addition to investment income from the above-described funds, the State receives investment income (including interest paid) from investment of other unrestricted funds ($93.3 million in fiscal year 2019, $16.3 million in fiscal year 2018, $17.3 million in fiscal year 2017, $22.5 million in fiscal year 2016, and $47.9 million in fiscal year 2015). In the Spring 2020 Revenue Forecast, the State forecasts investment revenue of other unrestricted funds to be approximately $36.3 million in fiscal year 2020 and $24.8 million in fiscal year 2021. See "Government Funds" below.

Major Components of State Revenues. Table 3 summarizes the sources of unrestricted and restricted revenues available to the State in fiscal years 2014 through 2019, with a forecast for fiscal years 2020 and 2021 from the Spring 2020 Revenue Forecast.

Table 3

Total State Government Revenue by Major Component
Fiscal Years Ended June 30, 2014 – 2019
FORECAST for Fiscal Years Ended and Ending June 30, 2020 – 2021

($ millions)

	2014	2015	2016	2017	2018	2019	2020 (2)	2021 (2)
Revenue Source								
Unrestricted								
Oil Revenue	$ 4,762.8	$ 1,687.9	$ 1,109.5	$ 877.0	$ 1,940.2	$ 2,043.8	$ 1,098.8	$ 716.6
Non-Oil Revenue	497.1	520.5	400.7	460.3	457.0	490.1	454.2	411.5
Investment Earnings	130.2	47.9	22.5	17.3	16.3	2,815.9	2,969.4	3,116.3
Subtotal	$ 5,390.1	$ 2,256.3	$ 1,532.7	$ 1,354.6	$ 2,413.5	$ 5,349.8	$ 4,522.4	$ 4,244.4
Restricted								
Oil Revenue (1)	$ 934.4	$ 670.5	$ 517.8	$ 823.8	$ 508.1	$ 575.8	$ 562.8	$ 294.3
Non-Oil Revenue	473.5	491.2	647.5	656.3	697.4	631.2	633.3	614.3
Investment Earnings (3)	7,927.7	2,603.4	556.0	6,832.2	5,616.4	1,188.0	3,448.4	1,112.0
Federal Revenue	2,511.9	2,512.7	2,640.1	3,198.2	3,124.6	3,434.5	4,304.8	4,304.8
Subtotal	11,847.5	6,277.8	4,361.4	11,510.5	9,446.5	5,829.5	2,052.5	6,325.4
Total	$17,237.6	$ 8,534.1	$ 5,894.1	$12,865.1	$12,360.0	$11,179.3	$ 6,574.9	$10,569.8

Totals may not foot due to rounding.

(1) "Restricted Oil Revenue" includes oil revenue for the State's share of rents, royalties, and bonuses from the NPR–A, shared by the federal government.

(2) Forecasts for fiscal years 2020 and 2021 include a projection for the transfer from the Permanent Fund Earnings Reserve to the General Fund for unrestricted General Fund expenditures, including the Permanent Fund Dividend, based on SB 26. All values for fiscal year 2020 and 2021 are based on projections as of the release of the Spring 2020 Revenue Forecast and are subject to change.

(3) A portion of the Restricted investment earnings starting in fiscal year 2019 consist of Permanent Fund unrealized gains and realized gains, less the transfer to the General Fund classified as unrestricted pursuant to SB 26.

Source: 2014 through 2019 Revenue Sources Books and Spring 2020 Revenue Forecast, Tax Division.

Government Budgets and Appropriations

The Legislature is responsible for enacting the laws of the State, including laws that impose State taxes, and for appropriating money to operate the government. The State is limited by federal law, the State Constitution and statutes, and by policy in how it manages its funds and, as in other states, no funds, regardless of source, may be spent without a valid appropriation from the Legislature. The Legislature has a 90-day statutory time limit, and a constitutional time limit of 120 days with an allowance for up to an additional 10 days, to approve a budget. If the Legislature fails to approve a budget, or if other limited purpose legislation needs to be considered, the Governor or Legislature may call a special session to consider such matters. See "General Appropriations" below.

Budgets. The State's fiscal year begins on July 1 and ends on the following June 30, and the Legislature meets in regular session beginning on the fourth Monday of January in each year. The Governor is required by AS 37.07.020(a) to prepare: (1) a statutorily conforming budget for the succeeding fiscal year, including capital, operating, and mental health budgets, setting forth all proposed expenditures (including expenditures of federal and other funds not generated by the State) and anticipated income of all departments, offices, and agencies of the State; (2) a general appropriation bill to authorize proposed expenditures; and (3) in the case of proposed new or additional revenues, one or more bills containing recommendations for such new or additional revenues. In accordance with AS 37.07.020(b), the Governor is also required to prepare a six-year capital budget covering the succeeding six fiscal years and a 10-year fiscal plan. To assist the Governor in preparing budgets, proposed appropriation bills, and fiscal plans, the Tax Division prepares forecasts of annual revenues in December and March or April of each year. See "State Revenues" above and "General Appropriations," Table 4, "Government Funds," and "Revenue Forecasts" below.

The State Constitution prohibits the withdrawal from the treasury of nearly all funds, regardless of source, without an appropriation. As a consequence, the Governor's proposed budget and the Legislature's appropriation bills include federal and other funds as well as funds from the State and, by practice, funds that may be available for withdrawal without an appropriation. The State has customarily restricted certain revenue sources each fiscal year by practice. Such revenue is nonetheless available for appropriation.

General Appropriations. The Governor is required by State law to submit the three budgets—an operating budget, a mental health budget, and a capital budget—by December 15 and to introduce the budgets and appropriation bills formally to the Legislature in January by the fourth day of the regular Legislative session. These three budgets then to go the House Finance Committee and are voted upon by the House of Representatives. The three budgets then go to the Senate Finance Committee, are voted upon by the full Senate, and may go to a conference committee to work out differences between the House and Senate versions (and then be submitted to both houses for final votes). Bills passed by both houses are delivered to the Governor for signature. The Governor may veto one or more of the appropriations made by the Legislature in an appropriations bill (a "line-item veto") or may sign the bill or permit the bill to become law without a signature or veto. The Legislature may override a veto by the Governor (by a vote of three-fourths of the members of each house of the Legislature in the case of appropriation bills and by a vote of two-thirds of the members of each house in the case of other bills). Either the Governor or the Legislature may initiate supplemental appropriations during the fiscal year to deal with new or changed revenue receipts, to correct errors, or for any other reason. An appropriation is an authorization to spend, not a requirement to spend. Enacted budget appropriations may be expended beginning July 1.

The Governor is permitted to prioritize or restrict expenditures, to redirect funds within an operating appropriation to fund core services, and to expend unanticipated federal funds or program receipts. Historically, Alaskan Governors have placed restrictions on authorized operating and capital expenditures during years in which actual revenues were less than forecast and budgeted. Such expenditure restrictions have included deferring capital expenditures, State employment hiring and compensation freezes, lay-offs and furloughs, and restrictions on non-core operating expenses. As described below, unrestricted General Fund revenue began declining after the end of fiscal year 2012, increased in both fiscal years 2018 and 2019, is projected to decrease in both fiscal years 2020 and 2021, and is forecasted to increase over the remaining forecast period from fiscal years 2022 through 2029. See Tables 4 and 5 below. Operating and capital expenditures have generally declined over the same time-period through, among other actions, use of administrative restrictions on spending. See "Public Debt and Other Obligations of the State" below.

Additional options for the State to manage budget funding include reducing State expenditures, transferring spending authority among line items, providing additional incentives to develop petroleum or mining resources, reinstituting a State personal income tax, or imposing other broad-based statewide taxes, such as a sales tax. Most of these options, including the imposition of personal income taxes or other taxes, would require action by the Legislature.

Governor Michael J. Dunleavy was elected in November 2018 and took office in December 2018. The Governor has declared that additional adjustments to the State budget are needed to allow for a full statutory Permanent Fund Dividend distribution to State residents. For fiscal year 2021 the statutory Permanent Fund Dividend calculation would have resulted in approximately $2.0 billion being appropriated for this purpose. The Legislature appropriated approximately $680 million for the fiscal year 2021 Permanent Fund Dividend.

The State's enacted budget for fiscal year 2021 diminished spending from fiscal year 2020 from $10.62 billion to $10.03 billion, a reduction of approximately $596 million, of which approximately $389 million is reduced State fund spending.

In January 2019, Governor Dunleavy introduced three constitutional amendments: one to add the requirement for a statutory Permanent Fund Dividend distribution from the Permanent Fund, one to add a requirement for voter approval for new or increased taxes, and one to place a cap on annual growth in State expenditures and prioritize the deposit of any fiscal year's unappropriated State General Fund surplus to the Permanent Fund. These proposals will be considered independently, and to be implemented, must receive a two-thirds vote of approval from both the House of Representatives and the Senate followed by approval in a statewide election.

Appropriations for Debt and Appropriations for Subject-to-Appropriation Obligations. The Governor's appropriations bills include separate subsections for appropriations for State debt and other subject-to-appropriation obligations and specify the sources of funds to pay such obligations. For the State's outstanding voter-approved general obligation bonds and bond anticipation notes and for revenue anticipation notes to which the State's full faith and credit are pledged, money is appropriated from the General Fund and, if necessary, to the General Fund from other funds, including the Permanent Fund, to the State Bond Committee to make all required payments of principal, interest, and redemption premium. For these full faith and credit obligations, the State legally is required to raise taxes if State revenues are not sufficient to make the required payments.

The Governor's appropriation bills also include separate subsections for appropriations for subject-to-appropriation obligations, such as outstanding capital leases and lease-purchase financings authorized by law, and for State "moral obligation" debt, appropriations to replenish debt service reserves in the event of a deficiency. Such appropriations are made from the General Fund or from appropriations transferring to the General Fund money available in other funds such as the CBRF, the Power Cost Equalization Fund, unencumbered funds of the State's public corporations, and the Permanent Fund Earnings Reserve.

Appropriation Limits. The State Constitution does not limit expenditures but does provide for an appropriation limit and reserves one-third of the amount within the limit for capital projects and loan appropriations. Because State appropriations have never approached the limit, the reservation for capital projects and loan appropriations has not been a constraint. The appropriation limit does not include appropriations for Permanent Fund Dividends described below, appropriations of revenue bond proceeds, appropriations to pay general obligation bonds, or appropriations of funds received in trust from a non-State source for a specific purpose, including revenues of a public enterprise or public corporation of the State that issues revenue bonds. In general, under the State Constitution, appropriations that do not qualify for an exception may not exceed $2.5 billion by more than the cumulative change, derived from federal indices, in population and inflation since July 1, 1981. For fiscal year 2020, the Office of Management and Budget estimated the limit to be approximately $10.6 billion. The enacted fiscal year

2021 budget includes approximately $3.6 billion in unrestricted General Fund revenue net of the appropriated dividend distribution.

As shown in Table 4, unrestricted General Fund revenue increased to $2.41 billion in fiscal year 2018 and increased to $2.63 billion in 2019 (each not including any Permanent Fund transfer). The General Fund revenue was approximately $5.35 billion in fiscal year 2019 inclusive of the $2.72 billion Permanent Fund transfer. In fiscal year 2019, the State began appropriating amounts from the Permanent Fund Earnings Reserve to the General Fund as unrestricted General Fund revenue, which significantly diminishes the percentage of unrestricted revenue that petroleum-related revenue represents. The enacted fiscal year 2021 budget includes approximately $3.1 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. This shift of classification of revenue of the Permanent Fund from restricted to unrestricted was incorporated into the State's revenue projections in Table 4.

Table 4

State of Alaska
Total Unrestricted General Fund Revenue, ANS West Coast Oil Price, and ANS Oil Production
Fiscal Years Ended June 30, 2010 – 2019 and
Forecast for Fiscal Years Ending June 30, 2020 – 2029

Fiscal Year	**Total Unrestricted General Fund Revenue** ($ millions)	**ANS West Coast Oil Price** ($/barrel)	**ANS Oil Production** (thousands of barrels per day)
2010	$ 5,513	$ 74.90	642.6
2011	7,673	94.49	599.9
2012	9,485	112.65	579.3
2013	6,929	107.57	531.6
2014	5,390	107.57	530.4
2015	2,257	72.58	501.0
2016	1,533	43.18	514.7
2017	1,355	49.43	526.4
2018	2,414	63.61	518.5
2019	5,350	69.46	496.9
Projected (1)			
2020	4,522	51.65	486.4
2021	4,244	37.00	486.5
2022	4,330	41.00	458.0
2023	4,560	44.00	438.2
2024	4,687	46.00	433.2
2025	4,751	48.00	448.9
2026	4,801	49.00	457.0
2027	4,904	50.00	466.2
2028	5,089	51.00	479.0
2029	5,266	53.00	491.0

(1) The values for fiscal years 2020 through 2029 use the projections included in the Spring 2020 Revenue Forecast, and are subject to change. Fiscal year 2019 includes $2.7 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. Forecast period includes a projection for the transfer from the Permanent Fund Earnings Reserve to the General Fund for unrestricted General Fund expenditures, including the Permanent Fund Dividend, based on SB 26.

