

RESOLUTION NO R-51-2016

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
\$5,830,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2016A

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Stoughton, Dane County, Wisconsin (the "City") to raise funds for public purposes, including paying the cost of street improvement projects included in the City's Capital Improvement Plan (the "Project"), and refinancing certain outstanding obligations of the City, specifically, the callable portion of the General Obligation Refunding Bonds, Series 2008C, dated February 13, 2008 (the "Refunded Obligations") (hereinafter the refinancing of the Refunded Obligations shall be referred to as the "Refunding");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City to refund the Refunded Obligations for the purpose of achieving debt service cost savings;

WHEREAS, cities are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes and to refinance their outstanding obligations;

WHEREAS, pursuant to a resolution adopted on March 29, 2016, the Common Council has directed Springsted Incorporated ("Springsted") to take the steps necessary to sell general obligation promissory notes designated "General Obligation Promissory Notes, Series 2016A" (the "Notes") to pay the cost of the Project and the Refunding;

WHEREAS, Springsted, in consultation with the officials of the City, prepared Official Terms of Offering (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on April 26, 2016;

WHEREAS, the City Clerk (in consultation with Springsted) caused notice of the sale of the Notes to be published and/or announced and caused the Official Terms of Offering to be distributed to potential bidders offering the Notes for public sale;

WHEREAS, the City has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Terms of Offering and is deemed to be the most advantageous to the City. Springsted has recommended that the City accept the Proposal. A

copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1A. Ratification of the Official Terms of Offering and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Official Terms of Offering and any other offering materials prepared and circulated by Springsted are hereby ratified and approved in all respects. All actions taken by officers of the City and Springsted in connection with the preparation and distribution of the Official Terms of Offering and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization and Award of the Notes. For the purpose of paying the cost of the Project and the Refunding, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of FIVE MILLION EIGHT HUNDRED THIRTY THOUSAND DOLLARS (\$5,830,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal (as modified on the Bid Tabulation and reflected in the Pricing Summary referenced below and incorporated herein), plus accrued interest to the date of delivery, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Official Terms of Offering, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2016A"; shall be issued in the aggregate principal amount of \$5,830,000; shall be dated their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on April 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2017. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on April 1, 2025 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on April 1, 2024 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If the Proposal specifies that any of the Notes are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional

redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Notes in such manner as the City shall direct.

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2016 through 2025 for the payments due in the years 2017 through 2026 in the amounts set forth on the Schedule; provided that the amount of such tax levied in the year 2016 which is carried onto the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. There be and there hereby is appropriated from proceeds of the Notes deposited in the Escrow Account (as provided in Section 18 below) a sum sufficient to pay the interest due on April 1, 2017 on the portion of the Notes issued for the Refunding.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series

2016A, dated May 26, 2016" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. In order to accomplish the purpose for which the Notes are issued, proceeds of the Notes shall be transferred to the Escrow Account, as provided in Section 18 hereof. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Notes or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and

directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit F and incorporated herein by this reference.

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as

"final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 18. Escrow Agent; Escrow Agreement; Escrow Account. Associated Trust Company, National Association, Green Bay, Wisconsin, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of the Refunded Obligations and the interest on the Notes to the redemption date of the Refunded Obligations (the "Escrow Agent").

The Mayor and City Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit G (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the Common Council of any such modifications), with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Note Proceeds allocable to refunding the Refunded Obligations, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Upon transfer of the Note Proceeds and any other necessary funds allocable to refunding the Refunded Obligations to the Escrow Account, the taxes heretofore levied to pay debt service on the Refunded Obligations and the interest on the Notes shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the interest on the Notes and the principal of the Refunded Obligations, but such abatement shall not affect the City's pledge of its full faith, credit and resources to make such payments. The refunding escrow

account created by the Escrow Agreement shall hereinafter serve as the debt service (or sinking) fund account for the Notes (until the redemption date of the Refunded Obligations) and the Refunded Obligations. The Escrow Agent shall serve as custodian of said debt service (or sinking) funds.

Section 19. SLGS Subscriptions. The Escrow Agent and Springsted are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the Refunding.

Section 20. Redemption of the Refunded Obligations. The Refunded Obligations are hereby called for prior payment and redemption on April 1, 2017 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the Escrow Agent appointed above to cause timely notice of redemption, in substantially the form attached to the Escrow Agreement (the "Notice"), to be provided at the times, to the parties and in the manner set forth on the Notice.

Section 21. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 22. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.



Section 23. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded April 26, 2016.

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Donna L. Olson  
Mayor

ATTEST:

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Lana Kropf  
City Clerk

(SEAL)

EXHIBIT A

Official Terms of Offering

To be provided by Springsted Incorporated and incorporated into the Resolution.

(See Attached)

**OFFICIAL TERMS OF OFFERING**

**\$5,895,000\***

**CITY OF STOUGHTON, WISCONSIN**

**GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2016A**

**(BOOK ENTRY ONLY)**

Bids for the Notes will be received on Tuesday, April 26, 2016, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota, after which time bids will be opened and tabulated. Consideration for award of the Notes will be by the Common Council at 7:00 P.M., Central Time, of the same day.

**SUBMISSION OF BIDS**

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each bid shall be deemed to constitute a contract between the bidder and the City to purchase the Notes regardless of the manner by which the bid is submitted.

(a) **Sealed bidding.** Bids may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed bids, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final bid price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted bid.

**OR**

(b) **Electronic bidding.** Notice is hereby given that electronic bids will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all bids submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic bid in a timely manner and in compliance with the requirements of the Official Terms of Offering.* Neither the City, its agents nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The City is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Notes, and PARITY® is not an agent of the City.

If any provisions of this Official Terms of Offering conflict with information provided by PARITY®, this Official Terms of Offering shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

## DETAILS OF THE NOTES

The Notes will be dated as of the date of delivery, and will bear interest payable on April 1 and October 1 of each year, commencing April 1, 2017. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Notes will mature April 1 in the years and amounts\* as follows:

2018	\$420,000	2020	\$545,000	2022	\$720,000	2024	\$750,000	2026	\$770,000
2019	\$485,000	2021	\$715,000	2023	\$735,000	2025	\$755,000		

\* *The City reserves the right, after bids are opened and prior to award, to increase or reduce the principal amount of the Notes or the amount of any maturity in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Notes as that of the original bid. Gross spread is the differential between the price paid to the City for the new issue and the prices at which the securities are initially offered to the investing public.*

Bids for the Notes may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above. In order to designate term bonds, the bid must specify "Years of Term Maturities" in the spaces provided on the bid form.

## BOOK ENTRY SYSTEM

The Notes will be issued by means of a book entry system with no physical distribution of Notes made to the public. The Notes will be issued in fully registered form and one Note, representing the aggregate principal amount of the Notes maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Notes. Individual purchases of the Notes may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Notes. Transfer 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 will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Notes, will be required to deposit the Notes with DTC.

## FISCAL AGENT/REGISTRAR

Associated Trust Company, National Association, Green Bay, Wisconsin, will serve as fiscal agent/registrar for the Notes. The City will pay for the services of the fiscal agent/registrar.

## OPTIONAL PREPAYMENT

The City may elect on April 1, 2024, and on any day thereafter, to prepay Notes due on or after April 1, 2025. Prepayment may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Notes of a maturity are called for prepayment, the City will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be prepaid and each participant will then select by lot the beneficial ownership interests in such maturity to be prepaid. All prepayments shall be at a price of par plus accrued interest.

## SECURITY AND PURPOSE

The Notes will be general obligations of the City for which the City pledges its full faith, credit and power and unlimited taxing authority to levy direct general ad valorem taxes without limit as to rate or amount. The proceeds will be used to (i) finance various street improvements as detailed in the City's Capital Improvement Plan, and (ii) refund the principal amounts due on April 1, 2018 through April 1, 2026 of the City's General Obligation Refunding Bonds, Series 2008C, dated February 13, 2008.

