

# **STATE OF WISCONSIN CONTINUING DISCLOSURE ANNUAL REPORT**

FILED PURSUANT TO UNDERTAKINGS PROVIDED TO PERMIT COMPLIANCE WITH  
SECURITIES EXCHANGE COMMISSION RULE 15c2-12

## **GENERAL OBLIGATIONS**

(Base CUSIPs 977055, 977056, and 97705L)

## **MASTER LEASE CERTIFICATES OF PARTICIPATION**

(Base CUSIP 977087)

## **TRANSPORTATION REVENUE OBLIGATIONS**

(Base CUSIP 977123)

## **CLEAN WATER REVENUE BONDS**

(Base CUSIP 977092)

## **PETROLEUM INSPECTION FEE REVENUE OBLIGATIONS**

(Base CUSIP 977109)

## **GENERAL FUND ANNUAL APPROPRIATION BONDS**

(Base CUSIP 977100)

**DECEMBER 23, 2010**



**JIM DOYLE**  
GOVERNOR

**DANIEL J. SCHOOFF**  
SECRETARY

Division of Executive Budget and Finance  
Capital Finance Office  
Post Office Box 7864  
Madison, WI 53707-7864

TTY (608) 261-6630  
[www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

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**FRANK R. HOADLEY**  
CAPITAL FINANCE DIRECTOR  
Telephone: (608) 266-2305  
Facsimile: (608) 266-7645  
[frank.hoadley@wisconsin.gov](mailto:frank.hoadley@wisconsin.gov)

December 23, 2010

Thank you for your interest in the State of Wisconsin.

This is the Continuing Disclosure Annual Report for the fiscal year ending June 30, 2010 (**2010 Annual Report**).

The 2010 Annual Report provides information on different securities that the State issues and fulfills the State's continuing disclosure undertakings. These undertakings of the State are intended to help dealers and brokers comply with Rule 15c2-12 under the Securities Exchange Act of 1934. As of this date, the State has filed the 2010 Annual Report with the Municipal Securities Rulemaking Board (**MSRB**) through the MSRB's Electronic Municipal Market Access (**EMMA**) system. EMMA receives, and makes available to the public, continuing disclosure documents and related information that is provided by issuers and obligated persons.

Official Statements for securities that the State issues during the next year may incorporate parts of this 2010 Annual Report by reference.

### **Organization of the 2010 Annual Report**

The 2010 Annual Report is divided into eight parts. The first two parts present general information.

- **Part I** presents the **State's continuing disclosure undertakings**. A Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) establishes a general framework. Separate addenda describe the information to be provided for specific types of securities.
- **Part II** presents **general information about the State**, including its operations and financial results. This part includes the General Purpose External Financial Statements portion of the audited Comprehensive Annual Financial Report for the fiscal year ending June 30, 2010. This part also includes the results of the 2009-10 fiscal year and information on the budget for 2010-11 fiscal year.

The remaining parts present information about different types of securities that the State issues.

- **Part III – General obligations (including bonds, commercial paper, and extendible municipal commercial paper)**
- **Part IV – Master lease certificates of participation**
- **Part V – Transportation revenue obligations (including bonds and commercial paper)**
- **Part VI – Clean water revenue bonds**
- **Part VII – Petroleum inspection fee revenue obligations (including bonds and extendible municipal commercial paper)**
- **Part VIII – General fund annual appropriation bonds (including bonds and variable rate notes)**

Please note that certain terms may have different meanings in different parts.

#### **Ratings on the State's Securities**

The following chart presents a summary of the long-term ratings currently assigned to different types of securities that the State issues.

<u>Security</u>	<u>Fitch Ratings<sup>(1)</sup></u>	<u>Moody's Investors Service, Inc.<sup>(2)</sup></u>	<u>Standard &amp; Poor's Ratings Services</u>
General Obligations	AA	Aa2	AA
Master Lease Certificates of Participation	AA-	Aa3	AA-
Transportation Revenue Bonds	AA+	Aa2	AA+
Clean Water Revenue Bonds	AA+	Aa1	AA+
Petroleum Inspection Fee Revenue Bonds	AA	Aa2	AA
General Fund Annual Appropriation Bonds	AA-	Aa3	AA-

- (1) On April 5, 2010, Fitch Ratings changed its rating on the many of the State of Wisconsin's obligations reflecting a recalibration by Fitch Ratings of certain U.S. public finance credit ratings.
- (2) On April 16, 2010, Moody's Investors Service changed its rating on many of the State of Wisconsin's obligations reflecting a recalibration by Moody's Investors Service of its long-term U.S. municipal ratings to its global rating scale. In addition, at that time the rating outlook on the State's general obligations, master lease certificates of participation, and general fund annual appropriation bonds was also changed from "negative" to "stable".

