



STATE OF WISCONSIN

Notice of Listed **Material Event** #2006-17
Dated April 28, 2006

The obligations listed in this Notice **are subject to an undertaking to provide continuing disclosure made pursuant to SEC Rule 15c2-12(b)(5)**. The following constitutes a listed material event as defined by the rule.

Issuer: State of Wisconsin

CUSIP Numbers: State of Wisconsin
Transportation Revenue Commercial Paper Notes
97712N and 97712P

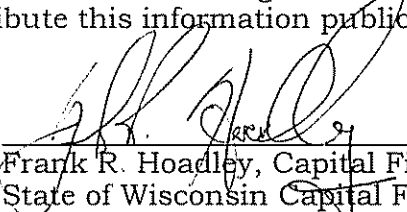
Type of Information: Substitution of Credit or Liquidity Providers. The attached Credit Agreement has been delivered to Deutsche Bank Trust Company Americas, which is the Issuing and Paying Agent for the State of Wisconsin Transportation Revenue Commercial Paper Notes.

1. This Credit Agreement provides for a line of credit, which is a substitute liquidity facility for the above-described commercial paper notes.
2. The line of credit is being severally provided (but not jointly) by State Street Bank and Trust Company (67%) and California State Teachers' Retirement System (33%).
3. This Credit Agreement is dated April 1, 2006, but is effective April 28, 2006.
4. The commitment amount is \$116,000,000.
5. The expiry date is April 28, 2013.

Type of Filing: Filed in electronic form with each Nationally Recognized Municipal Securities Information Repository through DisclosureUSA. This notice is also available on the State of Wisconsin Capital Finance Office web site at:

www.doa.state.wi.us/capitalfinance/

The undersigned represents that he is the Capital Finance Director, State of Wisconsin Capital Finance Office, which is the office of the State of Wisconsin responsible for providing annual reports and giving notice of a listed material events when notice is required by the State's Master Agreement on Continuing Disclosure. I am authorized to distribute this information publicly.



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CREDIT AGREEMENT

dated as of April 1, 2006

among

STATE OF WISCONSIN,
acting through the State of Wisconsin Building Commission

STATE STREET BANK AND TRUST COMPANY,
as a Bank and as Agent

and

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM,
as a Bank and as Co-Agent

relating to:

STATE OF WISCONSIN
Transportation Revenue Commercial Paper Notes

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Schedule and Exhibits

Schedule I Banks' Percentages and Amounts of Commitment

- Exhibit A: Request for Advance Notice
- Exhibit B: Notice of Reduction of Commitment
- Exhibit C: Notice of Termination of Commitment
- Exhibit D: Request for Extension
- Exhibit E: Notice of Extension
- Exhibit F: Notice of Intent to Issue Additional Notes
- Exhibit G: Notice of Increase in Available Commitment Upon Issuance of Additional
Notes

CREDIT AGREEMENT

THIS CREDIT AGREEMENT is dated as of April 1, 2006, and is among the STATE OF WISCONSIN (the "*State*"), acting through the State of Wisconsin Building Commission ("*Building Commission*"), CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM, a unit of the State of California ("*CalSTRS*"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and STATE STREET BANK AND TRUST COMPANY, a Massachusetts state chartered trust company, as a Bank ("*State Street*" and, together with CalSTRS, the "*Banks*"), and as agent for the Banks (the "*Agent*").

RECITALS:

WHEREAS, the State has issued, and plans to continue to issue, its State of Wisconsin Transportation Revenue Commercial Paper Notes (the "*Original Notes*"), pursuant to Subchapter II of Chapter 18 of the Wisconsin Statutes, as amended, Section 84.59 of the Wisconsin Statutes, and pursuant to a General Resolution adopted by the Building Commission on June 26, 1986, as amended and supplemented (the "*General Resolution*"), and a Program Resolution adopted by the Building Commission on April 23, 1997, as amended and supplemented (the "*Program Resolution*") for the purpose of financing major highway projects and transportation facilities. The Original Notes are being issued in anticipation of the issuance of transportation revenue bonds; and

WHEREAS, the State may issue additional transportation revenue commercial paper notes (the "*Additional Notes*" and, collectively with the Original Notes, the "*Notes*"), up to \$275,000,000 in aggregate principal amount, which Notes may be covered by this Agreement, as set forth herein; and

WHEREAS, the State has requested the Banks to severally, but not jointly, enter into this Agreement, which Agreement shall constitute a substitute Liquidity Facility under the Program Resolution and shall provide a source of liquidity for the payment of principal and interest on the Notes when due; and

WHEREAS, to induce the Banks to severally, but not jointly, enter into this Agreement, the State has agreed pursuant to the Program Resolution to execute and deliver a Promissory Note to each Bank and to secure the payment of all amounts from time to time due and owing under this Agreement by pledging to the Banks (i) a second lien on Program Income (as such term is defined in the General Resolution) deposited in the Subordinated Debt Service Fund held by the Trustee pursuant to the General Resolution and (ii) a first lien on the Note Fund (as defined in the Program Resolution) and any other accounts in the Note Fund created under the Program Resolution, together with any and all amounts on deposit therein from time to time. The Notes and the Promissory Notes are not general obligations of the State, its agencies, instrumentalities, or political subdivisions, and the Notes and Promissory Notes do not constitute "public debt" of the State as used in the Constitution and Statutes of the State. The State has previously issued transportation revenue bonds, and the Notes and Promissory Notes are issued on a basis junior and subordinate to the previously issued bonds and to any bonds issued hereafter secured on a parity with such bonds in accordance with the General Resolution.

Each Bank is willing to severally, but not jointly, provide a line of credit to the State upon the terms and conditions herein set forth.

AGREEMENTS:

NOW, THEREFORE, in consideration of the premises and in order to induce the Banks to enter into this Agreement and severally make Advances (as defined herein), the State, the Agent and the Banks hereby agree as follows:

SECTION 1. DEFINITIONS; ACCOUNTING TERMS AND DETERMINATIONS.

1.1. Definitions. The following terms, as used herein, have the following respective meanings:

"*Additional Notes*" means Notes in excess of the principal amount of the Original Notes, on a parity with the Original Notes, issued pursuant to the Program Resolution and which are covered by this Agreement.

"*Advance*" means each advance made by the Banks to the State pursuant to this Agreement.

"*Advance Notice*" means an irrevocable notice, substantially in the form of Exhibit A hereto, given by the State to the Agent pursuant to Section 2.1(b) hereof.

"*Alternate Base Rate*" means, for any day, a rate per annum equal to the higher of (a) Federal Funds Rate plus 0.50% per annum, or (b) the Base Rate.

"*Agent*" means State Street, in its capacity as agent for the Banks hereunder, and any successor thereto pursuant to Section 11.08.

"*Agreement*" means this Credit Agreement, as amended, modified or supplemented from time to time, in accordance with the provisions hereof.

"*Authorizing Resolution*" means each resolution adopted by the Building Commission authorizing the issuance of bonds or other obligations described in Section 8(o) hereof.

"*Available Commitment*" means, at any time the same is to be determined, the Commitment, minus the principal amount of any Advances then outstanding hereunder.

"*Bank*" means either State Street or CalSTRS, and their respective successors and assigns, and "*Banks*" means both of them together.

"*Base Rate*" means a fluctuating interest rate per annum which for each day shall equal the rate of interest in effect on such day established by the Agent from time to time as the prime rate of the Agent, with each change in such rate to be effective for purposes

hereof on the day on which such change is effective for the Agent 's purposes, it being understood that such rate shall not necessarily be the best or lowest rate of interest available to the Agent 's best or most preferred large commercial customers.

"*Bonded Debt*" means (i) general obligation public debt of the State issued under subchapter I of Chapter 18 of the Wisconsin Statutes, and (ii) the Senior Bonds and Notes as defined herein.

"*Building Commission*" means the State of Wisconsin Building Commission.

"*Business Day*" means a day on which (a) banks located in Madison, Wisconsin, in New York, New York, and in each of the cities in which the principal office of the Issuing and Paying Agent or the Dealer is located are not required or authorized by law or executive order to close for business, and (b) The New York Stock Exchange is not closed.

"*Closing Date*" means the date on which all of the conditions precedent set forth in Section 3.1 of this Agreement have been satisfied and this Agreement has been executed by the State and the Banks.

"*Commitment*" means initially \$116,000,000, which is the aggregate of the several commitments of the Banks to make Advances to the State pursuant to Section 2.1 (a) hereof, as such amounts may be reduced from time to time pursuant to Section 2.1(g)(i) hereof and as such amounts may be increased from time to time by the principal amount of any Additional Notes that pursuant to the terms of Section 2.1(g)(iii) hereof are supported by this Agreement; provided, however, that the aggregate of the several commitments of the Banks to make Advances to the State pursuant to Section 2.1(a) hereof shall never exceed \$275,000,000.

"*Commitment Expiry Date*" shall mean 5:00 p.m. (New York City time) on April 28, 2009, as the same may be extended pursuant to the terms of Section 2.1(i) hereof.

"*Commitment Increase Termination Date*" means the date which is the earliest of (i) 5:00 p.m. (New York time) on the date set forth in the notice of an Event of Default from the Agent pursuant to Section 10(II) hereof, (ii) the date on which an Event of Termination shall have occurred pursuant to Section 10(I) hereof, (iii) the Commitment Expiry Date, (iv) the date on which the Commitment shall have been reduced to zero, (v) the date on which the State replaces the Banks by obtaining a substitute liquidity facility, and (vi) the date set forth in a Notice of Termination of Commitment, in the form attached as Exhibit C hereto.

"*Dealer*" means one of those entities designated as a dealer pursuant to the Program Resolution, and its successor and assigns.

"*Dealer Agreement*" means a Dealer Agreement entered into by the State and a Dealer pursuant to the Program Resolution, as the same may be amended, supplemented, or extended from time to time pursuant to the terms thereof and hereof.

"*Debt*" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments (excluding, however, industrial revenue bonds issued by such Person and other nonrecourse indebtedness, including, without limitation, bonds payable solely from revenues of a revenue-producing enterprise or system, of such Person), (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all Debt of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person, and (vi) all Debt of others guaranteed by such Person.

"*Default*" means any event or condition that constitutes an Event of Default or that with the giving of notice or the lapse of time or both would, unless cured or waived, become an Event of Default.

"*Default Rate*" means the rate of 3.00% per annum plus Alternate Base Rate.

"*Event of Default*" shall have the meaning assigned to such term in Section 10 hereof.

"*Events of Termination*" shall have the meaning assigned to such term in Section 10 hereof.

"*Expiry Date*" shall mean 5:00 p.m. (New York City time) on April 28, 2013, as the same may be extended pursuant to the terms of Section 2.1(h) hereof.

"*Facility Fee*" shall have the meaning specified therefor in the Letter Agreement.

"*Federal Funds Rate*" means for any day the rate of interest per annum as determined by State Street at which overnight Federal Funds are offered to State Street for such day by major banks in the interbank market, with any change in such rate to become effective on the date of any change in such rate. Each determination of the Federal Funds Rate by State Street shall be deemed conclusive and binding on the Banks and the State absent manifest error.

"*Fitch*" means Fitch Ratings and its successors and assigns.

"*General Resolution*" means the 1986 State of Wisconsin Building Commission Resolution 9, adopted June 26, 1986, as amended and supplemented.

"Individual Commitment" means, with respect to each Bank, the amount set forth opposite the name of such Bank on Schedule I hereto as the same may be reduced or increased from time to time as provided herein.

"Investment Grade" means any rating in one of the four highest rating categories of any Rating Agency without regard to any numerical designations or the symbols "+" and "-".

"Issuing and Paying Agent" means Deutsche Bank Trust Company Americas, formerly known as Bankers Trust Company, as Issuing and Paying Agent for the Notes under the Program Resolution, or any successor issuing and paying agent of the Notes appointed in accordance with the Program Resolution.

"Lien" means, with respect to any asset, a mortgage, lien, pledge, charge, security interest, or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"Letter Agreement" means the Letter Agreement dated as of the Closing Date between the State and the Banks, as the same may be amended, modified or supplemented from time to time in accordance with its terms.

"Liquidity Rate" means, for each day of determination with respect to each Advance, (A) from and including the date of such Advance to and including the earlier of the Termination Date and the date 30 days from the date of such Advance, the Alternate Base Rate; (B) from and including the date 31 days from the date of such Advance to and including the earlier of the Termination Date and the date 60 days from the date of such Advance, the Alternate Base Rate plus 1.00%, (C) from and including the date 61 days from the date of such Advance to and including the earlier of (i) the Termination Date or (ii) the due date of such Advance, the Alternate Base Rate plus 2.00%, and (D) thereafter, the Default Rate; provided that from and after the occurrence of an Event of Default, the Liquidity Rate shall equal the Default Rate.

