

TECHNICAL EDUCATION

ANNUAL CERTIFICATE OF NO DEFAULT AND DEBT SERVICE COVERAGE

AS OF FEBRUARY 1, 2026

(All capitalized terms shall have the meaning assigned in the Collection Agreement)

Pursuant to Section 8 of the Amended and Restated Facility Fee Tuition Collection and Deposit Agreement dated as of September 1, 2008 (the "Collection Agreement"), the undersigned has reviewed all relevant records of the Board of Technical Education with respect to the Bonds and determined that we are not aware of any default. We are projecting Debt Service Coverage as follows:

(1) Scheduled debt service payments on Bonds through Series 2026 (and any Additional Bonds expected to be issued and requiring debt service payments out of Revenues) for the period from August 1, 2026 through July 31, 2027, is \$7,470,688 and other estimated program expenses for such period are estimated to be \$712,200 for a total of \$8,182,888 (herein, this number is referred to as "A").

(2) Scheduled debt service payments on Bonds through Series 2026 (and any Additional Bonds expected to be issued and requiring debt service payments out of Revenues) for the period from August 1, 2027 through July 31, 2028 is \$7,472,102 and other estimated program expenses for such period are estimated to be \$712,200, for a total of \$8,184,302 (herein, this number is referred to as "B").

(3) For the period from the date hereof through January 31, 2028, the Facility Fees, together with the Appropriated Payments and any other Program Revenues are estimated to be as follows:

<u>Revenues</u>	<u>Amounts</u>
Legislative Appropriations (FY 2027)	\$2,017,086
Estimated Appropriations (FY 2028)	\$2,017,467
Indenture Funds (Excluding DSRF) as of 2/1/2026:	
Tuition Subaccount as of 2/1/2026	\$9,175,137

Total Facility Fees from present to January 31, 2028 is estimated to be as follows:

5,900 students @ 30 credits per FTE \$36 2/1/2026 – 6/30/2026(5 months)	\$2,905,146
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5,900 students @ 30 credits per FTE \$36 7/1/2026 – 6/30/2027(12 months)	\$6,372,000
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5,900 students @ 30 credits per FTE \$36 7/1/2027 – 1/31/2028(7 months)	\$3,717,800
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Other Program Revenues through January 31, 2028:

Estimated Interest Earnings (\$300,000 per year @ two years)	\$600,000
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Total Projected Available Program Revenues as of January 31, 2026 (herein referred to as "C")	\$26,803,837
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(4) Debt Service Requirement:

Section 8 of the Collection Agreement requires that:

(C) Minus (A) Divided by (B) \geq 103%.

REQUIRED \geq 103%

Projected Debt Service:

(C) \$26,803,837 Minus (A) \$8,182,888 Divided by (B) \$8,184,302 = 228%.

PROJECTED = 228%

Dated this 21st day of May, 2026

By: _____

President, South Dakota Board of Technical Education