## BIDDING PARAMETERS

Bids shall be for not less than Ninety-Nine Percent (99%) of the principal amount of the Notes (\$5,836,050) nor more than One Hundred Two Percent (102%) of the principal amount of the Notes (\$6,012,900), plus accrued interest, if any, on the total principal amount of the Notes; provided that if municipal bond insurance is obtained for the Notes, the maximum bid shall not exceed \$6,012,900 minus the amount of the bond insurance premium. No bid can be withdrawn or amended after the time set for receiving bids unless the meeting of the City scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity must be 98.0% or greater. Notes of the same maturity shall bear a single rate from the date of the Notes to the date of maturity. No conditional bids will be accepted.

## GOOD FAITH DEPOSIT

To have its bid considered for award, the lowest bidder is required to submit a good faith deposit to the City in the amount of \$58,950 (the "Deposit") no later than 1:00 P.M., Central Time on the day of sale. The Deposit may be delivered as described herein in the form of either (i) a certified or cashier's check payable to the City; or (ii) a wire transfer. The lowest bidder shall be solely responsible for the timely delivery of their Deposit whether by check or wire transfer. Neither the City nor Springsted Incorporated have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the bid of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

*Certified or Cashier's Check.* A Deposit made by certified or cashier's check will be considered timely delivered to the City if it is made payable to the City and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101 by the specified time.

*Wire Transfer.* A Deposit made by wire will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Springsted Incorporated following the receipt and tabulation of bids. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the lowest bidder (the "purchaser") will be retained by the City and no interest will accrue to the purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the purchaser fails to comply with the accepted bid, said amount will be retained by the City.

## AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the bid prior to any adjustment made by the City. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any bid or of matters relating to the receipt of bids and award of the Notes, (ii) reject all bids without cause, and (iii) reject any bid that the City determines to have failed to comply with the terms herein.

## BOND INSURANCE AT PURCHASER'S OPTION

The City has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Notes. If the Notes qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's official bid form. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City. All

costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the City) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Notes shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Notes.

#### CUSIP NUMBERS

If the Notes qualify for assignment of CUSIP numbers such numbers will be printed on the Notes, but neither the failure to print such numbers on any Note nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Notes. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

#### SETTLEMENT

On or about May 26, 2016, the Notes will be delivered without cost to the purchaser through DTC in New York, New York. Delivery will be subject to receipt by the purchaser of an approving legal opinion of Quarles & Brady LLP of Milwaukee, Wisconsin, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Notes shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Notes has been made impossible by action of the City, or its agents, the purchaser shall be liable to the City for any loss suffered by the City by reason of the purchaser's non-compliance with said terms for payment.

#### CONTINUING DISCLOSURE

In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the City will undertake, pursuant to the Award Resolution, to provide annual reports and timely notice of certain events for the benefit of holders of the Notes. A description of these details and terms of the undertaking is set forth in the Official Statement.

#### OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Notes, and said Preliminary Official Statement will serve as a nearly-final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Preliminary Official Statement and the official bid form or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the City, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts and interest rates of the Notes, together with any other information required by law. By awarding the Notes to an underwriter or underwriting syndicate, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the sole underwriter or to the senior managing underwriter of the syndicate (the "Underwriter" for purposes of this paragraph) to which the Notes are awarded up to 25 copies of the Final Official Statement. The City designates the Underwriter of the syndicate to which the Notes are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Such Underwriter agrees that if its bid is accepted by the City, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Notes for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated March 29, 2016

BY ORDER OF THE COMMON COUNCIL

/s/ Lana Kropf  
City Clerk

EXHIBIT B

Bid Tabulation

To be provided by Springsted Incorporated and incorporated into the Resolution.

(See Attached)



Springsted Incorporated  
 380 Jackson Street, Suite 300  
 Saint Paul, MN 55101-2887  
 Tel: 651-223-3000  
 Fax: 651-223-3002  
 Email: advisors@springsted.com  
 www.springsted.com

**\$5,895,000<sup>(a)</sup>**

**CITY OF STOUGHTON, WISCONSIN  
 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2016A**

**(BOOK ENTRY ONLY)**

**AWARD: WELLS FARGO BANK, NATIONAL ASSOCIATION**

**SALE: April 26, 2016 Moody's Rating: Aa2**

Bidder	Interest Rates		Price	Net Interest Cost	True Interest Rate
WELLS FARGO BANK, NATIONAL ASSOCIATION	1.00%	2018-2021	\$5,984,203.10 <sup>(b)</sup>	\$554,742.04 <sup>(b)</sup>	1.4747% <sup>(b)</sup>
	1.50%	2022			
	2.00%	2023-2026			
ROBERT W. BAIRD & CO., INCORPORATED	1.50%	2018-2022	\$6,004,611.55	\$572,929.77	1.5223%
	2.00%	2023-2026			
C.L. KING & ASSOCIATES WMBE					
VINING-SPARKS IBG, LIMITED PARTNERSHIP					
CRONIN & CO., INC.					
EDWARD JONES					
LOOP CAPITAL MARKETS					
COASTAL SECURITIES, INC.					
SAMCO CAPITAL MARKETS					
WNJ CAPITAL					
CREWS & ASSOCIATES, INC.					
DAVENPORT & CO. LLC					
NORTHLAND SECURITIES, INC.					
ROSS, SINCLAIRE & ASSOCIATES, LLC					
DOUGHERTY & COMPANY, LLC					
COUNTRY CLUB BANK					
DUNCAN-WILLIAMS, INC.					
SUMRIDGE PARTNERS					
R. SEELAUS & COMPANY., INC.					
SIERRA PACIFIC SECURITIES					
ALAMO CAPITAL					
IFS SECURITIES					
BERNARDI SECURITIES, INC.					
OPPENHEIMER & CO.					
RAFFERTY CAPITAL MARKETS					
UMB BANK,N.A.					
FIRST EMPIRE SECURITIES					
W.H. MELL ASSOCIATES					
WAYNE HUMMER & CO.					
WEDBUSH SECURITIES INC.					

<sup>(a)</sup> Subsequent to bid opening, the issue size decreased from \$5,895,000 to \$5,830,000.

<sup>(b)</sup> Subsequent to bid opening, the price, net interest cost, and true interest rate have changed to \$5,918,625.75, \$550,156.89, and 1.4756%, respectively.



Bidder	Interest Rates		Price	Net Interest Cost	True Interest Rate
BOSC, INC.	1.50%	2018-2021	\$6,009,896.15	\$578,170.17	1.5357%
STIFEL, NICOLAUS & COMPANY,	1.75%	2022			
INCORPORATED	2.00%	2023-2026			
SUNTRUST ROBINSON HUMPHREY, INC.					
PIPER JAFFRAY & CO.	1.00%	2018-2020	\$6,011,714.55	\$582,938.23	1.5474%
	2.00%	2021-2026			
BANKERS' BANK	1.00%	2018-2019	\$6,003,259.75	\$585,634.17	1.5498%
MC FARLAND STATE BANK	1.05%	2020			
	1.20%	2021			
	1.30%	2022			
	1.50%	2023			
	1.75%	2024			
	2.50%	2025			
	2.75%	2026			
CANTOR FITZGERALD & CO.	1.50%	2018-2020	\$6,009,668.75	\$597,586.98	1.5880%
CITIGROUP GLOBAL MARKETS, INC.	1.75%	2021			
	2.00%	2022-2026			
RAYMOND JAMES & ASSOCIATES, INC.	1.50%	2018-2020	\$6,005,760.05	\$601,495.68	1.5990%
	1.75%	2021			
	2.00%	2022-2026			
MESIROW FINANCIAL, INC.	2.00%	2018-2024	\$6,007,241.90	\$616,134.94	1.6405%
	1.85%	2025			
	1.95%	2026			

#### REOFFERING SCHEDULE OF THE PURCHASER

<u>Rate</u>	<u>Year</u>	<u>Yield</u>
1.00%	2018	0.85%
1.00%	2019	0.90%
1.00%	2020	0.95%
1.00%	2021	1.05%
1.50%	2022	1.15%
2.00%	2023	1.30%
2.00%	2024	1.37%
2.00%	2025	1.50%
2.00%	2026	1.63%

BBI: 3.28%  
Average Maturity: 6.295 Years

EXHIBIT C

Winning Bid

To be provided by Springsted Incorporated and incorporated into the Resolution.