Source: 2010 through 2019 Revenue Sources Books and Spring 2020 Revenue Forecast, Tax Division.

The State has historically provided fiscal stability by forward funding or endowing programs, including the method used by the State to fund K-12 education. The State's constitutionally based obligation for K-12 education has been one of the largest single recurring budget line items in the State's budget. See "Public Debt and Other Obligations of the State – State-Supported Debt – State-Supported Municipal Debt Eligible for State Reimbursement" below.

The enacted fiscal year 2021 budget includes approximately \$3.6 billion in unrestricted General Fund revenue net of the permanent fund dividend distribution and approximately \$4.4 billion in total unrestricted General Fund operating and capital budget appropriations. The enacted fiscal year 2021 budget includes approximately \$3.1 billion in transfers from the Permanent Fund Earnings Reserve to the General Fund as unrestricted revenue. Of the \$3.1 billion in transfers for fiscal year 2021, approximately \$680 million has been appropriated for the Permanent Fund Dividend transfer, and approximately \$2.4 billion has been appropriated for governmental use. In fiscal year 2020, including the use of Permanent Fund earnings authorized in SB 26, the deficit is projected to be approximately \$1.2 billion (based on information available as of the Spring 2020 Revenue Forecast; Source: Office of Management and Budget, Enacted FY2021 Fiscal Summary, April 7, 2020). The unrestricted General Fund capital budget in the enacted fiscal year 2021 budget is approximately \$112.9 million and the total capital budget is approximately \$1.2 billion.

Fiscal year 2021 will be the sixth consecutive fiscal year that unrestricted General Fund capital budget appropriations have been under \$200 million, compared to \$608 million in fiscal year 2015. The State's fiscal year 2021 unrestricted General Fund capital budget is approximately \$112.9 million, with a total capital budget of approximately \$1.2 billion (Source: Office of Management and Budget, Enacted FY2021 Fiscal Summary, April 7, 2020).

Government Funds

Because the State is dependent upon taxes, royalties, fees, and other revenues that can be volatile, the State has developed a framework of constitutionally and statutorily restricted revenue that is held in a variety of reserve funds to provide long-term and short-term options to address cash flow mismatches and budgetary deficits. The State Constitution provides that with three exceptions, the proceeds of State taxes or licenses "shall not be dedicated to any special purpose." The three exceptions are when required by the federal government for State participation in federal programs, any dedication existing before statehood, and when provided by the State Constitution, such as restricted for savings in the Permanent Fund or the CBRF.

Current State funding options available on a statutory basis include General Fund unrestricted revenue (which pursuant to SB 26 includes an annual transfer from the Permanent Fund Earnings Reserve), use of the earnings or the principal balance of the SBRF, borrowing restricted earnings revenue or principal balance from the CBRF, use of the statutorily restricted oil revenue currently flowing to the Permanent Fund, and use of the unrestricted earnings revenue of the Permanent Fund. To balance revenues and expenditures in a time of financial stress, each of these funds can be drawn upon, following various protocols. The CBRF may be accessed with a majority vote of the Legislature following a year-over-year total decline in total revenue available for appropriation, or in any year by a three-quarters vote of both houses of the Legislature. A majority vote of the Legislature is needed to appropriate from the SBRF and from the Permanent Fund Earnings Reserve.

The General Fund. Unrestricted State revenue is annually deposited in the General Fund, which serves as the State's primary operating fund and accounts for most of the State's unrestricted financial resources. The State has, however, created more than approximately 55 subfunds and "cash pools" within the General Fund to account for funds allocated to particular purposes or reserves, including the CBRF, the SBRF, an Alaska Capital Income Fund, and a debt retirement fund. In terms of long-term and short-term financial flexibility, the CBRF and the SBRF (subfunds within the General Fund) have been of particular importance to the State.

The Constitutional Budget Reserve Fund. The State Constitution requires that oil and gas and mineral dispute-related revenue be deposited in the CBRF. The State Constitution provides that other than money required to be deposited in the Permanent Fund and the Public School Trust Fund, all money received by the State after July 1, 1990 as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property, are required to be deposited in the CBRF. Money in the CBRF may be appropriated (i) for any public purpose, upon the affirmative vote of three-fourths of each house of the Legislature; or (ii) by majority vote if the amount available to the State for appropriation for a fiscal year is less than the amount appropriated for the previous fiscal year; however, the amount appropriated may not exceed the amount necessary, when added to other funds available for appropriation, to provide for total appropriations equal to the amount of appropriations made in the previous calendar year for the previous fiscal year. The State Constitution also provides that until the amount appropriated from the CBRF is repaid, excess money in the General Fund at the end of each fiscal year must be deposited in the CBRF.

The State historically has borrowed from the CBRF as part of its cash management plan to address timing mismatches between revenues and disbursements within a fiscal year and also to balance the budget when necessary at the end of the fiscal year. Prior to draws in fiscal years 2015, 2016, 2017, and 2018, the Legislature last appropriated funds from the CBRF in fiscal year 2005. All borrowing from the CBRF was completely repaid in fiscal year 2010 and no borrowing activity from the CBRF occurred during fiscal years 2011, 2012, 2013, or 2014. The $3 billion transfer from the CBRF to PERS and TRS in fiscal year 2015 resulted in a liability of the General Fund. Additional amounts were appropriated from the CBRF to the General Fund during fiscal years 2016, 2017, and 2018, to fund shortfalls between State revenue and General Fund appropriations. The total net amount appropriated from the CBRF since fiscal year 2015 as of June 30, 2019 was $9.1 billion. The amount due to be repaid to the CBRF was diminished by $1.17 billion in the State's fiscal year 2018 Comprehensive Annual Financial Report ("CAFR") due to a legal determination that revenues resulting from Federal Energy Regulatory Commission disputes were erroneously deposited into the CBRF as they do not qualify as litigation involving production tax or royalty. Pursuant to the State's fiscal year 2019 CAFR, the June 30, 2019, unassigned fund balance of the CBRF was approximately $4.2 billion.

The State's enacted fiscal year 2021 unrestricted General Fund budget contains appropriations from the CBRF in an amount necessary to balance revenue and general fund appropriations during the fiscal year estimated at approximately $950 million (based on information available as of the Spring 2020 Revenue Forecast; Source: Office of Management and Budget, Enacted FY2021 Fiscal Summary, April 7, 2020).

The asset balance in the CBRF as of June 30, 2019, was approximately $1.8 billion, including earnings of approximately $74.8 million. General Fund asset balances listed as of June 30 may include borrowings from the CBRF for future fiscal year operating requirements. As of June 30, 2018, the asset balance was approximately $2.4 billion, with earnings of approximately $47.2 million; as of June 30, 2017, the asset balance was approximately $3.9 billion, with earnings of approximately $94.2 million; as of June 30, 2016, the asset balance was approximately $7.3 billion, with earnings of approximately $138.3 million; and as of June 30, 2015, the asset balance was approximately $10.1 billion, with earnings of approximately $197.7 million.

The Statutory Budget Reserve Fund. The SBRF has existed in the State's accounting structure since 1986. When funded, the SBRF is available for use for legal purposes by majority vote of the Legislature and with approval by the Governor. If the unrestricted amount available for appropriation in the fiscal year was insufficient to cover General Fund appropriations, the amount necessary to balance revenue and General Fund appropriations or to prevent a cash deficiency in the General Fund was appropriated from the SBRF to the General Fund. For fiscal year 2015, this resulted in a year-end transfer from the SBRF to the General Fund of approximately $2.5 billion. As of June 30, 2015, the SBRF held approximately $288 million. Article IX, Section 17(d) of the Alaska Constitution provides that the amount of money in the General Fund available for appropriation at the end of each succeeding fiscal year is to be deposited in the CBRF until the amount appropriated is repaid. For fiscal year 2016, this resulted in a year-end sweep from the SBRF to the General Fund for transfer to the CBRF in the amount of $288 million. The available fund balance of the SBRF, as of June 30, 2019, was zero. Any earnings on the SBRF are considered unrestricted investment revenue and flow to the General Fund.

The Alaska Permanent Fund. The Permanent Fund was established by a voter-approved constitutional amendment that took effect in February 1977. The amendment provides that "at least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for permanent fund investments" and that "all income from the permanent fund shall be deposited in the General Fund unless otherwise provided by law."

In 1980, legislation was enacted that provided for the management of the Permanent Fund by the APFC, a public corporation within the DOR managed by a board of trustees. The same legislation modified the contribution rate to the Permanent Fund from 25 percent (the minimum constitutionally mandated contribution) to 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares, federal mineral revenue sharing payments, and bonuses received by the State from mineral leases issued after December 1, 1979 or, in the case of bonuses, after May 1, 1980. The statutory contribution rate was changed back to 25 percent by legislation as of July 1, 2003 but then returned to 50 percent as of October 1, 2008. In fiscal year 2018 and 2019, only the constitutionally required 25 percent of royalties were deposited into the Permanent Fund. For fiscal year 2019, State oil and mineral revenues deposited in the Permanent Fund were $385 million, compared to $353 million in fiscal year 2018, $365 million in fiscal year 2017, $284 million in fiscal year 2016, and $600 million in fiscal year 2015. In addition to these constitutionally and statutorily mandated transfers to the Permanent Fund, the Legislature has made special appropriations from the General Fund to the Permanent Fund several times, totaling in the aggregate approximately $2.7 billion as of June 30, 2019.

The Permanent Fund tracks earnings on a basis compliant with statements pronounced by the Governmental Accounting Standards Board ("GASB") in the compilation of the financial statements of the Permanent Fund. Fund balance consists of two parts: (1) principal, which is non-spendable, and (2) earnings reserve, which is spendable with an appropriation by the Legislature. By statute, only realized gains are deposited in the earnings reserve. Unrealized gains and losses associated with principal remain allocated to principal. Because realized gains deposited in the earnings reserve are invested alongside the principal, however, the unrealized gains and losses associated with the earnings reserve are spendable with an appropriation of the Legislature.

Pursuant to legislation enacted in 1982, annual appropriations are made from the Permanent Fund Earnings Reserve, first for dividends to qualified Alaska residents and then for inflation-proofing. Between 1982 and 2018, $24.7 billion of dividends were paid to Alaska residents and $16.2 billion of Permanent Fund income has been added to principal for inflation-proofing purposes; for fiscal year 2015, the inflation-proofing transfer was $624 million, up from the fiscal year 2014 amount of $546 million. For fiscal year 2016, 2017, and 2018, there were no appropriations and therefore no transfers from the earnings reserve to principal for inflation-proofing. The amount calculated under statute for fiscal year 2019 inflation-proofing, $989 million, provided for in the enacted fiscal year 2019 operating budget, was appropriated from the earnings reserve to the principal of the Permanent Fund to offset the effect of inflation on the principal for fiscal year 2019. The State's fiscal year 2020 budget included an appropriation of approximately $4.9 billion from the earnings reserve to the principal of the Permanent

Fund. The 2018 dividend paid in fiscal year 2019 was $1,606 per qualified resident. In addition to the statutorily directed inflation-proofing transfers, the Legislature has made special appropriations from the earnings reserve to principal totaling approximately $4.2 billion as of June 30, 2019.

If any income remains after these transfers (except the portion transferred to the Alaska Capital Income Fund as described below), it remains in the Permanent Fund Earnings Reserve as undistributed income. The Legislature may appropriate funds from the earnings reserve at any time for any other lawful purpose. The principal portion of the Permanent Fund, approximately $47.8 billion as of June 30, 2019, up from approximately $46.0 billion as of June 30, 2018, may not be spent without amending the State Constitution. The earnings reserve, approximately $18.5 billion as of June 30, 2019 (subsequent to June 30, 2019, with enacted legislation in the fiscal year 2020 budget, this amount includes approximately $2.9 billion committed to the General Fund and approximately $4.9 billion committed to the principal of the Permanent Fund for inflation proofing), down from approximately $18.9 billion as of June 30, 2018, may be appropriated by a majority vote of the Legislature.