"Moody's" means Moody's Investors Service, Inc. and its successors and assigns.

"No-Issuance Notice" means a notice delivered by the Agent to the State and the Issuing and Paying Agent pursuant to the provisions of Section 10(II) hereof.

"Note Fund" means, collectively, the Note Funds established pursuant to the Program Resolution.

"Note Purchase Principal Advance" means an Advance (or portion thereof) to pay the principal amount of the Notes due at maturity.

"Notes" means the State's Transportation Revenue Commercial Paper Notes issued or to be issued pursuant to the Program Resolution, which Notes bear interest at a

commercial paper rate, as such amount may be increased or decreased from time to time pursuant to the terms of the Program Resolution.

"*Obligations*" means all obligations and all liabilities of the State under this Agreement, including, but not limited to, its obligations to make all payments required by Section 2.1 and Section 2.2 hereof.

"*Offering Memorandum*" means the Transportation Revenue Commercial Paper Note Offering Memorandum dated April 25, 2006, relating to the Notes, and any reoffering circular used in connection with a reoffering of the Notes.

"*Original Notes*" has the meaning set forth in the Recitals to this Agreement.

"*Outstanding*" (i) with respect to the Notes, shall have the meaning assigned to such term in the Program Resolution, and (ii) with respect to Advances, means all Advances made by the Banks pursuant hereto and not repaid by the State.

"*Participant*" has the meaning assigned to that term in Section 7(c) hereof.

"*Participation*" has the meaning assigned to that term in Section 7(c) hereof.

"*Payment Office*" means, with respect to each Bank, such Bank's office located at the address indicated in Section 12.7 hereof, or such other office as such Bank may designate from time to time.

"*Percentage*" means, as to any Bank, and with respect to the obligations of such Bank to make Advances pursuant to Section 2 hereof, the percentage set forth for such Bank on Schedule I hereto.

"*Person*" means an individual, a corporation, a partnership, an association, a trust, or any other entity or organization, including a state, regional, or local government or political subdivision or an agency or instrumentality thereof.

"*Pledged Collateral*" means the Note Fund (as defined in the Program Resolution) and any other accounts in the Note Fund created under the Program Resolution, together with any and all amounts on deposit therein from time to time.

"*Program Expense Fund*" shall have the meaning set forth in the General Resolution.

"*Program Expenses*" shall have the meaning set forth in the General Resolution.

"*Program Income*" shall have the meaning set forth in the General Resolution.

"*Program Resolution*" means the resolution adopted by Building Commission on April 23, 1997, as amended and supplemented, authorizing, among other things, the issuance of the Notes.

"*Promissory Note*" means each promissory note of the State, substantially in the form set forth in the Program Resolution, evidencing the indebtedness of the State to the Banks under this Agreement with respect to amounts drawn under this Agreement pursuant to Section 3.1 hereof, as such promissory note may be modified or extended from time to time, and any promissory note issued in exchange or replacement therefor. The Promissory Note initially issued to State Street shall be in the principal amount of \$77,720,000 and the Promissory Note initially issued to CalSTRS shall be in the principal amount of \$38,280,000 and one or more replacement or additional Promissory Notes shall be issued by the State to the Banks prior to requesting Advances from the Banks in excess of the aggregate principal amount of all Promissory Notes then held by the Banks.

"*Rating Agency*" means Fitch, Moody's, or S&P.

"*Related Documents*" means and includes (without limitation) this Agreement, the Notes, the Program Resolution, the General Resolution, the Supplemental Resolutions, the Promissory Notes, the Dealer Agreement, the Letter Agreement, and any and all other documents which the State has executed and delivered, or may hereafter execute and deliver, to evidence or secure the State's obligations thereunder.

"*Required Banks*" means Banks holding at least 66-2/3% of the aggregate of the Percentages.

"*S&P*" means Standard & Poor's Ratings Services and its successors and assigns.

"*Senior Bonds*" means Bonds (as defined in the General Resolution) issued pursuant to the General Resolution that do not constitute Subordinated Indebtedness.

"*State*" means the State of Wisconsin.

"*State Street*" has the meaning set forth in the Recitals to this Agreement.

"*State's Account*" means the Note Fund established pursuant to the Program Resolution.

"*Subordinated Indebtedness*" shall have the meaning set forth in the General Resolution.

"*Subordinated Debt Service Fund*" shall have the meaning set forth in the General Resolution.

"*Supplement*" or "*Supplements*" means any and all extensions, renewals, modifications, amendments, supplements and substitutions.

"*Supplemental Resolution*" means and includes each Supplemental Resolution adopted by the Building Commission authorizing the issuance of commercial paper notes under the Program Resolution.

"*Taxes*" shall have the meaning assigned to such term in Section 2.2(f) hereof.

"*Termination Date*" means the date which is the earliest of (i) 5:00 p.m. (New York time) on the date set forth in the notice of an Event of Default from the Agent pursuant to Section 10(II) hereof, (ii) the date on which an Event of Termination shall have occurred pursuant to Section 10(I) hereof, (iii) the Expiry Date, (iv) the date on which the Commitment shall have been reduced to zero, (v) the date on which the State replaces the Banks by obtaining a substitute liquidity facility, and (vi) the date set forth in a Notice of Termination of Commitment, in the form attached as Exhibit C hereto.

"*Trustee*" means J.P. Morgan Trust Company, National Association, its successors and assigns, and any successor trustee under the General Resolution.

1.2. Gender; Plural. All references made herein (i) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (ii) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular numbers as well.

1.3. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles for governments as promulgated by the Governmental Accounting Standards Board as in effect from time to time, applied on a basis consistent with the most recent audited financial statements of the State delivered to the Banks.

SECTION 2. ADVANCES.

2.1. The Advances.

(a) *Extension of Credit.* Each Bank agrees, on the terms and conditions set forth in this Agreement, to make Advances to the State from time to time, during the period from the Closing Date until the Termination Date, in an aggregate principal amount not to exceed at any one time Outstanding its respective Individual Commitment, in order to provide a source of funds for payment of the principal of, and interest on, the Notes when due. Notwithstanding anything herein to the contrary, each Bank shall have no obligation to make an Advance if the sum of such Advance plus the aggregate principal amount of the Outstanding Advances made by such Bank would exceed the lesser of (i) its respective Percentage of the Commitment and (ii) the aggregate principal amount of all Promissory Notes then held by such Bank.

(b) *Advance Notices.* Each Advance shall be made, pro rata by each Bank, on irrevocable notice given to the Agent by the Issuing and Paying Agent on behalf of the State. Each such notice of an Advance (the "*Advance Notice*") shall be by telephone, telecopy, or e-mail; if such notice is by telephone, then such notice shall be confirmed by telecopy received no later than the close of business on the date of such Advance Notice. Each Advance Notice shall be in substantially the form of Exhibit A hereto, (A) certifying that the amount of such Advance plus the aggregate principal amount of all previous Advances then outstanding does not exceed the aggregate principal amounts of all Promissory Notes then held by the Banks and (B) specifying therein (i) the requested date for such Advance, which shall be a Business Day, (ii) the aggregate amount of such requested Advance, and (iii) the proposed use of the proceeds of

such Advance, which shall be to pay the principal of and interest on the Notes when due. The Issuing and Paying Agent will act as the State's agent for the purpose of executing and delivering each Advance Notice, and the State does hereby irrevocably appoint the Issuing and Paying Agent the State's attorney-in-fact and proxy, with full authority in the place and stead of the State and in the name of the State to execute and deliver Advance Notices.

(c) *Making the Advances.*

(i) Upon receipt of an Advance Notice, provided that the Advance Notice strictly conforms to the terms and conditions hereof and all the conditions precedent set forth in Section 3.2 have been satisfied, the Agent shall notify each Bank of the contents thereof and of such Bank's share of such Advance. Such Advance Notice given to the Banks shall be given promptly after the Agent receives such Advance Notice from the Issuing and Paying Agent.

(ii) If a Bank receives an Advance Notice at or prior to 1:00 p.m. (New York time) on a Business Day, provided that the Advance Notice strictly conforms to the terms and conditions hereof and all the conditions precedent set forth in Section 3.2 have been satisfied, such Bank shall make such funds available to the State by wire transfer of same day funds as soon as possible but not later than 3:00 p.m. (New York time), on the same Business Day, to the State's Account.

(iii) If a Bank receives the Advance Notice after 1:00 p.m. (New York time) but before 2:15 p.m. (New York time) on a Business Day, such Bank shall use commercially reasonable efforts to make such funds available to the State by wire transfer of same day funds not later than 4:00 p.m. (New York time), on the same Business Day, to the State's Account; provided, however, that if, despite its commercially reasonable efforts, such Bank is unable to make such funds available to the State by wire transfer of same day funds not later than 4:00 p.m. (New York time) on such Business Day, such Bank shall in any event make such funds available to the State by wire transfer of same day funds not later than 4:00 p.m. (New York time), on the next succeeding Business Day, to the State's Account.

(iv) If a Bank receives the Advance Notice after 2:15 p.m. (New York time) on a Business Day, such Bank shall make such funds available to the State by wire transfer of same day funds not later than 3:00 p.m. (New York time), on the next succeeding Business Day, to the State's Account.

(d) *Payment of Advances.* If an Event of Default has occurred and is continuing, the State will pay or cause to be paid to the Agent on behalf of the Banks an amount equal to the amount of each Advance, on the same Business Day of such Advance, with interest at the Default Rate until payment in full.

(e) *Repayment of Advances.* If any Bank shall make an Advance and the State is not required to reimburse or cause to be reimbursed such Bank in connection therewith on the same Business Day pursuant to subsection (d) above, the State shall pay interest on the unpaid amount of each Advance from the date of such Advance (the "*Advance Date*") until such amount is paid

in full, payable in arrears, commencing on the first Business Day of January or July which is at least 45 days after the Advance Date, and semiannually on the first Business Day of each January and July thereafter during the term of the Advance, with respect to any such amount repaid, on the date any such amount is repaid, at a rate per annum equal to the Liquidity Rate. If the Advance Date occurs between May 15 and June 30, inclusive, the State shall pay the full outstanding principal amount of such Advance on the second July 1 after the Advance Date. Otherwise, the State shall pay the principal amount of such Advance in installments, with the first installment payable on the July 1 immediately following the Advance Date, and the final installment due and payable on the second July 1 after the Advance Date. If payable in two installments in accordance with the immediately preceding sentence, the first installment shall be in an amount equal to the lesser of (i) one-half of the principal amount of such Advance, or (ii) the amount set forth in Exhibit B of the Supplemental Resolution for the amortization of principal on the Notes for the bond year such payment is due, and the final installment shall be in an amount equal to the remaining outstanding principal amount of such Advance. The State shall make all payments under this Section 2.1(e) to the Agent on behalf of the Banks.

(f) *Prepayment.*

(i) The State may prepay the amount of any Advance outstanding prior to the date on which payment of such Advance is due in whole or in part, together with accrued interest on the prepayment amounts payable at the Liquidity Rate to the date when such prepayment amount is paid, in whole or in part, at any time upon telephone notice to the Agent not later than 12:45 p.m. (New York time) on the date of such prepayment, provided that each partial prepayment to the Agent, on behalf of the Banks, in the aggregate shall be in a principal amount equal to \$100,000 and increments of \$1,000 above \$100,000. Each such prepayment notice shall (A) specify the prepayment date, the amount of such prepayment and the specific Advance to which such prepayment shall be applied and (B) be irrevocable. The amount specified in any such notice shall become due and payable on the prepayment date specified in such notice.

(ii) Upon payment to the Agent on behalf of the Banks of the principal amount to be prepaid as stated in clause (i) above, together with accrued interest to the date of such prepayment, (A) the outstanding Obligations of the State under this Agreement shall be reduced by the principal amount of such payment and (B) interest shall cease to accrue on the amount so paid.

(iii) The State shall not prepay any amount of any debt obligations of the State issued on a parity with the Notes, unless the State effects a like prepayment ratably among such other debt obligations and the Notes and Advances.

(g) *Reduction and Termination of Commitment; Increase of Commitment.*

(i) The State may, upon at least five (5) Business Days' notice to the Banks, reduce the Commitment from time to time during the period from the date of such notice through the Termination Date, provided that (A) each such reduction of the Commitment shall be in an amount equal to \$1,000,000 or an integral multiple thereof, (B) the amount of the Commitment may not be reduced below the sum of the aggregate principal amount

of the Outstanding Advances, plus the Outstanding Notes, and (C) the Banks shall have received a certificate, substantially in the form of Exhibit B hereto, with respect to such reduction.