(See Attached)



**Wells Fargo Bank, National Association - Charlotte, NC's Bid**  
**City of Stoughton, Wisconsin**  
**\$5,895,000 \$5,830,000 General Obligation Promissory Notes, Series 2016A**

For the aggregate principal amount of ~~\$5,895,000.00~~ \$5,830,000.00, we will pay you ~~\$6,984,203.40~~ \$5,918,625.75, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Bond Insurance
04/01/2018	420M 410M	1.0000	0.8500	100.274	
04/01/2019	485M 475M	1.0000	0.9000	100.280	
04/01/2020	545M 540M	1.0000	0.9500	100.188	
04/01/2021	715M 705M	1.0000	1.0500	99.764	
04/01/2022	720M 710M	1.5000	1.1500	101.973	
04/01/2023	735M 725M	2.0000	1.3000	104.571	
04/01/2024	750M 745M	2.0000	1.3700	104.671	
04/01/2025	755M 755M	2.0000	1.5000	103.687	
04/01/2026	770M 765M	2.0000	1.6300	102.714	

Total Interest Cost:	<del>\$643,945.14</del>	\$638,782.64
Premium:	<del>\$89,203.40</del>	\$88,625.75
Net Interest Cost:	<del>\$654,742.04</del>	\$550,156.89
TIC:	<del>4.474747</del>	1.4756504
Total Insurance Premium:		\$0.00
Time Last Bid Received On: 04/26/2016 9:57:01 CDST		

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

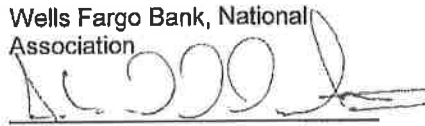
Bidder: Wells Fargo Bank, National Association, Charlotte, NC  
Contact: Will Illingworth  
Telephone: 704-410-4092  
Fax: 704-383-0065

Issuer Name: City of Stoughton, Wisconsin

Company Name: Wells Fargo Bank, National Association

Accepted By: \_\_\_\_\_

Accepted By: \_\_\_\_\_



Date: April 26, 2016

Date: April 26, 2016

EXHIBIT D-1

Pricing Summary

To be provided by Springsted Incorporated and incorporated into the Resolution.

(See Attached)

**\$5,830,000**

**City of Stoughton, Wisconsin**  
**General Obligation Promissory Notes, Series 2016A**  
**Issue Summary**

**Pricing Summary**

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
04/01/2018	Serial Coupon	1.000%	0.850%	410,000.00	100.274%	-	-	-	411,123.40
04/01/2019	Serial Coupon	1.000%	0.900%	475,000.00	100.280%	-	-	-	476,330.00
04/01/2020	Serial Coupon	1.000%	0.950%	540,000.00	100.188%	-	-	-	541,015.20
04/01/2021	Serial Coupon	1.000%	1.050%	705,000.00	99.764%	-	-	-	703,336.20
04/01/2022	Serial Coupon	1.500%	1.150%	710,000.00	101.973%	-	-	-	724,008.30
04/01/2023	Serial Coupon	2.000%	1.300%	725,000.00	104.571%	-	-	-	758,139.75
04/01/2024	Serial Coupon	2.000%	1.370%	745,000.00	104.671%	-	-	-	779,798.95
04/01/2025	Serial Coupon	2.000%	1.500%	755,000.00	103.687% c	1.552%	04/01/2024	100.000%	782,836.85
04/01/2026	Serial Coupon	2.000%	1.630%	765,000.00	102.714% c	1.699%	04/01/2024	100.000%	785,762.10
Total	-	-	-	\$5,830,000.00	-	-	-	-	\$5,962,350.75

**Bid Information**

Par Amount of Bonds.....	\$5,830,000.00
Reoffering Premium or (Discount).....	132,350.75
Gross Production.....	\$5,962,350.75
Total Underwriter's Discount (0.750%).....	\$(43,725.00)
Bid (101.520%).....	5,918,625.75
Total Purchase Price.....	\$5,918,625.75
Bond Year Dollars.....	\$36,779.31
Average Life.....	6.309 Years
Average Coupon.....	1.7367991%
Net Interest Cost (NIC).....	1.4958327%
True Interest Cost (TIC).....	1.4756504%

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Springsted Incorporated and incorporated into the Resolution.

(See Attached)

**\$5,830,000**

**City of Stoughton, Wisconsin**  
**General Obligation Promissory Notes, Series 2016A**  
**Issue Summary**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
10/01/2016	-	-	-	-
04/01/2017	-	-	77,732.64	77,732.64
10/01/2017	-	-	45,875.00	45,875.00
04/01/2018	410,000.00	1.000%	45,875.00	455,875.00
10/01/2018	-	-	43,825.00	43,825.00
04/01/2019	475,000.00	1.000%	43,825.00	518,825.00
10/01/2019	-	-	41,450.00	41,450.00
04/01/2020	540,000.00	1.000%	41,450.00	581,450.00
10/01/2020	-	-	38,750.00	38,750.00
04/01/2021	705,000.00	1.000%	38,750.00	743,750.00
10/01/2021	-	-	35,225.00	35,225.00
04/01/2022	710,000.00	1.500%	35,225.00	745,225.00
10/01/2022	-	-	29,900.00	29,900.00
04/01/2023	725,000.00	2.000%	29,900.00	754,900.00
10/01/2023	-	-	22,650.00	22,650.00
04/01/2024	745,000.00	2.000%	22,650.00	767,650.00
10/01/2024	-	-	15,200.00	15,200.00
04/01/2025	755,000.00	2.000%	15,200.00	770,200.00
10/01/2025	-	-	7,650.00	7,650.00
04/01/2026	765,000.00	2.000%	7,650.00	772,650.00
<b>Total</b>	<b>\$5,830,000.00</b>	<b>-</b>	<b>\$638,782.64</b>	<b>\$6,468,782.64</b>

**Yield Statistics**

Bond Year Dollars.....	\$36,779.31
Average Life.....	6.309 Years
Average Coupon.....	1.7367991%
Net Interest Cost (NIC).....	1.4958327%
True Interest Cost (TIC).....	1.4756504%
Bond Yield for Arbitrage Purposes.....	1.3129337%
All Inclusive Cost (AIC).....	1.6739963%
<b>IRS Form 8038</b>	
Net Interest Cost.....	1.3392838%
Weighted Average Maturity.....	6.342 Years

