
State of Wisconsin
Event Filing #2013-08
Dated April 25, 2013

This Event Filing concerns an event described in Securities and Exchange Act Rule 15c2-12, as amended.

Issuer: State of Wisconsin
Transportation Revenue Commercial Paper Notes

CUSIP Numbers: 97712P (All) 97712V (All)
97712U (All) 97713A (All)

Type of Information: Amendment of Credit or Liquidity Providers

The attached **Amended and Restated Credit Agreement, dated April 15, 2013, between the State of Wisconsin, acting through the State of Wisconsin Building Commission, State Street Bank and Trust Company, and California State Teachers' Retirement System** 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.

While the attached is NOT a substitute liquidity facility under the Program Resolution for the State of Wisconsin Transportation Revenue Commercial Paper Notes, the attached does include changes to the agreement among the same parties that had an expiry date of April 28, 2013. The effective date of the attached Amended and Restated Credit Agreement is April 25, 2013, the Commitment is initially \$117,000,000, and the Expiry Date is April 25, 2016.

The State of Wisconsin is providing this Event Filing with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system. This Event Filing 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 Assistant Capital Finance Director, State of Wisconsin Capital Finance Office, which is the office of the State of Wisconsin responsible for providing annual reports and Event Filings pursuant to the State's Master Agreement on Continuing Disclosure (Amended and Restated December 1, 2010), and is authorized to distribute this information publicly.



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AMENDED AND RESTATED CREDIT AGREEMENT

dated as of April 15, 2013

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

relating to:

STATE OF WISCONSIN
Transportation Revenue Commercial Paper Notes

TABLE OF CONTENTS

SECTION	HEADING	PAGE
SECTION 1.	DEFINITIONS; ACCOUNTING TERMS AND DETERMINATIONS.....	2
Section 1.1.	Definitions.....	2
Section 1.2.	Gender; Plural	10
Section 1.3.	Accounting Terms and Determinations	10
SECTION 2.	ADVANCES.....	10
Section 2.1.	The Advances.....	10
Section 2.2.	Interest, Fees and Expenses	13
Section 2.3.	Term Loans	19
SECTION 3.	CONDITIONS PRECEDENT	20
Section 3.1.	Conditions Precedent to Effective Date	20
Section 3.2.	Conditions Precedent to Each Advance	21
Section 3.3.	Conditions Precedent to Term Loan	21
Section 3.4.	Conditions Precent to the Issuance of Additional Subordinated Indebtedness	22
SECTION 4.	OBLIGATIONS ABSOLUTE	22
SECTION 5.	USE OF PROCEEDS.....	23
SECTION 6.	REPRESENTATIONS AND WARRANTIES.....	23
SECTION 7.	SURVIVAL OF REPRESENTATIONS AND WARRANTIES; SUCCESSORS AND ASSIGNS	26
SECTION 8.	AFFIRMATIVE COVENANTS.....	27
SECTION 9.	NEGATIVE COVENANTS.....	33
SECTION 10.	EVENTS OF DEFAULT.....	34
SECTION 11.	THE AGENT.....	39
Section 11.1.	Appointment, Powers and Immunities.....	39
Section 11.2.	Reliance by Agent.....	40
Section 11.3.	Defaults	40
Section 11.4.	Rights as a Bank.....	40
Section 11.5.	Indemnification	41
Section 11.6.	Non-Reliance on Agent and other Banks.....	41

Section 11.7.	Failure to Act	41
Section 11.8.	Resignation or Removal of Agent.....	41
Section 11.9.	Notices	42
SECTION 12.	MISCELLANEOUS.....	42
Section 12.1.	Amendments and Waivers	42
Section 12.2.	Indemnification	42
Section 12.3.	Continuing Obligations.....	43
Section 12.4.	Limitation on Liability.....	44
Section 12.5.	Annual Reports of the Banks	44
Section 12.6.	Costs, Expenses and Taxes; Payment Instructions	44
Section 12.7.	Notices	45
Section 12.8.	No Waiver; Remedies	45
Section 12.9.	Severability	45
Section 12.10.	Governing Law; Waiver of Jury Trial.....	46
Section 12.11.	Counterparts.....	46
Section 12.12.	Prior Agreements Suspended.....	46
Section 12.13.	Headings	46
Section 12.14.	Payments Set Aside.....	46
Section 12.15.	USA PATRIOT Act Notice	47
Section 12.16.	Return of Promissory Notes.....	47
Section 12.17.	Requests for Information	47
Section 12.18.	Amendment and Restatement	47

