

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING THE ISSUANCE  
AND SALE OF \$425,000  
SEWERAGE SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES 2010C

WHEREAS, the City of Owen, Clark County, Wisconsin (the "Municipality") owns and operates a Sewerage System (the "System") which is operated for a public purpose as a public utility by the Municipality;

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes (the "Act"), any municipality in the State of Wisconsin may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, controlling, conducting, operating or managing a public utility such as the System from the proceeds of bonds, which bonds are to be payable only from all monies received from any source by such utility (the "Revenues");

WHEREAS, to adequately meet the needs of the Municipality and the residents thereof, certain improvements, additions and extensions to and acquisitions for the System, including Sewerage System improvements in the Municipality's TID No. 4, are necessary (the "Project");

WHEREAS, for the purpose of paying the cost of the Project, including paying interest and legal, financing and other professional fees, the Municipality intends by subsequent resolution of the governing body of the Municipality (the "Common Council") to authorize the issuance and sale of sewerage system revenue bonds pursuant to the provisions of the Act (the "Bonds"), payable solely from Revenues of the System deposited in a special redemption fund referred to herein;

WHEREAS, the Bonds have not yet been issued or sold and will be issued and sold only after completion of the Project;

WHEREAS, municipalities are authorized by the provisions of Section 66.0621(4)(L), Wisconsin Statutes, to issue bond anticipation notes in anticipation of receiving the proceeds from the issuance and sale of revenue bonds;

WHEREAS, contracts are to be let for the Project and the financial officer of the Municipality has heretofore certified to the Common Council that proceeds of bond anticipation notes shall be required for the payment of said contracts, as well as other costs including paying interest and legal, financing and other professional fees;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the Municipality to authorize the issuance and sale of sewerage system revenue bond anticipation notes pursuant to Section 66.0621(4)(L), Wisconsin Statutes (the "Notes") in anticipation of the issuance and sale of the Bonds, to pay the cost of the Project;

WHEREAS, the Municipality has heretofore issued and sold its Sewerage System Revenue Bonds, Series 2004, dated December 8, 2004, (the "2004 Bonds") pursuant to

Resolution No. 602 adopted by the Common Council on November 23, 2004 (the "2004 Resolution");

WHEREAS, other than the 2004 Bonds, no other bonds or obligations payable from the Revenues of the System are now outstanding; and

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the Municipality to sell the Notes to Bankers' Bank (the "Purchaser"), pursuant to the terms and conditions of its Proposal Form attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

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

Section 1. Sewerage System Revenue Bonds. The Municipality hereby declares its intention and covenants to authorize the issuance of the Bonds pursuant to the provisions of the Act in an amount sufficient to retire any outstanding bond anticipation notes issued to pay the cost of the Project and the cost of interest and legal, financing and other professional fees in connection therewith. The Bonds will be authorized by subsequent resolution.

Section 2. Authorization and Sale of the Notes. In anticipation of the sale of the Bonds, for the purpose of paying the cost of the Project including paying interest and legal, financing and other professional fees in connection therewith, there shall be borrowed pursuant to Section 66.0621(4)(L), Wisconsin Statutes, the principal sum of FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$425,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the Municipality are authorized and directed to execute an acceptance of the Proposal on behalf of the Municipality. To evidence the obligation of the Municipality, 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 Municipality, the Notes aggregating the principal amount of FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$425,000) for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 3. Terms of the Notes. The Notes shall be designated "Sewerage System Revenue Bond Anticipation Notes, Series 2010C"; shall be issued in the aggregate principal amount of \$425,000; shall be dated August 17, 2010; 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 rate and mature on June 1, 2013, as set forth on the schedule attached hereto as Exhibit B and incorporated herein by this reference (the "Schedule"). Interest is payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2011. 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.

Section 4. Redemption Provisions. The Notes shall be subject to redemption prior to maturity, at the option of the Municipality, on December 1, 2011 or any date thereafter. The

Notes shall be redeemable as a whole or in part, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. 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 6. Security. The Notes shall in no event be a general obligation of the Municipality nor a charge against its general credit or taxing power. No lien is created upon the System or any other property of the Municipality as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk and expended solely for the payment of the principal of and interest on the Notes, until paid, and the remaining Project cost, if any; and, (c) a pledge of the Revenues which have been deposited in the Special Redemption Fund created below junior and subordinate to that granted to the owners of the 2004 Bonds.

As authorized and permitted by Section 66.0621(4)(L)6, Wisconsin Statutes, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the Municipality will pay such deficiency out of its annual general tax levy or other available funds of the Municipality; provided, however, that any such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation or any further payments.

Section 7. Income and Revenue Funds. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the principal of and interest on the 2004 Bonds, the Bonds (when issued), any bonds issued on a parity with the 2004 Bonds or the Bonds then outstanding ("Parity Bonds") and the Notes, the funds of the System heretofore created by the 2004 Resolution shall be continued and shall be used solely for the purposes set forth in the 2004 Resolution and for the payment of principal of and interest on the Notes.