(ii) The State may terminate the Commitment at any time following written notice to the Agent in the form of Exhibit C hereto (with a copy thereof to the Issuing and Paying Agent). Upon any termination of the Commitment pursuant hereto, all Outstanding Advances, interest, fees, and other Obligations of the State hereunder shall be promptly paid or repaid in full to the Banks.

(iii) With the approval of the Banks in their sole discretion, at any time through the Commitment Increase Termination Date, the Commitment shall be increased by the principal amount of Additional Notes issued by the State (but not to exceed an aggregate Commitment of \$275,000,000) upon satisfaction of the following conditions, which are hereby made conditions precedent to any Additional Notes becoming Notes supported by this Agreement:

(I) Not less than 20 days prior to the issuance of the Additional Notes, the Agent shall have received from the State a notice of the State's intent to apply this Agreement to such Additional Notes in the form of Exhibit F hereto.

(II) The conditions precedent set forth in Section 3.1 hereof shall have been satisfied as of the date of issuance of the Additional Notes (to the extent applicable on such date) as if such conditions referred to the Additional Notes.

(III) The Banks shall have provided notice substantially in the form of Exhibit G hereto, setting forth the increased Commitment (and the Agent shall inform the State as to whether such notice will be given not later than ten (10) Business Days after the date of the notice referred to in clause (I) above, so long as the Banks shall have received from the State (or the State has otherwise made available to the Banks) such information as may be reasonably requested by the Banks in connection with such proposed increased Commitment).

(IV) The fee set forth in the Letter Agreement with respect to the Additional Notes shall have been paid or provision therefor shall have been made.

(h) *Extension of the Expiry Date.* No earlier than 365 days prior to the Expiry Date and no later than ninety (90) days prior to the Expiry Date, the State may make a request in writing to the Agent that the Banks extend the Expiry Date for an additional period of not less than 364 days (which request shall be promptly sent by the Agent to the Banks). If the State shall make such a request, each Bank shall, no later than sixty (60) days after receipt of such written request, notify the State and the Issuing and Paying Agent in writing through the Agent of its consent to such request (which consent may be given or withheld in the sole discretion of such Bank) and the conditions of such consent (including conditions relating to legal documentation, the amount of the Commitment, the term of the extension and pricing). If either Bank shall not so notify the State, such Bank shall be deemed not to have consented to such request and the Expiry Date with respect to such Bank shall remain unchanged. With respect to

a consenting Bank, the extended Expiry Date shall take effect on the date specified in the request or such other date as may be acceptable to the parties hereto. The terms of this paragraph (h) shall apply to additional extensions of the Expiry Date if the Expiry Date has been extended upon the request of the State in accordance herewith by the Banks.

(i) *Extension of the Commitment Expiry Date.* No earlier than 365 days prior to Commitment Expiry Date and no later than ninety (90) days prior to the Commitment Expiry Date, the State may make a request in writing to the Agent that the Banks extend the Commitment Expiry Date for an additional period of not less than 364 days (which request shall be promptly sent by the Agent to the Banks). If the State shall make such a request, each Bank shall, no later than sixty (60) days after receipt of such written request, notify the State and the Issuing and Paying Agent in writing through the Agent of its consent to such request (which consent may be given or withheld in the sole discretion of such Bank) and the conditions of such consent (including conditions relating to legal documentation, the amount of the Commitment, the term of the extension and pricing). If either Bank shall not so notify the State, such Bank shall be deemed not to have consented to such request and the Commitment Expiry Date with respect to such Bank shall remain unchanged. With respect to a consenting Bank, the extended Commitment Expiry Date shall take effect on the date specified in the request or such other date as may be acceptable to the parties hereto. The terms of this paragraph (i) shall apply to additional extensions of the Commitment Expiry Date if the Commitment Expiry Date has been extended upon the request of the State in accordance herewith by the Banks.

2.2. Interest, Fees and Expenses.

(a) *Default Rate.*

(i) Upon the occurrence of an Event of Default, the State shall pay interest on all Obligations and Advances at the Default Rate.

(ii) If the State shall fail to pay when due (whether at maturity, on demand, by reason of acceleration or otherwise) any amount due and unpaid hereunder, each such unpaid amount shall (to the extent permitted by applicable law) bear interest for each day from the date it was so due until paid in full at a rate per annum equal to the Default Rate, payable on demand.

(b) *Increased Costs.*

(i) If a Bank shall have determined that the adoption or implementation of, or any change in, any law, rule, treaty, or regulation, or any policy, guideline, or directive of, or any change in the interpretation, implementation, or administration thereof by, any court, central bank, or other administrative, or governmental authority in the United States (in each case, whether or not having the force of law), or compliance by such Bank with any request or directive of any such court, central bank, or other administrative or governmental authority (whether or not having the force of law), shall (A) change the basis of taxation of payments to such Bank of any amounts payable hereunder (except for taxes on the overall net income of such Bank), (B) impose, modify, or deem applicable any reserve, special deposit, or similar requirement against making or maintaining the

Commitment or any Advance, or assets held by, or deposits with or for the account of, such Bank, or (C) impose on such Bank any other condition regarding this Agreement, and the result of any event referred to in clause (A), (B), or (C) above shall be to increase the cost to such Bank of making or maintaining the Commitment or any Advance or to reduce the amount of any sum received or receivable by such Bank hereunder, then, upon demand by such Bank, the State shall pay to the Agent on behalf of such Bank such additional amount or amounts as will compensate such Bank for such increased costs or reductions in amount; provided, however, that the State shall not be required to reimburse such Bank for any costs or fees (including attorneys' fees) incurred in the calculation of such additional amounts and, provided, further, that such Bank shall use its best efforts to provide the State with written notice of any event or circumstance which would cause any payment under this subparagraph.

(ii) If a Bank shall have determined that the adoption or implementation of, or any change in, any law, rule, or regulation, or any policy, guideline, or directive of, or any change in the interpretation, implementation, or administration thereof by, any court, central bank, or other administrative or governmental authority in the United States, or compliance by such Bank with any request by or directive of any central bank or other authority (in each case, whether or not having the force of law), shall impose, modify, or deem applicable any capital adequacy or similar requirement (including, without limitation, a request or requirement that affects the manner in which such Bank allocates capital resources to its commitments including its obligations under lines of credit) that either (A) affects or would affect the amount of capital to be maintained by such Bank or (B) reduces or would reduce the rate of return on such Bank's capital to a level below that which such Bank could have achieved but for such circumstances (taking into consideration such Bank's policies with respect to capital adequacy) such Bank shall use its best efforts to provide the State with written notice of any event or circumstance which would cause any payment under this subparagraph; provided, however, that the State shall not be required to reimburse such Bank for any costs or fees (including attorneys' fees) incurred in the calculation of such additional amounts; provided, further, that the State shall be obligated under this clause (ii) to compensate such Bank for such increased costs and reductions arising pursuant to this clause (ii) as a result of the imposition, modification, or applicability of any capital adequacy requirements only to the extent such capital adequacy requirements are in excess of the capital adequacy requirements applicable to lines of credit set forth in the report dated July, 1988 and entitled "International Convergence of Capital Measurement and Capital Standards" issued by the Basel Committee on Banking Regulations and Supervisory Practices.

(iii) All payments of amounts referred to in clauses (i) and (ii) above shall be paid by the State to the Agent on behalf of the appropriate Bank and shall bear interest thereon if not paid within five (5) Business Days of such notice until payment in full thereof at an interest rate per annum equal to the Default Rate in effect, from time to time, payable on demand. A certificate as to such increased cost, increased capital, or reduction in return incurred by a Bank as a result of any event mentioned in clause (i) or (ii) of this subsection setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by such Bank to the State and shall be conclusive as to the amount thereof; provided, however, that the State may, at its

expense, obtain verification of such calculation by a nationally recognized firm of independent certified public accountants, the results of which verification shall be binding upon such Bank. In making the determinations contemplated by the above-referenced certificate, such Bank may make such reasonable estimates, assumptions, allocations, and the like that such Bank in good faith determines to be appropriate.

(iv) The State shall not be required to compensate a Bank pursuant to the foregoing provisions of this Section for any additional amount incurred more than ninety (90) days prior to the date on which such Bank notifies the State regarding the change in law or other adoption or implementation giving rise to such additional amount and of such Bank's intention to claim compensation therefor.

(c) *Collateral Security.* As security for payment of the Obligations of the State, the State has, pursuant to the Program Resolution, pledged to the Banks all of the State's right, title and interest in and to the Pledged Collateral and the Program Income deposited in the Subordinated Debt Service Fund, subject with respect to the Program Income deposited in the Subordinated Debt Service Fund to the prior pledge to the owners of Senior Bonds pursuant to the General Resolution.

(d) *Payments and Computations.* The State will make each payment hereunder, under the Promissory Notes and under the other Related Documents, no later than 3:30 p.m. (New York time) on the date when due, in lawful money of the United States of America and in immediately available funds to the Agent on behalf of the Banks at its Payment Office, and the Agent shall promptly pay to each Bank at its Payment Office its share of such payment. All such payments shall be made by the State without defense, set-off, or counterclaim. Whenever any payment to be made under this Agreement or any such Related Document shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and interest will accrue on the amount of such payment during the intervening period. All interest payable hereunder and under the Promissory Notes will be computed on the basis of a year of 365 days for the actual number of days elapsed. All computations of fees payable hereunder shall be calculated on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day). Each determination by the Agent or the Banks of interest, fees, or any other amounts due hereunder shall be conclusive and binding for all purposes in the absence of manifest error.

(e) *Determination of Interest Rate.* The Agent shall give prompt notice to the State of the applicable interest rate determined by the Agent for purposes of Sections 2.1(d) and 2.1(e) hereof, but delivery or receipt of, or failure of delivery or receipt of, any such notice shall not affect the State's payment obligations hereunder.

(f) *Taxes.* All payments made by the State hereunder to any Bank shall be made free and clear of and without deduction for any present or future income, stamp, or other taxes, levies, imposts, deductions, charges, fees, withholdings, restrictions, or conditions of any nature now or hereafter imposed, levied, collected, withheld, or assessed by any jurisdiction or by any political subdivision or taxing authority thereof or therein (whether pursuant to United States Federal, state, or local law or foreign law) and all interest, penalties, or similar liabilities, excluding taxes on the overall net income of such Bank (such non-excluded taxes are hereinafter collectively

referred to as the "*Taxes*"). If the State shall be required by law to deduct or to withhold any Taxes from or in respect of any amount payable hereunder, (i) the amount so payable shall be increased to the extent necessary so that, after making all required deductions and withholdings (including taxes and amounts payable to a Bank pursuant to this sentence), such Bank receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the State shall make such deductions or withholdings, and (iii) the State shall pay the full amount deducted or withheld to the relevant taxation authority in accordance with applicable law. Whenever any Taxes are payable by the State, as promptly as possible thereafter, the State shall send the Agent an official receipt or other documentation satisfactory to the Agent evidencing payment to such taxation authority. The State will, to the extent permitted by law, indemnify each Bank for the full amount of Taxes (including any Taxes on amounts payable to the Banks under this paragraph) paid by such Bank and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, upon written demand by the requesting Bank.

(g) *Maximum Rate.* The maximum interest rate permitted under this Agreement shall be 16% (the "*Maximum Rate*"); provided that nothing contained in this Agreement shall be deemed to establish or require the payment of a rate of interest in excess of the maximum rate permitted by any applicable law. In the event that any rate of interest required to be paid under this Agreement would exceed the Maximum Rate, such rate shall automatically be reduced to the Maximum Rate permitted by this Section 2.2(g); provided, however, that if at any time the rate of interest required to be paid under this Agreement shall exceed the Maximum Rate, then any subsequent reduction in the rate of interest required to be paid hereunder will not reduce the rate of interest below the Maximum Rate until the total amount of interest accrued equals the amount of interest which would have accrued if the rate of interest required hereunder without giving effect to this Section 2.2(g) had at all times been in effect.

