

RESOLUTION NO. 1403

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE  
OF \$3,960,000 GENERAL OBLIGATION PROMISSORY NOTES

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Waupaca, Waupaca County, Wisconsin (the "City") to raise funds for public purposes, including paying the cost of 2018 capital improvement projects listed in the Capital Improvement Plan (the "Project") and refinancing certain outstanding obligations of the City, to wit: a \$1,565,000 portion of the General Obligation Refunding Bonds, dated April 1, 2008 (the "2008 Bonds"); State Trust Fund Loan, dated January 9, 2012 (the "2012 Loan"); and State Trust Fund Loan, dated June 26, 2015 (the "2015 Loan") (collectively, 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 savings;

WHEREAS, the City is 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 its outstanding obligations; and

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell such general obligation promissory notes to Robert W. Baird & Co. Incorporated (the "Purchaser"), pursuant to the terms and conditions of its note purchase proposal attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

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

Section 1. Authorization and Sale of the Notes. For the purpose of paying the cost of the Project and Refunding, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of THREE MILLION NINE HUNDRED SIXTY THOUSAND DOLLARS (\$3,960,000) from the Purchaser in accordance with the terms and conditions of the Proposal. To evidence the obligation of the City, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, general obligation promissory notes aggregating the principal amount of THREE MILLION NINE HUNDRED SIXTY THOUSAND DOLLARS (\$3,960,000) (the "Notes") for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes"; shall be issued in the aggregate principal amount of \$3,960,000; shall be dated March 5, 2018; 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 March 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit B-1 and incorporated herein by this reference. Interest shall be payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2019. 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 B-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on March 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on March 1, 2023 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, 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 shall be 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 C 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 2018 through 2024 for payments due in the years 2019 through 2025 in the amounts set forth on the Schedule.

(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.

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" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into 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 purpose or purposes for which borrowed or for the payment of the principal of and the interest on the Notes. 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 purpose or 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 purpose(s) 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 and 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. 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 City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

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 15th day of the 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, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently 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. Redemption of the 2008 Bonds. The 2008 Bonds being refunded by the Notes are hereby called for prior payment and redemption on April 1, 2018 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to work with the Purchaser to cause timely notice of redemption, in substantially the form attached hereto as Exhibit D and incorporated herein by this reference (the "Notice"), to be provided at the times, to the parties and in the manner set forth on the Notice. The Notice provides for the redemption of the 2008 Bonds being refunded by the Notes as well as the remaining portion of the 2008 Bonds to be paid with proceeds of the General Obligation Refunding Bonds to be issued by the City and City funds on hand. Any and all actions heretofore taken by the officers and agents of the City to effectuate the redemption of the 2008 Bonds are hereby ratified and approved.

Section 19. Prepayment of the 2012 Loan and 2015 Loan. The 2012 Loan and 2015 Loan shall be prepaid on March 15, 2018 at a price of par plus accrued interest to the date of prepayment.

The City hereby directs the City Clerk to take all actions necessary for the prepayment of the 2012 Loan and 2015 Loan on their prepayment date. Any and all actions heretofore taken by the officers and agents of the City to effectuate such prepayment are hereby ratified and approved.

Section 20. 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 21. 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 22. 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 February 6, 2018.

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Brian R. Smith  
Mayor

ATTEST:

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Henry B. Veleker  
City Clerk

(SEAL)

EXHIBIT A

Note Purchase Proposal

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)

## NOTE PURCHASE AGREEMENT

February 6, 2018

Mr. Brian R. Smith, Mayor  
and Members of the Common Council  
City of Waupaca  
111 S. Main Street  
Waupaca, WI 54981

Dear Mr. Smith and Members of the Common Council:

Robert W. Baird & Co. Incorporated (the "Underwriter") hereby offers to enter into this Note Purchase Agreement (the "Agreement") with City of Waupaca (the "Issuer") for the purchase by the Underwriter and sale by the Issuer of all its \$3,960,000.00 General Obligation Promissory Notes (the "Securities"), to be dated March 5, 2018. This offer is made subject to acceptance by the Issuer on February 6, 2018. The Securities shall mature, bear interest at the rates, have such terms and be payable at the times, all as set forth in Exhibit A attached hereto. The issuance and terms of the Securities will be duly authorized and adopted by the Issuer by a resolution dated February 6, 2018 (the "Resolution").

Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriter hereby agrees to purchase from the Issuer and the Issuer hereby agrees to sell to the Underwriter, all (but not less than all) the Securities, at a price of \$3,999,070.15 (representing the principal amount of the Securities, plus original issue premium of \$88,570.15, less underwriter's discount of \$49,500.00), plus accrued interest, if any, from the dated date to the date of delivery.