Section 8. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing services for public purposes, shall be charged against the Municipality and shall be paid by it in installments as the service accrues, out of the current revenues of the Municipality collected or in the process of collection, exclusive of the Revenues derived from the System, and out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. However, such payment out of the tax levy shall be subject to (a) any necessary approval of the Public Service Commission, or successors to its function (b) annual appropriations therefor and (c) any applicable levy limitations; but neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of services rendered to the Municipality and its inhabitants or make any subsequent payment over and above such reasonable cost and value. Such compensation for such service rendered to the

Municipality shall, in the manner hereinabove provided, be paid into funds created in the 2004 Resolution.

Section 9. Covenants of the Municipality. The Municipality hereby covenants with the owners of the Notes that:

(a) It shall issue the Bonds as soon as practicable in an amount sufficient to retire the Notes;

(b) It shall segregate the proceeds derived from the sale of the Bonds into a special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of the principal of and interest on the Notes until paid. After the payment of principal of and interest on the Notes in full, said special trust fund may be used for such other purposes as the Common Council may direct in accordance with law;

(c) It shall faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including lawfully establishing reasonable and sufficient rates for services rendered by the System and collecting, depositing, applying and segregating the Revenues of the System to the respective funds and accounts created by the 2004 Resolution;

(d) It will cause the Project to be constructed, extended, added to and improved as expeditiously as reasonably possible;

(e) It will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions or extensions that may be made part thereto, except that the Municipality shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund;

(f) It will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or the Revenues or could impair the security of the Notes or the Bonds;

(g) It will maintain the System in reasonably good condition, will operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that the amount of the revenues of the System herein agreed to be set aside to provide for payment of the 2004 Bonds, the Bonds, any Parity Bonds and the Notes and the interest thereon as the same becomes due and payable will be sufficient for that purpose. It will make all good faith efforts so that the Revenues less Current Expenses (the "Net Revenues") from the System for each year any 2004 Bond, Bond or any Parity Bonds or the Notes are outstanding will be 110% the amount required for payment of principal (exclusive of principal of the Notes to be paid from proceeds of the Bonds) and interest on the 2004 Bonds, the Bonds, any Parity Bonds and the Notes for each corresponding year;

(h) It will prepare a budget not less than sixty (60) days prior to the end of each fiscal year and, in the event such budget (taking into account income, unencumbered surplus and expense) indicates that earnings for each year will not exceed debt service for each corresponding year by the proportion stated above, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of earnings to debt service shall be accomplished as promptly as possible; and

(i) The Notes are issued for the purposes for which the Municipality is authorized to issue revenue bonds and for which the Bonds shall be issued.

Section 10. Application of Proceeds; Improvement Fund. All accrued interest and any premium received from the sale of the Notes shall be deposited in the Special Redemption Fund. The proceeds of the Notes shall be deposited in a special fund created hereby designated as "Sewerage System Improvement Fund." Said Improvement Fund shall be adequately secured and shall be used solely for the purpose of paying the cost of the Project and the cost of interest and legal, financing and other professional fees. Any balance remaining in said Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Notes.

Section 11. 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 Internal Revenue Code of 1986, as amended (the "Code") or the Regulations and an officer of the Municipality, 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 12. Compliance with Federal Tax Laws. (a) The Municipality represents and covenants that the Project financed by the Notes and their ownership, management and use will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The Municipality 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 Municipality 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 Municipality charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the Municipality certifying that the Municipality can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The Municipality 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 Municipality 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 13. 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 14. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the Municipality 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 Municipality 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 Municipality 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, certifies and acknowledgements as may be necessary and convenient to effectuate the Closing. The Municipality hereby authorizes the officers and agents of the Municipality 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 15. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent"). The Mayor and City Clerk are authorized to execute a contract with the Fiscal Agent to serve as the Municipality's fiscal agent pursuant to Section 67.10(2), Wisconsin Statutes.

Section 16. Persons Treated as Owners; Transfer of Notes. The Municipality 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 Municipality 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 17. 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 Municipality at the close of business on the Record Date.

Section 18. 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 Municipality agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the Municipality and on file in the City Clerk's office.

Section 19. Payment of Issuance Expenses. The Municipality authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by the Municipality's financial advisor, Ehlers & Associates, Inc.

Section 20. Continuing Disclosure. The continuing disclosure requirements of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule") are not applicable to the Notes because the Notes are a primary offering of less than \$1,000,000.

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. 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 this July 27, 2010.

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Timothy F. Swiggum  
Mayor

Attest:

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Terri Ernst  
City Clerk

(SEAL)

EXHIBIT A

Proposal Form

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

**PROPOSAL FORM**

**The Common Council  
City of Owen, Wisconsin**

**July 27, 2010**

**RE: \$425,000 Sewerage System Revenue Bond Anticipation Notes, Series 2010C  
DATED: August 17, 2010**

For all or none of the above Notes, in accordance with the terms stated in this Offering Statement, we will pay you \$ 421,812.50 plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing on June 1, 2013 as follows:

2.50 % due 2013

This proposal is for prompt acceptance and is conditional upon deposit of said Notes to The Depository Trust Company, New York, New York. Delivery is anticipated to be on or about August 17, 2010.