(h) *Promissory Notes.* The Advances made by the Banks shall be evidenced by the Promissory Notes, substantially in the form attached to the Program Resolution. Each Promissory Note shall be payable to the order of the respective Bank and in a principal amount equal to the lesser of (i) such Bank's Individual Commitment and (ii) the aggregate unpaid principal amount of all Advances made by such Bank that are Outstanding. Each Bank is hereby authorized to record the date and amount of each Advance made, and the date and amount of each payment or prepayment of principal thereof, on the schedule annexed to and constituting a part of the Promissory Notes, and any such recordation shall constitute prima facie evidence of the accuracy of the information so recorded. Each Bank is authorized and directed to insert in the Promissory Notes the date or dates of each supplemental resolution that constitutes an authorizing resolution, so as to comply with the requirements of the Act. The Promissory Notes shall (A) be dated the later of the Closing Date or the date of issuance thereof, (B) be stated to mature on the Expiry Date, and (C) provide for the payment of interest in accordance with Section 2.1(e) and section 2.2(a) hereof.

(i) *Fees, Commissions, Etc.* The State agrees to pay fees in an amount and at such times provided in the Letter Agreement. Any amounts due and payable under the Letter Agreement shall be considered due and payable hereunder for all purposes of this Agreement as if set forth herein in full.

SECTION 3. CONDITIONS PRECEDENT.

3.1. Conditions Precedent to Closing Date. The Closing Date shall occur when each of the following conditions precedent have been fulfilled:

(a) *Delivery of Documents.* The Banks shall have received on or before the Closing Date the following, each in form and substance satisfactory to the Banks and their counsel and, unless indicated otherwise, dated the Closing Date:

(i) the initial Promissory Notes payable to the order of the Banks, duly executed by the State, and an original copy of this Agreement, duly executed by the Banks and the State;

(ii) copies of the Related Documents (other than as set forth above in clause (i)), and a specimen copy of the Master Note issued to the Issuing and Paying Agent;

(iii) a certificate of a duly authorized officer of the State, certifying (i) as to the incumbency and signature of each of the officers of the State authorized to sign this Agreement and the Related Documents and (ii) as to an executed Authorizing Resolution authorizing the issuance of bonds or other obligations in accordance with Section 8(o);

(iv) the audited financial statements of the State for the fiscal year ended June 30, 2005;

(v) a favorable opinion of Quarles & Brady LLP or other nationally-recognized bond counsel, as bond counsel for the State, as to such matters as the Banks may reasonably request;

(vi) a certificate of a duly authorized officer of the State, certifying that all conditions set forth in the Program Resolution precedent to the issuance of the Notes shall have been satisfied;

(vii) written confirmation that the Notes have been rated "F1+" by Fitch, "P-1" by Moody's, and "A-1+" by S&P; and

(viii) such other documents, instruments, approvals, or opinions as the Banks may reasonably request.

(b) *Representations; Defaults.* The following statements shall be true and correct on and as of the Closing Date, and the Banks shall have received a certificate signed by the appropriate officer of the State, dated the Closing Date, stating that:

(i) the representations and warranties of the State contained in Section 6 hereof are true and correct in all material respects on and as of the Closing Date as though made on and as of such date; and

(ii) no Default shall have occurred and be continuing or would result from the issuance of the Notes or the making of any Advance.

(c) *Issuance of Notes.* On or before the Closing Date (i) the Program Resolution and all other Related Documents to which the State is a party shall have been duly authorized, adopted or executed and certified and shall be in full force and effect, (ii) all conditions precedent to the issuance of the Notes shall have been satisfied, and (iii) the State shall have duly executed and delivered the Notes to the Issuing and Paying Agent for authentication and delivery to the purchasers thereof in accordance with the Program Resolution.

(d) *Legality; Material Adverse Change.* As of the Closing Date, the Banks shall have determined (in their reasonable discretion) that (i) neither the making of any Advance nor the consummation of any of the transactions contemplated by any of the Related Documents will violate any law, rule, guideline, or regulation (or interpretation or administration thereof) applicable to the State, the Banks or this Agreement and (ii) no material adverse change in the financial condition, business, assets, liabilities, or prospects of the State shall have occurred.

3.2. Conditions Precedent to Each Advance. The obligation of the Banks to make any Advance is subject to the fulfillment of each of the following conditions precedent:

(i) The Banks shall have received (or waived the receipt of, in the sole discretion of the Banks) a written Advance Notice required under, and in strict conformity with, Section 2.1(b) of this Agreement;

(ii) The Termination Date shall not have occurred; and

(iii) No Event of Termination or event of suspension pursuant to Section 10(III) shall have occurred and be continuing under this Agreement.

Unless the State shall have previously advised the Banks in writing that the condition set forth in clause (iii) above shall not have been satisfied, the State shall be deemed to have represented and warranted, on the date of each Advance, that the above condition has been satisfied.

SECTION 4. OBLIGATIONS ABSOLUTE.

The Obligations of the State under this Agreement shall be absolute, unconditional, and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of enforceability of this Agreement, the Notes, or any other Related Documents; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid, or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; (iv) the making of an Advance after the delivery of an Advance Notice that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense, or other rights which the State may have at any time against the Issuing and Paying Agent (or any persons or entities for whom the Issuing and Paying Agent may be acting), any holder of a Note, the Banks, or any other Person, whether in connection with this Agreement, the transactions contemplated herein, or in the Related Documents or any related transaction; or (vi) any other circumstance which might constitute a legal or equitable discharge of any Obligations hereunder (whether or not similar to any of the foregoing), it being agreed that the Obligations hereunder shall not be discharged except by the

performance thereof strictly in accordance with the terms of this Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder. Nothing herein contained shall affect the State's rights under Section 12.4.

SECTION 5. USE OF PROCEEDS.

The State shall use the proceeds of (i) the Notes solely in accordance with the purposes set forth in the Program Resolution and applicable Supplemental Resolutions and (ii) the Advances solely to pay the principal of and interest on the Notes when due.

SECTION 6. REPRESENTATIONS AND WARRANTIES.

The State represents and warrants to the Banks as follows:

(a) *Powers.* The State has the full legal right, power, and authority to (A) execute and deliver this Agreement and the Related Documents, (B) perform all its obligations and liabilities under this Agreement and the Related Documents, (C) receive Advances, (D) raise revenue to pay the principal of and interest on the Notes, all other outstanding bonds and notes of the State and all of its Obligations hereunder (including, without limitation, the obligation to repay all Advances, to pay all interest thereon, and to pay all fees and other amounts payable hereunder), and (E) pledge all of its right, title and interest in the Program Income (to the extent of amounts deposited in the Subordinated Debt Service Fund) and the Pledged Collateral. For purposes of this paragraph, the term "*Debt*" does not mean "public debt" as that term is used in the Constitution and Statutes of the State.

(b) *Compliance with Law and Contracts.* The issuance of the Notes and the Promissory Notes, and the execution and delivery by the State of this Agreement and the Related Documents, and performance by the State therein, in accordance with their respective terms and conditions have been duly authorized by all necessary action on the part of the State, and do not and will not (i) violate the authorizing legislation of the State, as amended, or any court order by which the State is bound, (ii) conflict with, violate, or contravene any provision of existing law or regulation or any order or decree of any court, tribunal, governmental authority, bureau or agency, or (iii) conflict with, violate or cause a default, or with the passage of time or the giving of notice or both would cause a default, under any bond, note, or other evidence of indebtedness or mortgage, indenture, contract, or other agreement to which the State is a party or that is binding upon it or any of its properties; and no consent of any Person (including, without limitation, any approval of the registered voters of the State) and no license, approval, or authorization of, or notice to or registration, filing, or declaration with, any governmental authority, bureau, or agency is required in connection with the execution, delivery, performance, validity, or enforceability of this Agreement or any of the Related Documents or for the State to receive Advances or otherwise incur indebtedness in accordance with this Agreement, or if required, the same has been obtained and is in full force and effect and true and complete copies thereof have been delivered to the Banks.

(c) *Authorization and Validity.* Each of the (i) Agreement and (ii) the Related Documents constitutes a legal, valid, and binding agreement or obligation, as the case may be, of the State, enforceable in accordance with their respective terms except as (i) the enforceability

thereof may be limited by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies which may be limited by equitable principles of general applicability.

(d) *Litigation.* Except as may have been disclosed to the Banks in writing, there are no actions, suits, or proceedings at law or in equity pending or, to the knowledge of the State, threatened in writing against or affecting it or its properties before any court or arbitrator or any governmental or nongovernmental body's agency or official in which an adverse decision could materially and adversely affect the financial position or operations of the State or which in any manner questions the validity of this Agreement or any Related Document or the State's ability to carry out the transactions contemplated hereby and thereby.

(e) *Related Documents.* The representations and warranties of the State in the Related Documents are true and correct in all material respects.

(f) *Accuracy and Completeness of Information.* All data, certificates, reports, financial statements, documents, and other information furnished to the Banks by or on behalf of the State on or prior to the Closing Date in connection with the transactions contemplated hereby were, at the time same were so furnished, complete and correct in all material respects to the extent necessary to give the Banks true and accurate knowledge of the subject matter thereof and did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading.

(g) *Pledged Collateral.* The State has created in favor of the Banks a legal, valid and enforceable pledge of all of the State's rights, title and interest in the Pledged Collateral and the Program Income deposited in the Subordinated Debt Service Fund. The Program Resolution and this Agreement pledge in favor of the Banks all right, title and interest of the State in, and all rights of the State to receive, any of the Pledged Collateral. The General Resolution and this Agreement pledge in favor of the Banks all right, title and interest of the State in, and all rights of the State to receive, any Program Income deposited in the Subordinated Debt Service Fund, subject only to the prior pledge of the Program Income to the owners of the Senior Bonds pursuant to the General Resolution. As provided in Section 18.561 of the Wisconsin Statutes, the foregoing described pledge creates a lien on the Program Income in favor of the Banks, and no physical delivery, recordation or other action is required to perfect the security interest created hereby.

(h) *Legislation.* No legislation has been enacted which in any way materially adversely affects or which prohibits (i) the issuance or delivery of the Notes, (ii) the adoption of the Program Resolution, (iii) the execution and delivery of this Agreement, the Promissory Notes, or any of the Related Documents to which the State is a party, or (iv) the power of the State to carry out its obligations under this Agreement or any of the Related Documents to which the State is a party.

(i) *Accuracy of Financial Reports.* The most recent financial reports of the State at June 30, 2005, copies of which have been furnished to the Banks, fairly present the financial position and results of operations of the State, as of the dates and for the periods set forth therein. Since June 30, 2005, there has been no material adverse change in the financial condition or

operations of the State, except as may have been supplemented by any filings made by the State with each nationally recognized municipal securities information repository as a notice of listed material event or as a notice of material information.

(j) *No Tax or Fee.* None of the execution or delivery of this Agreement, the extension of the line of credit provided herein, or the making of any Advance will give rise to any tax or fee imposed by any local or state agency or governmental body within the State.

(k) *Suits Against the State.* The State is a sovereign government and does not hereunder waive any of its privileges or immunities as a sovereign government. Wisconsin Statutes §18.561(2) and §18.61(3) provide a procedure by which action to enforce the obligations of the State under this Agreement, the General Resolution, the Program Resolution, the Notes and the Promissory Notes may be brought by the Banks (or the Agent on their behalf) against the State.

(l) *Obligation.* The obligations of the State in respect of principal of, and interest on, the Notes and the Promissory Notes (including, without limitation, the obligation to repay all Advances and to pay all interest thereon, hereunder) do not constitute direct and general obligations of the State backed by the full faith and credit of the State. Such principal and interest are payable solely from Program Income deposited in the Subordinated Debt Service Fund held by the Trustee under the General Resolution. The Notes and the Promissory Notes are issued on a basis junior and subordinate to the Senior Bonds as to the pledge of Program Income.

(m) *No Limitation on Interest Rate.* The laws of the State impose no limitation on the rate of interest payable by the State hereunder.

(n) *Program Expenses.* All Obligations under this Agreement, other than with respect to the payment of principal of or interest on any Advance, shall constitute Program Expenses and shall be payable from the Program Expense Fund.

SECTION 7. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; SUCCESSORS AND ASSIGNS.

(a) All statements contained in any certificate, financial statement, or other instrument delivered by or on behalf of the State pursuant to or in connection with this Agreement (including, but not limited to, any such statement made in or in connection with any amendment hereto) shall constitute representations and warranties made under this Agreement. All representations and warranties made under this Agreement shall be made and shall be true at and as of (a) the date of any authentication and delivery of Notes under the Program Resolution, (b) the time of each Advance hereunder, and (c) the Termination Date, except to the extent such representations and warranties relate solely to an earlier date.

(b) Whenever in this Agreement any of the parties hereto is referred to, such reference shall, subject to the last paragraph of this Section 7, be deemed to include the successor and assignees of such party, and all covenants, promises, and agreements by or on behalf of the State which are contained in this Agreement shall inure to the benefit of the successors and assigns of the Banks. The State may not transfer its rights or obligations under this Agreement without the prior written consent of the Banks. No Banks may transfer its rights or obligations

under this Agreement without the prior written consent of the State. This Agreement is made solely for the benefit of the State and the Banks, and no other person or entity (including, without limitation, the Issuing and Paying Agent or holder of any Note) shall have any right, benefit, or interest under or because of the existence of this Agreement.