During fiscal years 1990 through 1999, the Permanent Fund received dedicated State revenues from settlements of a number of North Slope royalty cases (known collectively as *State v. Amerada Hess*). The total of the settlements and retained income thereon, as of June 30, 2019, was approximately $424.4 million. Earnings on the settlements are excluded from the dividend calculation and are not subject to inflation proofing in accordance with State law, and beginning in 2005, the settlement earnings have been appropriated to the Alaska Capital Income Fund, a subfund within the General Fund. The Alaska Capital Income Fund realized earnings on settlement principal of approximately $22.3 million as of June 30, 2019, down from approximately $43.4 million as of June 30, 2018.

As previously discussed, SB 26 created a percent of market value to provide a sustainable draw on the earnings reserve for transfer to the General Fund as unrestricted revenue.

Table 5

State of Alaska
Available Funds and Recurring and Discretionary General Fund Expenditures
Fiscal Years Ended June 30, 2009 – 2019

Fiscal Year	**General Purpose Unrestricted Revenue** ($ mil)	**Recurring & Discretionary General Fund Expenditures** ($ mil)	**Unrestricted Revenue Surplus/ (Deficit)** ($ mil)	**Ending SBRF Reserves Available Balance** ($ mil)	**Ending CBRF Reserves Available Balance** ($ mil) (1)	**Permanent Fund Earnings Reserve Balance** ($ mil)	**Oil Price** ($/barrel)	**ANS Oil Production** (thousands of barrels per day)
2009	$ 5,831	$ 6,000	$ (169)	$1,000	$ 7,114	$ 4,401	$ 68.34	692.8
2010	5,515	4,995	520	1,000	8,664	1,210	74.90	642.6
2011	7,673	6,355	1,318	1,248	10,330	2,308	94.49	599.9
2012	9,485	7,252	2,233	2,683	10,642	2,081	112.65	579.3
2013	6,929	7,455	(526)	4,711 (2)	11,564	4,054	107.57	531.6
2014	5,394	7,314	(1,920)	2,791 (2)	12,780	6,211	107.57	531.1
2015	2,257	4,760	(2,503) (3)	288 (2)	10,101	7,162	72.58	501.5
2016	1,533	5,213	(3,680) (3)	– (2)	7,331	8,570	43.18	514.9
2017	1,354	4,498	(3,144) (3)	– (2)	3,896	12,816	49.43	526.5
2018	2,414	4,489	(2,075) (3)	– (2)	2,360	18,864 (4)	63.61	518.5
2019	5,350(5)	4,889	461 (3)	– (2)	1,832	18,481 (4)	69.46	496.9

(1) The CBRF available balance represents the historical asset values.

(2) Includes available balance through net transfer from the SBRF to the General Fund reconciled at the release of the State CAFR for fiscal years 2013 through 2019.

(3) The SBRF was used to balance the fiscal year 2015 deficit, with $288 million remaining as of June 30, 2015. Article IX, Section 17(d) of the Alaska Constitution provides that the amount of money in the General Fund available for appropriation at the end of each succeeding fiscal year is to be deposited in the CBRF until the amount appropriated is repaid. The available fund balance of the SBRF as of June 30, 2019, was zero.

(4) Includes amount committed for the fiscal years 2019 and 2020 General Fund transfer pursuant to SB 26.

(5) Includes Permanent Fund transfer.

Source: State of Alaska Department of Revenue

Revenue Forecasts

The State regularly prepares revenue forecasts for planning and budgetary purposes. Of necessity, such forecasts include assumptions about events that are not within the State's control. The forecast oil production volumes include only production expected from projects currently under development or evaluation. The forecast does not include any revenues that could be received if a natural gas pipeline is constructed. In making its forecasts, the State makes assumptions about, among other things, the demand for oil and national and international economic factors and assumes that the Legislature will not amend current laws to change materially the sources and uses of State revenue and that no major calamities such as earthquakes or catastrophic damage to TAPS will occur. Portions of TAPS are located in areas that have experienced and may in the future again experience major earthquakes. Actual revenues and expenditures will vary, perhaps materially, from year to year, particularly if any one or more of the assumptions upon which the State's forecasts are based proves to be incorrect or if other unexpected events occur. The State's most recent forecast is set forth in the Spring 2020 Revenue Forecast. The State will next update its forecast in the Fall 2020 Revenue Sources Book, updating the prior forecasts, which is anticipated to be released in December of 2020. The State has provided certain estimates for fiscal year 2020 and 2021 based on information available as of the Spring 2020 Revenue Forecast, as well as certain audited results for fiscal year 2019 for the CBRF and the APFC. See "Government Funds" above for a description of some of the actions the State can take when revenues prove to be lower than expected.

The State has customarily restricted certain revenue sources each fiscal year by practice. Such revenue is nonetheless available for appropriation. Table 6 provides a summary of the State's most recent forecast for revenues subject to appropriation in fiscal years 2020 through 2025.

Table 6

State of Alaska Revenues Subject to Appropriation
FORECAST Summary for Fiscal Years 2020 through 2025 [1]
(millions)

	2020	2021	2022	2023	2024	2025
Petroleum Revenue						
Unrestricted General Fund [3]	$1,098.8	$ 716.6	$ 805.4	$ 897.0	$ 941.5	$ 971.7
Royalties to Alaska Permanent Fund beyond 25% dedication [2]	62.9	43.7	45.4	45.7	49.0	56.3
Tax and Royalty Settlements to CBRF	235.0	75.0	50.0	50.0	50.0	50.0
Subtotal Petroleum Revenue	**$1,396.7**	**$ 835.3**	**$ 900.8**	**$ 992.7**	**$1,040.5**	**$1,078.0**
Non-Petroleum Revenue						
Unrestricted General Fund [3]	$ 454.2	$ 411.5	$ 442.6	$ 456.3	$ 469.9	$ 472.7
Designated General Fund	416.4	413.4	432.8	434.9	437.1	439.0
Royalties to Alaska Permanent Fund beyond 25% dedication [2]	3.2	3.8	3.8	3.8	3.8	3.9
Tax and Royalty Settlements to CBRF	–	–	–	–	–	–
Subtotal Non-Petroleum Revenue	**$ 873.8**	**$ 828.7**	**$ 879.2**	**$ 895.0**	**$ 910.8**	**$ 915.6**
Investment Revenue						
Unrestricted General Fund	$2,969.4	$3,116.3	$3,082.2	$3,206.9	$3,275.6	$3,306.3
Designated General Fund	(42.4)	38.2	38.9	39.6	40.3	41.0
Constitutional Budget Reserve Fund	33.1	9.5	5.4	7.5	9.6	11.6
Subtotal Investment Revenue	**$2,960.1**	**$3,164.0**	**$3,126.5**	**$3,254.0**	**$3,325.5**	**$3,358.9**
Total Revenue Subject to Appropriation	**$5,230.6**	**$4,828.0**	**$4,906.5**	**$5,141.7**	**$5,276.8**	**$5,352.5**

(1) This table presents only the largest known categories of current year funds subject to appropriation. A comprehensive review of all accounts in the State accounting system would likely reveal additional revenues subject to appropriation beyond those identified here.

(2) Estimated based on deposit in Permanent Fund minus 25 percent of total royalties. In fiscal year 2018 and 2019, only the constitutionally required 25 percent of royalties were deposited into the Permanent Fund.

Source: Spring 2020 Revenue Forecast, Tax Division.

Public Debt and Other Obligations of the State

State debt includes general obligation bonds and revenue anticipation notes, and State-supported debt includes lease-purchase financings and revenue bonds. The State also provides guarantees and other support for certain debt and operates the SDRP and the Transportation and Infrastructure Debt Service Reimbursement Program (the "TIDSRP"). Other than the Veterans' Mortgage Program, these programs do not constitute indebtedness of the State but do provide, annually on a subject-to-appropriation basis, financial support for certain bonds of local governments and obligations of State agencies.

Outstanding State Debt. State debt includes general obligation bonds and revenue anticipation notes. The State Constitution provides that general obligation bonds must be authorized by law and be ratified by the voters and permits authorization of general obligation bonds only for capital improvements. The amount and timing of a bond sale must be approved by the State Bond Committee. For both general obligation bonds and revenue anticipation notes, the full faith, credit, and resources of the State are pledged to the payment of principal and interest. If future State revenues are insufficient to make the required principal and interest payments, the State is legally required to raise taxes to provide sufficient funds for this purpose. Approximately $670.1 million of general obligation bonds were outstanding as of June 30, 2019. See "Summary of Outstanding Debt" and Tables 7 and 8 below.

In November 2012, voters approved $453,499,200 in general obligation bonds for the purpose of design and construction of State transportation projects. To date, the State has obtained $343,150,958 in funding under the $453,499,200 authorization, leaving $110,348,242 of unissued authority. The State anticipates utilizing all or a portion of the remaining authority during fiscal year 2021.

The following other debt and debt programs of the State were outstanding as of June 30, 2019, except as otherwise noted.

State Guaranteed Debt. The only purpose for which State guaranteed debt may be issued is for payment of principal and interest on revenue bonds issued for the Veterans Mortgage Program by the Alaska Housing Finance Corporation ("AHFC") for the purpose of purchasing mortgage loans made for residences of qualifying veterans. These bonds are also general obligation bonds of the State, and they must be authorized by law, ratified by the voters, and approved by the State Bond Committee. In November 2010, voters approved $600 million of State guaranteed veterans' mortgage bonds, and the total unissued authorization was $584.6 million as of June 30, 2019. As of June 30, 2019, approximately $106.8 million of State guaranteed debt was outstanding.

State-Supported Debt. State-supported debt is debt for which the ultimate source of payment is, or may include, appropriations from the General Fund. The State does not pledge its full faith and credit to State-supported debt, but another public issuer may have pledged its full faith and credit to it. State-supported debt is not considered "debt" under the State Constitution, because the State's payments on this debt are subject to annual appropriation by the Legislature. Voter approval of such debt is not required. State-supported debt includes lease-purchase financing obligations (structured as certificates of participation ("COPs")) and capital leases the State has entered into with respect to the Linny Pacillo Parking Garage (with AHFC) and the Goose Creek Correctional Center (with the Matanuska-Susitna Borough). Approximately $215.2 million of State-supported debt was outstanding as of June 30, 2019.

State-Supported Unfunded Actuarially Assumed Liability (UAAL). In 2008, Senate Bill 125 became law, requiring that the State fund any actuarially determined employer contribution rate above 22 percent for the Public Employees' Retirement System ("PERS") or 12.56 percent for the Teachers' Retirement System ("TRS") out of the General Fund, to the extent the actuarially determined employer contribution rate exceeds payment of (i) the employer normal cost and (ii) required employer contributions for retiree major medical insurance, health reimbursement arrangement plans, and occupational death and disability benefits. This change was designed to address stress municipal employers were experiencing due to high actuarially determined percentage of payroll amounts to pay for actuarially assumed unfunded liabilities of the retirement systems. In 2015, GASB Statement No. 68 ("GASB 68") was enacted, updating reporting and disclosure requirements related to pension-related liabilities. One of the key changes was requiring a government that is committed to making payments on a pension system's unfunded actuarially assumed liability ("UAAL") on behalf of another entity to record the liability as a debt of the government making the payment. As a result of GASB 68, $5.8 billion of long-term debt was reflected in the State's CAFR for fiscal year 2015 for a total of $6.0 billion of UAAL.

This liability will be paid through fiscal year 2039 with annual payments determined based on a variety of actuarial assumptions, and the evolving experience as it occurs. Both the current balance of liabilities as well as the magnitude in change in liability from future outcomes highlight the impact that PERS and TRS funding needs have on the State. Effective January 11, 2019, the Alaska Retirement Management Board voted to change the actuarially assumed rate of investment return to 7.38 percent from 8.00 percent, along with several other actuarial assumptions. According to the PERS and TRS CAFR, as of June 30, 2019, if the earnings rate experience is actually 6.38 percent, the one percent reduction in the rate of return on investments increases the net PERS pension and OPEB liability by approximately $2.8 billion and the TRS pension and OPEB liability by approximately $1.1 billion. The decrease in the actuarially assumed rate of investment return from 8.00 percent to 7.38 percent will increase the liability assumptions for PERS and TRS.