December 23, 2010

Page 3

### **How to Get Additional Information**

If you are interested in information about securities that the State issues, please contact the Capital Finance Office. *The Capital Finance Office is the only party authorized to speak on the State's behalf about the State's securities.*

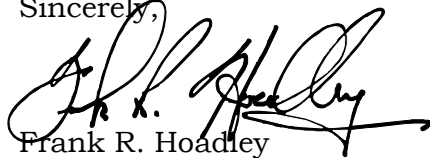
The Capital Finance Office maintains a web site that provides access to both disclosure and non disclosure information.

**[www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)**

The Capital Finance Office posts to this web site monthly general fund cash flow reports. The Capital Finance Office also posts to this web site all information filings and listed event filings that it makes through MSRB's EMMA system.

We welcome your comments or suggestions about the format and content of the 2010 Annual Report. The general telephone number of the Capital Finance Office is (608) 266-2305. The e-mail address is **[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)**.

Sincerely,

A handwritten signature in black ink, appearing to read "F. R. Hoadley", written over a horizontal line.

Frank R. Hoadley  
Capital Finance Director

**SUMMARY OF OUTSTANDING STATE OF WISCONSIN OBLIGATIONS  
AS OF DECEMBER 15, 2010**

	<u>Principal Balance 12/15/2009</u>	<u>Principal Issued 12/15/2009 - 12/15/10</u>	<u>Principal Matured, Redeemed, or Defeased 12/15/2009 - 12/15/10</u>	<u>Principal Balance 12/15/2010</u>
<b><u>GENERAL OBLIGATIONS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$6,222,792,744</b>	<b>\$1,221,718,000</b>	<b>\$621,738,762</b>	<b>\$6,822,771,982</b>
General Purpose Revenue (GPR)	4,302,621,576	848,368,524	496,836,519	4,654,153,581
Self-Amortizing: Veterans	278,385,000	—	55,640,000	222,745,000
Self-Amortizing: Other	1,641,786,167	373,349,476	69,262,243	1,945,873,400
<b><u>MASTER LEASE CERTIFICATES OF PARTICIPATION</u></b>				
<b>Total</b>	<b>\$ 63,871,327</b>	<b>\$ 28,689,267</b>	<b>\$ 18,460,941</b>	<b>\$ 74,099,653</b>
<b><u>TRANSPORTATION REVENUE OBLIGATIONS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$1,759,238,000</b>	<b>\$200,000,000</b>	<b>\$ 93,100,000</b>	<b>\$1,866,138,000</b>
<b><u>CLEAN WATER REVENUE BONDS</u></b>				
<b>Total</b>	<b>\$ 805,305,000</b>	<b>\$284,225,000</b>	<b>\$121,365,000</b>	<b>\$ 968,165,000</b>
<b><u>PETROLEUM INSPECTION FEE REVENUE OBLIGATIONS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$ 188,610,000</b>	—	—	<b>\$ 188,610,000</b>
<b><u>GENERAL FUND ANNUAL APPROPRIATION BONDS<sup>(a)</sup></u></b>				
<b>Total</b>	<b>\$3,379,710,000</b>	—	<b>\$ 20,020,000</b>	<b>\$3,359,690,000</b>

(a) This table also includes variable rate obligations that have been issued by the State.