(c) Notwithstanding the foregoing, each Bank shall be permitted to grant to one or more financial institutions (each a "*Participant*") a participation in all or any part of such Bank's rights and benefits under this Agreement or any Related Document on a participating basis but not as a party to this Agreement (a "*Participation*"), without the consent of the State, provided that each Bank agrees to give the State notice of the granting of any Participation upon the effectiveness thereof, but in no event shall such Bank incur any liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the effectiveness of such Participation or the obligations of the State under this Agreement. In the event of any such granting by a Bank of a Participation to a Participant, whether or not upon notice to the State, such Bank shall remain responsible for the performance of its obligations hereunder, and the State shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement. The State agrees that each Participant shall, to the extent of its Participation, be entitled to the benefits of this Agreement as if such Participant were such Bank; provided that no Participant shall have the right to declare an Event of Default under Section 10 hereof.

SECTION 8. AFFIRMATIVE COVENANTS.

The State covenants and agrees, from the date hereof and until the Termination Date and the payment in full of all Obligations, unless the Banks shall otherwise consent in writing:

(a) *Compliance with Laws, Etc.* The State shall comply with applicable laws, rules, regulations, and orders of any governmental authority (including, without limitation, compliance with environmental laws and state securities and blue sky laws in connection with the offering, sale and delivery of the Notes), except that this Section 8(a) shall not apply to noncompliance that, singly or in the aggregate, would not have a materially adverse effect on (i) the financial condition or operations of the State or (ii) the ability of the State to perform its obligations hereunder, including but not limited to the timely payment of the Notes, the Advances, or the Obligations.

(b) *Pledged Collateral.* The State shall at all times keep the Pledged Collateral and every part thereof free and clear of all pledges and security interests except the pledges granted in the Program Resolution or permitted under the other Related Documents, and shall do everything in its power to maintain (i) the pledge of the Pledged Collateral to the Banks as a valid pledge of all right, title and interest of the State in the Pledged Collateral and all rights of the State to receive any amount of the Pledged Collateral, and (ii) the pledge of the Program Income in the Subordinated Debt Service Fund to the Banks as a valid pledge of all right, title and interest of the State to such Program Income and all rights of the State to receive such Program Income, subject only to the rights of the owners of the Senior Bonds pursuant to the General Resolution.

(c) *Accuracy of Information.* All data, certificates, reports, financial statements, documents, and other information furnished to the Banks, considered collectively, whether pursuant to this Agreement, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement, shall, at the time the same are so furnished, (i) be complete and correct in all material respects to the extent necessary to give the Banks true and accurate knowledge of the subject matter thereof, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading, and the furnishing of same to the Banks shall constitute a representation and warranty by the State to that effect.

(d) *Additional Documents.* The State shall furnish to the Banks from time to time, at the State's expense, all further instruments and documents, duly executed and delivered by the State, and take all further action that may be reasonably necessary, or that the Banks may reasonably request, in order to (i) perfect and protect any security interest or other right or interest assigned, or purported to be assigned, to the Banks under or in connection with this Agreement, the Program Resolution or any other Related Document, or (ii) enable the Banks to exercise or enforce their rights or remedies under or in connection with this Agreement, the Program Resolution or any other Related Document.

(e) *Financial and Other Reports.* The Banks will use, to the fullest extent possible, the State's official disclosure website, which is <http://www.doa.state.wi.us/capitalfinance>, to secure information about the State. Upon the written request of the Banks, the State shall furnish the following reports to the Banks:

(i) The State's continuing disclosure annual report; provided, however, if the annual report does not contain the State's audited general purpose financial statements, the State shall submit them to the Banks within ten (10) business days after the statements are publicly available;

(ii) The State's biennial budget, as enacted; and

(iii) From time to time such additional information regarding the State as the Banks may reasonably request.

(f) *Defaults.* The State will promptly notify the Agent of the occurrence of any Default, specifying the details of such Default and the action that the State proposes to take with respect thereto.

(g) *Books, Records.* The State will permit, during normal business hours and from time to time, upon reasonable prior notice, the Agent or any of its agents or representatives to examine and make copies of and abstracts from the records and books of account of the State, and to discuss the affairs, finances, and accounts of the State with any representative or any other appropriate officer of the State.

(h) *Other Obligations.* The State will comply with and observe all other obligations and requirements set forth in the Program Resolution and each other Related Document to which it is a party (including, without limitation, all provisions therein for the benefit of the Banks) which, together with the related definitions, exhibits and ancillary provisions, are incorporated

herein by reference, *mutatis mutandis*, to the same extent and with the same force and effect as if the same had been herein set forth in their entirety, and without regard or giving effect to any amendment or modification of any such provisions, or any waiver of compliance therewith, unless any such amendment, modification or waiver has been consented to in writing by the Banks. The State will comply with and observe all statutes and regulations binding upon it relating to the Notes, this Agreement or any of the Related Documents, and shall take any and all actions necessary to ensure the timely payment of all of the Obligations hereunder and the principal of and interest on the Notes.

(i) *Litigation.* The State shall promptly notify the Agent of the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (i) the Notes, (ii) the Obligations, (iii) the enforceability or validity of any of the Related Documents, or (iv) to the same extent disclosed to the financial markets generally, the financial condition or operations of the State.

(j) *Issuance of Bonds.* To the extent permitted by law and the Related Documents, the State shall issue long-term bonds or other obligations at such times and in such aggregate principal amounts, or make available funds through a substitute Liquidity Facility or otherwise, so as to (i) ensure continuing compliance with the terms of Section 9(c) hereof, and, (ii) repay all outstanding Obligations due hereunder prior to the Termination Date, and (iii) repay all outstanding Advances on the date the outstanding principal amount of such Advances is due and payable under this Agreement.

(k) *Documents Related to Other Securities.* The Banks will use to the fullest extent possible the State's official disclosure website, which is <http://www.doa.state.wi.us/capitalfinance>, to obtain copies for such Banks of any prospectus, official statement, offering circular, or placement memorandum, and any supplement thereto, that the State makes available in connection with the offering for sale of any Debt of which it is the issuer. Upon the written request of the Agent, the State shall furnish these items to the Banks.

(l) *Obligations under Related Documents.* The State shall take all actions as may be requested by the Banks (or the Agent on their behalf) to enforce the obligations under the Related Documents of each of the other parties thereto.

(m) *Dealer.* The State shall insure that, at all times prior to the Termination Date, the obligations of the Dealer under the terms of the Dealer Agreement are being performed by a Person duly qualified to undertake said obligations and that said Dealer shall otherwise be reasonably acceptable to the Banks.

(n) *Banks' Consent.* The State shall obtain the prior written consent of the Banks to the replacement of the Issuing and Paying Agent, or any other entity that is a party to a Related Document (other than the holders of the Notes), which consent shall not be unreasonably withheld.

(o) *Authorizing Resolutions.* The State shall at all times keep in full force and effect an Authorizing Resolution which authorizes the issuance of bonds or other obligations in an amount equal to or greater than the Commitment; provided, however, that upon any expiration of

an Authorizing Resolution, the State shall have a grace period of 30 days to adopt a new Authorizing Resolution as long as the State is proceeding with due diligence with the adoption of a new Authorizing Resolution.

SECTION 9. NEGATIVE COVENANTS.

The State covenants and agrees, from the date hereof and until the Termination Date and the payment in full of all Obligations, unless the Banks shall otherwise consent in writing:

(a) *Amendments to Related Documents.* The State shall not enter into or consent to any Supplement to any Related Documents or any waiver of the requirements thereof, that (i) does or could reasonably be determined to adversely affect the legality, validity, or enforceability of the Program Resolution or any of the other Related Documents or any of the rights or remedies of the Banks thereunder, and (ii) does or could reasonably be determined have a material adverse effect on the rights, powers, privileges, or obligations of the Banks under any Related Document; provided, however, that the State may, without the Banks' consent (I) authorize additional Notes; and (II) adopt Supplements to the Program Resolution, in accordance with Section 8.2(d), (e), (f), (g), (h) or (i) thereof.

(b) *Voluntary Liens.* The State shall not create or assume any Lien on any part of the Pledged Collateral or the Program Income on deposit in the Subordinated Debt Service Fund now owned or hereafter acquired by it except the Liens created by the Related Documents.

(c) *Total Outstanding.* At no time shall the State permit the aggregate principal amount of outstanding Notes plus the interest that will be due thereon at maturity to exceed the Available Commitment.

(d) *Exempt Status.* The State shall not take any action or omit to take any action within its power that, if taken or omitted, would adversely affect the excludability of interest on the Notes from the gross income of the holders thereof for purposes of Federal income taxation.

(e) *Involuntary Liens.* The State shall not incur or suffer to exist any Lien on or with respect to the Pledged Collateral or the Program Income deposited in the Subordinated Debt Service Fund, other than (i) any Lien created by the Related Documents, or (ii) any such Lien that the State contests in good faith and by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the property or asset subject to such Lien.

(f) *No Additional Bonds or Subordinate Indebtedness.* The State shall not issue additional Bonds or Subordinated Indebtedness within the meaning of the General Resolution except in accordance with the Program Resolution.

SECTION 10. EVENTS OF DEFAULT.

If one or more of the following events (each an "*Event of Default*") shall have occurred and be continuing:

(a) The State shall fail to pay to the Agent on behalf of the Banks, within five (5) Business Days after written demand by the Agent, any amount, other than the amounts referenced in paragraph (k) below, payable under this Agreement or the Promissory Notes; or

(b) Any representation, warranty, certification, or statement made by the State in this Agreement or in any Related Document or in any certificate, financial statement, or other document, delivered pursuant to this Agreement or any Related Document shall (in any such case) have been incorrect or untrue in any materially adverse respect when made or deemed to have been made; or

(c) The State shall default in the due performance or observance of any term, covenant or agreement contained in Section 8 or 9; or

(d) The State shall default in the due performance or observance of any term, covenant or agreement contained in this Agreement (other than those covered by clause (a), (b), (c) or (l) of this Section 10) and such failure shall remain unremedied for a period of thirty (30) days after the Banks shall have given the State written notice of such default; provided that so long as the State shall be proceeding with due diligence to remedy any default in the due performance or observance of such covenants which, if begun and prosecuted with due diligence, cannot be completed within a period of thirty (30) days, then such thirty-day period shall be extended to the extent as shall be necessary to enable the State to begin and complete the remedying of such default through the exercise of due diligence, provided further that in no event shall such period be extended any more than sixty (60) days; or

(e) Any pledge or security interest created by the Program Resolution or this Agreement to secure any amount due under this Agreement shall fail to be fully enforceable with the priority required under this Agreement and the Program Resolution and such failure shall have a material adverse effect on the payment of the Obligations; or

(f) The State shall default in the due performance or observance of any term, covenant, or agreement contained in any of the Related Documents, and the same shall not have been cured within any applicable cure period; or

(g) The State shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Debt, other than Bonded Debt of the State, in a principal amount in excess of \$25,000,000 or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract, or instrument providing for the creation of or concerning such Debt; or any other default under any indenture, contract, or instrument providing for the creation of or concerning Debt in a principal amount in excess of \$25,000,000, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such indenture, contract, or instrument, if the effect of such default or event is to accelerate or to permit the acceleration of, the maturity of such Debt; or pursuant to the provisions of any such indenture, contract, or instrument the maturity of any Debt of the State in a principal amount in excess of \$25,000,000 shall have been or may be accelerated or shall have been or may be required to be prepaid prior to the stated maturity thereof; or

(h) A final and non-appealable judgment or court order for the payment of money exceeding any applicable insurance coverage by more than \$50,000,000 shall be rendered against the State, and such judgment or court order shall continue unsatisfied and in effect for a period of one hundred and eighty (180) consecutive days after the final date for payment of such amount without being vacated, discharged, satisfied, or stayed; or

(i) Pursuant to the provisions of any indenture, contract or instrument providing for the creation of or concerning any Bonded Debt of the State secured by any motor vehicle registration fee and additional vehicle registration-related fee revenues of the State, such Bonded Debt may be declared (but has not necessarily become) due and payable prior to the stated maturity thereof by reason of the occurrence and continuation of a default under such indenture, contract or instrument other than a payment default of any nature thereunder; or