We have received and reviewed the Offering Statement and have submitted our requests for additional information or corrections to the Offering Statement. As Syndicate Manager, we agree to provide the Issuer with the reoffering price of the Notes within 24 hours of the proposal acceptance.

Account Manager: Bankers' Bank By: [Signature]

Account Members: Mid-Wisconsin Bank  
Citizens State Bank of Loyal

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The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Owen, Wisconsin this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

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

Title: \_\_\_\_\_ Title: \_\_\_\_\_

EXHIBIT B

Debt Service Schedule

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

## City of Owen, WI

\$425,000.00 Sewer System Revenue Bond Anticipation Notes, Series 2010C

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+	Fiscal Total
08/17/2010	-	-	-	-	-
06/01/2011	-	-	8,381.94	8,381.94	-
12/01/2011	-	-	5,312.50	5,312.50	13,694.44
06/01/2012	-	-	5,312.50	5,312.50	-
12/01/2012	-	-	5,312.50	5,312.50	10,625.00
06/01/2013	425,000.00	2.500%	5,312.50	430,312.50	-
12/01/2013	-	-	-	-	430,312.50
<b>Total</b>	<b>\$425,000.00</b>	<b>-</b>	<b>\$29,631.94</b>	<b>\$454,631.94</b>	<b>-</b>

#### Yield Statistics

Bond Year Dollars	\$1,185.28
Average Life	2.789 Years
Average Coupon	2.4999996%
Net Interest Cost (NIC)	2.7689239%
True Interest Cost (TIC)	2.7784408%
Bond Yield for Arbitrage Purposes	2.4973989%
All Inclusive Cost (AIC)	3.8449494%

#### IRS Form 8038

Net Interest Cost	2.4999996%
Weighted Average Maturity	2.789 Years

EXHIBIT C

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
CLARK COUNTY  
CITY OF OWEN  
NO. R-\_\_\_ SEWERAGE SYSTEM REVENUE \$425,000  
BOND ANTICIPATION NOTE, SERIES 2010C

MATURITY DATE	ORIGINAL DATE OF ISSUE	INTEREST RATE	CUSIP
June 1, 2013	August 17, 2010	_____%	_____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS  
(\$425,000)

FOR VALUE RECEIVED, the City of Owen, Clark County, Wisconsin (the "Municipality"), 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 is payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2011, 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 day shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (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.

This Note is one of an issue of Notes aggregating the principal amount of \$425,000, all of which are of like tenor, except as to denomination, issued by the Municipality pursuant to the provisions of Section 66.0621(4)(L), Wisconsin Statutes, for the purpose of paying the cost of extensions and improvements to the Municipality's Sewerage System, including Sewerage

System improvements in the Municipality's TID No. 4 (the "Project"), all as authorized by a resolution of the Common Council duly adopted by said governing body at a meeting held on July 27, 2010 (the "Resolution"). The Resolution is recorded in the official minutes of the Common Council for said date.

In the Resolution, the Common Council declared its intention and covenanted to issue Sewerage System Revenue Bonds (the "Revenue Bonds") for the purpose of paying the cost of the Project. The Notes are issued to anticipate the sale of the Revenue Bonds.

The Notes are payable only from:

- 1) any proceeds from the issuance and sale of the Notes set aside for payment of interest on the Notes;
- 2) the proceeds derived from the issuance and sale of the Revenue Bonds which shall be set aside as a special trust fund for that purpose; and
- 3) a pledge of the income and revenues of the Municipality's Sewerage System deposited in the Special Redemption Fund (as defined in the Resolution), junior and subordinate to that granted to the owners of the Municipality's Sewerage System Revenue Bonds, Series 2004, dated December 8, 2004.

**THE NOTES DO NOT CONSTITUTE AN INDEBTEDNESS OF THE MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION. NO LIEN IS CREATED UPON THE SYSTEM OR ANY OTHER PROPERTY OF THE MUNICIPALITY AS A RESULT OF THE ISSUANCE OF THE NOTES.**

The Notes are subject to redemption prior to maturity, at the option of the Municipality, on December 1, 2011, or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, official notice of the redemption will be given by providing 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 are to be called for redemption, the Notes to be redeemed will be selected by lot. 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. The Municipality has covenanted to

issue and sell the Revenue Bonds, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Revenue Bonds into a special trust fund for the payment of the principal of and interest on this Note.

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 Municipality 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 Municipality appoints another depository, upon surrender of the Note to the Fiscal Agent, and 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 Municipality 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 Municipality 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.

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 Owen, Clark 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 OWEN,  
CLARK COUNTY, WISCONSIN

COPY

By \_\_\_\_\_  
Timothy F. Swiggum  
Mayor

(SEAL)

COPY

By \_\_\_\_\_  
Terri Ernst  
City Clerk

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 Registered Owner)

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

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