# TABLE OF CONTENTS

Page

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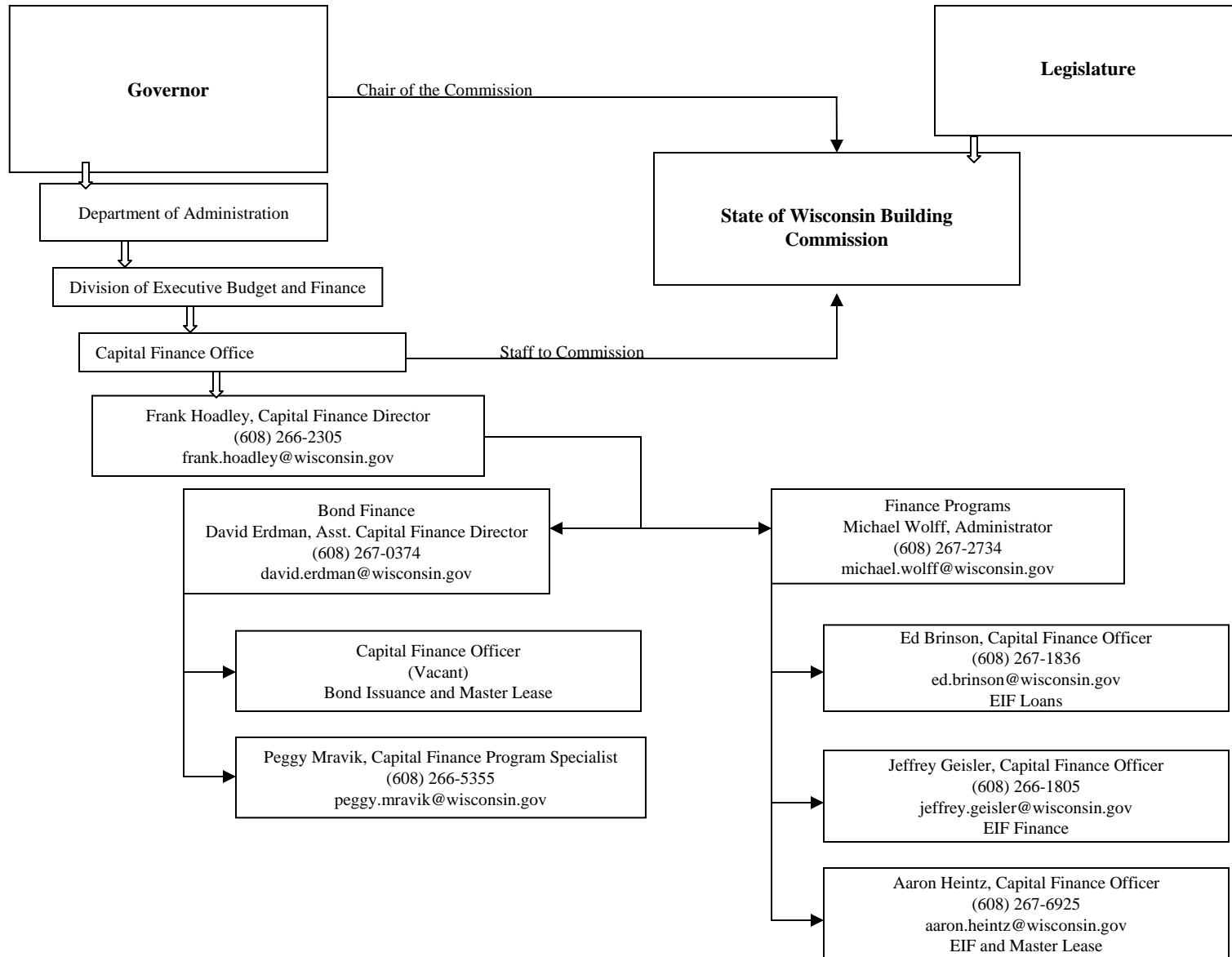
**PART I  
STATE'S CONTINUING DISCLOSURE  
UNDERTAKINGS**

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INTRODUCTION.....	1
MASTER AGREEMENT ON CONTINUING DISCLOSURE (AMENDED AND RESTATED DECEMBER 1, 2010).....	2
ADDENDUM DESCRIBING ANNUAL REPORT FOR GENERAL OBLIGATIONS.....	9
ADDENDUM DESCRIBING ANNUAL REPORT FOR MASTER LEASE CERTIFICATES OF PARTICIPATION.....	10
ADDENDUM DESCRIBING ANNUAL REPORT FOR TRANSPORTATION REVENUE BONDS.....	11
ADDENDUM DESCRIBING ANNUAL REPORT FOR CLEAN WATER REVENUE BONDS.....	12
ADDENDUM DESCRIBING ANNUAL REPORT FOR PETROLEUM INSPECTION FEE REVENUE OBLIGATIONS.....	14
ADDENDUM DESCRIBING ANNUAL REPORT FOR GENERAL FUND ANNUAL APPROPRIATION BONDS.....	15

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## Capital Finance Office Staff (November 1, 2010)



# STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF BONDS AND NOTES

## BUILDING COMMISSION MEMBERS

### Voting Members

	Term of Office Expires
Governor Jim Doyle, Chairperson	January 2, 2011
Senator Jeffrey Plale, Vice-Chairperson	January 2, 2011
Senator Ted Kanavas	January 6, 2013
Senator Pat Kreitlow	January 2, 2011
Representative Spencer Black	January 2, 2011
Representative Gordon Hintz	January 2, 2011
Representative Dean Kaufert	January 2, 2011
Mr. Terry McGuire, Citizen Member	At the pleasure of the Governor

### Nonvoting, Advisory Members

Mr. Gil Funk, State Chief Engineer Department of Administration	_____
State Chief Architect (Vacant) Department of Administration	_____

### Building Commission Secretary

Mr. David W. Helbach, Administrator Division of State Facilities Department of Administration	At the pleasure of the Building Commission and the Secretary of Administration
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## OTHER PARTICIPANTS

Mr. J.B. Van Hollen State Attorney General	January 2, 2011
Mr. Daniel J. Schooff, Secretary Department of Administration	At the pleasure of the Governor

## DEBT MANAGEMENT AND DISCLOSURE

Department of Administration  
Capital Finance Office  
P.O. Box 7864  
101 E. Wilson Street, 10th Floor  
Madison, WI 53707-7864  
Telefax (608) 266-7645  
[DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)

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Finance Programs Administrator  
(608) 267-2734  
[michael.wolff@wisconsin.gov](mailto:michael.wolff@wisconsin.gov)



# PART I

## STATE'S CONTINUING DISCLOSURE UNDERTAKINGS

Part I of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2010 (**2010 Annual Report**) provides information on the undertakings the State of Wisconsin (**State**) has made to enable brokers, dealers, and municipal securities dealers, in connection with their participation in the offerings of securities issued by the State, to comply with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (**SEC**) under the Securities Exchange Act of 1934 (**Rule 15c2-12**).