**\$5,830,000**

**City of Stoughton, Wisconsin**  
**General Obligation Promissory Notes, Series 2016A**  
**Issue Summary**

**Post-Sale Tax Levies -- Accrual Basis**

<b>Calendar Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>	<b>Levy Amount</b>	<b>Levy/Collection Year</b>
2017	-	-	123,607.64	123,607.64	123,607.64	2016/2017
2018	410,000.00	1.000%	89,700.00	499,700.00	499,700.00	2017/2018
2019	475,000.00	1.000%	85,275.00	560,275.00	560,275.00	2018/2019
2020	540,000.00	1.000%	80,200.00	620,200.00	620,200.00	2019/2020
2021	705,000.00	1.000%	73,975.00	778,975.00	778,975.00	2020/2021
2022	710,000.00	1.500%	65,125.00	775,125.00	775,125.00	2021/2022
2023	725,000.00	2.000%	52,550.00	777,550.00	777,550.00	2022/2023
2024	745,000.00	2.000%	37,850.00	782,850.00	782,850.00	2023/2024
2025	755,000.00	2.000%	22,850.00	777,850.00	777,850.00	2024/2025
2026	765,000.00	2.000%	7,650.00	772,650.00	772,650.00	2025/2026
-	<b>\$5,830,000.00</b>	-	<b>\$638,782.64</b>	<b>\$6,468,782.64</b>	<b>\$6,468,782.64</b>	-

*\* To be paid, in part, by a deposit to the debt service fund in the amount of \$76,381.75, which represents premium and rounding.*





EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA  
STATE OF WISCONSIN DOLLARS  
DANE COUNTY  
NO. R- CITY OF STOUGHTON \$  
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2016A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
April 1, May 26, 2016 %

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS  
(\$)

FOR VALUE RECEIVED, the City of Stoughton, Dane County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2017 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$5,830,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of street improvement projects included in the City's Capital Improvement Plan and refunding certain outstanding obligations of the City all as

authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on March 29, 2016 and April 26, 2016. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Notes maturing on April 1, 2025 and thereafter are subject to redemption prior to maturity, at the option of the City, on April 1, 2024 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The

Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Stoughton, Dane County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF STOUGHTON,  
DANE COUNTY, WISCONSIN

By: \_\_\_\_\_  
Donna L. Olson  
Mayor

(SEAL)

By: \_\_\_\_\_  
Lana Kropf  
City Clerk

Date of Authentication: \_\_\_\_\_,

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned resolution of the City of Stoughton, Wisconsin.

ASSOCIATED TRUST COMPANY,  
NATIONAL ASSOCIATION,  
GREEN BAY, WISCONSIN

By \_\_\_\_\_  
Authorized Signatory

COPY

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
(e.g. Bank, Trust Company  
or Securities Firm)

\_\_\_\_\_  
(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

\_\_\_\_\_  
(Authorized Officer)

EXHIBIT F

Fiscal Agency Agreement

(See Attached)

COPY

## FISCAL AGENCY AGREEMENT

THIS AGREEMENT, made as of the 26th day of May, 2016 between the City of Stoughton, Wisconsin (the "Municipality"), and Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent").

### WITNESSETH:

WHEREAS, the Municipality has duly authorized the issuance of its \$5,830,000 General Obligation Promissory Notes, Series 2016A, dated May 26, 2016 (the "Obligations") pursuant to the applicable provisions of the Wisconsin Statutes and the resolutions adopted by the Municipality on March 29, 2016 and April 26, 2016 (collectively, the "Resolution"); and

WHEREAS, the Municipality is issuing the Obligations in registered form pursuant to Section 149 of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder; and

WHEREAS, pursuant to the Resolution and Section 67.10(2), Wisconsin Statutes the Municipality has authorized the appointment of the Fiscal Agent as agent for the Municipality for any or all of the following responsibilities: payment of principal and interest on, registering, transferring and authenticating the Obligations as well as other applicable responsibilities permitted by Section 67.10(2), Wisconsin Statutes.

NOW, THEREFORE, the Municipality and the Fiscal Agent hereby agree as follows:

### I. APPOINTMENT

The Fiscal Agent is hereby appointed agent for the Municipality with respect to the Obligations for the purpose of performing such of the responsibilities stated in Section 67.10(2), Wisconsin Statutes, as are delegated herein or as may be otherwise specifically delegated in writing to the Fiscal Agent by the Municipality.

### II. INVESTMENT RESPONSIBILITY

The Fiscal Agent shall not be under any obligation to invest funds held for the payment of interest or principal on the Obligations.

### III. PAYMENTS

At least one business day before each interest payment date (commencing with the interest payment date of April 1, 2017 and continuing thereafter until the principal of and interest on the Obligations should have been fully paid or prepaid in accordance with their terms) the Municipality shall pay to the Fiscal Agent, in good funds immediately available to the Fiscal Agent on the interest payment date, a sum equal to the amount payable as principal of, premium, if any, and interest on the Obligations on such interest payment date. Said interest and/or principal payment dates and amounts are outlined on Schedule A which is attached hereto and incorporated herein by this reference.

#### IV. CANCELLATION

In every case of the surrender of any Obligation for the purpose of payment, the Fiscal Agent shall cancel and destroy the same and deliver to the Municipality a certificate regarding such cancellation. The Fiscal Agent shall be permitted to microfilm or otherwise photocopy and record said Obligations.

#### V. REGISTRATION BOOK

The Fiscal Agent shall maintain in the name of the Municipality a Registration Book containing the names and addresses of all owners of the Obligations and the following information as to each Obligation: its number, date, purpose, amount, rate of interest and when payable. The Fiscal Agent shall keep confidential said information in accordance with applicable banking and governmental regulations.

#### VI. INTEREST PAYMENT

Payment of each installment of interest on each Obligation shall be made to the registered owner of such Obligation whose name shall appear on the Registration Book at the close of business on the 15<sup>th</sup> day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Fiscal Agent mailed to such registered owner at his address as it appears in such Registration Book or at such other address as may be furnished in writing by such registered owner to the Fiscal Agent.

#### VII. PAYMENT OF PRINCIPAL AND NOTICE OF REDEMPTION

(a) Principal Payments. Principal shall be paid to the registered owner of an Obligation upon surrender of the Obligation on or after its maturity or redemption date.

(b) Official Notice of Redemption. In the event the Municipality exercises its option to redeem any of the Obligations, the Municipality shall, at least 35 days prior to the redemption date, direct the Fiscal Agent to give official notice of such redemption by sending an official notice thereof by registered or certified mail, facsimile transmission, overnight express delivery, electronic transmission or in any other manner required by The Depository Trust Company at least 30 days but not more than 60 days prior to the date fixed for redemption to the registered owner of each Obligation to be redeemed in whole or in part at the address shown in the Registration Book. Such official notice of redemption shall be dated and shall state (i) the redemption date and price; (ii) an identification of the Obligations to be redeemed, including the date of original issue of the Obligations; (iii) that on the redemption date the redemption price will become due and payable upon each such Obligation or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (iv) the place where such Obligations are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Fiscal Agent.

(c) Additional Notice of Redemption. In addition to the official notice of redemption provided in (b) above, further notice of any redemption shall be given by the Fiscal Agent on behalf of the Municipality to the Municipal Securities Rulemaking Board and The Depository Trust Company of New York, New York but neither a defect in this additional notice nor any



failure to give all or any portion of such additional notice shall in any manner defeat the effectiveness of a call for redemption.

Each further notice of redemption given hereunder shall be sent at least 30 days before the redemption date by registered or certified mail, overnight delivery service, facsimile transmission or email transmission and shall contain the information required above for an official notice of redemption.

(d) Redemption of Obligations. The Obligations to be redeemed shall be selected by the Municipality and, within any maturity, shall be selected by lot by the Depository described in Section VIII hereof. The Obligations or portions of Obligations to be redeemed shall, on the redemption dates, become due and payable at the redemption price therein specified, and from and after such date such Obligations or portions of Obligations shall cease to bear interest. Upon surrender of such Obligations for redemption in accordance with the official notice of redemption, such Obligations shall be paid by the Fiscal Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Obligation, there shall be prepared for the registered owner a new Obligation or Obligations of the same maturity in the amount of the unpaid principal. Each check or other transfer of funds issued in payment of the redemption price of Obligations being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Obligations being redeemed with the proceeds of such check or other transfer.