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 Increase Commitment

AMENDED AND RESTATED CREDIT AGREEMENT

THIS AMENDED AND RESTATED CREDIT AGREEMENT is dated as of April 15, 2013, 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 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 in an aggregate principal amount not to exceed \$117,000,000 (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 \$175,000,000 in aggregate principal amount, which Notes may be covered by this Agreement, as set forth herein;

WHEREAS, the State, the Agent and the Banks have previously entered into that certain Credit Agreement dated as of April 1, 2006 (as amended, supplemented and otherwise modified to date, the "*Original Agreement*"), which Original Agreement constituted a substitute Liquidity Facility under the Program Resolution and provided a source of liquidity for the payment of principal and interest on the Notes when due; and

WHEREAS, the State, the Agent and the Banks have agreed to make certain amendments to the Original Agreement and, for the sake of clarity and convenience, the Original Agreement shall be amended and restated in its entirety. This Agreement amends in its entirety the Original Agreement and from and after the Effective Date all references made to the Original Agreement in any Related Document or in any other instrument or document shall be deemed to refer to this Agreement. This Agreement shall become effective and supersede all provisions of the Original Agreement upon the execution of this Agreement by each of the parties hereto and the fulfillment of all conditions precedent hereof.

WHEREAS, to induce the Banks to severally, but not jointly, enter into this Agreement and extend the Expiry Date, the State has agreed pursuant to the Program Resolution to execute and deliver a replacement 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 continue 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 and Term Loans (each as defined herein), the State, the Agent and the Banks hereby agree as follows:

SECTION 1. DEFINITIONS; ACCOUNTING TERMS AND DETERMINATIONS.

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

“*Additional Debt*” means Debt payable from Pledged Collateral and Program Income.
“*Advance*” means an Advance requested by the State pursuant to this Agreement.

“*Advance Date*” means the date on which any Advance is made by the Banks on a several basis in accordance with the terms of 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.

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

“*Agreement*” means this Amended and Restated Credit Agreement, as amended, modified or supplemented from time to time, in accordance with the provisions hereof.

“*Alternate Facility*” means any Liquidity Facility delivered by the State in substitution for this Agreement in accordance with Section 3.4 of the Program Resolution.

“*Amortization Payment*” has the meaning set forth in Section 2.3 hereof.

“Amortization Payment Date” means (a) the related Revolving Loan Maturity Date, (b) each July 1 thereafter prior to the related Term Loan Maturity Date and (c) the related Term Loan Maturity Date.

“Amortization Period” has the meaning set forth in Section 2.3 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 and Term Loans 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, for any day, the per annum rate of interest equal to the highest of (i) the sum of the Prime Rate in effect of such day *plus* one percent (1.00%), (ii) the sum of the Federal Funds Rate in effect on such day *plus* two percent (2.00%) and (iii) six percent (6.00%).

“Bonded Debt” means (a) Senior Bonds and Notes and (b) Debt which is (i) general obligation public debt of the State issued under subchapter I of Chapter 18 of the Wisconsin Statutes, or (ii) Debt of the State payable from or secured by the Pledged Collateral or by amounts in the Subordinated Debt Service Fund on a basis senior to or on a parity with the Senior Bonds and Notes and, with respect to clause (b) of this definition, which is described in clauses (ii), (iv), (vii) (other than any amounts under a credit agreement, liquidity facility or similar instrument which have been accelerated or required to be repaid prior to the date on which such amounts are due pursuant to such credit agreement, liquidity facility or similar instrument) and (viii) of the definition of *“Debt”* herein (and in the case of clause (iv) of the definition of *“Debt”* herein, excluding any lease, the obligation of which is subject to appropriation at the discretion of the State unless such lease is rated by each Rating Agency then rating the Notes at a level equal to or higher than the unenhanced debt rating assigned by each such Rating Agency to the Senior Bonds and Notes, and in the case of obligations arising under or pursuant to any Hedge Agreements as described in clause (viii) of the definition of *“Debt”* herein, only with respect to (1) Hedge Agreements that provide interest rate support and (2) obligations that constitute regularly scheduled payments that relate to obligations described in clause (i) of the definition of *“Debt”* herein) the payment of which is payable from or secured by the Pledged Collateral or amounts in the Subordinated Debt Service Fund on a basis senior to or on a parity with the payment of the Senior Bonds and Notes.