Part I of the 2010 Annual Report includes the State's Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010), which establishes a general framework under which the State will provide continuing disclosure on various types of securities the State has issued, and also includes six addenda that describe information to be provided in an annual report about the following types of securities:

- General Obligations
- Master Lease Certificates of Participation
- Transportation Revenue Bonds
- Clean Water Revenue Bonds
- Petroleum Inspection Fee Revenue Obligations
- General Fund Annual Appropriation Bonds

The State currently provides annual reports and notices required under its Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) to the Municipal Securities Rulemaking Board (**MSRB**) through the MSRB's Electronic Municipal Market Access (**EMMA**) system. EMMA receives, and makes available to the public, continuing disclosure documents and related information that is provided by issuers and obligated persons, pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12.

The State's Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) was amended and restated in the calendar year 2010 to reflect changes to Rule 15c2-12 that became effective December 1, 2010, and was previously amended and restated in the calendar year 2009 to reflect changes to Rule 15c2-12 that became effective July 1, 2009. With respect to undertakings made prior to July 1, 2009, the State provided annual reports and notices under its Master Agreement on Continuing Disclosure to each nationally recognized municipal securities information repository. Effective July 1, 2009, the State provided, and continues to provide, annual reports and notices under its Master Agreement on Continuing Disclosure to the MSRB, which was designated on that date as the sole nationally recognized municipal securities information repository.

Requests for additional information about the State's undertakings may be directed as follows:

*Contact:* Capital Finance Office  
Attn: Capital Finance Director  
*Phone:* (608) 266-2305  
*Mail:* State of Wisconsin Department of Administration  
101 East Wilson Street, FLR 10  
P.O. Box 7864  
Madison, WI 53707-7864  
*E-mail:* [DOACapitalFinanceOffice@wisconsin.gov](mailto:DOACapitalFinanceOffice@wisconsin.gov)  
*Web site:* [www.doa.wi.gov/capitalfinance](http://www.doa.wi.gov/capitalfinance)

The 2010 Annual Report includes information and defined terms for different types of securities issued by the State. The context or meaning of terms used in one part of the 2010 Annual Report may differ from

that of the same terms used in another part. Any information or resource referred to in the 2010 Annual Report is not part of the 2010 Annual Report unless expressly included by reference.

## **MASTER AGREEMENT ON CONTINUING DISCLOSURE (AMENDED AND RESTATED DECEMBER 1, 2010)**

This Master Agreement on Continuing Disclosure (**Disclosure Agreement**) is executed and delivered by the State of Wisconsin (**Issuer**), a municipal securities issuer and a sovereign government. The Issuer covenants and agrees as follows:

**SECTION 1. Definitions.** The following capitalized terms shall have the following meanings:

“**Addendum Describing Annual Report**” shall mean an addendum, substantially in the form of Exhibit A hereto, that describes the contents of an Annual Report for a particular type of obligation.

“**Annual Report**” shall mean any report provided by the Issuer pursuant to, and as described in, Sections 4 and 5 of this Disclosure Agreement.

“**Bonds**” shall mean any issue of the Issuer’s securities to which this Disclosure Agreement applies.

“**Bondholders**” shall mean the beneficial owners from time to time of the Bonds.

“**Commission**” shall mean the U.S. Securities and Exchange Commission.

“**Disclosure Agreement**” shall mean this agreement.

“**EMMA**” shall mean the Electronic Municipal Market Access system for municipal securities disclosure, a Commission-approved electronic database established and operated by the MSRB to accommodate the collection and availability of required filings of secondary market disclosures under the Rule.

“**Event Notice**” shall mean a notice of an occurrence of a Listed Event provided under Section 6(b) hereof or a notice provided under Sections 4(c), 6(c), or 8.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended from time to time.

“**Issuer**” shall mean the securities issuer described above, namely, the State of Wisconsin.

“**Listed Event**” shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board.

“**Participating Underwriter**” shall mean any broker, dealer, or municipal securities dealer that is required to comply with the Rule when acting as an underwriter in connection with a primary offering of an issue of Bonds.

“**Resolution**” shall mean the resolution or resolutions of the State of Wisconsin Building Commission or the trust indenture entered into by the Issuer, pursuant to which the Bonds are issued.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Exchange Act.