The closing shall occur on March 5, 2018, at a time to be determined, or on such other date mutually agreeable to the Issuer and the Underwriter (the "Closing"). The Securities will be delivered as fully registered bonds, bearing proper CUSIP numbers, and registered in the name of Cede & Co., as nominee of The Depository Trust Company, which will act as securities depository for the Securities.

The Issuer confirms that the Preliminary Official Statement (including any addenda or amendments thereto) delivered to the Underwriter was and hereby is "deemed final" as of its date by the Issuer for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"), and the Issuer consented to its distribution and use by the Underwriter prior to the date hereof in connection with the public offering and sale of the Securities.

The Securities are being purchased subject to satisfaction of the following conditions at Closing:

1. The Issuer agrees to take such action as necessary so that the Underwriter will be in receipt of a final Official Statement (the "Official Statement") within seven (7) business days after the date hereof and in sufficient time to accompany any confirmation that requests payment from any customer, and in sufficient quantity to comply with paragraph (b)(4) of the Rule and applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer hereby authorizes and approves the Official Statement and consents to the use and distribution of the Official Statement by the Underwriter in connection with the public offering and sale of the Securities. At the time of or prior to the Closing, the Underwriter will file, or cause to be filed, the Official Statement with the MSRB.
2. If applicable, the current rating on the Securities or on the insurer of the Securities shall not have been lowered, put on negative outlook, suspended or withdrawn by an applicable credit ratings agency.
3. Bond Counsel shall provide an unqualified approving opinion in form and substance satisfactory to the Underwriter.
4. The Issuer shall execute and deliver a written undertaking to provide ongoing disclosure for the benefit of holders of the Securities as required by the Rule, subject to any applicable exemptions under the Rule.
5. The Issuer shall deliver true and complete copies of the Resolution authorizing the issuance and sale of the Securities, which shall be in full force and effect.
6. The Issuer shall deliver one or more closing, compliance, tax and other certificates from its duly authorized representatives as the Underwriter may reasonably request.

7. None of the following has occurred or exists as of the Closing: (a) any development adversely affecting the legality of the issuance, sale or delivery of the Securities or the tax treatment of interest to be received on the Securities; (b) any outbreak or escalation of hostilities, a declaration of war by the United States, a national emergency or other national or international calamity or crisis materially affecting the financial markets of the United States; (c) a material disruption in securities settlement, payment or clearance services affecting the Securities or a new restriction on transactions in securities materially affecting the market for securities; (d) a general banking moratorium shall have been declared by authorities having jurisdiction and be in force; (e) an event or circumstance that either makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect.

The Underwriter agrees to assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities.

The Issuer will treat the first price at which 10% of each maturity of the Securities (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Note Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Securities. If at that time the 10% test has not been satisfied as to any maturity of the Securities, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Securities of that maturity or until all Securities of that maturity have been sold to the public.

The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to

(A) report the prices at which it sells to the public the unsold Securities of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Securities of that maturity or all Securities of that maturity have been sold to the public and

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Issuer acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Securities to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Securities to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Securities.

The Issuer agrees to indemnify and hold harmless the Underwriter against any and all losses, claims, damages, expenses or liabilities incurred by the Underwriter that arise out of or are based upon any untrue statement or alleged untrue statement of a material fact made in the Preliminary Official Statement or Official Statement or which arise out of or are based upon the omission or alleged omission to state in such connection a material fact required to be stated therein or necessary in order to make the statements made therein not misleading in light of the circumstances under which they are made.

The Issuer shall pay or cause to be paid the fees and expenses of bond counsel, disclosure counsel, rating agencies and fiscal agent as well as all other expenses incident to the performance of the Issuer's obligations hereunder. The Issuer shall also pay the Underwriter a fee of \$2,610.00 for its services in preparing the Official Statement, providing various financial analyses, for the use of the Underwriter's capital to advance certain costs prior to settlement and payment of certain third party expenses, including DTC, CUSIP, IPREO (electronic bookrunning/sales order system), printing and mailing/distribution charges.

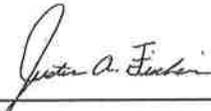
The Issuer acknowledges and agrees that the purchase and sale of the Securities pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, acting solely as a principal and not as a municipal advisor, financial advisor or agent of the Issuer. The Underwriter has not assumed a financial advisory responsibility in favor of the Issuer with respect to the offering of the Securities or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except the obligations expressly set forth in this Agreement, it being the Issuer's understanding that a financial advisory relationship shall not be deemed to exist when, in the course of acting as an underwriter, a broker, dealer or municipal securities dealer, a person renders advice to an issuer, including advice with respect to the structure, timing, terms and other similar matters concerning a new issue of municipal securities.