“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, in Boston, Massachusetts, 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.

“*Change of Law*” means the adoption or implementation, after the Effective Date, of, or any change, after the Effective Date, in, any law, rule, treaty or regulation, or any policy, guideline or directive of, or any change, after the Effective Date, in the interpretation or administration thereof by any court, central bank or other administrative or Governmental Authority (in each case whether or not having the force of law), or compliance by the 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) or the occurrence of the effective date of any of the foregoing if adopted prior to the Effective Date or any change after the Effective Date in the application, interpretation or enforcement of any of the foregoing; *provided, however*, that to the extent a Change of Law applies to the Banks retroactively to a date prior to the Effective Date, such Change of Law shall be deemed to be a Change of Law for purposes of this Agreement.

“*Commitment*” means initially \$117,000,000, which is the aggregate of the several commitments of the Banks to make Advances and Term Loans to the State pursuant to Section 2.1(a) hereof, as such amount may be reduced from time to time pursuant to Section 2.1(g)(i) hereof and as such amount may be increased pursuant to the terms of Section 2.1(g)(iii) hereof, supported by this Agreement; *provided, however*, that on the earlier of (i) October 1, 2013 or (ii) the fifth Business Day following the date on which the Banks receive a request by the State in the form attached hereto as Exhibit F, so long as (i) no Default or Event of Default hereunder shall have occurred and be continuing and (ii) the representations and warranties set forth in Section 6 hereof are true and correct in all material respects, the several commitments of the Banks to make Advances to the State shall increase to \$175,000,000; *provided, however*, that said increase to \$175,000,000 shall not occur if the conditions set forth in Section 3.4 hereof cannot be met.

“*Conversion Date*” means the Revolving Loan Maturity Date on which an Advance is converted to a Term Loan pursuant to Section 2.1(e) hereof.

“*Cost of Funds Rate*” means the rate, as determined by either Bank as of the date on which the respective Advance or Term Loan is made at which funds of a comparable term and amount generally are available to such Bank.

“*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, (vi) all Debt of others guaranteed by such Person, (vii) all obligations of such Person to reimburse or repay any bank or other Person in respect of amounts paid or advanced under a letter of credit, credit agreement, liquidity facility or other similar instrument, and (viii) all obligations of such Person under any Hedge Agreement.

“*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 Base Rate from time to time in effect plus 3.0% per annum.

“*Dodd-Frank Act*” means the Dodd-Frank Wall Street Reform and Consumer Protection Act and all regulations, guidelines and directions adopted or published by a Governmental Authority in connection therewith.

“*Effective Date*” means April 25, 2013, which is 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 and delivered by the State and the Banks.

“*Event of Default*” has the meaning set forth in Section 10 hereof.

“*Events of Termination*” has the meaning set forth in Section 10 hereof.

“*Excess Interest*” has the meaning set forth in Section 2.2(g) hereof.

“*Expiry Date*” means 5:00 p.m. (New York City time) on April 25, 2016, as the same may be extended pursuant to the terms of Section 2.1(h) hereof.

“*Facility Fee*” has the meaning set forth in the Letter Agreement.

“*Federal Funds Rate*” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to State Street on such day on such transactions as determined by State Street.

“*Fitch*” means Fitch, Inc., 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.

“Governmental Authority” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including any zoning authority, the Federal Deposit Insurance Corporation, the Federal Reserve Board, any central bank and any comparable authority) or any arbitrator with authority to bind a party at law.

“Hedge Agreement” means an interest rate swap, cap, collar, floor, forward, or other hedging agreement, arrangement or security, however denominated, entered into pursuant to Chapter 18 of the Wisconsin Statutes and expressly identified pursuant to its terms as being entered into in connection with and in order to hedge interest rate fluctuations on all or a portion of any Debt.

“Incorporated Provisions” means Sections 104, 504, 518, 519, 520, 711, 713 and 714 of the General Resolution and Sections 2.3(b), 3.2, 3.3, 4.1, 5.1 and 5.5 of the Program Resolution.