“**Supplemental Agreement**” shall mean an agreement, substantially in the form of Exhibit B hereto, that either (i) determines that the Disclosure Agreement and a specific Addendum Describing Annual Report shall apply to a specific issue of Bonds or (ii) determines that the Disclosure Agreement (other than Sections 4 or 5, which concern Annual Reports) shall apply to a specific issue of Bonds.

**SECTION 2. Purpose of the Disclosure Agreement.** The purpose of this Disclosure Agreement is to assist Participating Underwriters in complying with the Rule in connection with a primary offering of an issue of Bonds.

**SECTION 3. Application of the Disclosure Agreement.** This Disclosure Agreement shall apply to an issue of Bonds when the Issuer executes and delivers a Supplemental Agreement. This Disclosure

Agreement may apply in whole or in part, as specified by the Supplemental Agreement. This Disclosure Agreement may apply to more than one issue of Bonds but shall be construed as a separate agreement for each issue of Bonds. The purpose of having this Disclosure Agreement apply to more than one issue of Bonds is to promote uniformity of the Issuer's obligations with respect to all issues of Bonds.

**SECTION 4. Provision of Annual Reports.**

(a) The Issuer shall, not later than 180 days following the close of the Issuer's fiscal year, provide to the MSRB an Annual Report that is consistent with the requirements of Section 5 of this Disclosure Agreement.

(b) If Issuer's audited financial statements are not publicly available at the time the Annual Report is submitted, the Issuer shall submit them to the MSRB within ten business days after the statements are publicly available.

(c) If the Issuer fails to provide an Annual Report to the MSRB by the date required in subsection (a), the Issuer shall send an Event Notice to the MSRB.

**SECTION 5. Content and Submission of Annual Reports.**

(a) The Annual Report shall be provided for each obligated person described in the Addendum Describing Annual Report, and it shall contain, or incorporate by reference, the financial statements and operating data, and use the accounting principles, described in the Addendum Describing Annual Report.

(b) The Annual Report shall be submitted to the MSRB in an electronic format, and accompanied by identifying information, as prescribed by the MSRB. As of the date of this Disclosure Agreement, the MSRB prescribes that all submissions of secondary disclosure be made through EMMA. The Annual Report may be provided as a single document or as a package comprising separate documents. All, or any of, the items constituting the Annual Report may be incorporated by reference from other documents available to the public on the MSRB's Internet Web site or filed with the Commission. The Issuer shall clearly identify each document so incorporated by reference.

(c) Each time the Issuer provides information to the MSRB in accordance with this Disclosure Agreement, it shall confirm, in the manner it deems appropriate, the MSRB's prescriptions concerning the electronic format and accompanying identifying information. As of the date of this Disclosure Agreement, information on the MSRB's required electronic format and submission procedures through EMMA can be found on the MSRB's Internet Web site at [www.emma.msrb.org](http://www.emma.msrb.org).

(d) To allow for uniformity of the contents of Annual Reports with respect to obligations that are similar in character, the Issuer may from time to time describe the contents in an Addendum Describing Annual Report and shall incorporate a description by reference in a Supplemental Agreement.

**SECTION 6. Reporting of Significant Events.**

(a) This Section 6 shall govern the provision of notices of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bondholders, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the Bonds, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership, or similar event of an obligated person (for the purposes of this event, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all the assets or business of the obligated person).
13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Issuer shall provide a notice of such occurrence with the MSRB not in excess of ten business days after the occurrence of the event.

(c) Similarly, if the Issuer determines that it failed to give notice of an occurrence as required by this section, it shall promptly provide an Event Notice with respect to such occurrence to the MSRB.

**SECTION 7. Termination of Reporting Obligation.** The Issuer's obligations under this Disclosure Agreement with respect to an issue of Bonds shall terminate upon the legal defeasance, prior redemption, or payment in full of all Bonds of the issue or if the Rule shall be revoked or rescinded by the Commission or declared invalid by a final decision of a court of competent jurisdiction.

**SECTION 8. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement if the following conditions are met:

- (a) The amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or an obligated person, or the type of business conducted; and
- (b) This Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Bondholders, as determined by an opinion of nationally recognized bond counsel, a certificate from an indenture trustee for the Bonds, or an approving vote of Bondholders pursuant to the terms of the Resolution at the time of the amendment.

In the event this Disclosure Agreement is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it provides after such event shall explain the reasons for the amendment or waiver and the impact, if any, of the change in the type of financial statements or operating data being provided.

**SECTION 9. Additional Information.** The Issuer may from time to time choose to disseminate other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or include other information in any Annual Report or Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Event Notice.

**SECTION 10. Default.** A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy of a Bondholder under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action or lawsuit to compel performance. The Issuer reserves any defense it may have to any such action or lawsuit including that this Disclosure Agreement violates sovereign rights or that no funds have been appropriated for performance.