#### VIII. UTILIZATION OF THE DEPOSITORY TRUST COMPANY

The Depository Trust Company's Book-Entry-Only System is to be utilized for the Obligations. The Fiscal Agent, as agent for the Municipality, agrees to comply with the provisions of The Depository Trust Company's Operational Arrangements, as they may be amended from time to time referenced in the Blanket Issuer Letter of Representations executed by the Municipality. The provisions of the Operational Arrangements and this Section VIII supersede and control any and all representations in this Agreement.

#### IX. OBLIGATION TRANSFER AND EXCHANGE

The Fiscal Agent shall transfer Obligations upon presentation of a written assignment duly executed by the registered owner or by such owner's duly authorized representative. Upon such a transfer, new registered Obligation(s) of the same maturity, in authorized denomination or denominations in the same aggregate principal amount for each maturity shall be issued to the transferee in exchange therefor, and the name of such transferee shall be entered as the new registered owner in the Registration Book. No Obligation may be registered to bearer. The Fiscal Agent may exchange Obligations of the issue for a like aggregate principal amount of Obligations of the same maturity in authorized whole multiples of \$5,000.

The Obligations shall be numbered R-1 and upward. Upon any transfer or exchange, the Obligation or Obligations issued shall bear the next highest consecutive unused number or numbers.

The Municipality shall cooperate in any such transfer, and the appropriate officers of the Municipality are authorized to execute any new Obligation or Obligations necessary to effect any such transfer.

#### X. AUTHENTICATION, IF REQUIRED

The Fiscal Agent shall sign and date the Certificate of Authentication, if any, on each Obligation on the date of delivery, transfer or exchange of such Obligation. The Fiscal Agent shall distribute and/or retain for safekeeping the Obligations in accordance with the direction of the registered owners thereof.

#### XI. STATEMENTS

The Fiscal Agent shall furnish the Municipality with an accounting of interest and funds upon reasonable request.

#### XII. FEES

The Municipality agrees to pay the Fiscal Agent fees for its services hereunder in the amounts set forth on Schedule B hereto.

#### XIII. MISCELLANEOUS

(a) Nonpresentment of Checks. In the event the check or draft mailed by the Fiscal Agent to the registered owner is not presented for payment within five years of its date, then the monies representing such nonpayment shall be returned to the Municipality or to such board, officer or body as may then be entitled by law to receive the same together with the name of the registered owner of the Obligation and the last mailing address of record and the Fiscal Agent shall no longer be responsible for the same.

(b) Resignation and Removal; Successor Fiscal Agent. (i) Fiscal Agent may at any time resign by giving not less than 60 days written notice to Municipality. Upon receiving such notice of resignation, Municipality shall promptly appoint a successor fiscal agent by an instrument in writing executed by order of its governing body. If no successor fiscal agent shall have been so appointed and have accepted appointment within 60 days after such notice of resignation, the resigning fiscal agent may petition any court of competent jurisdiction for the appointment of a successor fiscal agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor fiscal agent. The resignation of the fiscal agent shall take effect only upon appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(ii) The Fiscal Agent may also be removed by the Municipality at any time upon not less than 60 days' written notice. Such removal shall take effect upon the appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(iii) Any successor fiscal agent shall execute, acknowledge and deliver to Municipality and to its predecessor fiscal agent an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor fiscal agent shall become effective and such successor fiscal agent, without any further act, deed or conveyance, shall

become vested with all the rights, powers, trusts, duties and obligations of its predecessor, with like effect as if originally named as fiscal agent herein; but nevertheless, on written request of Municipality, or on the request of the successor, the fiscal agent ceasing to act shall execute and deliver an instrument transferring to such successor fiscal agent, all the rights, powers, and trusts of the fiscal agent so ceasing to act. Upon the request of any such successor fiscal agent, Municipality shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor fiscal agent all such rights, powers and duties. Any predecessor fiscal agent shall pay over to its successor fiscal agent any funds of the Municipality.

(iv) Any corporation, association or agency into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor fiscal agent under this Agreement and vested with all the trusts, powers, discretions, immunities and privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(v) Any successor fiscal agent shall be qualified pursuant to Sec. 67.10(2), Wisconsin Statutes, as amended.

(c) Termination. This Agreement shall terminate on the earlier of (i) the payment in full of all of the principal and interest on the Obligations to the registered owners of the Obligations or (ii) five years after (aa) the last principal payment on the Obligations is due (whether by maturity or earlier redemption) or (bb) the Municipality's responsibilities for payment of the Obligations are fully discharged, whichever is later. The parties realize that any funds hereunder as shall remain upon termination shall, except as may otherwise by law, be turned over to the Municipality after deduction of any unpaid fees and disbursements of Fiscal Agent or, if required by law, to such officer, board or body as may then be entitled by law to receive the same. Termination of this Agreement shall not, of itself, have any effect on Municipality's obligation to pay the outstanding Obligations in full in accordance with the terms thereof.

(d) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement, being duly authorized so to do, each in the manner most appropriate to it, on the date first above written.

CITY OF STOUGHTON, DANE  
COUNTY, WISCONSIN

By \_\_\_\_\_  
Donna L. Olson  
Mayor

\_\_\_\_\_  
Lana Kropf  
City Clerk

ASSOCIATED TRUST COMPANY,  
NATIONAL ASSOCIATION, GREEN  
BAY, WISCONSIN  
Fiscal Agent

By \_\_\_\_\_  
Title \_\_\_\_\_

Attest \_\_\_\_\_  
Title \_\_\_\_\_

SCHEDULE A

Debt Service Schedule  
\$5,830,000 General Obligation Promissory Notes, Series 2016A  
of the City of Stoughton, Wisconsin  
dated May 26, 2016

(SEE ATTACHED)

COPY

**\$5,830,000**

**City of Stoughton, Wisconsin**  
**General Obligation Promissory Notes, Series 2016A**  
**Issue Summary**

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I
10/01/2016	-	-	-	-
04/01/2017	-	-	77,732.64	77,732.64
10/01/2017	-	-	45,875.00	45,875.00
04/01/2018	410,000.00	1.000%	45,875.00	455,875.00
10/01/2018	-	-	43,825.00	43,825.00
04/01/2019	475,000.00	1.000%	43,825.00	518,825.00
10/01/2019	-	-	41,450.00	41,450.00
04/01/2020	540,000.00	1.000%	41,450.00	581,450.00
10/01/2020	-	-	38,750.00	38,750.00
04/01/2021	705,000.00	1.000%	38,750.00	743,750.00
10/01/2021	-	-	35,225.00	35,225.00
04/01/2022	710,000.00	1.500%	35,225.00	745,225.00
10/01/2022	-	-	29,900.00	29,900.00
04/01/2023	725,000.00	2.000%	29,900.00	754,900.00
10/01/2023	-	-	22,650.00	22,650.00
04/01/2024	745,000.00	2.000%	22,650.00	767,650.00
10/01/2024	-	-	15,200.00	15,200.00
04/01/2025	755,000.00	2.000%	15,200.00	770,200.00
10/01/2025	-	-	7,650.00	7,650.00
04/01/2026	765,000.00	2.000%	7,650.00	772,650.00
<b>Total</b>	<b>\$5,830,000.00</b>	<b>-</b>	<b>\$638,782.64</b>	<b>\$6,468,782.64</b>

**Yield Statistics**

Bond Year Dollars.....	\$36,779.31
Average Life.....	6.309 Years
Average Coupon.....	1.7367991%
Net Interest Cost (NIC).....	1.4958327%
True Interest Cost (TIC).....	1.4756504%
Bond Yield for Arbitrage Purposes.....	1.3129337%
All Inclusive Cost (AIC).....	1.6739963%
<b>IRS Form 8038</b>	
Net Interest Cost.....	1.3392838%
Weighted Average Maturity.....	6.342 Years