“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.

“Letter Agreement” means the Amended and Restated Letter Agreement dated as of the Effective 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.

“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.

“Liquidity Facility” has the meaning set forth in the Program Resolution.

“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 to occur of (i) the Termination Date or (ii) the Revolving Loan Maturity Date, the Base Rate from time to time in effect and (B) thereafter, if the conditions precedent set forth in Section 3.3 hereof are not satisfied on the Conversion Date, the Default Rate; *provided* that from and after the occurrence of an Event of Default, the Liquidity Rate shall equal the Default Rate; *provided, further*, that at no time shall the Liquidity Rate be less than the interest rate on any Notes outstanding.

“Material Adverse Effect” means: (a) a material adverse change in, or a material adverse effect upon, the financial condition of the State; (b) a material impairment of the ability of the State to perform its obligations under any Related Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the State of any Related Document to which it is a party.

“Maximum Rate” has the meaning set forth in Section 2.2(g) hereof.

“Moody’s” means Moody’s Investors Service, Inc., and any successor rating agency.

“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.

“Notice of Increase of Commitment” means the notice from the State to the Banks to increase the Commitment from \$117,000,000 to \$175,000,000, substantially in the form of Exhibit F hereto.

“Obligations” means all obligations and all liabilities of the State under this Agreement and the Letter Agreement, including, but not limited to, its obligations to make all payments required by Section 2.1, 2.2 and 2.3 hereof.

“Offering Memorandum” means the Transportation Revenue Commercial Paper Note Offering Memorandum dated April 22, 2013, relating to the Notes, and any reoffering circular used in connection with a reoffering of the Notes.

“Original Agreement” has the meaning set forth in the recitals hereof.

“Other Taxes” has the meaning set forth in Section 2.2(f)(i) hereof.

“Outstanding” (i) with respect to the Notes, has the meaning set forth in the Program Resolution, (ii) with respect to Advances, means all Advances made by the Banks pursuant to the terms hereof and not repaid by the State and (iii) with respect to Term Loans, means all Term Loans made by the Banks pursuant to the terms hereof and not repaid by the State.

“Participant” has the meaning set forth in Section 7(c) hereof.

“Participation” has the meaning set forth 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 and Term Loans 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.

“Prime Rate” means the rate of interest announced by the Agent from time to time as its prime commercial rate or equivalent, as in effect on such day for United States dollar loans, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate, it being understood that such rate may not be the Agent’s best or lowest rate.

“Program Expense Fund” has the meaning set forth in the General Resolution.

“Program Expenses” has the meaning set forth in the General Resolution.

“Program Income” has 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 2.1 and 2.3 hereof, as such promissory note may be modified or extended from time to time, and any promissory note issued in exchange or replacement therefor. One Promissory Note shall be issued by the State to State Street in the maximum principal amount of \$105,000,000 and another Promissory Note shall be issued by the State to CalSTRS in the maximum principal amount of \$70,000,000.

“Rating Agency” means Fitch, Moody’s or S&P.

“Rating Agencies” means, collectively, Fitch, Moody’s and S&P.

“Related Documents” means and includes (without limitation) this Agreement, the Letter Agreement, the Notes, the Program Resolution, the General Resolution, the Supplemental Resolutions, the Promissory Notes, the Dealer 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.

“Revolving Loan Maturity Date” means, with respect to any Advance, the first July 1 to occur which is at least one hundred eighty days after the related Advance Date.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and any successor rating agency.

“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” has the meaning set forth in the General Resolution.

“Subordinated Debt Service Fund” has 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” has the meaning set forth in Section 2.2(f) hereof.

“Term Loan” means an Advance that is converted to a Term Loan pursuant to the terms of Section 2.3 hereof.

“Term Loan Maturity Date” means, with respect to any Term Loan, the last July 1 to occur not later than the third (3rd) anniversary of the related Advance Date.

“Term Loan Rate” means, for each day of determination with respect to each Term Loan, (A) from and including the related Conversion Date to and including the Term Loan Maturity Date, the Base Rate plus 1.00% and (B) thereafter, the Default Rate; *provided* that from and after the

occurrence of an Event of Default, the Term Loan Rate shall equal the Default Rate; *provided, further,* that at no time shall the Term Loan Rate be less than the interest rate on any Notes outstanding.