**SECTION 11. Beneficiaries.** The Issuer intends to be contractually bound by this Disclosure Agreement. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Participating Underwriters, and Bondholders and shall create no rights in any other person or entity.

**SECTION 12. Responsible Officer.** Pursuant to a resolution adopted by the State of Wisconsin Building Commission on August 9, 1995, the Capital Finance Director has been authorized to execute this Disclosure Agreement on behalf of the Issuer, and the Capital Finance Office has been designated as the office of the Issuer responsible for providing Annual Reports and giving notice of Listed Events, to the extent required hereunder. Any inquiries regarding this Disclosure Agreement should be directed to the Capital Finance Office, Department of Administration, Division of Executive Budget and Finance, 101 East Wilson Street, Madison, Wisconsin 53702, Phone: (608) 266-5355, Fax: (608) 266-7645, Email: DOACapitalFinanceOffice@wisconsin.gov, or such other address, telephone number, fax number, or email address as the Issuer may from time to time provide by an addendum hereto.

**SECTION 13. Satisfaction of Conditions.** This Disclosure Agreement amends and restates the Master Agreement on Continuing Disclosure (Amended and Restated July 1, 2009) (**Prior Agreement**), executed and delivered by the Issuer and dated July 1, 2009. The Issuer finds and determines that the conditions stated under Section 8 of the Prior Agreement for amendment of the Prior Agreement have been satisfied and, more particularly:

(a) The amendments are being made in connection with a change in circumstances that arises from a change in legal requirements or a change in law (namely, amendments to the Rule);

(b) This Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account the amendments to the Rule; and

(c) The amendments do not materially impair the interests of the Bondholders, as determined by an opinion of nationally recognized bond counsel.

IN WITNESS WHEREOF, the Issuer has caused this Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) to be executed by its duly authorized officer.

Date: December 1, 2010

STATE OF WISCONSIN  
Issuer

By: /S/ FRANK R. HOADLEY  
Frank R. Hoadley,  
Capital Finance Director

**EXHIBIT A**

**FORM OF ADDENDUM DESCRIBING ANNUAL REPORT**

**ADDENDUM DESCRIBING ANNUAL REPORT  
FOR [TYPE OF OBLIGATIONS]**

This Addendum Describing Annual Report for [Type of Obligation] (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) (**Disclosure Agreement**), executed and delivered by the Issuer and dated December 1, 2010. This Addendum describes the content of an Annual Report prepared with respect to [type of obligation]. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): [None] [Each of the entity named or described by objective criteria below is an obligated person: \_\_\_\_\_]

Content of Annual Report for Issuer. Accounting Principles. The following accounting principles shall be used for the financial statements: \_\_\_\_\_.

*Financial Statements.* The financial statements shall present the following information: \_\_\_\_\_.

*Operating Data.* In addition to the financial statements, operating data about the following matters shall be presented: \_\_\_\_\_.

Content of Annual Report for Additional Obligated Person(s). Accounting Principles. The following accounting principles shall be used for the financial statements: \_\_\_\_\_.

*Financial Statements.* The financial statements shall present the following information: \_\_\_\_\_.

*Operating Data.* In addition to the financial statements, operating data about the following matters shall be presented: \_\_\_\_\_.

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: \_\_\_\_\_, 20\_\_

STATE OF WISCONSIN

Issuer

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

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

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

**EXHIBIT B**

**FORM OF SUPPLEMENTAL AGREEMENT**

**SUPPLEMENTAL AGREEMENT**

This Supplemental Agreement is executed and delivered by the State of Wisconsin (**Issuer**) to supplement the Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010) (**Disclosure Agreement**), executed and delivered by the Issuer and dated December 1, 2010. Pursuant to the provisions of the Disclosure Agreement, the Issuer hereby [determines that the Disclosure Agreement and the Addendum Describing Annual Report for [Type of Obligation] shall apply to the following issue of obligations] [determines that the Disclosure Agreement (other than Sections 4 and 5, which concern Annual Reports) shall apply to the following issue of obligations]:

Name of Obligations:

\_\_\_\_\_  
\_\_\_\_\_

Date of Issue: \_\_\_\_\_, \_\_\_\_\_

CUSIPs \_\_\_\_\_

IN WITNESS WHEREOF, the Issuer has caused this Supplemental Agreement to be executed by its duly authorized officer.

Date: \_\_\_\_\_, 20\_\_

STATE OF WISCONSIN

Issuer

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

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

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



## **ADDENDUM DESCRIBING ANNUAL REPORT FOR GENERAL OBLIGATIONS**

This Addendum Describing Annual Report for General Obligations (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**). This Addendum describes the content of an Annual Report prepared with respect to general obligations. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): None

Content of Annual Report for Issuer.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: Generally Accepted Accounting Principles.