Unlike a municipal advisor or financial advisor, the Underwriter does not have a fiduciary duty to the Issuer under the federal securities law and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests. Although MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors, the Underwriter's primary role is to purchase the Securities with a view to distribution and it has financial and other interests that differ from those of the Issuer. The Underwriter has a duty to purchase the Securities from the Issuer at a fair and reasonable price, but must balance that duty to sell the Securities to investors at prices that are fair and reasonable. The Underwriter has reviewed the Official Statement for the Securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

The Underwriter's compensation in the form of a fee or discount from the public offering price is contingent on the closing of the Offering. Such compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest because it may cause the Underwriter to recommend a transaction that is unnecessary or to recommend that the transaction be larger than is necessary.

Very truly yours,

**ROBERT W. BAIRD & CO. INCORPORATED**

By:   
Justin A. Fischer, Senior Vice President

Date: February 6, 2018

ACCEPTED:

**City of Waupaca**

By: \_\_\_\_\_  
Brian R. Smith, Mayor

Date: February 6, 2018

By: \_\_\_\_\_  
Henry B. Veleker, City Administrator/Clerk

Date: February 6, 2018

**Exhibit A - Debt Service Schedule**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
03/05/2018					
03/01/2019	495,000	2.000%	112,585	607,585	
09/01/2019			51,975	51,975	
10/01/2019					659,560
03/01/2020	615,000	3.000%	51,975	666,975	
09/01/2020			42,750	42,750	
10/01/2020					709,725
03/01/2021	730,000	3.000%	42,750	772,750	
09/01/2021			31,800	31,800	
10/01/2021					804,550
03/01/2022	445,000	3.000%	31,800	476,800	
09/01/2022			25,125	25,125	
10/01/2022					501,925
03/01/2023	720,000	3.000%	25,125	745,125	
09/01/2023			14,325	14,325	
10/01/2023					759,450
03/01/2024	470,000	3.000%	14,325	484,325	
09/01/2024			7,275	7,275	
10/01/2024					491,600
03/01/2025	485,000	3.000%	7,275	492,275	
10/01/2025					492,275
	3,960,000		459,085	4,419,085	4,419,085

*Exhibit B - Underwriter's Certificate*

City of Waupaca, Wisconsin ("City")  
\$3,960,000  
General Obligation Promissory Notes,  
dated March 5, 2018

**UNDERWRITER'S CERTIFICATE**

The undersigned, on behalf of Robert W. Baird & Co. Incorporated ("Baird"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Notes").

1. ***Sale of the Notes.*** As of the date of this certificate, for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) "City" means the City of Waupaca, Waupaca County, Wisconsin.

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

(c) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) "Underwriter" means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Baird's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. Baird understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Exemption Certificate and compliance with the federal income tax rules affecting the Notes, and by Quarles & Brady LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal

Revenue Service Form 8038-G and other federal income tax advice that it may give to the City from time to time relating to the Notes.

ROBERT W. BAIRD & CO. INCORPORATED

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

Name: \_\_\_\_\_

Dated: March 5, 2018

SCHEDULE A  
TO  
UNDERWRITER'S CERTIFICATE

SALE PRICES

(See Attached)

EXHIBIT B-1

Pricing Summary

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)

**BOND PRICING**

**City of Waupaca (A+)  
General Obligation Promissory Notes - FINAL  
BQ; Callable 3/1/2023 or Any Date Thereafter**

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bond:									
	03/01/2019	495,000	2.000%	1.750%	100.243				1,202.85
	03/01/2020	615,000	3.000%	2.000%	101.940				11,931.00
	03/01/2021	730,000	3.000%	2.100%	102.593				18,928.90
	03/01/2022	445,000	3.000%	2.200%	103.038				13,519.10
	03/01/2023	720,000	3.000%	2.350%	103.042				21,902.40
	03/01/2024	470,000	3.000%	2.450%	102.567 C	2.535%	03/01/2023	100.000	12,064.90
	03/01/2025	485,000	3.000%	2.600%	101.860 C	2.706%	03/01/2023	100.000	9,021.00
		<b>3,960,000</b>							<b>88,570.15</b>