“Termination Date” means the date which is the earliest to occur 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 the Bank of New York Mellon Trust Company, N.A., its successors and assigns, and any successor trustee under the General Resolution.

Section 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.

Section 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.

Section 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 Effective 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 hereof have been satisfied, the Agent shall notify each Bank of the contents thereof and of such Bank’s respective Percentage 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 1:30 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 hereof 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 3:30 p.m. (New York time), on the same Business Day, to the State’s Account.

(iii) If a Bank receives the Advance Notice after 1:30 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 11:00 a.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 such Advance Date, with interest thereon at the Default Rate until payment in full.

(e) *Repayment of Advances.*

(i) 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 related Advance Date until such Advance 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, and 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.

(ii) The principal of each Advance shall be repaid in full on the Revolving Loan Maturity Date; *provided, however*, that if the conditions to the making of the Term Loan set forth in Section 3.3 hereof are satisfied on the Revolving Loan Maturity Date, the principal of all Advances shall be paid from the proceeds of the applicable Term Loan (the "*Conversion Date*"). Term Loans shall be payable in accordance with Section 2.3 hereof. The State shall make all payments under this Section 2.1(e) and under Section 2.3 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 and Outstanding Term Loans, 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, *provided, however*, that upon the increase of the Commitment pursuant to Section 2.1(g)(iii) hereof, the Commitment shall not be reduced below \$175,000,000 prior to the date which is 6 months after the date that the Commitment increased to \$175,000,000.

(ii) The State may, upon at least five (5) Business Days' notice to the Banks, 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, Outstanding Term Loans, interest, fees, and all other Obligations of the State hereunder and under the Letter Agreement shall be promptly paid or repaid in full to the Agent and the Banks.

(iii) On the earlier of (i) October 1, 2013, or (ii) the fifth Business Day following the receipt by the Banks of a request made by the State in the form attached hereto as Exhibit F, so long as (i) no Default or Event of Default hereunder shall have occurred and be continuing and (ii) the representations and warranties set forth in Section 6 hereof are true and correct in all material respects, the several commitments of the Banks to make Advances to the State pursuant to the terms of this Agreement shall increase to \$175,000,000; *provided, however*, that said increase to \$175,000,000 shall not occur if the conditions set forth in Section 3.4 hereof cannot be met.

(h) *Extension of the Expiry Date.* No earlier than 270 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 thirty (30) days after receipt of such written request, notify the State and the Issuing and Paying Agent in writing through the Agent of the consent of such Bank 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 any Bank shall not so notify the State, all Banks shall be deemed not to have consented to such request and the Expiry Date with respect to all Banks shall remain unchanged. If all Banks shall consent, 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.

Section 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, Advances and Term Loans at a rate per annum equal to 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 or under the Letter Agreement, each such unpaid amount shall (to the extent permitted by applicable law) bear interest for each day from the date such amount was so due until paid in full at a rate per annum equal to the Default Rate.

(b) *Increased Costs.*

(i) If a Bank, a Participant or any corporation controlling such Bank or Participant shall have determined that a Change of Law shall (A) change the basis of taxation of payments to such Bank of any amounts payable hereunder or under the Letter Agreement (except for taxes on the overall net income of such Bank, such Participant or any such corporation controlling such Bank or Participant), (B) impose, modify or deem applicable any reserve, special deposit or similar requirement against making or maintaining its obligations under this Agreement or maintaining the Commitment or any Advance or Term Loan or assets held by, or deposit with or for the account of, such Bank, such Participant or any such corporation controlling such Bank or Participant, or (C) impose on such Bank, such Participant or any such corporation controlling such Bank or Participant any other condition regarding this Agreement or maintaining the Commitment or any Advance or Term Loan, and the result of any event referred to in clause (A), (B) or (C) above shall be to increase the cost to such Bank, such Participant or any such corporation controlling such Bank or Participant of making or maintaining its obligations hereunder or under the Commitment or any Advance or Term Loan, or to reduce the