As long as the Senate Bill 125 statutory framework is in place, the State is statutorily obligated to obtain amounts required to meet all actuarially determined employer contribution rates for PERS employers above 22 percent and TRS employers above 12.56 percent (subject to the exceptions described above). This payment is subject to annual appropriation. The UAAL for PERS and TRS as of June 30, 2018, was approximately $6.7 billion, based on the most recent June 30, 2018, actuarial valuation reports for PERS and TRS.

State-Supported Municipal Debt Eligible for State Reimbursement. The State administers two programs that reimburse municipalities for municipal debt: the SDRP and the TIDSRP. These programs provide for State reimbursement of annual debt service on general obligation bonds of municipalities for the SDRP and a combination of general obligation and revenue bonds of authorized participants in the TIDSRP. The State may choose not to fund these programs in part or whole. In fiscal year 2017, the SDRP was funded at 75 percent of the authorized amount and the SDRP was funded at 100 percent of the authorized amount for fiscal year 2018 and fiscal year 2019. The State's fiscal year 2020 budget reduced funding to 50 percent of the authorized SDRP amount. The State's enacted fiscal year 2021 budget funds the SDRP to XX percent of the authorized amount.

DEED administers the SDRP, which was created by law in 1970. The SDRP allows municipalities to apply, and if structured correctly, be eligible for reimbursement on up to 100 percent of the debt service on general obligation bonds issued for school construction. All municipal bonds are required to be authorized as general obligation bonds of the municipality, providing the ultimate source of payment commitment. The SDRP has been partially funded in a number of years. Access to the SDRP was restricted during the 1990s due to State budgetary pressure. Beginning in the early 2000s, and through 2014, the program was generally available for any qualified municipal project at reimbursement rates of 60 to 70 percent of debt service. In 2015, the Legislature passed a moratorium on the SDRP and eliminated DEED's authority to issue agreements to reimburse debt from school bonds that voters approved after January 1, 2015, and before July 1, 2020. In addition, in June 2016, the Governor signed the fiscal year 2017 budgets transmitted by the Legislature and exercised his line-item veto authority to reduce fiscal year 2017 appropriations by approximately $1.29 billion, including a 25 percent reduction in the SDRP. The State's enacted fiscal year 2020 budget reduced funding to 50 percent of the authorized SDRP amount. The State's enacted fiscal year 2021 budget funds the SDRP to XX percent of the authorized amount. As of June 30, 2019, State-supported SDRP debt was $704.8 million.

The Department of Transportation and Public Facilities and the Alaska Energy Authority administer TIDSRP. The program currently includes University of Alaska revenue bonds, seven municipalities' general obligation bonds, and two electric associations' revenue bonds. There are no additional authorized participants in TIDSRP and no efforts have been made to add to the program since creation in 2002. The State's enacted fiscal year 2020 budget eliminates all funding for the TIDSRP. The

State's enacted fiscal year 2021 budget eliminates all funding for the TIDSRP. As of June 30, 2019, State-supported TIDSRP debt was approximately $22.1 million.

State-Supported Toll Revenue Bonds. In 2014, the Legislature authorized funding of the proposed Knik Arm Crossing with a combination of (i) up to $300 million of State-supported toll revenue bonds subordinated to a Transportation Infrastructure Finance and Innovation Act ("TIFIA") loan, (ii) a maximized loan under TIFIA of not less than $300 million and estimated to be approximately $350 million, and (iii) up to $300 million of appropriations of additional Federal Highway Administration funds to the project. The State expected to pay debt service on the State toll revenue bonds using a combination of annual State appropriations and toll collections that exceeded the TIFIA loan payment. As of July 2016, all spending on the Knik Arm Crossing was discontinued.

State Moral Obligation Debt. State moral obligation debt consists of bonds issued by certain State agencies or authorities that are secured, in part, by a debt service reserve fund benefited by a discretionary replenishment provision that permits, but does not legally obligate, the Legislature to appropriate to the particular State agency or authority the amount necessary to replenish the debt service reserve fund up to its funding requirement (generally the maximum amount of debt service required in any year). State moral obligation debt is payable in the first instance by revenues generated from loan repayments or by the respective projects financed from bond proceeds. Among those State agencies that have the ability to issue State moral obligation debt are: Alaska Aerospace Development Corporation ("AADC"), which has not issued any debt; Alaska Energy Authority ("AEA"); AHFC; Alaska Industrial Development and Export Authority ("AIDEA"); Alaska Municipal Bond Bank Authority ("AMBBA"); and Alaska Student Loan Corporation ("ASLC"). Approximately $1,229.5 million of State moral obligation debt was outstanding as of June 30, 2019.

State and University Revenue Debt. This type of debt is issued by the State or by the University of Alaska but is secured only by revenues derived from projects financed from bond proceeds. Revenue debt is not a general obligation of the State or of the University and does not require voter approval. Such debt is authorized by law and issued by the State Bond Committee or the University of Alaska for projects approved by the Commissioner of Transportation and Public Facilities or by the University of Alaska. This type of debt includes Sportfish Revenue Bonds, International Airports Revenue Bonds, various University Revenue Bonds, Notes, and Contracts, Clean Water and Drinking Water Fund Bonds, and Toll Facilities Revenue Bonds. As of June 30, 2019, there was $647.8 million of State and University revenue debt outstanding, consisting of $287.4 million of University of Alaska Revenue Bonds, Notes, and Contracts, $13.9 million of Sportfish Revenue Bonds, and $346.5 million of Alaska International Airport System Revenue Bonds.

State Agency Debt. State agency debt is secured by revenues generated from the use of bond proceeds or the assets of the agency issuing the bonds. This debt is not a general obligation of the State nor does the State provide security for the debt in any other manner, i.e., by appropriations, guarantees, or moral obligation pledges. As of June 30, 2019, there was $440.4 million aggregate principal amount of State agency debt outstanding, consisting of $49.6 million of AHFC obligations, $9.9 million of Bond Bank Coastal Energy Impact Program Bonds payable to the National Oceanic and Atmospheric Administration, $78.7 million of Alaska Railroad Notes, and $302.2 million of obligations of the Northern Tobacco Securitization Corporation.

State Agency Collateralized or Insured Debt. As security for State agency collateralized or insured debt, the particular State agency pledges mortgage loans or other securities as primary security which, in turn, may be 100 percent insured or guaranteed by another party with a superior credit standing. This upgrades the credit rating on the debt and lowers the interest cost and makes it less likely that the State will assume responsibility for the debt. As of June 30, 2019, the total principal amount outstanding of State agency collateralized or insured debt was approximately $2,382.6 million, consisting of approximately $2,285.7 million issued by AHFC and $96.9 million issued by AIDEA.

Potential State-Supported Pension Obligation Bonds. Through the Alaska Pension Obligation Bond Corporation (the "Corporation"), a public corporation created in 2008 within the DOR, the State initially authorized the issuance of up to $5.0 billion of bonds and/or entry into contracts with governmental employers to finance the payment by governmental employers of their shares of the unfunded accrued actuarial liabilities of the State retirement systems. The State is required by Senate Bill 125, enacted in 2008, to make supplemental contributions to the State retirement system defined benefit plans to reduce the plans' unfunded accrued actuarial liabilities. In 2016, the Board of Directors of the Corporation authorized the Corporation to issue up to $3.5 billion of pension obligation bonds to finance for the State a portion of its statutorily required contributions to PERS and TRS. The Corporation has not issued bonds, and there is no current plan to issue bonds at this time. In 2018, the Legislature reduced the authorization to $1.5 billion. If the Corporation were to issue pension obligation bonds, such bonds would be payable from payments to be made by the State, acting by and through the Department of Administration, which would be subject to annual appropriation by the Legislature.

Potential State-Supported Tax Credit Certificate Bonds. In 2018, AS 37.18.010 was enacted creating the Alaska Tax Credit Certificate Bond Corporation (the "ATCCBC") for the purpose of selling bonds for up to $1 billion to provide for the purchase of certain State tax credits. The ATCCBC bonds would be considered State-supported debt as they would be secured by agreements entered into by other State agencies that are subject to annual appropriation. The legislation authorizing the ATCCBC is subject to a legal challenge related to the legal authority for ATCCBC to issue its bonds, which will need to be satisfactorily resolved prior to any bond issuance by the ATCCBC. The ATCCBC has not issued any bonds.

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Summary of Outstanding Debt. Table 7 lists, by type, the outstanding State-related debt as of June 30, 2019, except as otherwise noted.

Table 7

State of Alaska Debt and State-Related Debt by Type as of June 30, 2019
($ millions)

	Principal outstanding	Interest to maturity	Total debt service to maturity
State Debt			
State of Alaska General Obligation Bonds	$ 670.1	$ 278.5	$ 948.6
State Guaranteed Debt			
Alaska Housing Finance Corporation State Guaranteed Bonds (Veterans' Mortgage Program)	106.8	54.9	161.7
State Supported Debt			
Certificates of Participation	22.4	6.5	28.9
Lease Revenue Bonds with State Credit Pledge and Payment	192.8	73.6	266.4
Total State Supported Debt	215.2	80.1	295.3
State Supported Municipal Debt			
State Reimbursement of Municipal School Debt Service	704.8	201.4	906.2
State Reimbursement of Capital Projects	22.5	9.7	32.2
Total State Supported Municipal Debt	727.3	211.1	938.4
Pension System Unfunded Actuarial Accrued Liability (UAAL) (3)			
Public Employees' Retirement System UAAL	5,147.0	N/A	5,147.0
Teachers' Retirement System UAAL	1,520.0	N/A	1,520.0
Total UAAL	6,667.0	N/A	6,667.0
State Moral Obligation Debt			
Alaska Municipal Bond Bank:			
2005, 2010, & 2016 General Resolution General Obligation Bonds	1,111.1	539.4	1650.5
Alaska Energy Authority:			
Power Revenue Bonds #1 through #8	74.7	32.4	107.1
Alaska Student Loan Corporation			
Education Loan Backed Notes	43.7	2.9	46.6
Total State Moral Obligation Debt	1,229.5	574.7	1,804.2
State Revenue Debt			
Sportfish Revenue Bonds	13.9	1.8	15.7
International Airports Revenue Bonds	346.5	160.0	506.5
University of Alaska Debt			
University of Alaska Revenue Bonds	271.3	144.4	415.7
University Lease Liability and Notes Payable	15.4	3.7	19.1
Installment Contracts	0.7	0.1	0.8
Total University of Alaska Debt	287.4	148.2	435.6
Total State Revenue and University Debt	647.8	310.0	957.8

[Table 7 continues on next page]

	Principal outstanding	Interest to maturity	Total debt service to maturity
State Agency Debt			
Alaska Housing Finance Corporation:			
Commercial Paper	$ 49.6	N/A	$ 49.6
Alaska Municipal Bond Bank Coastal Energy Loan Bonds	9.9	$ 2.1	12.0
Alaska Railroad	78.7	10.2	88.9
Northern Tobacco Securitization Corporation			
2006 Tobacco Settlement Asset-Backed Bonds [1]	302.2	387.2	689.4
Total State Agency Debt	440.4	399.5	839.9
State Agency Collateralized or Insured Debt			
Alaska Housing Finance Corporation:			
Collateralized Home Mortgage Revenue Bonds & Mortgage Revenue Bonds:			
2002 Through 2011 (First Time Homebuyer Program)	694.1	312.6	1,006.7
General Mortgage Revenue Bonds II -2012 & 2016	346.4	164.3	510.7
Government Purpose Bonds 1997 & 2001	105.2	22.0	127.2
State Capital Project Bonds, 2002-2011 [2]	27.7	2.3	30.0
State Capital Project Bonds, II 2012-2018 [2]	1,112.3	451.0	1,563.3
Alaska Industrial Development and Export Authority:			
Revolving Fund Bonds	39.7	11.1	50.8
Power Revenue Bonds, 2015 Series (Snettisham Hydro Project)	57.2	24.7	81.9
Total State Agency Collateralized or Insured Debt	2,382.6	988.0	3,370.6
Total State and State Agency Debt	13,086.7		
Municipal Debt			
School G.O. Debt	1,052.1	N/A	N/A
Other G.O. Debt [4]	1,394.2	N/A	N/A
Revenue Debt [4]	872.5	N/A	N/A
Total Municipal Debt	3,318.8		
Debt Reported in More than One Category			
Less: State Reimbursable Municipal Debt and Capital Leases	(215.3)		
Less: State Reimbursable Municipal School G.O. Debt	(704.8)		
Less: Alaska Municipal Bond Bank debt included in University debt	(84.5)		
Less: Alaska Municipal Bond Bank debt included in Municipal debt	(893.7)		
Total Deductions Due to Reporting in More than One Category	(1,898.3)		
Total Alaska Public Debt	**14,507.2**		

(1) "Interest to Maturity" and "Total Debt Service to Maturity" includes accreted interest due at maturity of $125.2 million.