*Financial Statements.* The financial statements shall present the following information: General Purpose External Financial Statements section of the Comprehensive Annual Financial Report.

*Operating Data.* In addition to the financial statements, unaudited operating data about the following matters shall be presented: (i) revenues received by the State, (ii) expenditures made by the State, (iii) budgets, (iv) selected financial data concerning the General Fund, (v) information concerning temporary reallocation, (vi) pertinent information on significant pending litigation, (vii) balances of outstanding State obligations, and (viii) statistical information on the State's economic condition, veterans housing loan program and Wisconsin Retirement System.

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 23, 2010

STATE OF WISCONSIN  
Issuer

By: /s/ FRANK R. HOADLEY  
Name: Frank R. Hoadley  
Title: Capital Finance Director

## **ADDENDUM DESCRIBING ANNUAL REPORT FOR MASTER LEASE CERTIFICATES OF PARTICIPATION**

This Addendum Describing Annual Report for Master Lease Certificates of Participation (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**). This Addendum describes the content of an Annual Report prepared with respect to master lease certificates of participation. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person in this respect: it is required to make lease payments from any source of legally available funds, subject to annual appropriation, which lease payments will be used to pay, when due, the semi-annual principal and interest due with respect to the Master Lease Certificates of Participation. No other entity is an obligated person.

### Content of Annual Report for Issuer.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: Generally Accepted Accounting Principles.

*Financial Statements.* The financial statements shall present the following information: The General Purpose External Financial Statements section of the Comprehensive Annual Financial Report.

*Operating Data.* In addition to the financial statements, unaudited operating data concerning the following matters shall be presented: (i) revenues received by the State, (ii) expenditures made by the State, (iii) budgets, (iv) selected financial data concerning the General Fund, (v) information concerning temporary reallocation, and (vi) pertinent information on significant pending litigation.

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 23, 2010

STATE OF WISCONSIN  
Issuer

By /s/ FRANK R. HOADLEY  
Frank R. Hoadley  
Capital Finance Director

## ADDENDUM DESCRIBING ANNUAL REPORT FOR TRANSPORTATION REVENUE BONDS

This Addendum Describing Annual Report for Transportation Revenue Bonds (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**). This Addendum describes the content of an Annual Report prepared with respect to transportation revenue bonds. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): None

Content of Annual Report for Issuer.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: generally accepted accounting principles or in accordance with another comprehensive basis of accounting.

*Financial Statements.* The financial statements shall present the following information: Audited financial statements of the transportation revenue bond program and supplemental information to the audited financial statement.

*Operating Data.* In addition to the financial statements, operating data about the following matters shall be presented:

- (a) History of Section 341.25 registration fees for last 10 years.
- (b) Estimated Section 341.25 registration fees for next 10 years.
- (c) Historical and estimated amounts of other pledged revenues consisting of certain vehicle registration-related fees.
- (d) Debt service on all outstanding transportation revenue bonds and estimated revenue coverage based on estimated pledged revenues for next 10 years.
- (e) Demographic information for the State of Wisconsin relating to vehicle registrations

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 1, 2010

STATE OF WISCONSIN  
Issuer

By: /s/ FRANK R. HOADLEY  
Name: Frank R. Hoadley  
Title: Capital Finance Director

## **ADDENDUM DESCRIBING ANNUAL REPORT FOR CLEAN WATER REVENUE BONDS**

This Addendum Describing Annual Report for Clean Water Revenue Bonds (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**). This Addendum describes the content of an Annual Report prepared with respect to clean water revenue bonds. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): Each entity described by the objective criteria below is an obligated person (**Additional Obligated Person**): Any person, including an issuer of municipal securities, who directly or indirectly at the close of the Issuer's fiscal year, is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of 20 percent or more of the cash flow servicing the then outstanding clean water revenue bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

Any Additional Obligated Person, other than the Issuer, will be required by the Issuer to enter into an undertaking agreement to provide each Repository, not later than 180 days following the close of that Additional Obligation Person's fiscal year, an annual report meeting the requirements outlined below under "Content of Annual Report for Additional Obligated Person".

### Content of Annual Report for Issuer.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: Generally Accepted Accounting Principles.

*Financial Statements.* The financial statements shall present the following information:

(a) Audited financial statements of the clean water fund program and supplemental information to the audited financial statement.

*Operating Data.* In addition to the financial statements, operating data about the following clean water fund program matters shall be presented:

- (a) List of outstanding loans
- (b) List of financial assistance commitments
- (c) Information concerning the investments of the Loan Credit Reserve Fund

### Content of Annual Report for Additional Obligated Person.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: Generally Accepted Accounting Principles.

*Financial Statements.* The financial statements shall present the following information: Audited financial statements of the Additional Obligated Person.

*Operating Data.* In addition to the financial statements, operating data about the following matters shall be presented: None.