**\$5,830,000**

**City of Stoughton, Wisconsin**  
**General Obligation Promissory Notes, Series 2016A**  
**Issue Summary**

**Post-Sale Tax Levies -- Accrual Basis**

Calendar Year	Principal	Coupon	Interest	Total P+I	Levy Amount	Levy/Collection Year
2017	-	-	123,607.64	123,607.64	123,607.64 *	2016/2017
2018	410,000.00	1.000%	89,700.00	499,700.00	499,700.00	2017/2018
2019	475,000.00	1.000%	85,275.00	560,275.00	560,275.00	2018/2019
2020	540,000.00	1.000%	80,200.00	620,200.00	620,200.00	2019/2020
2021	705,000.00	1.000%	73,975.00	778,975.00	778,975.00	2020/2021
2022	710,000.00	1.500%	65,125.00	775,125.00	775,125.00	2021/2022
2023	725,000.00	2.000%	52,550.00	777,550.00	777,550.00	2022/2023
2024	745,000.00	2.000%	37,850.00	782,850.00	782,850.00	2023/2024
2025	755,000.00	2.000%	22,850.00	777,850.00	777,850.00	2024/2025
2026	765,000.00	2.000%	7,650.00	772,650.00	772,650.00	2025/2026
-	\$5,830,000.00	-	\$638,782.64	\$6,468,782.64	\$6,468,782.64	-

\* To be paid, in part, by a deposit to the debt service fund in the amount of \$76,381.75, which represents premium and rounding.

SCHEDULE B

(SEE ATTACHED)

COPY



EXHIBIT G

Escrow Agreement

(See Attached)

COPY

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into the 26th day of May, 2016 by and between the City of Stoughton, Wisconsin (the "City") and Associated Trust Company, National Association, Green Bay, Wisconsin, a national banking association with trust powers (the "Escrow Agent").

### RECITALS

The City has duly issued its General Obligation Refunding Bonds, Series 2008C, dated February 13, 2008 (the "Prior Issue").

The City has duly authorized and sold and is delivering this day its \$5,830,000 General Obligation Promissory Notes, Series 2016A, dated May 26, 2016 (the "2016 Notes"), in part, for the purpose of providing funds sufficient to (i) refund the 2018 through 2026 maturities of the Prior Issue (hereinafter the portion of the Prior Issue being refunded shall be referred to herein as the "Refunded Obligations") (the "Refunding") and (ii) provide for the payment of interest on the portion of the 2016 Notes allocable to the Refunding (the "Refunding Obligations") up to and including April 1, 2017.

In order to accomplish the payment of the interest on the Refunding Obligations and the Refunding, it is necessary to irrevocably deposit in trust an amount (in the form of investment securities and cash) which, together with investment income therefrom, will be sufficient to pay when due the interest on the Refunding Obligations until April 1, 2017, the redemption date of the Refunded Obligations, and the Refunded Obligations on the redemption date.

To accomplish the payment of interest on the Refunding Obligations and the Refunding, the Escrow Agent has been appointed depository of a portion of the proceeds of the Refunding Obligations (in the form of investment securities and cash) as hereinafter specified and has been appointed custodian of the City's debt service fund account for the Refunding Obligations until April 1, 2017.

The execution of this Agreement has been duly authorized by a resolution of the Common Council entitled: "Resolution Authorizing the Issuance and Sale of \$5,830,000 General Obligation Promissory Notes, Series 2016A" (the "Resolution") adopted by the Common Council of the City on April 26, 2016.

In consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows for the equal and proportionate benefit and security of the holders of the Refunding Obligations and the Refunded Obligations:

1. Escrow Deposit. Concurrently with the execution of this Agreement, the City has irrevocably deposited with the Escrow Agent, receipt of which is hereby acknowledged by the Escrow Agent, \$\_\_\_\_\_ being a portion of the proceeds of the Refunding Obligations

[(the "Bond Proceeds") and \$\_\_\_\_\_ from funds of the City (the "Funds") for a total of \$\_\_\_\_\_.]

The foregoing, along with earnings and interest thereon, shall be held and disposed of by the Escrow Agent only in accordance with this Agreement. The City represents and warrants that the foregoing, if held, invested and disposed of by the Escrow Agent in accordance with this Agreement, will be sufficient, without the need for any further investment or reinvestment, to make all payments required under this Agreement. The Escrow Agent has not and is under no obligation to determine whether the amounts deposited hereunder are or will be sufficient to make all of the payments directed to be made hereunder.

2. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the escrow deposit hereunder and accepts the responsibilities imposed on it by this Agreement.

3. Application of Escrow Deposit. There is hereby created by the City and ordered established with the Escrow Agent an account hereby designated, "City of Stoughton Escrow Account" (the "Escrow Account").

The Escrow Agent shall deposit the amount described above in the Escrow Account to be used as follows:

a) \$\_\_\_\_\_ to be used to purchase the United States Treasury Certificates of Indebtedness, Notes and/or Bonds - State and Local Government Series ("SLGs"), described on the attached Exhibit B-1, pay for the SLGs from monies in the Escrow Account and hold the SLGs in the Escrow Account; [(\$\_\_\_\_\_ from Bond Proceeds and \$\_\_\_\_\_ from Funds);]

b) \$\_\_\_\_\_ to be used to establish a beginning cash balance in the Escrow Account [(\$\_\_\_\_\_ from Bond Proceeds and \$\_\_\_\_\_ from Funds)]; and

c) \$\_\_\_\_\_ to be used to pay the Issuance Expenses set forth on the attached Exhibit C-1, which the Escrow Agent is hereby authorized to pay.

Except as set forth in Section 8 hereof, the Escrow Account (other than the cash held pursuant to subsection (b) above) shall remain invested in the SLGs, and the Escrow Agent shall not sell or otherwise dispose of the SLGs.

[In addition to the foregoing, the Escrow Agent is hereby directed to reinvest excess investment proceeds accruing in the years \_\_\_\_\_ to \_\_\_\_\_ in SLGs as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Reinvestment Date</u>	<u>Maturity Date</u>
\$ _____	0.00%	_____	_____
_____	0.00	_____	_____

The Escrow Agent is hereby directed to submit the subscription for these SLGs on behalf of the City, at least seven (7) days in advance of the date of reinvestment (or such other period of time in advance of the date of reinvestment as is then required by law or regulation) and such subscription shall be in accordance with then applicable law and regulations. The City will cooperate with the Escrow Agent as necessary to allow any subscriptions to be made as described herein.

If SLGs with an interest rate of 0.00% are not available at the time such Escrow Account monies are to be reinvested, the Escrow Agent is hereby directed to reinvest such Escrow Account monies on behalf of the City in direct obligations of the United States of America ("U.S. Government Obligations"), or hold such monies uninvested, as directed by the City, upon the Escrow Agent's receipt, at the expense of the City, of (i) an opinion of the bond counsel for the Refunding Obligations or other nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such transaction would not cause any of the Refunded Obligations or any of the Refunding Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the income tax regulations thereunder (the "Regulations") and (ii) a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. Government Obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purposes, be sufficient at all times to pay, when due, the principal of and interest on the Refunded Obligations.]

The Escrow Account cash flow [(taking into account any reinvestments)] prepared by the Accountant defined below is set forth on Exhibit D-1.

Except [for the foregoing or] as set forth in Section 8 hereof, no reinvestment of amounts on deposit in the Escrow Account shall be permitted.

The Escrow Agent shall apply the monies in the Escrow Account to the timely payment of the interest on the Refunding Obligations at the time and in the amounts set forth on the attached Exhibit A-2 by transfers made to or at the direction of Associated Trust Company, National Association, Green Bay, Wisconsin, the Fiscal Agent of the City with respect to the Refunding Obligations. On April 1, 2017, the Escrow Agent shall apply the monies available in the Escrow Account to the payment of the principal of the Refunded Obligations in the amount set forth on the attached Exhibit A-1 by depositing such amount with The Depository Trust Company or any successor depository or registered owner.