amount of any sum received or receivable by such Bank, such Participant or any such corporation controlling such Bank or Participant hereunder, then the State shall pay to such Bank, such Participant or any such corporation controlling such Bank or Participant, at such time and in such amount as is set forth in paragraph (c) of this Section, such additional amount or amounts as will compensate such Bank, such Participant or any such corporation controlling such Bank or Participant for such increased costs or reductions in amount received or receivable; *provided, however*, that the State shall not be required to reimburse such Bank, such Participant or any such corporation controlling such Bank or Participant for any costs or fees (including attorneys' fees) incurred in the calculation of such additional amounts and, *provided, further*, that such Bank, such Participant or any such corporation controlling such Bank or Participant 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, a Participant or any corporation controlling such Bank or Participant shall have determined that a Change of Law shall impose, modify or deem applicable any capital adequacy, liquidity or similar requirement (including, without limitation, a request or requirement that affects the manner in which such Bank, such Participant or any such corporation controlling such Bank or Participant allocates capital resources to its commitments, including its obligations under letters of credit) that either (A) affects or would affect the amount of capital or liquidity to be maintained by such Bank, such Participant or any such corporation controlling such Bank or Participant or (B) reduces or would reduce the rate of return on such Bank's, Participant's or any Bank's or Participant's controlling corporation's capital to a level below that which such Bank, such Participant or any such corporation controlling such Bank or Participant could have achieved but for such circumstances (taking into consideration such Bank's policies with respect to capital adequacy and liquidity), then the State shall pay to such Bank, such Participant or any such corporation controlling such Bank or Participant at such time and in such amount as is set forth in paragraph (iii) of this Section 2.2(b), such additional amount or amounts as will compensate such Bank for such cost of maintaining such increased capital or liquidity or such reduction in the rate of return on such Bank's, Participant's or Bank's or Participant's controlling corporation's capital; *provided, however*, that the State shall not be required to reimburse such Bank, such Participant or any such corporation controlling such Bank or Participant for any costs or fees (including attorneys' fees) incurred in the calculation of such additional amounts.

(iii) All payments of amounts referred to in paragraphs (a) and (b) of this Section 2.2(b) shall be due and payable in full by the State as soon as funds are available therefore in the Program Expense Fund, but in any case not later than ninety (90) days after the State's receipt of notice thereof. Interest on the sums due as described in paragraphs (i) and (ii) of this Section 2.2(b), and in the preceding sentence, shall begin to accrue from the date when the payments were first due at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full and shall be payable on demand and in accordance with Section 2.2(a) hereof. A certificate as to such increased cost, increased capital or reduction in return incurred by a Bank, a Participant or any corporation controlling such Bank or Participant as a result of any event mentioned in paragraph (i) or

(ii) of this Section 2.2(b) 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 (absent manifest error) as to the amount thereof. In making the determinations contemplated by such certificate, such Bank, such Participant or any such corporation controlling such Bank or Participant may make such reasonable estimates, assumptions, allocations and the like as such Bank, such Participant or any such corporation controlling such Bank or Participant in good faith determines to be appropriate.

(iv) The State shall not be required to compensate a Bank, a Participant or any such corporation controlling such Bank or Participant pursuant to the foregoing provisions of this Section for any additional amount incurred more than one hundred twenty (120) days prior to the date on which such Bank, such Participant or any such corporation controlling such Bank or Participant notifies the State regarding the change in law or other adoption or implementation giving rise to such additional amount and of such Bank's, Participant's or such Bank's or Participant's controlling corporation's capital intention to claim compensation therefor. The Banks shall use their best efforts to provide the State with prompt notice of any change in law or other adoption or implementation which may result in any additional amount being charged to the State under this Section 2.2(b).

(v) The obligations of the State under this Section 2.2(b) shall survive the termination of this Agreement.

(vi) Notwithstanding anything to the contrary contained herein, any Obligation of the State which constitutes interest shall only be due on the first Business Day of each January and July.