Dated Date	03/05/2018	
Delivery Date	03/05/2018	
First Coupon	03/01/2019	
Par Amount	3,960,000.00	
Premium	88,570.15	
Production	4,048,570.15	102.236620%
Underwriter's Discount	(49,500.00)	(1.250000%)
Purchase Price	3,999,070.15	100.986620%
Accrued Interest		
Net Proceeds	3,999,070.15	

EXHIBIT B-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)

**BOND DEBT SERVICE**

**City of Waupaca (A+)**  
**General Obligation Promissory Notes - FINAL**  
**BQ; Callable 3/1/2023 or Any Date Thereafter**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
03/05/2018					
03/01/2019	495,000	2.000%	112,585	607,585	
09/01/2019			51,975	51,975	
10/01/2019					659,560
03/01/2020	615,000	3.000%	51,975	666,975	
09/01/2020			42,750	42,750	
10/01/2020					709,725
03/01/2021	730,000	3.000%	42,750	772,750	
09/01/2021			31,800	31,800	
10/01/2021					804,550
03/01/2022	445,000	3.000%	31,800	476,800	
09/01/2022			25,125	25,125	
10/01/2022					501,925
03/01/2023	720,000	3.000%	25,125	745,125	
09/01/2023			14,325	14,325	
10/01/2023					759,450
03/01/2024	470,000	3.000%	14,325	484,325	
09/01/2024			7,275	7,275	
10/01/2024					491,600
03/01/2025	485,000	3.000%	7,275	492,275	
10/01/2025					492,275
	3,960,000		459,085	4,419,085	4,419,085

EXHIBIT C

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
WAUPACA COUNTY  
NO. R- \_\_\_\_\_ CITY OF WAUPACA \$ \_\_\_\_\_  
GENERAL OBLIGATION PROMISSORY NOTE

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
March 1, \_\_\_\_\_ March 5, 2018 \_\_\_\_\_% \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
(\$ \_\_\_\_\_)

COPY  
FOR VALUE RECEIVED, the City of Waupaca, Waupaca 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 March 1 and September 1 of each year commencing on March 1, 2019 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 each 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 \$3,960,000, 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 2018 capital improvement projects listed in the Capital Improvement Plan and refunding certain obligations of the City, as authorized by a resolution adopted on February 6, 2018. Said resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on March 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on March 1, 2023 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 and date of the Notes called for redemption, CUSIP number, 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 Waupaca, Waupaca 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 WAUPACA,  
WAUPACA COUNTY, WISCONSIN

By: \_\_\_\_\_  
Brian R. Smith  
Mayor

COPY

(SEAL)

By: \_\_\_\_\_  
Henry B. Veleker  
City Clerk

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)

COPY

\_\_\_\_\_  
(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 D  
NOTICE OF CALL\*\*

(Name and Address  
of Registered Owner)

Re: City of Waupaca, Wisconsin  
General Obligation Refunding Bonds  
Date of Original Issue - April 1, 2008

Notice is hereby given that the Bonds of the above-described issue which mature on the dates and bear interest at the rates set forth below have been called for prior payment on April 1, 2018.

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
4/1/2019	\$300,000	4.00 %	943232LA4*
4/1/2020	310,000	4.00	943232LB2*
4/1/2021	330,000	4.00	943232LC0*
4/1/2022	335,000	4.00	943232LD8*
4/1/2023	345,000	4.00	943232LE6*
4/1/2027	325,000	4.125	943232LJ5*

The Bonds should be presented for payment at the Servicing Center of the Fiscal Agent as follows:

Delivery Instructions

U.S. Bank National Association  
Global Corporate Trust Services  
111 Fillmore Avenue E  
St. Paul, MN 55107

COPY

Bondholder Inquiries: (800) 934-6802

Upon presentation and surrender of said Bonds, you will be paid the principal amount of such Bonds and accrued interest to the date of redemption. Owners of called Bonds should also provide a fully-executed W-9 Taxpayer Identification Number Certificate.

Such Bonds will cease to bear interest on April 1, 2018.

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time of the payment by the redeeming institutions if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

Very truly yours,

U.S. BANK NATIONAL ASSOCIATION  
Fiscal Agent

By \_\_\_\_\_

\*Indicates full call of CUSIP

\*\* To be provided to U.S. Bank National Association, Fiscal Agent, at least thirty-five (35) days prior to April 1, 2018. The registrar and fiscal agent shall be directed to give notice of such prepayment by facsimile transmission, registered or certified mail, overnight express delivery or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, or to such other party as may be the registered owner of the Bonds, not less than thirty (30) days nor more than sixty (60) days prior to April 1, 2018 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.