(2) Does not include defeased bonds.

(3) From most recent June 30, 2018 actuarial valuation.

(4) "Other G.O. & Revenue Debt" derived from information available as of January 31, 2020.

Source: 2019 – 2020 Alaska Public Debt Book, State of Alaska.

General Fund Supported Obligations. General Fund support is pledged and required for only a portion of the total outstanding public debt. General obligation bonds are unconditionally supported, and COPs and capital leases are subject-to-appropriation commitments with associated obligations. The SDRP and TIDSRP provide discretionary annual payments to municipal issuers for qualified bonds of the municipalities that are eligible by statute to participate in the programs. Table 8 sets forth existing debt service on outstanding State-supported debt the State has provided from the General Fund for these outstanding obligations and the forecast support required to retire the outstanding obligations into the future. With the State's fiscal year 2020 budget, the "Capital Project Reimbursements" column was reduced to zero.

Table 8

State of Alaska
Payments on General Fund Paid Debt as of June 30, 2019
($ millions)

Fiscal Year	State G.O.*	Lease / Purchase	Capital Leases (1)	School Debt Reimburse-ment (2)	Capital Project Reimbursement	Statutory Debt Payment to PERS/TRS (3)	Total Debt Service
2019	$ 89.3	$ 2.9	$ 19.7	$ 105.0	$ 4.5	$ 263.4	$ 484.8
2020	77.8	2.9	19.7	97.6	4.5	300.2	502.7
2021	77.0	2.9	19.5	95.4	3.6	338.6	537.0
2022	66.5	2.9	19.5	82.6	3.6	317.1	492.1
2023	66.4	2.9	19.5	83.0	3.6	318.7	494.1
2024	66.2	2.9	19.5	67.6	3.6	322.4	482.2
2025	61.3	2.9	19.5	57.9	3.6	326.3	471.6
2026	61.1	2.9	19.5	48.0	2.8	331.7	466.0
2027	60.6	2.9	20.9	43.3	2.6	337.2	467.5
2028	59.7	2.9	20.9	40.6	2.2	344.8	471.1
2029	58.8	2.9	17.6	35.8	0.9	352.4	468.4
2030	58.1	–	17.6	33.2	0.9	361.0	470.7
2031	45.8	–	17.6	30.8	0.4	370.1	464.6
2032	45.4	–	17.6	27.5	–	380.1	470.6
2033	45.0	–	17.6	20.6	–	390.5	473.7
2034	44.5	–	–	18.1	–	401.9	464.5
2035	20.9	–	–	13.0	–	414.2	448.1
2036	20.9	–	–	5.6	–	426.8	453.3
2037	0.5	–	–	0.5	–	439.8	440.8
2038	12.2	–	–	0.3	–	453.9	466.5
2039	–	–	–	–	–	468.4	468.4
2040	–	–	–	–	–	–	–

(1) A prison and a parking garage have been financed with capital leases.

(2) Fiscal year 2020-2038 payments are based on actual bond repayment schedules on file with DEED as of June 30, 2019.

(3) Based on PERS and TRS Actuarial Valuation Reports as of June 30, 2018.

(*) State G.O. debt service is net of federal subsidies on interest expense through 2038.

Source: 2019 – 2020 Alaska Public Debt Book, State of Alaska.

Payment History. The State has never defaulted on its general obligation bond obligations nor has it ever failed to appropriate funds for any State-supported outstanding securitized lease obligations.

State Debt Capacity. The State has historically used the ratio of debt service to revenue as a guideline for determining debt capacity of the State. This policy was established due to the State's relatively small population and high per capita revenue due to oil resource-generated revenue. Historically the State's policy has been that debt service should not exceed five percent of unrestricted revenue when considering only general obligation bonds and COPs that are State-supported. More recently, the State has included more discretionary General Fund supported obligations and programs, including the SDRP, TIDSRP, and certain capital leases. With the more inclusive funding, the State's policy allows the annual payments on these items to range up to seven percent of unrestricted revenue.

Table 9

State of Alaska
Debt Service on Outstanding Obligations to Unrestricted Revenues
Fiscal Years Ended June 30, 1996 – 2019
FORECAST FOR Fiscal Years Ending June 30, 2020 – 2029

Fiscal Year	**Unrestricted Revenues** ($ millions)	**State G.O. Debt Service** (%)	**State Supported Debt Service** (%)	**Total State Debt Service** (%)	**School Debt Reimburse-ments** (%)	**Statutory Payment to PERS/TRS** (%)	**Total Payments to Revenues** (%)
1996	$2,133.3	1.0%	0.5%	1.4%	3.7%	–	5.2%
1997	2,494.9	0.7	0.4	1.0	2.5	–	3.5
1998	1,825.5	0.8	0.6	1.3	3.4	–	4.7
1999	1,348.4	0.7	1.1	1.8	4.6	–	6.3
2000	2,081.7	0.1	0.9	1.0	3.1	–	4.1
2001	2,281.9	0.0	0.7	0.7	2.3	–	3.0
2002	1,660.3	0.0	1.3	1.3	3.3	–	4.5
2003	1,947.6	0.0	1.1	1.1	2.7	–	3.7
2004	2,345.6	0.8	0.9	1.7	2.6	–	4.3
2005	3,188.8	1.5	0.7	2.2	2.2	–	4.4
2006	4,200.4	1.1	0.6	1.7	1.9	–	3.6
2007	5,158.6	0.9	0.5	1.4	1.7	–	3.1
2008	10,728.2	0.4	0.3	0.6	0.8	–	1.4
2009	5,838.0	0.8	0.6	1.3	1.6	–	2.9
2010	5,512.7	0.9	0.8	1.7	1.7	–	3.4
2011	7,673.0	0.7	0.6	1.3	1.3	–	2.6
2012	9,485.2	0.8	0.4	1.3	1.1	–	2.3
2013	6,928.5	1.1	0.6	1.7	1.6	–	3.3
2014	5,390.0	1.4	0.7	2.1	2.0	–	4.1
2015	2,256.0	3.3	1.6	4.9	5.2	–	10.1
2016	1,533.0	4.0	2.3	6.3	7.6	–	13.9
2017	1,355.0	6.1	2.3	8.3	6.7	–	15.0
2018	2,413.5	3.7	1.1	4.8	4.6	–	9.5
2019	5,354.6	1.7	0.4	2.1	2.0	–	4.2
projected							
2020	5,049.4	1.5	0.4	2.0	2.0	5.9	10.0
2021	5,059.0	1.5	0.4	2.0	2.0	6.7	10.6
2022	5,071.4	1.3	0.4	1.8	1.7	6.3	9.7
2023	5,206.9	1.3	0.4	1.7	1.7	6.1	9.5
2024	5,335.5	1.2	0.4	1.7	1.3	6.0	9.0
2025	5,481.0	1.1	0.4	1.5	1.1	6.0	8.6
2026	5,588.0	1.1	0.4	1.5	0.9	5.9	8.3
2027	5,749.0	1.1	0.4	1.5	0.8	5.9	8.1
2028	5,893.4	1.0	0.4	1.4	0.7	5.9	8.0
2029	6,071.7	1.0	0.3	1.3	0.6	5.8	7.7

Source: 2019 – 2020 Alaska Public Debt Book, State of Alaska.

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APPENDIX G

PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

The Alaska Municipal Bond Bank (the "Issuer") executes and delivers this Continuing Disclosure Certificate (the "Disclosure Certificate") in connection with the issuance of $__________ Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2020 Series Two (Taxable) (the "Bonds"). The Bonds are being issued under the General Bond Resolution of the Issuer entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted July 13, 2005, as amended on August 19, 2009 (the "General Bond Resolution"), and Series Resolution No. 2020-__, adopted on April __, 2020 (the "Series Resolution" and together with the General Bond Resolution, the "Resolutions"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Issuer is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, 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" means any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 of this Disclosure Certificate.

"Financial Obligation" shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access ("EMMA") website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" means the final official statement dated __________, 2020, relating to the Bonds.

"Participating Underwriter" means the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Annual Report for Fiscal Year ending June 30, 2020, the Issuer will provide to the MSRB, in a format as prescribed by the Rule:

(a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference: (i) annual audited financial statements of the Issuer; (ii) a statement of authorized, issued and outstanding bonded debt of the Issuer; (iii) the Reserve Fund balance; and (iv) financial and operating data of Governmental Units that had an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution of the type included in the Official Statement, if any, as of the end of the prior Fiscal Year. Any or all of these items may be included by specific reference to documents available to the public or the internet website of the MSRB or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements may be submitted separately from the remainder of the Annual Report.

(b) Not later than 120 days after the end of each Fiscal Year, the Issuer will notify each Governmental Unit, that had, as of the end of such Fiscal Year, an amount of bonds equal to or greater than twenty percent (20%) of all outstanding bonds under the General Bond Resolution, of its continuing disclosure undertaking responsibility. A list of such Governmental Units for the prior Fiscal Year will be included in the Annual Report. The Issuer undertakes no responsibility and shall incur no liability whatsoever to any person, including any holder or beneficial owner of the Bonds, in respect of any obligations or reports, notices or disclosures provided or required to be provided by such Governmental Unit under its continuing disclosure agreement.

Section 4. Notice of Failure to Provide Information. The Issuer shall provide in a timely manner to the MSRB notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Reporting of Significant Events. (a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event:

(1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or the issuance by the Internal Revenue Service ("IRS") of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB).

(6) Defeasances.

(7) Rating changes.

(8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar event of the Issuer.*

(10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event, if material:

(1) Unless described in Section 5(a)(5), other notices or determinations by the IRS with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds.

(2) Nonpayment-related defaults.

(3) Modifications to rights of holders of the Bonds.

(4) Bond calls.

(5) Release, substitution or sale of property securing repayment of the Bonds.

(6) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(7) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

(8) Incurrence of a Financial Obligation of the Issuer, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Bonds.

Section 6. 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.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is 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 the Issuer;

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* Note: for the purposes of the event identified in subparagraph 5(a)(9), the 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 governmental 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.

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances;

(c) The Issuer obtains an opinion of counsel unaffiliated with the Issuer that the amendment does not materially impair the interests of the Beneficial Owners of the Bonds; and

(d) The Issuer notifies and provides the MSRB with copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 8. Filing. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at http://www.emma.msrb.org, or in such other manner as may be permitted from time to time by the Securities Exchange Commission.

Section 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Issuer to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and 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 specific performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATED this _____ day of ___________, 2020.

ALASKA MUNICIPAL BOND BANK

____

DEVEN J. MITCHELL
Executive Director

APPENDIX H

DTC AND ITS BOOK-ENTRY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2020 Series Two Bonds. The 2020 Series Two Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2020 Series Two Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating from Standard & Poor's of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of 2020 Series Two Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2020 Series Two Bonds on DTC's records. The ownership interest of each actual purchaser of each 2020 Series Two Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2020 Series Two Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2020 Series Two Bonds, except in the event that use of the book-entry system for the 2020 Series Two Bonds is discontinued.

4. To facilitate subsequent transfers, all 2020 Series Two Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2020 Series Two Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2020 Series Two Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2020 Series Two Bonds are credited, which may or may not be the Beneficial Owners. The

Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2020 Series Two Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2020 Series Two Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2020 Series Two Bond documents. For example, Beneficial Owners of 2020 Series Two Bonds may wish to ascertain that the nominee holding the 2020 Series Two Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the 2020 Series Two Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2020 Series Two Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2020 Series Two Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments on the 2020 Series Two Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Bank or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Bank or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the 2020 Series Two Bonds at any time by giving reasonable notice to the Bond Bank or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2020 Series Two Bond certificates are required to be printed and delivered.

10. The Bond Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2020 Series Two Bond certificates will be printed and delivered to DTC.

11. The information in this appendix concerning DTC and DTC's book-entry system has been obtained from sources that the Bond Bank believes to be reliable, but the Bond Bank takes no responsibility for the accuracy thereof.