Barthe & Wahrman, A Professional Association, Bloomington, Minnesota, a firm of independent accountants (the "Accountant"), has delivered to the City, the Escrow Agent, Springsted Incorporated, any bond insurer for the Refunding Obligations, any bond insurer for the Refunded Obligations, and Quarles & Brady LLP, for their purposes, a report stating that the firm has reviewed the arithmetical accuracy of certain computations based on assumptions relating to the sufficiency of forecasted net cash flow from the United States government securities (paragraph (a) above) and any initial cash deposit (paragraph (b) above) to pay the principal of and interest (if any) on the Refunded Obligations when due as described on Exhibit A-1 and the interest on the Refunding Obligations until April 1, 2017 as described on Exhibit A-2. Based upon the summarized data presented in its report and the assumption that the principal and interest payments on the United States government securities are deposited in the Escrow Account when due, in its opinion, the proceeds from the United States government securities, plus any initial cash deposit will be sufficient for the timely payment of interest, when due on the Refunding Obligations through April 1, 2017 and the Refunded Obligations on such date.

If at any time it shall appear to the Escrow Agent that the money in the Escrow Account will not be sufficient to make any required payments due to the holders of any of the Refunding Obligations or the Refunded Obligations, the Escrow Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Escrow Agent for deposit in the Escrow Account from legally available funds such additional monies as may be required to make any such payment.

4. Redemption of the Refunded Obligations. Pursuant to the Resolution, the City has heretofore called the Refunded Obligations for redemption and authorized and directed the Escrow Agent to give notice of said intended redemption of the Refunded Obligations by providing notice (in substantially the form attached hereto as Exhibit E-1) in the manner and at the times set forth on Exhibit E-1, and the Escrow Agent hereby agrees to give such notice.

5. Notice of Advance Refunding of the Refunded Obligations. The Escrow Agent is hereby directed and agrees within ten business days after the closing for the Refunding Obligations to provide a Notice of Advance Refunding and Redemption, in substantially the forms attached hereto as Exhibit F-1, to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations, and to any others as described in Exhibit F-1.

6. The Escrow Agent.

a) Annual Report. The Escrow Agent shall, in the month of February of each year while this Agreement is in effect, and as soon as practicable after termination of this Agreement, forward by first class mail to the City a report of the receipts, income, investments, reinvestments, redemptions and payments of and from the Escrow Account during the preceding calendar year, including in such report a statement, as of the end of the preceding calendar year, regarding the manner in which it has carried out the requirements of this Agreement. The City shall have the right, at any time during business hours, to examine all of the Escrow Agent's records regarding the status and details of the Escrow Account.

b) Separate Funds; Accountability. Except as otherwise permitted under Section 3 hereof, the Escrow Agent shall keep all monies, securities and other properties deposited hereunder, all investments and all interest thereon and profits therefrom, at all times in a special fund and separate trust account, wholly segregated from all other funds and securities on deposit with it; shall never commingle such deposits, investments and proceeds with other funds or securities of the Escrow Agent; and shall never at any time use, pledge, loan or borrow the same in any way. The fund established hereunder shall be held separately and distinctly and not commingled with any other such fund. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical monies, or any part thereof, received from or for the Escrow Account, on hand, but monies of an equal amount shall always be maintained on hand as funds held by the Escrow Agent, belonging to the City, and a special account thereof, evidencing such fact, shall at all times be maintained on the books of the Escrow Agent. All uninvested money held at any time in the Escrow Account shall be continuously secured by the deposit in a Federal Reserve Bank or direct obligations of the United States of America in a principal amount always not less than the total amount of uninvested money in the Escrow Account. It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the monies and securities deposited with it for the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

In the event the Escrow Agent due to any action or inaction required hereunder is unable or fails to account for any property held hereunder, such property shall be and remain the property of the City. Property held by the Escrow Agent hereunder shall not be deemed to be a banking deposit of the City to the extent that the Escrow Agent shall have no right or title with respect thereto (including any right of set-off) and the City shall have no right of withdrawal thereof.

c) Liability. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or any paying agent of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, as escrow agent, or for any mistake of fact or law, or for anything which it may do or refrain from doing in good faith and in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, except for its negligence or its willful misconduct. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, including without limitation those as to the sufficiency of the trust deposit to accomplish the purposes hereof or in the Refunded Obligations or the Refunding Obligations or in any proceedings taken in connection therewith, but they are made solely by the City.

d) Resignations; Successor Escrow Agent. The Escrow Agent may at any time resign by giving not less than 60 days written notice to the City. Upon giving such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor escrow agent of comparable

qualifications to those of the resigning Escrow Agent. The resignation of the Escrow Agent shall take effect only upon the appointment of a successor escrow agent and such successor escrow agent's acceptance of such appointment.

Any successor escrow agent shall be a state or national bank, have full banking and trust powers, and have a combined capital and surplus of at least \$5,000,000.

Any successor escrow agent shall execute, acknowledge and deliver to the City and to its predecessor escrow agent an instrument accepting such appointment hereunder, and thereupon the resignation of the predecessor escrow agent shall become effective and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as escrow agent herein; but nevertheless, on written request of the City or on the request of the successor escrow agent, the escrow agent ceasing to act shall execute and deliver an instrument transferring to such successor escrow agent, upon the terms herein expressed, all the rights, power, and duties of the escrow agent so ceasing to act. Upon the request of any such successor escrow agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. Any predecessor escrow agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

e) Fees. The Escrow Agent acknowledges receipt from the City of the sum of \_\_\_\_\_ DOLLARS (\$) as and for full compensation for all services to be performed by it as the Escrow Agent under this Agreement. Any out-of-pocket expenses including legal fees and publication costs will be paid by the City as incurred. The Escrow Agent expressly waives any lien upon or claim against the monies and investments in the Escrow Account.

7. Arbitrage. The City has covenanted and agreed and the Escrow Agent hereby covenants and agrees, to the extent any action is within its control and to its knowledge, to and for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, that no investment of the monies on deposit in the Escrow Account will be made in a manner that would cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the [Code or any Regulations promulgated or proposed thereunder.] [Internal Revenue Code of 1986, as amended (the "Code") or any Regulations promulgated or proposed thereunder (the "Regulations").]

In order to ensure continuing compliance with Section 148 of the Code and the Regulations, the Escrow Agent agrees that it will not invest the cash balance nor reinvest any cash received in payment of the principal of and interest on the federal securities held in the Escrow Account nor redeem such federal securities except as specifically provided in Sections 3 and 8 hereof. Said prohibition on reinvestment shall continue unless and until the City requests that such reinvestment be made and shall be restricted to noncallable direct obligations of the United States Treasury. Prior to any such request for reinvestment of the proceeds from the federal securities held in the Escrow Account, the City shall provide to the Escrow Agent: (i) an

opinion by an independent certified public accounting firm that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and other available monies, will be sufficient to pay, as the same become due, any required interest payments on the Refunding Obligations and all principal of, redemption premium where required, and interest on the Refunded Obligations which have not then previously been paid, and (ii) an unqualified opinion of nationally recognized bond counsel to the effect that (a) such reinvestment will not cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations in effect thereunder on the date of such reinvestment, and (b) such reinvestment complies with the Constitution and laws of the State of Wisconsin and the provisions of all relevant documents relating to the issuance of the Refunding Obligations and the Refunded Obligations.