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 23, 2010

STATE OF WISCONSIN  
Issuer

By /s/ FRANK R. HOADLEY

Frank R. Hoadley  
Capital Finance Director

## **ADDENDUM DESCRIBING ANNUAL REPORT FOR PETROLEUM INSEPTION FEE REVENUE OBLIGATIONS**

This Addendum Describing Annual Report for Petroleum Inspection Fee Revenue Obligations (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**). This Addendum describes the content of an Annual Report prepared with respect to petroleum inspection fee revenue obligations. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person(s): None

Content of Annual Report for Issuer.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: generally accepted accounting principles or in accordance with another comprehensive basis of accounting.

*Financial Statements.* The financial statements shall present the following information: Audited financial statements of the petroleum inspection fee revenue obligations program and supplemental information to the audited financial statement.

*Operating Data.* Operating data about the following matters shall be presented:

- (a) A description of petroleum products inspected and Petroleum Inspection Fees collected for the last five years.
- (b) A description of all authorized and outstanding petroleum inspection fee revenue obligations.

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 23, 2010

STATE OF WISCONSIN  
Issuer

By: /s/ FRANK R. HOADLEY  
Name: Frank R. Hoadley  
Title: Capital Finance Director

## **ADDENDUM DESCRIBING ANNUAL REPORT FOR GENERAL FUND ANNUAL APPROPRIATION BONDS**

This Addendum Describing Annual Report for General Fund Annual Appropriation Bonds (**Addendum**) is delivered by the State of Wisconsin (**Issuer**) pursuant to the Master Agreement on Continuing Disclosure executed and delivered by the Issuer and dated September 25, 1995, as amended and restated as of December 1, 2010 (**Disclosure Agreement**).

This Addendum describes the content of an Annual Report prepared with respect to general fund annual appropriation bonds issued under Section 16.527 of the Wisconsin Statutes. This Addendum consolidates but does not amend the Addendum Describing Annual Report for General Fund Annual Appropriation Bonds, dated December 10, 2003, and the Addendum Describing Annual Report for General Fund Annual Appropriation Bonds Issued Under 2009 Indenture, dated April 8, 2009. Capitalized terms that are not defined in this Addendum have the meanings set forth in the Disclosure Agreement.

Issuer. The Issuer is an obligated person, as is any entity described below as an Additional Obligated Person, and no other entity is an obligated person.

Additional Obligated Person: None

Content of Annual Report for Issuer.

*Accounting Principles.* The following accounting principles shall be used for the financial statements: generally accepted accounting principles.

*Financial Statements.* The financial statements shall present the following information: The General Purpose External Financial Statements section of the audited Comprehensive Annual Financial Report.

*Operating Data.* In addition to the financial statements, unaudited operating data concerning the following matters shall be presented:

- (i) a determination, with supporting information, of the “Annual Appropriation Amount,” as defined in the Trust Indenture, dated as of December 1, 2003 (the “2003 Indenture”), as amended, between the Issuer and Deutsche Bank Trust Company Americas, as trustee, and of the “Annual Appropriation Amount”, as defined in the Trust Indenture, dated as of April 1, 2009 (the “2009 Indenture”), between the Issuer and Deutsche Bank Trust Company Americas, as trustee, for each fiscal year in the current biennium and, in the second fiscal year of a biennium, for the upcoming biennium (for fiscal years before the 2011-12 fiscal year, the “Annual Appropriation Amount” for purposes of the 2009 Indenture shall be presented as though it applied to such fiscal years);
- (ii) the amounts appropriated by the legislature in each fiscal year with respect to appropriation obligations issued under Section 16.527 of the Wisconsin Statutes; *provided, however,* that not more than ten years in which amounts have been appropriated need be presented;
- (iii) revenues received by the State;
- (iv) expenditures made by the State;
- (v) budgets;
- (vi) selected financial data concerning the General Fund;
- (vii) information concerning temporary reallocations;

- (viii) pertinent information on significant pending litigation;
- (ix) balances of outstanding State obligations; and
- (x) statistical information on the State's economic condition, veterans housing loan program, and Wisconsin Retirement System.

Reporting of Significant Events: The Issuer agrees that it will treat each of the following events as though it were a Listed Event under the Disclosure Agreement:

- (i) the event of a Budget Bill failing to include the Annual Appropriation Amount (as such terms are defined in each Indenture);
- (ii) an Event of Nonappropriation (as such term is defined in each Indenture); and
- (iii) any failure to make a payment when due under a Swap Agreement (as such term is defined in each Indenture).

IN WITNESS WHEREOF, the Issuer has caused this Addendum to be executed by its duly authorized officer.

Date: December 23, 2010

STATE OF WISCONSIN

Issuer

By /s/ FRANK R. HOADLEY

Frank R. Hoadley  
Capital Finance Director