ALASKA MUNICIPAL BOND BANK

GENERAL OBLIGATION BONDS, 2020 Series One (Tax-Exempt)

DISTRIBUTION LIST

ISSUER

ALASKA MUNICIPAL BOND BANK
333 Willoughby Avenue
Juneau, AK 99811-0405
Fax: (907) 465-2902

Deven Mitchell, *Executive Director* .... Tel: (907) 465-3409
deven.mitchell@alaska.gov

Ryan Williams, *Finance Director* .... Tel: (907) 465-2893
ryan.williams@alaska.gov

BOND COUNSEL

ORRICK, HERRINGTON & SUTCLIFFE LLP
701 5th Avenue, Suite 5600
Seattle, WA 98104-7097
Fax: (206) 839-4301

Les Krusen .... Tel: (206) 839-4334
lkrusen@orrick.com

405 Howard Street
San Francisco, CA 94105-2669

John Stanley .... Tel: (415) 773-5713
jstanley@orrick.com

1120 NW Couch St., Suite 200
Portland, OR 97209
Fax: (503) 943-4801

Greg Blonde .... Tel: (503) 943-4823
gblonde@orrick.com

Doug Goe .... Tel: (503) 943-4810
dgoe@orrick.com

Angie Gardner .... Tel: (503) 943-4826
agardner@orrick.com

FINANCIAL ADVISOR

PFM FINANCIAL ADVISORS LLC
1200 Fifth Avenue, Suite 1220
Seattle, WA 98101

Fred Eoff, *Director* .... Tel: (206) 858-5370
Cell: (206) 979-1197
EoffF@pfm.com

Alex Qin, *Sr. Analyst* .... Tel: (213) 415-1637
qina@pfm.com

Johanna Crane, *Sr. Associate* .... Tel: (206) 858-5363
cranej@pfm.com

TRUSTEE

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
400 South Hope Street
Mellon Bank Center
Los Angeles, CA 90071

Gonzalo Urey, *Vice President, Transaction Manager*. ....Tel: (213) 630-6237
gonzalo.urey@bnymellon.com

100 Pine Street, #3150
San Francisco, CA 94111

Gordon Fung, *Associate, Client Service Manager*...Tel: (415) 263-2090
gordon.fung@bnymellon.com

Troy Pitman, *Vice President, Relationship Manager* ....Tel: (303) 513-3448
troy.pitman@bnymellon.com

TRUSTEE COUNSEL *(LA mailing address)*

Rhea Ricard..Tel: (213) 630-6476
rhea.ricard@bnymellon.com

2020 SERIES ONE SENIOR MANAGING UNDERWRITER

RBC CAPITAL MARKETS
Two Embarcadero Center, Suite 1200
San Francisco, CA 94111

Tom Yang, *Managing Director*...Tel: (415) 445-8206
tom.a.yang@rbccm.com

60 South Sixth Street, 15th Floor
Minneapolis, MN 55402

Laura Janke, *Director*. ....Tel: (612) 371-7864
laura.janke@rbccm.com

777 South Figueroa Street, Suite 850
Los Angeles, CA 90017

Corey Marty ....Tel: (612) 371-7864
corey.marty@rbccm.com

Three World Financial Center
200 Vesey Street
New York, NY 10281

Jason Chin ....Tel: (212) 658-6148
jason.chin@rbccm.com

SERIES ONE UNDERWRITER COUNSEL

FOSTER GARVEY P.C.
1111 Third Avenue
Seattle, WA 98101
Fax: (206) 447-9700

Marc Greenough, Foster Garvey .... Tel: (206) 447-7888
marc.greenough@foster.com

2020 SERIES ONE CO-MANAGING UNDERWRITER

BANK OF AMERICA MERRILL LYNCH
800 Fifth Avenue
Seattle, WA 98104

Eric Whaley, *Director*...Tel: (206) 358-4833
eric.whaley@baml.com

555 California Street, Suite 1160
San Francisco, CA 94104

Wes Ellins, *Director*.. Tel: (415) 913-5727
wesley.m.ellins@baml.com
Eric Wong, *Associate* .... Tel: (415) 913-2335
eric.t.wong@baml.com

BANK OF AMERICA UNDERWRITER COUNSEL
K&L GATES LLP
925 Fourth Avenue, Suite 2900
Seattle, WA 98104

Cynthia Weed, *Attorney* .... Tel: (206) 370-7801
Cynthia.weed@klgates.com

Scott McJannet, *Attorney* .... Tel: (206) 370 - 8190
scott.mcjannet@klgates.com

Kerry Salas, *Paralegal* .... Tel: (206) 939 - 85544
kerry.salas@klgates.com

AMBBA FINANCE TEAM EMAIL GROUP:
deven.mitchell@alaska.gov; ryan.williams@alaska.gov; lkrusen@orrick.com; jstanley@orrick.com; gblonde@orrick.com; dgoe@orrick.com; agardner@orrick.com; EoffF@pfm.com; qina@pfm.com; cranej@pfm.com; gonzalo.urey@bnymellon.com; gordon.fung@bnymellon.com; troy.pitman@bnymellon.com; rhea.ricard@bnymellon.com; eric.whaley@baml.com; wesley.m.ellins@baml.com; eric.t.wong@baml.com; tom.a.yang@rbccm.com; laura.janke@rbccm.com; corey.marty@rbccm.com; jason.chin@rbccm.com; marc.greenough@foster.com; cynthia.weed@klgates.com; scott.mcjannet@klgates.com; kerry.salas@klgates.com

SERIES ONE BORROWERS and BORROWERS' BOND COUNSEL

ALEUTIANS EAST BOROUGH
PO Box 49
King Cove, AK 99612

Roxann Newman, *Finance Director* .... Tel: (907) 497-2588
rnewman@aeboro.org

Anne Bailey, *Administrator* .... Tel: (907) 274-7580
abailey@aeboro.org

ALUETIANS EAST BOROUGH BOND COUNSELS
FOSTER GARVEY P.C.
1111 Third Avenue
Seattle, WA 98101

Marc Greenough, Foster Garvey .... Tel: (206) 447-7888
marc.greenough@foster.com

LEVESQUE LAW GROUP
3380 C Street, Suite 202
Anchorage, AK 99503
Fax: (206) 306-0667

Joe Levesque, Levesque Law Group.................... Tel: (907) 261-8935
joe@levesquelawgroup.com

CITY AND BOROUGH OF JUNEAU
155 S. Seward Street
Juneau, AK 99801

Jeff Rogers *Finance Director* .... Tel: (907) 586-0305
jeff.rogers@juneau.org

Theresa Winther, *Deputy Treasurer* .... Tel: (907) 586-0375
theresa.winther@juneau.org

CITY AND BOROUGH OF JUNEAU BOND COUNSEL
K&L GATES
925 Fourth Avenue, Suite 29000
Seattle, WA 98104

Scott McJannet .... Tel: (206) 370-8190
scott.mcjannet@klgates.com

Cynthia Weed .... Tel: (206) 370-6201
cynthia.weed@klgates.com

CITY OF KENAI
210 Fidalgo Avenue
Kenai, AK 99611

Terry Eubank, *Finance Director*.................... Tel: (907) 283-8227
teubank@kenai.city

CITY OF KENAI BOND COUNSEL
BIRCH HORTON BITTNER & CHEROT
510 L Street, Suite 700
Anchorage, AK 99501

Tom Klinkner.................... Tel: (907) 263-7219
tklinkner@bhb.com

KENAI PENINSULA BOROUGH
144 N. Binkley Street
Soldotna, AK 99669

Brandi Harbaugh, *Finance Director*.................... Tel: (907) 714-2376
bharbaugh@kpb.us

KENAI PENINSULA BOROUGH BOND COUNSEL
JERMAIN, DUNNAGAN & OWENS, P.C.
3000 A Street, Suite 300
Anchorage, AK 99503

Cindy Cartledge.. Tel: (907) 261-6676
ccartledge@jdolaw.com

CITY OF KETCHIKAN
334 Front Street
Ketchikan, AK 99901

Bob Newell, *Finance Director* .... Tel: (907) 228-5621
bobn@city.ketchikan.ak.us

CITY OF KETCHIKAN BOND COUNSEL
STRADLING YOCCA CARLSON & RAUTH
999 Third Avenue, Suite 3610
Seattle, WA 98104

David Thompson .... Tel: (206) 829-3006
dthompson@sycr.com

Alice Ostdiek .... Tel: (206) 829-3002
aostdiek@sycr.com

KETCHIKAN GATEWAY BOROUGH
1900 First Avenue, Suite 118
Ketchikan, AK 99901

Cynna Gubatayao, *Finance Director* .... Tel: (907) 228-6620
cynnag@kgbak.us

Maureen Crosby, *Controller* .... Tel: (907) 228-6624
maureen@kgbak.us

KETCHIKAN GATEWAY BOROUGH BOND COUNSEL
STRADLING ATTORNEYS AT LAW
999 Third Avenue, Suite 3610
Seattle, WA 98104

David Thompson .... Tel: (206) 829-3006
dthompson@sycr.com

Alice Ostdiek .... Tel: (206) 829-3002
aostdiek@sycr.com

CITY OF KING COVE
37 Rams Creek Drive, PO Box 37
King Cove, AK 99612

Gary Hennigh, *Administrator*.. Tel: (907) 274-7563
ghennigh@kingcoveak.org

CITY OF KING COVE BOND COUNSELS
FOSTER GARVEY P.C.
1111 Third Avenue
Seattle, WA 98101

Marc Greenough, Foster Garvey .... Tel: (206) 447-7888
marc.greenough@foster.com

LEVESQUE LAW GROUP
3380 C Street, Suite 202
Anchorage, AK 99503

Joe Levesque, Levesque Law Group.. Tel: (907) 261-8935
joe@levesquelawgroup.com

KODIAK ISLAND BOROUGH
710 Mill Bay Road
Kodiak, AK 99615

Dora Cross, *Finance Director* .... Tel: (907) 486-9320
dcross@kodiakak.us

KODIAK ISLAND BOND COUNSEL
FOSTER GARVEY P.C.
1111 Third Avenue
Seattle, WA 98101

Marc Greenough, Foster Garvey .... Tel: (206) 447-7888
marc.greenough@foster.com

NORTHWEST ARCTIC BOROUGH
163 Lagoon Street
Kotzebue, AK 99752

Angie Sturm, *Finance Director* .... Tel: (907) 714-1224
asturm@nwabor.org

NORTHWEST ARCTIC BOROUGH BOND COUNSEL
BIRCH HORTON BITTNER & CHEROT
510 L Street, Suite 700
Anchorage, AK 99501

Tom Klinkner .... Tel: (907) 263-7219
htklinkner@bhb.com

PETERSBURG BOROUGH
12 South Nordic Drive
Petersburg, AK 99833

Jody Tow, *Finance Director* .... Tel: (907) 772-5401
jtow@petersburgak.gov

PETERSBURG BOROUGH BOND COUNSEL
STRADLING ATTORNEYS AT LAW
999 Third Avenue, Suite 3610
Seattle, WA 98104

David Thompson .... Tel: (206) 829-3006
dthompson@sycr.com

Alice Ostdiek .... Tel: (206) 829-3002
aostdiek@sycr.com

CITY AND BOROUGH OF SITKA
100 Lincoln Street
Sitka, AK 99835

Jay Sweeney, *Chief Financial and Administrative Officer* .... Tel: (907) 747-1836
Jay.sweeney@cityofsitka.org

Melissa Haley, *Controller* .... Tel: (907) 747-4050
melissa.haley@cityofsitka.org

CITY AND BOROUGH OF SITKA BOND COUNSEL
STRADLING ATTORNEYS AT LAW
999 Third Avenue, Suite 3610
Seattle, WA 98104

David Thompson .... Tel: (206) 829-3006
dthompson@sycr.com

Alice Ostdiek .... Tel: (206) 829-3002
aostdiek@sycr.com

CITY OF SOLDOTNA
177 North Birch Street
Soldotna, AK 99669

Melanie Imholte, *Finance Director* .... Tel: (907) 714-1224
mimholte@soldotna.org

CITY OF SOLDOTNA BOND COUNSEL
BIRCH HORTON BITTNER & CHEROT
510 L Street, Suite 700
Anchorage, AK 99501

Tom Klinkner.. Tel: (907) 263-7219
tklinkner@hnb.com

CITY OF UNALASKA (TBD)
73 Raven Way, P.O. Box 610
Unalaska, AK 99685

Catherine Hazen, *Controller*.. Tel: (907) 581-1251
chazen@ci.unalaska.ak.us

CITY OF UNALASKA BOND COUNSEL
[TBD]