8. Substitute Investments. At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to request the redemption of the SLGs and to substitute direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America, which are not subject to redemption prior to maturity and which are available for purchase with the proceeds derived from the disposition of the SLGs on the date of such transaction. The Escrow Agent shall purchase such substitute obligations with the proceeds derived from the sale, transfer, disposition or redemption of the SLGs. The transactions may be effected only by simultaneous sale and purchase transactions, and only if (i) the amounts and dates on which the anticipated transfers from the Escrow Account to the fiscal agent or depository for the payment of the principal of and interest on the Refunded Obligations will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive, at the expense of the City, an opinion of a nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such disposition and substitution would not cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder; and (iii) the Escrow Agent shall receive, at the expense of the City, a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. government obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purpose, be sufficient at all times to pay, when due, the principal of, redemption premium, where required, and interest on the Refunded Obligations.

The City hereby covenants that no part of the monies or funds at any time in the Escrow Account shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder.

9. Miscellaneous.

a) Third Party Beneficiaries. This Agreement has been entered into by the City and the Escrow Agent for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, and is not revocable by the City or the Escrow Agent, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment and any redemption of the Refunded Obligations and interest thereon when due, in accordance with this Agreement. This Agreement shall be binding upon



and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the owners of the Refunding Obligations and the Refunded Obligations. Said third party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

b) Severability. If any section, paragraph, clause or provision of this Agreement shall be invalid or ineffective for any reason, the remainder of this Agreement shall remain in full force and effect, it being expressly hereby agreed that the remainder of this Agreement would have been entered into by the parties hereto notwithstanding any such invalidity.

c) Termination. This Agreement shall terminate upon the payment of all of the principal of and interest on the Refunded Obligations. The parties realize that some of the amounts hereunder may remain upon termination. Any amounts remaining upon termination shall be returned to the City for deposit in the account designated "Debt Service Fund Account for General Obligation Promissory Notes, Series 2016A, dated May 26, 2016" created by the Resolution and used solely to pay the principal of and interest on the Refunding Obligations. Termination of this Agreement shall not, of itself, have any effect on the City's obligation to pay the Refunding Obligations and the Refunded Obligations in full in accordance with the respective terms thereof.

d) Indemnification. The City agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, expenses (including attorney's fees and expenses), claims, or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement, except for gross negligence or willful misconduct of the Escrow Agent. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Escrow Agent or the termination of the Agreement.

e) Governing Law. This Escrow Agreement shall be construed, interpreted and governed by and under the laws of the State of Wisconsin.

f) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the date first above written.

CITY OF STOUGHTON,  
DANE COUNTY, WISCONSIN

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

Donna L. Olson  
Mayor

(SEAL)

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

Lana Kropf  
City Clerk

ASSOCIATED TRUST COMPANY,  
NATIONAL ASSOCIATION,  
GREEN BAY, WISCONSIN, as Escrow Agent

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

(SEAL)

And: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Refunded Obligations)

EXHIBIT A-1

City of Stoughton, Wisconsin  
General Obligation Refunding Bonds, Series 2008C  
Dated February 13, 2008

Debt Service Requirements to be Paid from Escrow Agreement

Payment  
Date

Principal  
Amount

(See Attached)

Depository:

The Depository Trust Company  
New York, New York

EXHIBIT A-2

City of Stoughton  
General Obligation Promissory Notes, Series 2016A  
Dated May 26, 2016

Debt Service Requirements to be Paid from Escrow Account

Payment  
Date

Interest  
Amount

(See Attached)

COPY

\*\* These interest payments on the Refunding Obligations are the only portion of the Refunding Obligations subject to the terms of this Escrow Agreement.

EXHIBIT B-1

U.S. TREASURY SECURITIES

(State and Local Government Series)

For Delivery May 26, 2016

Type

Maturity Date

Par  
Amount

Coupon  
Rate

Cost

(See Attached Subscription Forms)

EXHIBIT C-1

AUTHORIZED ISSUANCE EXPENSES

Escrow Agent,  
Associated Trust Company, National Association  
Green Bay, Wisconsin

\$ \_\_\_\_\_

Escrow Verification,  
Barthe & Wahrman, A Professional Association,  
Bloomington, Minnesota

\_\_\_\_\_

Legal Opinion,  
Quarles & Brady LLP, Milwaukee, Wisconsin

\_\_\_\_\_

Rating Fee,  
Moody's Investors Service Inc.,  
New York, New York

\_\_\_\_\_

Financial Advisor,  
Springsted Incorporated

\_\_\_\_\_

Fiscal Agent,  
Associated Trust Company, National Association  
Green Bay, Wisconsin

\_\_\_\_\_

Printing,  
Miscellaneous

\_\_\_\_\_

Total:

\$ \_\_\_\_\_

COPY

EXHIBIT D-1

ESCROW ACCOUNT CASH FLOW

(SEE ATTACHED)

COPY

EXHIBIT E-1

NOTICE OF FULL CALL\*

Regarding

CITY OF STOUGHTON  
DANE COUNTY, WISCONSIN  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008C  
DATED FEBRUARY 13, 2008

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on April 1, 2017 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
4/1/2018	\$305,000	3.25%	862335KG0
4/1/2019	315,000	3.30	862335KH8
4/1/2020	330,000	3.40	862335KJ4
4/1/2021	340,000	3.50	862335KK1
4/1/2022	350,000	3.55	862335KL9
4/1/2023	365,000	3.60	862335KM7
4/1/2024	380,000	3.65	862335KN5
4/1/2025	390,000	3.70	862335KP0
4/1/2026	405,000	3.75	862335KQ8

The City's Escrow Agent shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before April 1, 2017.

Said Bonds will cease to bear interest on April 1, 2017.

By Order of the  
Common Council  
City of Stoughton  
City Clerk

Dated \_\_\_\_\_

\* To be provided by registered or certified mail, overnight express delivery, facsimile transmission or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to April 1, 2017 and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at [www.emma.msrb.org](http://www.emma.msrb.org). Notice shall also be provided to Assured Guaranty Corp., or any successor, the bond insurer of the Bonds.



EXHIBIT F-1\*

NOTICE OF ADVANCE REFUNDING AND REDEMPTION  
OF THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008C, DATED FEBRUARY 13, 2008  
OF THE CITY OF STOUGHTON, WISCONSIN (THE "2008 BONDS")

Notice is given that the 2008 Bonds described below (the "Refunded Obligations"), of the City of Stoughton, Wisconsin (the "City") have been advance refunded by the City pursuant to an Escrow Agreement dated the 26th day of May, 2016 between the City and Associated Trust Company, National Association, Green Bay, Wisconsin (the "Escrow Agent").

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
4/1/2018	\$305,000	3.25%	862335KG0**
4/1/2019	315,000	3.30	862335KH8**
4/1/2020	330,000	3.40	862335KJ4**
4/1/2021	340,000	3.50	862335KK1**
4/1/2022	350,000	3.55	862335KL9**
4/1/2023	365,000	3.60	862335KM7**
4/1/2024	380,000	3.65	862335KN5**
4/1/2025	390,000	3.70	862335KP0**
4/1/2026	405,000	3.75	862335KQ8**

The City has instructed the Escrow Agent to call the Refunded Obligations for redemption on April 1, 2017. The City has irrevocably deposited United States government securities and cash in escrow with the Escrow Agent in an amount which, together with investment income on it, is sufficient to redeem the Refunded Obligations on April 1, 2017 at a price of par. Interest on the Refunded Obligations will cease to accrue on April 1, 2017. The interest on the Refunded Obligations is not being provided for through the escrow.

Dated: May 26, 2016.

Associated Trust Company, National Association  
as Escrow Agent

\* Within ten business days after the closing for the Refunding Obligations, notice shall be provided to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at [www.emma.msrb.org](http://www.emma.msrb.org). Notice shall also be provided to Assured Guaranty Corp., or any successor, the bond insurer of the Bonds.

\*\* Indicates refunding of full CUSIP.