(j) The State shall become insolvent or admit in writing its inability to pay its debts as they mature or shall declare a moratorium on the payment of its debts or apply for, consent to or acquiesce in the appointment of a trustee, custodian, liquidator, or receiver for itself or any part of its property, or shall take any action to authorize or effect any of the foregoing; or in the absence of any such application, consent, or acquiescence, a trustee, custodian, liquidator or receiver shall be appointed for its or for a substantial part of its property or revenues and shall not be discharged within a period of sixty (60) days; or the Wisconsin Legislature imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of or interest on any Debt by the State; or all, or any substantial part, of the property of the State shall be condemned, seized, or otherwise appropriated, or any bankruptcy, reorganization, debt arrangement, or other proceeding under any bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the State (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and if instituted against it, shall be consented to or acquiesced in by it, or shall not be dismissed within a period of sixty (60) days; or

(k) The State shall fail to pay any amount of principal of or interest on any Advance when the same shall become due and payable pursuant to this Agreement or the Promissory Notes, or the State shall fail to pay any principal of or interest on any Note when the same shall become due and payable for any reason other than the willful failure of any Bank to perform its obligations hereunder; or

(l) (i) This Agreement or the Program Resolution (or, in each case, any material provision thereof relating to payment of principal or interest on the Notes or the security thereof) at any time after its execution and delivery, or the Promissory Notes or any Note shall, for any reason, cease to be valid and binding on the State or in full force and effect or shall be declared to be null and void, in each case, pursuant to a final administrative determination or judicial decision from which there shall not exist any further right of appeal or against which a timely appeal shall not have been filed by the State; or (ii) the validity or enforceability of this Agreement, the Promissory Notes, the Program Resolution, or any Note (or, in each case, any material provision thereof relating to payment of principal or interest on the Notes or the security thereof) shall be contested (A) by the State or (B) by any governmental agency or authority having jurisdiction over the State, unless with respect to clause (B) above, the same is being contested by the State in good faith and by appropriate proceedings; or (iii) the State shall deny

that it has any or further liability or obligation under this Agreement, the Promissory Notes, the Program Resolution, or any Note (or, in each case, any material provision thereof relating to payment of principal or interest on the Notes or the security thereof); or

(m) The State shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) any Bonded Debt of the State, or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Bonded Debt, or pursuant to the provisions of any such indenture, contract or instrument, the maturity of any Bonded Debt of the State shall have been or, as a result of a payment default of any nature, may be accelerated or required to be prepaid prior to the stated maturity thereof; or

(n) Each Rating Agency then rating the Notes shall have downgraded any Bonded Debt of the State to below Investment Grade or withdrawn or suspended its rating on any Bonded Debt of the State due to credit considerations;

THEN,

(I) if such event is an Event of Default specified in paragraph (j) through (n) above (referred to herein as "*Events of Termination*"), (A) automatically the Commitment shall immediately terminate, (B) the Advances, all interest thereon and all other Obligations hereunder and under the Promissory Notes shall immediately become due and payable, (C) the Agent may pursue any other rights or remedies under this Agreement, applicable law or otherwise, and (D) the Agent shall immediately provide written notice of such Event of Termination to the State and the Issuing and Paying Agent but such notice shall not be a condition precedent to the termination of the Banks' obligations under this Agreement; and

(II) if such event is an Event of Default described in paragraphs (a) through (i) above, the Agent, on behalf of the Banks, may (A) by notice (which notice shall be effected in accordance with Section 12.7 hereof so as to achieve receipt of said notice by the State on the same day it is given by the Agent) to the State and the Issuing and Paying Agent, demand that the State and the Issuing and Paying Agent not issue, renew, roll over, or otherwise extend the maturity of any Outstanding Note from and after the date of such notice and declare the Commitment to be terminated automatically at 5:00 P.M. (New York time) on the date set forth in such notice (which date shall be the latest maturity date of any Note Outstanding as of the date of such notice) at which time the Commitment shall automatically terminate, (B) by notice to the State, declare the Advances, all interest thereon and all other Obligations under this Agreement and under any Promissory Notes to be due and payable forthwith, whereupon the same shall immediately become due and payable, and (C) pursue any other rights or remedies under this Agreement, applicable law or otherwise; provided, however, notwithstanding paragraph (I) above, the failure of the State to pay any amount of principal of and interest on any Advance or Note due solely as a result of the acceleration thereof pursuant to such paragraph shall not be considered an Event of Termination for purposes of this Section 10; and provided, further that, notwithstanding any provision of this Section 10 to the

contrary, no failure by the State to pay or meet an obligation that is by its terms subject to the annual or biennial appropriation of funds by the Wisconsin Legislature for the purpose shall be deemed or give rise to a breach of covenant, Default or Event of Default under this Agreement whether or not the instruments relating to such obligation do or do not deem such failure a breach, default, or event of default thereunder. Except as expressly provided above in this Section 10, presentment, demand, protest and all other notices of any kind are hereby expressly waived. A notice delivered by the Agent to the State and the Issuing and Paying Agent pursuant to Section 10(I) or 10(II) hereof shall be referred to herein as a "No Issuance Notice"; and

(III) if such event is a Default described in paragraph (j), the obligation of the Banks to advance funds for the purchase of Notes hereunder shall be immediately and automatically suspended, without notice, and the Banks shall be under no further obligation hereunder to purchase Notes, until the bankruptcy, insolvency or similar proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, then the obligations of the Banks hereunder shall be automatically reinstated and the terms of this Agreement shall continue in full force and effect (unless the obligation of the Banks to purchase Notes hereunder shall otherwise have terminated as provided in this Section 10) as if there had been no such suspension. If at any time prior to the earlier of (A) the Expiry Date and (B) the date that is three (3) years following the suspension of the obligation of the Banks to purchase Notes, (i) the Default which gave rise to such suspension is cured or ceased to be continuing and (ii) the obligation of the Banks to purchase Notes under this Agreement has not otherwise terminated, then, upon written notice from the State to the Banks to such effect, the obligation of the Banks to purchase Notes under this Agreement shall be automatically reinstated. If the Default which gave rise to the suspension of the obligations of the Banks to advance funds for the purchase of Notes under this Agreement has not been cured or has not ceased to be continuing prior to the three (3) year anniversary of such occurrence and the obligation of the Banks to purchase Notes under this Agreement has not otherwise terminated, then the obligations of the Banks to advance funds for the purchase of Notes shall be terminated upon written notice from the Agent (on behalf of the Banks) to the State and the Issuing and Paying Agent and thereafter the Banks shall have no further obligations to purchase any Notes; provided that neither the Agent nor the Banks shall incur any liability or responsibility whatsoever by reason of their respective failures, if any, to give such notice and such failure shall in no way affect the termination of the Commitment and of the obligations of the Banks to purchase Notes under this Agreement; and

(IV) upon the occurrence of a Default under Section 10(l)(ii)(B) hereof, the obligations of the Banks to make Advances hereunder shall be suspended from the time of the occurrence of such Default until a final, non-appealable administrative determination or judicial decision, from which there shall not exist any further right of appeal or against which a timely appeal shall not have been filed by the State, having declared that all contested provisions of this Agreement, the Program Resolution, the Promissory Notes or any Note, as applicable, are upheld in their entirety. In the event such judgment is entered declaring that all contested provisions of this Agreement, the Program Resolution, the Promissory Note or any Note, as applicable, are upheld in their

entirety, the obligations of the Banks to make Advances hereunder shall be automatically reinstated and the terms of this Agreement will continue in full force and effect (unless this Agreement shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred an Event of Termination) as if there had been no suspension. Notwithstanding the foregoing, if, upon the earlier of the Termination Date or the date which is three (3) years after the effective date of such suspension of the obligations of the Banks pursuant to this Section 10(IV), litigation is still pending and a judgment regarding the validity and enforceability of this Agreement, the Program Resolution, the Promissory Note or any Note, as applicable, as is the subject of such Default has not been obtained, then the Commitment and the obligation of the Banks to make Advances hereunder shall at such time terminate without notice or demand; and

(V) the remedies provided in Section 10(I), (II), (III) and (IV) hereof shall only be exclusive with respect to such Events of Default to the extent they are obtained by the Banks (or the Agent on behalf of the Banks). If, for any reason whatsoever the Banks are not able to obtain all such remedies, then the Banks hereby reserve the right and shall have the right to pursue any other available remedies, whether provided by law, equity or this Agreement.

SECTION 11. THE AGENT.

11.1. Appointment, Powers and Immunities. Each Bank hereby irrevocably appoints and authorizes the Agent to act as its agent hereunder and under the Related Documents, with such powers as are specifically delegated to the Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto including (without limitation) the power to enter into such agreements, documents and instruments as are incidental thereto or authorized by the Required Banks in accordance with this Agreement. The Agent hereby accepts such appointment and authorization on the terms and conditions of this Agreement. The Banks expressly agree that, as between the Banks and the Agent, the Agent: (a) shall not have any duties or responsibilities except those expressly set forth herein, and shall not by reason of this Agreement be a trustee or fiduciary for any Bank; (b) shall not be responsible to the Banks for any recitals, statements, representations or warranties contained herein or in any Related Document, or in any certificate or other documents referred to or provided for in, or received by any of them under, this Agreement or any Related Document, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or of any Related Document, or any other document referred to or provided for herein or for any failure by the State or any other Person to perform any of its obligations hereunder or thereunder; (c) shall not be required to initiate or conduct any litigation or collection proceedings under this Agreement or any Related Document; (d) shall not be acting as a fiduciary on behalf of the Banks, and (e) shall not be responsible for any action taken or omitted to be taken by it under this Agreement or under any other document or instrument referred to or provided for herein or in connection herewith, except for its own gross negligence or willful misconduct. The Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith. The Agent may deem and treat the payee of any obligations hereunder as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof shall have been filed with the Agent.

11.2. Reliance by Agent. The Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by telephone or teletype) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Agent. As to any matters not expressly provided for by this Agreement, the Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by the appropriate percentage of the Banks as provided herein, and such instructions of such Banks and any action taken or failure to act pursuant thereto shall be binding on all of the Banks.

11.3. Defaults. The Agent shall not be deemed to have knowledge or notice of the occurrence of a Default or an Event of Default unless the Agent has received written notice from a Bank or the Issuing and Paying Agent specifying such Default or Event of Default. In the event that the Agent receives such written notice of a Default or an Event of Default, the Agent shall give prompt notice thereof to the Banks. The obligations of the Agent under this Agreement are only those expressly set forth herein. Without limiting the generality of the foregoing, the Agent shall not be required to take any action under this Agreement with respect to any Default or Event of Default, except as expressly provided in Article X at the direction of the Banks. In no event, however, shall the Agent be required to take any action in violation of applicable law or of any provision hereof or of any Related Document, and the Agent shall in all cases be fully justified in failing or refusing to act hereunder or under any Related Document unless it shall be first indemnified to its reasonable satisfaction by the Banks against any and all costs, expense and liability that may be incurred by it by reason of taking or continuing to take any such action. In all cases in which this Agreement does not require the Agent to take certain actions, the Agent shall be fully justified in using its discretion and failing to take or in taking any action hereunder and thereunder.

11.4. Rights as a Bank. The Agent shall have the same rights and powers under this Agreement and the Related Documents as any other Bank and may exercise or refrain from exercising the same as though it were not the Agent, and the terms "Bank" and "Banks" as used herein and in the Related Documents shall, unless the context otherwise indicates, include the Agent in its individual capacity as a Bank. References herein to the Percentage of payments required of State Street, or to the amount owing to State Street for which an interest rate is being determined, refer to State Street in its individual capacity as a Bank. The Agent and its respective affiliates may (without having to account therefor to any Bank) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the State (and any of its affiliates) as if it were not acting as the Agent, and the Agent and its affiliates may accept fees and other consideration from the State for services other than in connection with this Agreement without having to account for the same to the Banks.

11.5. Indemnification. The Banks severally agree, in accordance with their respective Percentages, ratably to indemnify and hold the Agent and its directors, officers, employees, agents and representatives harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby, except to the extent promptly reimbursed for

the same by the State, provided that no Bank shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the Agent. The obligations of the Banks under this Section shall survive the termination of this Agreement.

11.6. Non-Reliance on Agent and other Banks. Each Bank agrees that it has, independently and without reliance on the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the State, and its decision to enter into this Agreement and that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement. The Agent shall not be required to keep itself informed as to the performance or observance by the State of any Related Document or any other document referred to or provided for herein or to inspect the properties or books of the State. The Agent shall provide to each Bank a copy of each notice or communication that may be provided to the Agent under this Agreement. Except for notices, reports and other documents and information expressly required to be furnished to the Banks by the Agent hereunder, the Agent shall not have any duty or responsibility to provide any Bank with any credit or other information concerning the affairs, financial condition or business of the State that may come into the possession of the Agent or any of its affiliates.