FULL EMAIL GROUP:
deven.mitchell@alaska.gov; ryan.williams@alaska.gov; lkrusen@orrick.com; jstanley@orrick.com; gblonde@orrick.com; dgoe@orrick.com; agardner@orrick.com; EoffF@pfm.com; qina@pfm.com; cranej@pfm.com; gonzalo.urey@bnymellon.com; gordon.fung@bnymellon.com; troy.pitman@bnymellon.com; rhea.ricard@bnymellon.com; eric.whaley@baml.com; wesley.m.ellins@baml.com; eric.t.wong@baml.com; tom.a.yang@rbccm.com; laura.janke@rbccm.com; corey.marty@rbccm.com; jason.chin@rbccm.com; rnewman@aeboro.org; abailey@aeboro.org; joe@levesquelawgroup.com; marc.greenough@foster.com; jeff.rogers@juneau.org; theresa.winther@juneau.org; scott.mcjannet@klgates.com; cynthia.weed@klgates.com; teubank@kenai.city; tklinkner@bhb.com; bharbaugh@kpb.us; ccartledge@jdolaw.com; bobn@city.ketchikan.ak.us; dthompson@sycr.com; aostdiek@sycr.com; ghennigh@kingcoveak.org; dcross@kodiakak.us; asturm@nwabor.org; jtow@petersburgak.gov; Jay.sweeney@cityofsitka.org; melissa.haley@cityofsitka.org; mimholte@soldotna.org; chazen@ci.unalaska.ak.us;

ALASKA MUNICIPAL BOND BANK
GENERAL OBLIGATION BONDS, 2020 TAXABLE

DISTRIBUTION LIST

ISSUER
ALASKA MUNICIPAL BOND BANK
333 Willoughby Avenue
Juneau, AK 99811-0405
Fax: (907) 465-2902

Deven Mitchell, *Executive Director* .... Tel: (907) 465-3409
deven.mitchell@alaska.gov

Ryan Williams, *Finance Director* .... Tel: (907) 465-2893
ryan.williams@alaska.gov

BOND COUNSEL
ORRICK, HERRINGTON & SUTCLIFFE LLP
701 5th Avenue, Suite 5600
Seattle, WA 98104-7097
Fax: (206) 839-4301

Les Krusen .... Tel: (206) 839-4334
lkrusen@orrick.com

405 Howard Street
San Francisco, CA 94105-2669

John Stanley .... Tel: (415) 773-5713
jstanley@orrick.com

1120 NW Couch St., Suite 200
Portland, OR 97209
Fax: (503) 943-4801

Greg Blonde .... Tel: (503) 943-4823
gblonde@orrick.com

Doug Goe .... Tel: (503) 943-4810
dgoe@orrick.com

Angie Gardner .... Tel: (503) 943-4826
agardner@orrick.com

FINANCIAL ADVISOR
PFM FINANCIAL ADVISORS LLC
1200 Fifth Avenue, Suite 1220
Seattle, WA 98101

Fred Eoff, *Director* .... Tel: (206) 858-5370
Cell: (206) 979-1197
eofff@pfm.com

Alex Qin, *Sr. Analyst* .... Tel: (213) 415-1637
qina@pfm.com

Johanna Crane, *Sr. Associate* .... Tel: (206) 858-5363
cranej@pfm.com

TRUSTEE
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
400 South Hope Street
Los Angeles CA 90071

Gonzalo Urey, *Vice President, Transaction Manager* .... Tel: (213) 630-6237
gonzalo.urey@bnymellon.com

100 Pine Street, Suite 3150
San Francisco CA 94111

Gordon Fung, *Associate, Client Service Manager* .... Tel: (415) 263-2090
gordon.fung@bnymellon.com

Troy Pitman, *Vice President, Relationship Manager* .... Tel: (303) 513-3448
troy.pitman@bnymellon.com

TRUSTEE COUNSEL *(LA mailing address)*

Rhea Ricard .... Tel: (213)630-6476
rhea.ricard@bnymellon.com

2020 SERIES TWO SENIOR MANAGING UNDERWRITER
BANK OF AMERICA MERRILL LYNCH
800 Fifth Avenue
Seattle, WA 98104

Eric Whaley, *Director* .... Tel: (206) 358-4833
eric.whaley@baml.com

555 California Street, Suite 1160
San Francisco, CA 94104
Wes Ellins, *Director* .... Tel: (415) 913-5727
wesley.m.ellins@baml.com
Eric Wong, *Associate* .... Tel: (415) 913-2335
eric.t.wong@baml.com

SERIES TWO UNDERWRITER COUNSEL
K&L GATES LLP
925 Fourth Avenue, Suite 2900
Seattle, WA 98104

Cynthia Weed, *Attorney* .... Tel: (206) 370-7801
Cynthia.weed@klgates.com

Scott McJannet, *Attorney* .... Tel: (206) 370 - 8190
scott.mcjannet@klgates.com

Kerry Salas, *Paralegal* .... Tel: (206) 939 - 85544
kerry.salas@klgates.com

2020 SERIES TWO CO-MANAGING UNDERWRITER
RBC CAPITAL MARKETS
Two Embarcadero Center, Suite 12000
San Francisco, CA 94111

Tom Yang, *Managing Director* .... Tel: (415) 445-8206
tom.a.yang@rbccm.com

60 South Sixth Street, 15th Floor
Minneapolis, MN 55402

Laura Janke, *Director* .... Tel: (612) 371-7864
laura.janke@rbccm.com

777 South Figueroa Street, Suite 850
Los Angeles, CA 90017

Corey Marty .... Tel: (612)371-7864
corey.marty@rbccm.com

Three World Financial Center
200 Vesey Street
New York, NY 10281

Jason Chin .... Tel: (212) 658-6148
jason.chin@rbccm.com

RBC CAPITAL MARKETS UNDERWRITER COUNSEL
FOSTER GARVEY
111 Third Avenue
Seattle, WA 98104
Fax: (206) 447-97

Marc Greenough, Attorney.. Tel: (206) 447-7888
marc.greenough@foster.com

Jim Fisher, Foster Garvey.. Tel: (206) 447-6221
jim.fisher@foster.com

AMBBA FINANCE TEAM EMAIL GROUP:
deven.mitchell@alaska.gov; ryan.williams@alaska.gov; lkrusen@orrick.com; jstanley@orrick.com; gblonde@orrick.com; dgoe@orrick.com; agardner@orrick.com; EoffF@pfm.com; qina@pfm.com; cranej@pfm.com; gonzalo.urey@bnymellon.com; gordon.fung@bnymellon.com; troy.pitman@bnymellon.com; rhea.ricard@bnymellon.com; eric.whaley@baml.com; wesley.m.ellins@baml.com; eric.t.wong@baml.com; tom.a.yang@rbccm.com; laura.janke@rbccm.com; corey.marty@rbccm.com; jason.chin@rbccm.com; marc.greenough@foster.com; jim.fisher@foster.com; cynthia.weed@klgates.com; scott.mcjannet@klgates.com; kerry.salas@klgates.com

SERIES TWO BORROWERS and BORROWERS' BOND COUNSEL

CITY OF HOMER
491 E. Pioneer Avenue
Homer, AK 99603

Katie Koester, *City Manager* .... Tel: (907) 235 - 8121
kkoester@ci.homer.ak.us
Elizabeth Walton, *Finance Director* .... Tel: (907) 235 - 8121
ewalton@ci.homer.ak.us

CITY OF HOMER BOND COUNSEL
JERMAIN, DUNNAGAN & OWENS, P.C.
3000 A Street, Suite 300
Anchorage, AK 99503
Cindy Cartledge.................... Tel: (907) 261-6676
ccartledge@jdolaw.com

LAKE AND PENINSULA BOROUGH
P.O. Box 495
King Salmon, AK 99613

Mark Stahl, *Finance Officer* .... Tel: (907) 246-3421
finance@lakeandpen.com

LAKE AND PENINSULA BOROUGH BOND COUNSEL
BIRCH HORTON BITTNER & CHEROT
510 L Street, Suite 700
Anchorage, AK 99501

Tom Klinkner.................... Tel: (907) 263-7219
tklinkner@bhb.com

CITY OF SAND POINT
249 Main Street
Sand Point, AK 99661

Jordan Keeler, City Manager.................... Tel: (907) 274-7561
jkeeler@sandpointak.org
Krista Galvin, Finance Officer.................... Tel: (907) 383-2696
sptfinance@arctic.net

CITY OF SAND POINT BOND COUNSEL
FOSTER GARVEY
1111 Third Avenue
Seattle, WA 98101

Marc Greenough, Foster Garvey .... Tel: (206) 447-7888
marc.greenough@foster.com
Jim Fisher, Foster Garvey.................... Tel: (206) 447-6221
jim.fisher@foster.com

CITY OF SEWARD
410 Adams Street
Seward, AK 99664

Tammy Stromberg, Finance Director.................... Tel: (907) 224-4050
tstromberg@cityofseward.net

CITY OF SEWARD BOND COUNSEL
JERMAIN, DUNNAGAN & OWENS, P.C.
3000 A Street, Suite 300
Anchorage, AK 99503

Cindy Cartledge........Tel: (907) 261-6676
ccartledge@jdolaw.com

CITY OF JUNEAU
155 S. Seward Street
Juneau, AK 99801

Jeff Rogers *Finance Director* ....Tel: (907) 586-0305
jeff.rogers@juneau.org

CITY OF JUNEAU BOND COUNSEL
K&L GATES
925 Fourth Avenue, Suite 29000
Seattle, WA 98104

Scott McJannet ....Tel: (206) 370-8190
scott.mcjannet@klgates.com

Cynthia Weed ....Tel: (206) 370-6201
cynthia.weed@klgates.com

KENAI PENINSULA BOROUGH
144 N. Binkley Street
Soldotna, AK 99669

Brandi Harbaugh, *Finance Director*........Tel: (907) 714-2376
bharbaugh@kpb.us

KENAI PENINSULA BOROUGH BOND COUNSEL
JERMAIN, DUNNAGAN & OWENS, P.C.
3000 A Street, Suite 300
Anchorage, AK 99503

Cindy Cartledge........Tel: (907) 261-6676
ccartledge@jdolaw.com

CITY OF KETCHIKAN
334 Front Street
Ketchikan, AK 99901

Bob Newell, *Finance Director* ....Tel: (907) 228-5621
bobn@city.ketchikan.ak.us

CITY OF KETCHIKAN BOND COUNSEL
STRADLING YOCCA CARLSON & RAUTH
999 Third Avenue, Suite 3610
Seattle, WA 98104

David Thompson........Tel: (206) 829-3006
dthompson@sycr.com

Alice Ostdiek........Tel: (206) 829-3002
aostdiek@sycr.com

Cindy Nevins ....Tel: (206) 829-3005
cnevins@sycr.com

KODIAK ISLAND BOROUGH
710 Mill Bay Road
Kodiak, AK 99615

Dora Cross, *Finance Director* ....Tel: (907) 486-9320
dcross@kodiakak.us

KODIAK ISLAND BOND COUNSEL
FOSTER GARVEY P.C.
1111 Third Avenue
Seattle, WA 98101

Marc Greenough, Foster Garvey .... Tel: (206) 447-7888
marc.greenough@foster.com
Jim Fisher, Foster Garvey .... Tel: (206) 447-6221
jim.fisher@foster.com

CITY AND BOUROUGH OF SITKA
100 Lincoln Street
Sitka, AK 99835

Jay Sweeney, *Chief Financial and Administrative Officer* .... Tel: (907) 747-1836
Jay.sweeney@cityofsitka.org

Melissa Haley, *Controller* .... Tel: (907) 747-4050
melissa.haley@cityofsitka.org

CITY AND BOROUGH OF SITKA BOND COUNSEL
STRADLING ATTORNEYS AT LAW
999 Third Avenue, Suite 3610
Seattle, WA 98104

David Thompson .... Tel: (206) 829-3006
dthompson@sycr.com
Alice Ostdiek .... Tel: (206) 829-3002
aostdiek@sycr.com
Cindy Nevins .... Tel: (206) 829-3005
cnevins@sycr.com