(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, under the Letter Agreement 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 and under the Letter Agreement 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.* (i) Any and all payments to any Bank by the State hereunder and under the Letter Agreement shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges, withholdings or liabilities imposed thereon, excluding, however, taxes imposed on or measured by the net income or capital of such Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection (other than such Bank's execution, delivery and performance of this Agreement or maintaining the Commitment or making any Advance or Term Loan or receipt of any payment under this Agreement or the Letter Agreement) between such Bank and such jurisdiction or political subdivision (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being herein referred to as "*Taxes*"). If, as a result of a Change of Law after the Effective Date, the State shall be required by law to withhold or deduct any Taxes imposed by the United States or any political subdivision thereof or any other taxing authority from or in respect of any sum payable hereunder or under the Letter Agreement to a Bank, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.2(f)), such Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the State shall make such deductions and (iii) the State shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. In addition, the State agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America or the State of New York or any other political subdivision or taxing authority from any payment made hereunder or under the Letter Agreement or from the execution or delivery or otherwise with respect to this Agreement or the Letter Agreement, excluding, however, taxes imposed on or measured by the net income or capital of such Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection (other than such Bank's execution, delivery and performance of this Agreement or maintaining the Commitment or making any Advance or Term Loan or receipt of any payment under this Agreement or the Letter Agreement) between such Bank and such jurisdiction or political subdivision (herein referred to as "*Other Taxes*"). Each Bank shall provide to the State within a reasonable time a copy of any written notification it receives with respect to Other Taxes owing by the State to the Bank hereunder; *provided* that such Bank's failure to send such notice shall not relieve the State of its obligation to pay such amounts hereunder.

(ii) *Indemnity.* The State shall, to the fullest extent permitted by law, indemnify such Bank for the full amount of Taxes and Other Taxes, including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.2(f), paid by such Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided* that the State shall not be obligated to indemnify such Bank for any penalties, interest or expenses relating to Taxes or Other Taxes arising from the Bank's gross negligence or willful misconduct. Each Bank agrees to give notice to the State of the

assertion of any claim against such Bank relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that such Bank's failure to notify the State promptly of such assertion shall not relieve the State of its obligation under this Section 2.2(f)(ii). Payments by the State pursuant to this indemnification shall be made as soon as funds are available therefore in the Program Expense Fund, but in any case not later than ninety (90) days after the date such Bank makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof.

(iii) *Notice.* Within sixty (60) days after the date of any payment of Taxes or Other Taxes by the State, the State shall furnish to each Bank, the original or a certified copy of a receipt evidencing payment thereof.

(iv) *Credits, Deductions, Refunds.* If the State shall make any payment under this Section 2.2(f) to or for the benefit of such Bank with respect to Taxes or Other Taxes and such Bank (in its discretion as to the extent, order and means in which it does so) shall claim (and receive and retain) any credit or deduction for such Taxes against any other taxes payable by such Bank to any taxing jurisdiction in the United States or any refund (including that portion of any interest that was included as part of such refund) with respect to Taxes or Other Taxes paid by the State pursuant to this Section 2.2(f), then such Bank shall pay to the State an amount equal to the amount by which such other taxes are actually reduced or the amount of such refund, as the case may be; *provided* that the aggregate amount payable by such Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the State with respect to such Taxes or Other Taxes and shall be net of all costs and expenses incurred or paid by such Bank in obtaining such credit, deduction or refund.

(v) *IRS Form W-9; Status of Banks and Participants.* (i) On or prior to the Effective Date, each Bank shall deliver to the State a copy of such Bank's IRS Form W-9.

(ii) Any Bank or any Participant that is entitled to an exemption from or reduction of withholding Tax with respect to payments made hereunder or under the Letter Agreement shall deliver to the State and the Agent, at the time or times reasonably requested by the State or the Agent, such properly completed and executed documentation reasonably requested by the State or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Bank or any Participant, if reasonably requested by the State or the Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the State or the Agent as will enable the State or the Agent to determine whether or not such Bank or Participant is subject to backup withholding or information reporting requirements.

(vi) *Survival.* The obligations of the State under this Section 2.2(f) shall survive the termination of this Agreement.

(g) *Maximum Rate.* The maximum interest rate permitted under this Agreement shall be the lesser of 25% per annum or the maximum rate permitted by law (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. To the extent permitted by law, if the rate of interest payable hereunder shall exceed the Maximum Rate for any period for which interest is payable, then (a) interest at the Maximum Rate shall be due and payable with respect to such interest period and (b) interest at the rate equal to the difference between (i) the rate of interest calculated in accordance with the terms hereof and (ii) the Maximum Rate (the "*Excess Interest*") shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the State shall pay to the Agent, with respect to amounts then payable to the Banks that are required to accrue interest hereunder or under the Letter Agreement, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Banks to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to the Banks. Upon the earlier of (A) the date the related Advance or Term Loan is repaid in full and (B) the date all Obligations are payable hereunder following the termination of the Commitment, in consideration for the limitation of the rate of interest otherwise payable hereunder, the State shall pay to the Bank a fee equal to the amount of all unpaid deferred Excess Interest, said fee being payable in four equal installments on the first Business Day of each of the next succeeding January, April, July and October.