11.7. Failure to Act. Except for action expressly required of the Agent hereunder, the Agent shall in all cases be fully justified in failing or refusing to act hereunder or under any Related Document unless it shall receive further assurances to its satisfaction from the Banks of their indemnification obligations under Section 11.5 against any and all liability and expense that may be incurred by it in its capacity as Agent hereunder by reason of taking or continuing to take any such action.

11.8. Resignation or Removal of Agent. Subject to the appointment and acceptance of a successor Agent as provided below, the Agent may resign at any time by giving 30 days' notice thereof to the Banks, the State, and the Issuing and Paying Agent, and the Agent may be removed at any time with or without cause by the Required Banks. Upon any such resignation or removal of the Agent, the Required Banks shall have the right to appoint a successor to the resigning or removed Agent, which shall be (i) any Bank hereunder or (ii) with the consent of the State, any commercial bank that has an office in New York, New York and has a combined capital and surplus of at least \$50,000,000. If no successor Agent shall have been so appointed by the Required Banks, and shall have accepted such appointment, within thirty (30) days after the retiring Agent's giving of notice of resignation, then the retiring Agent may, on behalf of the Banks, appoint a successor Agent that shall be any Bank hereunder or any commercial bank satisfying the foregoing conditions. Upon the acceptance of its appointment as the Agent hereunder, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning or removed Agent, and such Agent shall be discharged from its duties and obligations hereunder. After the Agent's resignation or removal hereunder, the provisions of this Article XI shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Agent.

11.9. Co-Agent. The Bank identified on the cover page or signature pages of this Agreement as the "Co-Agent" shall not have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Banks as such.

SECTION 12. MISCELLANEOUS.

12.1. Amendments and Waivers. No amendment or waiver of any provision of this Agreement or any Related Document nor consent to any departure by the State therefrom shall in any event be effective unless the same shall be in writing and signed by the Banks and, with respect to any amendment, the State; provided, however, that no amendment, waiver, or consent shall, (a) unless in writing and signed by the Banks, (i) increase the Commitment or subject the Banks to any additional obligations, (ii) reduce the principal of, or interest on, any Advance or any fees payable hereunder with respect to the Commitment, (iii) postpone any date fixed for any payment of principal of, or interest on, any Advance or any fees payable hereunder with respect to the Commitment, or (iv) amend this Section 12.1, or (b) unless in writing and signed by the Banks, affect the rights or duties of the Banks under this Agreement or under the other Related Documents. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

12.2. Indemnification.

(a) The State hereby, to the extent permitted by law, indemnifies and holds harmless the Banks from and against, and will on demand reimburse the Banks for, any and all claims, damages, losses, liabilities (whether asserted by cross-claim, claim for contribution, in tort, in contract, or otherwise), costs, or expenses whatsoever (including reasonable attorneys' fees) that the Banks may incur (or that may be claimed against the Banks by any Person whatsoever, but not including the State):

(i) by reason of any untrue statement of any material fact contained in the Offering Memorandum, or the omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they are or were made, not misleading; provided that the State shall not be required to indemnify a Bank under this clause (i) for any claims, damages, losses, liabilities, costs, or expenses incurred by reason of any untrue statement included in the Offering Memorandum relating to such Bank that was furnished by such Bank expressly for inclusion therein ("*Bank Information*") if and to the extent it is finally determined by a court of competent jurisdiction that such Bank Information contained an untrue statement; and provided further, that if any such action or proceeding shall be settled by such Bank without there being a final determination by a court of competent jurisdiction that such Bank Information contained an untrue statement, then the State shall be required to indemnify such Bank pursuant to this Section 12.2 only if such action or proceeding is settled with the State's consent, which consent shall not be unreasonably withheld; or

(ii) by reason of or in connection with the making of, or the failure to make an Advance (including, without limitation, any losses arising from the failure of any party to any of the Related Documents to perform its obligations hereunder or thereunder), provided that the State shall not be required to indemnify a Bank for any claims,

damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (A) the willful misconduct or gross negligence of such Bank or (B) the wrongful failure of such Bank to make an Advance required to be made by such Bank hereunder after strict compliance with the conditions precedent to such Advance, unless the making of such Advance was not otherwise permitted by law; or

(iii) by reason of or in connection with the execution, delivery, or performance of this Agreement, the Promissory Notes, the Notes, the Program Resolution or any other Related Document, or any transaction contemplated by this Agreement, the Promissory Notes, the Notes, the Program Resolution, or any other Related Document.

In furtherance and not in limitation of the foregoing, the Banks may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice of information to the contrary unless the Issuing and Paying Agent and the State have notified the Agent in writing in advance that specifically identified documents to be presented to the Agent do not comply with this Agreement. Nothing in this Section 12.2 shall limit the State's obligations contained in Section 2 hereof.

(b) Promptly following receipt by a Bank under paragraph (a) of this Section of notice of the commencement of any action, such Bank, if a claim is made against the State under paragraph (a) of this Section, shall notify the State in writing through the Agent of the commencement of such action, but the omission to do so by such Bank shall not relieve the State from any liability which it may have to a Bank under such paragraph (a). Counsel for the Bank shall be selected by the Bank, with the consent of the State (which consent shall not be unreasonably withheld).

12.3. Continuing Obligations. The obligations of the State under this Agreement shall continue until the later of the Termination Date and the date upon which all amounts owing to the Banks hereunder shall have been paid in full, provided that the obligations of the State pursuant to Sections 2.2(h), 2.2(i), 12.2, and 12.6 hereof shall survive the termination of this Agreement. This Agreement shall be binding upon the State and its assigns and shall inure to the benefit of and be enforceable by the Banks and their successors, transferees, and assigns, provided that no party may assign all or any part of this Agreement without the prior written consent of the other parties.

12.4. Limitation on Liability. As between the State and the Banks, the State assumes all risks of any act or omission of the Issuing and Paying Agent. Neither the Banks nor any of their officers or directors shall be liable or responsible to any Person for: (a) the use that may be made of the proceeds of any Advance or of any Note, or for any acts, omissions, errors, interpretations, delays in transmission, dispatch, or delivery of any message or advice, however transmitted, of the Issuing and Paying Agent in connection with this Agreement, the Program Resolution, or any of the Related Documents; (b) the validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Banks against presentment of documents that do not comply with the terms of this Agreement, including failure of any documents to bear any reference or adequate reference to this Agreement; or (d) any other circumstances whatsoever in making or failing to make payment hereunder, except only that the

State shall have a claim against a Bank, and such Bank shall be liable to the State, to the extent, but only to the extent of any direct, as opposed to consequential, damages suffered by the State that the State proves were caused by (i) such Bank's gross negligence or willful misconduct in determining whether documents presented under this Agreement strictly comply with the terms hereof or (ii) such Bank's wrongful failure to make an Advance required to be made by such Bank hereunder after strict compliance with all conditions precedent to such Advance, unless such Advance was not otherwise permitted by law. In furtherance and not in limitation of the foregoing, the Agent may accept documents on behalf of the Banks that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary unless the Issuing and Paying Agent and the State have notified the Agent in writing in advance that specifically identified documents to be presented to the Agent do not comply with the Advance Notice.

12.5. Annual Reports of the Banks. Each Bank agrees to deliver to the State, from time to time upon the request of the State, (i) such Bank's most recent annual report prepared for its shareholders, and (ii) no less frequently than once per year, the disclosure information relating to such Bank used by such Bank at the time in connection with financings similar to the Notes for inclusion in offering documents which the State may publish.

12.6. Costs, Expenses and Taxes; Payment Instructions.

(a) The State shall pay, on or after the Closing Date, in immediately available funds, in connection with the preparation, execution, and delivery of this Agreement, the Promissory Notes and any other documents or instruments that may be delivered in connection therewith, (i) the reasonable costs and expenses of each Bank and (ii) the reasonable costs and expenses of the Agent's counsel not to exceed in any event \$22,500 (plus disbursements) and of CalSTRS' counsel not to exceed in any event \$5,000. In addition, the State shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement, the Promissory Notes, and any other documents or instruments that may be delivered in connection herewith and agrees to save the Banks harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omitting to pay such taxes and fees, provided that the Banks agree promptly to notify the State through the Agent of any such taxes and fees that are incurred by the Banks. In addition, any and all reasonable fees and expenses incurred by the Banks subsequent to the Closing Date in connection with the performance and enforcement of the obligations of the State under this Agreement, the Promissory Notes, the documents or instruments that have been delivered in connection therewith and any amendments thereto or waivers thereof and the rights of the Banks with respect thereto (including the fees of counsel to the Banks and the Agent, plus any reasonable out-of-pocket disbursements of each such counsel related thereto) shall be submitted to the State for payment and shall become an Obligation hereunder; provided, however, that the Banks have notified the State, or have caused the State to be notified, through the Agent of any such fees and expenses. All amounts due to the Banks pursuant to this Section shall be deemed Obligations hereunder and shall accrue interest from the 30th day after the date such amounts are due until paid at the Default Rate.

(b) Unless otherwise provided in writing to the State and the Issuing and Paying Agent by the Banks, the payment instructions on behalf of each Bank are as follows:

State Street: State Street Bank and Trust Company
ABA Number: 011-000-028
Account Number: 4867-932-8
Account Name: Municipal Finance Fee Receivable
Acct. Reference: State of Wisconsin/Transportation Revenue
Commercial Paper Notes

CalSTRS: California State Teachers' Retirement System
c/o The Bank of New York
ABA Account No. 021-000-018
For credit to GLA Account No. 113-115
Attention: Manager, Standby Letter of Credit Department
Reference: State of Wisconsin/Transportation Revenue
Commercial Paper Notes

12.7. Notices. All notices, requests, and other communications to any party hereunder shall be in writing (including bank wire or similar writing) or by telephone or telecopy (promptly confirmed in writing) and shall be given to such party, addressed to it, at its address or telephone number set forth below or such other address or telephone number as such party may hereafter specify for the purpose by notice to each other party. Each such notice, request, or communication shall be effective (i) if given by mail, ten (10) days after such communication is deposited in the mails with first-class postage prepaid, addressed as aforesaid; (ii) if given by telephone or telecopy, when given by telephone or telecopy to the party at its telephone number (if any) specified below or (iii) if given by any other means, when delivered at the address specified below:

State of Wisconsin: State of Wisconsin
Department of Administration
101 East Wilson Street-10th Floor
Madison, WI 53707-7864
Attention: Capital Finance Director
Telephone: (608) 266-2305
Facsimile: (608) 266-7645
Email: DOAcapitalfinanceoffice@wisconsin.gov

State Street or the Agent:

(regarding credit matters): State Street Global Markets, LLC
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Darren De Gennaro, Vice President
Telephone: (617) 664-4237
Facsimile: (617) 310-5782
Email: dadegennaro@statestreet.com

(regarding operational matters)

State Street Global Markets, LLC
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Jenna Giannelli
Telephone: (617) 664-4190
Facsimile: (617) 310-5757
Email: jgiannelli@statestreet.com

CalSTRS:

California State Teachers' Retirement System
c/o The Bank of New York
Attn: Manager, Standby Letter of Credit Department, Floor
8 East
101 Barclay Street
New York, NY 10286
Telephone: (212) 815-3476 / -4349
Facsimile: (212) 298-1482 / -1483

With a copy to:

California State Teachers' Retirement System
7667 Folsom Boulevard, Suite 250
Sacramento, CA 95826
Attention: Jean Kushida Uda, Investment Officer
Telephone: (916) 229-3854
Facsimile: (916) 229-3790
Email: jkushida@calstrs.com

California State Teachers' Retirement System
One Wall Street, 19th Floor
New York, NY 10286
Attention: Patrick M. Boyer, Assistant Vice President
Telephone: (212) 635-7073
Facsimile: (212) 635-7924
Email: pboyer@calstrs.com

12.8. No Waiver; Remedies. No failure on the part of the Banks to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, or shall any single or partial exercise of any right hereunder preclude any other further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

12.9. Severability. Any provision of this Agreement that is prohibited, unenforceable, or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability, or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability, or legality of such provision in any other jurisdiction.