FULL EMAIL GROUP:
deven.mitchell@alaska.gov; ryan.williams@alaska.gov; lkrusen@orrick.com; atrout@orrick.com; gblonde@orrick.com; sschickli@orrick.com; dgoe@orrick.com; agardner@orrick.com; eofff@pfm.com; qina@pfm.com; cranej@pfm.com; gonzalo.urey@bnymellon.com; gordon.fung@bnymellon.com; troy.pitman@bnymellon.com; rhea.ricard@bnymellon.com; eric.whaley@baml.com; wesley.m.ellins@baml.com; eric.t.wong@baml.com; tom.a.yang@rbccm.com; laura.janke@rbccm.com; corey.marty@rbccm.com; cynthia.weed@klgates.com; scott.mcjannet@klgates.com; kerry.salas@klgates.com; marc.greenough@foster.com; jim.fisher@foster.com kkoester@ci.homer.ak.us; ewalton@ci.homer.ak.us; jkeeler@sandpointak.org; sptfinance@arctic.net; tstromberg@cityofseward.net; jeff.rogers@juneau.org; bharbaugh@kpb.us; bobn@city.ketchikan.ak.us; dcross@kodiakak.us; Jay.sweeney@cityofsitka.org; melissa.haley@cityofsitka.org; ccartledge@jdolaw.com; tklinkner@bhb.com; dthompson@sycr.com; aostdiek@sycr.com; cnevins@sycr.com;

ALASKA MUNICIPAL BOND BANK AUTHORITY
GENERAL OBLIGATION REFUNDING BONDS, 2020 Series One (Tax-Exempt) & Series Two (Taxable)

Financing Schedule
(As of 4/20/20)

MARCH						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Responsible Party	Code
▪ AMBBA Staff	Staff
▪ Bond Counsel – Orrick Herrington	BC
▪ Financial Advisor – PFM Financial Advisors LLC	FA
▪ Co-Senior Underwriters – RBC and Bank of America.	UWs
▪ Underwriters Counsel – Foster Garvey	UWC
▪ Trustee – Bank of New York Mellon.	Trustee
▪ Rating Agency – S&P Global	SPG
▪ Verification Agent – (TBD)	CPA
▪ Working Group - (Staff, BC, FA, UWs, UWC, Trustee)	WG

For all Conference calls, please use:
Dial-In: 1-844-621-3956 and Passcode: 798-547-388#

Day	*Date*	*Activity*	*Responsible Party*
~~Tue~~	~~Mar 17~~	▪ ~~Initial Working Group Organizational Call~~	~~WG~~
~~Thu~~	~~Apr 2~~	▪ ~~Distribute 1st Draft POS -(Taxable)~~	~~UWC~~
~~Sun~~	~~Apr 12~~	▪ ~~Distribute 1st Draft Bond Resolutions (Tax-Exempt and Taxable)~~	~~BC~~
~~Tue~~	~~Apr 14~~	▪ ~~Distribute 1st Draft POS -(Tax-Exempt)~~	~~UWC~~
~~Fri~~	~~Apr 17~~	▪ ~~Comments Due On 1st Draft Bond Resolution(s)~~	~~WG~~
Mon	Apr 20	▪ Comments due on 1st Draft POS (Tax-Exempt and Taxable)	WG
Tue	Apr 21	▪ Documents Due to AMBBA for Board Distribution	WG
Wed	**Apr 29**	▪ **AMBB Board Meeting for Adoption of Bond Resolution**	**Staff, BC, FA**
Thu	Apr 30	▪ Distribute 2nd Draft POS (Tax-Exempt & Taxable)	UWC
Wk of	**May 4**	▪ **Rating Agency Calls**	**Staff, FA**
Tue	May 6	▪ Comments Due to 2nd Draft POS (Tax-Exempt)	WG
Thu	May 8	▪ Draft Verification Report Distributed	CPA
Wk of	May 18	▪ Receive Ratings	Staff, FA
Wed	May 20	▪ Due Diligence Call	WG
Fri	May 22	▪ Post POS (Tax-Exempt)	UWC
Tue	Jun 2	▪ Pre-Pricing Call	WG

Day	Date	Activity	Responsible Party
Wed	Jun 3	▪ Pricing ▪ Final Verification Confirmed ▪ BPA Signed	Staff, UWs, FA, UWC, BC, CPA
Fri	Jun 5	▪ Distribute Draft FOS (Tax-Exempt)	UWC
Mon	Jun 8	▪ Comments Due on FOS	WG
Wed	Jun 10	▪ Post FOS	UWs, UWC
Wed	Jun 24	▪ Pre-Closing	WG
Thu	Jun 25	▪ Closing	WG

SERIES TWO TAXABLE SCHEDULE

Day	Date	Activity	Responsible Party
~~Fri~~	~~Apr 2~~	~~▪ Distribute 1st Draft Series Two POS~~	~~UWC~~
~~Mon~~	~~Apr 20~~	~~▪ Comments due on 1st Draft POS (Tax-Exempt and Taxable)~~	~~WG~~
~~Tue~~	~~Apr 21~~	~~▪ Documents Due to AMBBA for Board Distribution~~	~~WG~~
Wed	**Apr 29**	▪ **AMBB Board Meeting for Adoption of Bond Resolution**	**Staff, BC, FA**
Wk of	**May 4**	▪ **Rating Agency Calls**	**Staff, FA**
		(Remaining Schedule Dependent on Market Conditions)	
		▪ Status Call (Time TBD)	
		▪ Distribute 3rd Draft Series Two POS	UWC
		▪ Comments due to 3rd Draft Series Two POS	WG
		▪ Distribute 4tth Draft Series Two POS	UWC
		▪ Draft Verification Report Distributed	CPA
		▪ Due Diligence Call	WG
		▪ Post POS	UWs, UWC
		▪ Pre-Pricing Call	WG
		▪ Pricing (Series Two) ▪ Final Verification Confirmed BPA Signed	Staff, UWs, FA, UWC, BC, CPA
		▪ Distribute Draft Series Two FOS	UWC
		▪ Comments Due on Series Two FOS	WG
		▪ Post Series Two FOS	UWC, UWs
		▪ Series Two Pre-Closing	WG
		▪ Series Two Closing	WG

ALASKA MUNICIPAL BOND BANK AUTHORITY

333 Willoughby Avenue, 11th floor
P.O. Box 110405
Juneau, Alaska 99811-0405

Tel (907) 465-2388
FAX (907) 465-2902
E-mail: ambba@revenue.state.ak.us

TO: AMBBA Board Members **DATE:** April 21, 2020
Luke Welles, Mike Barnhill, Craig Chapman, John Springsteen,
Lamar Cotten

FROM: Ryan Williams, Finance Director **TELEPHONE:** 907-723-1309

Arbitrage Rebate Services RFP

We plan to release an RFP and solicit responses for arbitrage rebate services for fiscal year 2021+ as our current contract with AMTEC is expiring (has provided services since 2014).

Most Recent Fund Performance and Portfolio Market Values

Below depicts the Bond Bank's fund performance and portfolio market values through March 31, 2020:

Alaska Permanent Capital Management Co.
Cash Balance and Portfolio Market Value
March 31, 2020

Name	Total Cash	Market Value
AMMBA Custody #180969	496,885	9,040,712
AMBBA GO 2010 RESERVE FUND-442473	13,044	429,964
AMBBA GO 2005 SERIES RESERVE FUND-764568	1,510,661	44,723,560
AMBBA GO 2016 RESERVE	341,454	7,719,520
	2,362,045	**61,913,755**

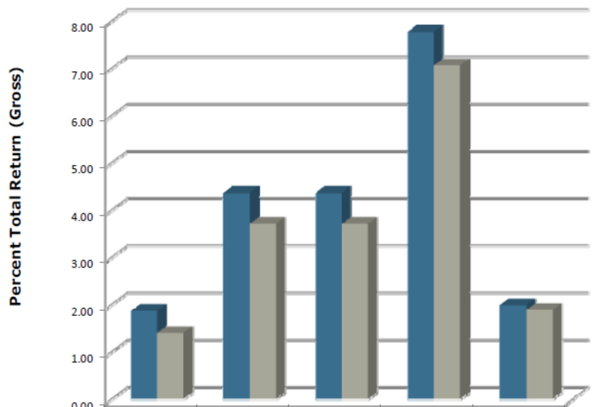
Surety Policy Coverage Stated Amount: $18,030,207

PERFORMANCE as of 3/31/2020

2005, 2010, and 2016 Reserves, and Custodian Account:

2005:

**Current Account Benchmark:
90% Bloomberg Barclays 1-5 Yr Gov/10%
US Aggregate**

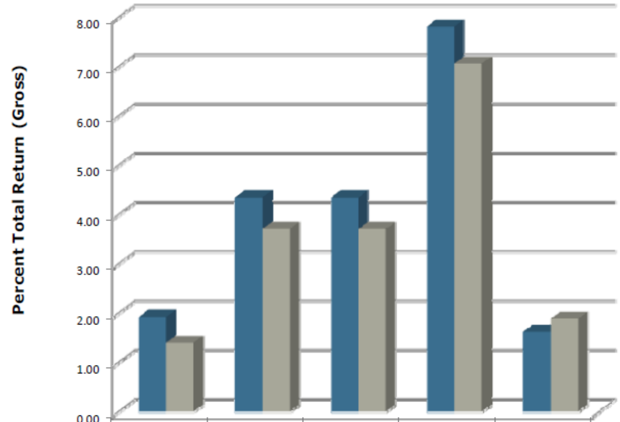


	Current Month	Current Quarter	Year to Date	Latest 1 Year	Inception to Date
Portfolio	1.86	4.36	4.36	7.77	1.99
Benchmark	1.40	3.70	3.70	7.06	1.88

Performance is Annualized for Periods Greater than One Year

2010:

**Current Account Benchmark:
90% Bloomberg Barclays 1-5 Yr Gov/10%
US Aggregate**

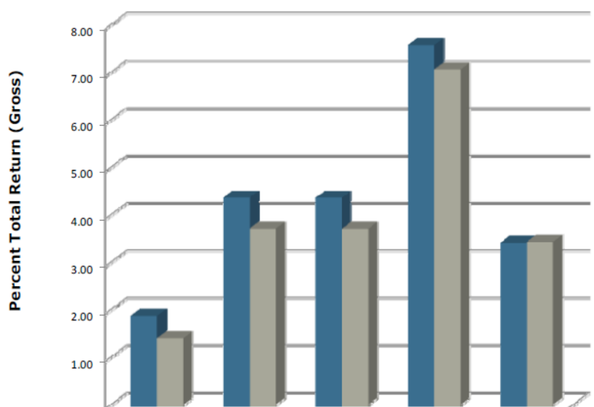


	Current Month	Current Quarter	Year to Date	Latest 1 Year	Inception to Date
Portfolio	1.92	4.34	4.34	7.81	1.62
Benchmark	1.40	3.70	3.70	7.06	1.88

Performance is Annualized for Periods Greater than One Year

2016:

**Current Account Benchmark:
90% Bloomberg Barclays 1-5 Yr Gov/10%
US Aggregate**

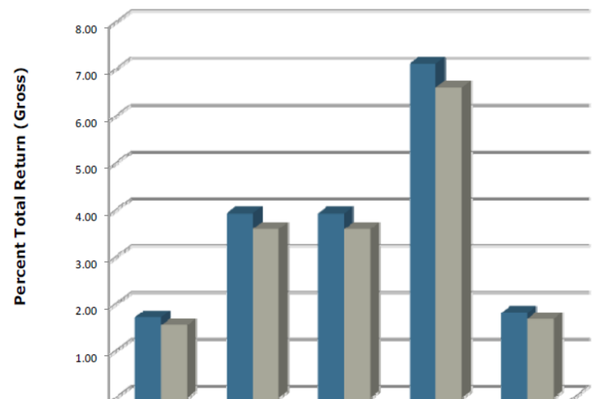


	Current Month	Current Quarter	Year to Date	Latest 1 Year	Inception to Date
Portfolio	1.87	4.35	4.35	7.57	3.41
Benchmark	1.40	3.70	3.70	7.06	3.42

Performance is Annualized for Periods Greater than One Year

Custodian:

**Current Account Benchmark:
95% Bloomberg Barclays 1-5 Yr Gov/5%
FTSE 3Mo Tbill**



	Current Month	Current Quarter	Year to Date	Latest 1 Year	Inception to Date
Portfolio	1.71	3.93	3.93	7.11	1.81
Benchmark	1.54	3.59	3.59	6.60	1.68

Performance is Annualized for Periods Greater than One Year

Please let me know if you have any questions. Thank you,

Ryan Williams
Finance Director
Alaska Municipal Bond Bank Authority
Ryan.Williams@Alaska.gov
Cell: (907) 723-1309