12.10. Governing Law; Waiver of Jury Trial.

(a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; PROVIDED THAT THE DUE AUTHORIZATION, EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE STATE, AND THE DUTIES AND OBLIGATIONS OF THE STATE UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) TO THE FULLEST EXTENT PERMITTED BY LAW, THE STATE AND THE BANKS WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY OTHER DOCUMENT DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY BANK-RELATED PERSON, PARTICIPANT OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. THE STATE AND THE BANKS AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY OTHER DOCUMENT DELIVERED IN CONNECTION HERewith OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT AND ANY OTHER DOCUMENTS DELIVERED IN CONNECTION THEREWITH. TO THE FULL EXTENT PERMITTED BY LAW, EACH OF THE STATE AND THE BANKS HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE RELATED DOCUMENTS.

12.11. Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof duly executed by the other party hereto.

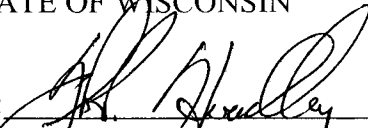
12.12. Prior Agreements Suspended. This Agreement supersedes all prior undertakings and agreements, both written and oral, among the State and the Banks relating to the line of credit provided hereunder, including those contained in any commitment letter or term sheet between the State or the Banks.

12.13. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

[signature page immediately follows]

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed and delivered by their duly authorized representatives as of the date first above written.

STATE OF WISCONSIN

By: 
Name: Frank R. Hoadley
Title: Capital Finance Director and an
Authorized Officer of the State of
Wisconsin Building Commission

STATE STREET BANK AND TRUST
COMPANY, as a Bank and as Agent

By: _____
Name: Timothy L. Butler
Title: Senior Vice President

CALIFORNIA STATE TEACHERS'
RETIREMENT SYSTEM, as a Bank and as
Co-Agent


By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed and delivered by their duly authorized representatives as of the date first above written.

STATE OF WISCONSIN

By: _____
Name: Frank R. Hoadley
Title: Capital Finance Director and an
Authorized Officer of the State of
Wisconsin Building Commission

STATE STREET BANK AND TRUST
COMPANY, as a Bank and as Agent

By:  _____
Name: Timothy L. Butler
Title: Senior Vice President

CALIFORNIA STATE TEACHERS'
RETIREMENT SYSTEM, as a Bank and as
Co-Agent

By: _____
Name:
Title:

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STATE OF WISCONSIN

By: _____
Name: Frank R. Hoadley
Title: Capital Finance Director and an
Authorized Officer of the State of
Wisconsin Building Commission

STATE STREET BANK AND TRUST
COMPANY, as a Bank and as Agent

By _____
Name: Timothy L. Butler
Title: Senior Vice President

CALIFORNIA STATE TEACHERS'
RETIREMENT SYSTEM, as a Bank and as
Co-Agent

By: 
Name: Christopher J. Ailman
Title: Chief Investment Officer

SCHEDULE I

BANKS' PERCENTAGES AND AMOUNTS OF AVAILABLE COMMITMENT

| <u>Bank</u> | <u>Percentage</u> | <u>Commitment Amount</u> |
|--|-------------------|--------------------------|
| State Street Bank and Trust Company | 67% | \$77,720,000 |
| California State Teachers' Retirement System | 33% | \$38,280,000 |

[Date]

REQUEST FOR ADVANCE NOTICE

State Street Bank and Trust Company, as Agent
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Darren De Gennaro

California State Teachers' Retirement System, as Co-Agent
c/o The Bank of New York
101 Barclay Street
New York, NY 10286
Attn: Manager, Standby Letter of Credit Department, Floor 8 East

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Reference is made to the Credit Agreement dated as of April 1, 2006 (the "Agreement") among the State of Wisconsin, California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank ("State Street" and, together with CalSTRS, the "Banks") and as agent for the Banks. Capitalized terms used herein shall have the meanings given to them in or by reference to the Agreement.

Pursuant to Section 2.1 of the Agreement, we hereby request an Advance for the purpose of paying all or a portion of the principal of and interest on Notes maturing on _____. The aggregate amount of the Advance requested from the Banks is _____ Dollars (\$_____) and the amount of the Advance requested from each is __%, or _____][_____ Dollars] with respect to State Street, and ____%, or _____][_____ Dollars] with respect to CalSTRS.

The aggregate principal amount of all Promissory Notes currently held by the Banks is \$_____. The amount of the Advance requested hereby plus the aggregate principal amount of all previous Advances currently outstanding does not exceed such aggregate principal amount of all Promissory Notes currently held by the Banks.

In accordance with the provisions of the Agreement, the Advance should be provided in immediately available funds by fed funds wire to:

[insert wire instructions]

No Event of Termination or event of suspension pursuant to Section 10(III) or Section 10(IV) of the Agreement has occurred or is continuing.

Very truly yours,

STATE OF WISCONSIN

By: _____
[Issuing and Paying Agent]

[Date]

NOTICE OF REDUCTION OF COMMITMENT

State Street Bank and Trust Company, as Agent
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Darren De Gennaro

California State Teachers' Retirement System, as Co-Agent
c/o The Bank of New York
101 Barclay Street
New York, NY 10286
Attn: Manager, Standby Letter of Credit Department, Floor 8 East

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Pursuant to the terms of Section 2.1(d)(i) of the Credit Agreement dated as of April 1, 2006 (the "Agreement"), among the State of Wisconsin (the "State") California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank ("State Street" and, together with CalSTRS, the "Banks") and as agent for the Banks (all capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Credit Agreement), you are hereby notified that the State has determined to reduce the aggregate amount of the Commitment to \$ _____, effective as of _____.

The State hereby certifies to the Banks that the aggregate principal amount of Notes presently authorized to be Outstanding under the Program Resolution does not exceed the amount of the Commitment after giving effect to the reduction specified herein.

Very truly yours,

STATE OF WISCONSIN

By: _____
Authorized Representative of State

[Date]

NOTICE OF TERMINATION OF COMMITMENT

State Street Bank and Trust Company, as Agent
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Darren De Gennaro

California State Teachers' Retirement System, as Co-Agent
c/o The Bank of New York
101 Barclay Street
New York, NY 10286
Attn: Manager, Standby Letter of Credit Department, Floor 8 East

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Pursuant to the terms of Section 2.1(g)(ii) of the Credit Agreement dated as of April 1, 2006 (the "Agreement") among the State of Wisconsin (the "State"), California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank ("State Street" and, together with CalSTRS, the "Banks") and as agent for the Banks (all capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Credit Agreement), you are hereby notified that the State has determined to terminate the Commitment, effective as of _____, ____.

The State hereby certifies to the Banks that (include one of the following) [the termination of the Commitment is the result of the delivery to the Issuing and Paying Agent of a substitute Liquidity Facility pursuant to the terms of Section 3.4(d) of the Program Resolution][there are no Notes Outstanding or authorized to be Outstanding under the Program Resolution][the conditions of Section 6.1 of the Program Resolution have been met].

Very truly yours,

STATE OF WISCONSIN

By: _____
Authorized Representative of State

[Date]

REQUEST FOR EXTENSION

State Street Bank and Trust Company, as Agent
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Darren De Gennaro

California State Teachers' Retirement System, as Co-Agent
c/o The Bank of New York
101 Barclay Street
New York, NY 10286
Attn: Manager, Standby Letter of Credit Department, Floor 8 East

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement, dated as of April 1, 2006 (the "Agreement"), among the State of Wisconsin (the "State"), California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank ("State Street" and, together with CalSTRS, the "Banks") and as agent for the Banks (the "Agent"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement. The State hereby requests, pursuant to Section 2.1[(h)][(i)] of the Agreement, that the [Commitment Expiry Date] [Expiry Date] for the Agreement be extended by [IDENTIFY APPROPRIATE PERIOD]. Pursuant to Section 2.1[(h)][(i)] of the Agreement, we have enclosed along with this request the following information:

1. The outstanding principal amount of the Notes;
2. The nature of any and all Defaults and Events of Default; and
3. Any other pertinent information previously requested by a Bank.

The Agent, on behalf of the Banks, is requested to notify the State of its decision with respect to this request for extension within 60 days of the date of receipt hereof. If the Agent, on behalf of the Banks, fails to notify the State of its decision within such 60-day period, the Banks shall be deemed to have rejected such request.

Very truly yours,

STATE OF WISCONSIN

By: _____
Authorized Representative of State

[Date]

NOTICE OF EXTENSION

State of Wisconsin
Department of Administration
101 East Wilson Street-10th Floor
Madison, WI 53707-7864

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Ladies and Gentlemen:

The undersigned, duly authorized officers of State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank (as hereinafter defined) ("State Street" and, together with the herein defined CalSTRS, the "Banks") and as agent for the Banks (the "Agent"), and California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank and as co-agent for the Banks, hereby advise you, with reference to the Credit Agreement dated as of April 1, 2006 (the "Agreement") among the State of Wisconsin (the "State"), the Agent and the Banks (any capitalized term used herein and not defined shall have its respective meaning as set forth in the Agreement), that [Complete as Appropriate]:

1. At the request and for the account of the State, we hereby extend the date referenced in the definition of ["Commitment Expiry Date"] ["Expiry Date"] in the Agreement (as such date may have been extended previously from time to time) to _____.

2. Except as specifically provided in paragraph (1) above, all of the terms and conditions of the Agreement remain unchanged and in full force and effect.

3. This Notice of Extension is an integral part of the Agreement.]

[The ["Commitment Expiry Date"] ["Expiry Date"] will not be extended at this time.]

IN WITNESS WHEREOF, the undersigned, on behalf of the respective Bank identified below, have executed and delivered this Notice of Extension as of the ___ day of 20___.

STATE STREET BANK AND TRUST
COMPANY, as a Bank and as Agent

By: _____
Name: _____
Title: _____

CALIFORNIA STATE TEACHERS'
RETIREMENT SYSTEM, as a Bank
and as Co-Agent

By: _____
Name: _____
Title: _____

cc: [Issuing and Paying Agent]

EXHIBIT F

[Date]

FORM OF NOTICE OF INTENT TO ISSUE ADDITIONAL NOTES

State Street Bank and Trust Company, as Agent
State Street Financial Center SFC/5
One Lincoln St.
Boston, MA 02111-2900
Attention: Darren De Gennaro

California State Teachers' Retirement System, as Co-Agent
c/o The Bank of New York
101 Barclay Street
New York, NY 10286
Attn: Manager, Standby Letter of Credit Department, Floor 8 East

Re: Notice of Intent to Issue Additional Notes - State of Wisconsin
Transportation Revenue Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement, dated as of April 1, 2006 (the "Agreement"), among the State of Wisconsin (the "State"), California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank ("State Street" and, together with CalSTRS, the "Banks") and as agent for the Banks (the "Agent"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement.

The State hereby notifies you, pursuant to Section 2.1(g)(iii) of the Agreement, that the State intends to issue Additional Notes that are to be supported by the Agreement. The principal amount of Additional Notes to be issued is not to exceed \$ _____, and the intended date of issuance of the Additional Notes is _____.

Very truly yours,

STATE OF WISCONSIN

By: _____
Authorized Representative of State

FORM OF NOTICE OF INCREASE OF AVAILABLE COMMITMENT UPON
ISSUANCE OF ADDITIONAL NOTES

State of Wisconsin
Deutsche Bank Trust Company Americas, as Issuing and Paying Agent

Re: Notice of Increase of Available Commitment Upon Issuance of
Additional Notes - State of Wisconsin Transportation Revenue
Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement, dated as of April 1, 2006 (the "Agreement"), among the State of Wisconsin (the "State"), California State Teachers' Retirement System, a unit of the State of California ("CalSTRS"), as a Bank (as hereinafter defined) and as co-agent for the Banks, and State Street Bank and Trust Company, a Massachusetts state chartered trust company, as a Bank ("State Street" and, together with CalSTRS, the "Banks") and as agent for the Banks (the "Agent"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement.

Pursuant to Section 2.1(g)(iii) of the Agreement, and pursuant to the Notice of Intent to Issue Additional Notes, delivered by the State pursuant to Section 2.1(g)(iii) of the Agreement, dated _____, and in connection with the issuance of \$ _____ aggregate principal amount of the State's Transportation Revenue Commercial Paper Notes (the "Additional Notes"), please take notice that, as of the date set forth below [which date shall be not later than the intended date of issuance specified in such Notice of Intent to Issue Additional Notes], the Commitment is increased to \$ _____. The definition of "Notes" shall be deemed to include the Additional Notes.

The Individual Commitment of State Street is increased to \$ _____ and the Individual Commitment of CalSTRS is increased to \$ _____.

Dated: _____, 20__.

Very truly yours,

STATE STREET BANK AND TRUST
COMPANY, as a Bank and as Agent

By: _____
Name: _____
Title: _____

CALIFORNIA STATE TEACHERS'
RETIREMENT SYSTEM, as a Bank
and as Co-Agent

By: _____
Name: _____
Title: _____