(h) *Promissory Notes.* The Advances and Term Loans 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 and Term Loans made by such Bank that are Outstanding. Each Bank is hereby authorized to record the date and amount of each Advance or Term Loan 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 Effective Date, (B) be stated to mature on the later of the Term Loan Maturity Date and the date on which all amounts due and owing hereunder to such Bank with respect to any Advances and/or Term Loans have been paid in full, and (C) provide for the payment of interest in accordance with Section 2.1(e), Section 2.2(a) and Section 2.3(b) 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. The terms of the Letter Agreement are incorporated herein by reference as if fully set forth herein. Any reference herein or in any other document to fees and/or other amounts or obligations payable hereunder shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Letter Agreement.

Section 2.3. Term Loans. (a) The State shall have the option to convert the unpaid principal amount of any Advance to a Term Loan, in each case, on the related Conversion Date, so long as the conditions precedent set forth in Section 3.3 hereof have been satisfied on such Conversion Date.

(b) The Term Loan shall bear interest from the Conversion Date to and including the earlier to occur of (i) the date on which such Term Loan is paid in full and (ii) the Term Loan Maturity Date at a rate per annum equal to the Term Loan Rate. Interest on each Term Loan shall be paid to the Agent, on behalf of the Banks, semiannually in arrears on the first Business Day of each January and July during the term of the Term Loan and on the Term Loan Maturity Date.

(c) The principal of each Term Loan shall be paid in installments payable on each Amortization Payment Date (each such payment, an "*Amortization Payment*"), with the final installment in an amount equal to the entire then-outstanding principal amount of such Term Loan to be paid in full on the Term Loan Maturity Date (the period commencing on the Conversion Date and ending on the Term Loan Maturity Date is herein referred to as the "*Amortization Period*"). Each Amortization Payment shall be that amount of principal which will result in equal or nearly equal Amortization Payments over the Amortization Period. Notwithstanding the foregoing, the State acknowledges and agrees that the foregoing payment schedule may result in a final payment on the related Term Loan Maturity Date substantially higher than the Amortization Payments made prior to the Term Loan Maturity Date.

(d) The State may prepay each Term Loan, in whole or in part, on any Business Day, without cost, penalty or premium, provided at least three (3) days' written notice is provided by the State to the Banks. Each such notice of optional prepayment shall be irrevocable and shall bind the State to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement.

SECTION 3. CONDITIONS PRECEDENT.

Section 3.1. Conditions Precedent to Effective Date. The Effective 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 Effective Date the following, each in form and substance satisfactory to the Banks and their counsel and, unless indicated otherwise, dated the Effective Date:

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

(ii) certified copies of the Related Documents (other than those documents described in clause (i) above), 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, the Letter 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) hereof;

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

(v) written evidence satisfactory to the Banks that a CUSIP number has been obtained and received from Standard & Poor's CUSIP Service for each Promissory Note; and

(vi) 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 Effective Date, and the Banks shall have received a certificate signed by the appropriate officer of the State, dated the Effective 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 Effective Date as though made on and as of such date; and

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

(c) *Legality; Material Adverse Change.* As of the Effective Date, the Agent and the Banks shall have determined (in their reasonable discretion) that (i) neither the making of any Advance or Term Loan 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 Agent, the Banks or this Agreement or the Letter Agreement and (ii) no material adverse change in the financial condition, business, assets, liabilities, or prospects of the State shall have occurred.

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

(i) The Agent and 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) hereof;

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

(iii) No Event of Termination or event of suspension pursuant to Section 10(III), Section 10(IV) or Section 10(V) hereof 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 3.3. Conditions Precedent to Term Loan. The obligation of the Banks to convert the principal amount owed for any Advances to a Term Loan shall be subject to the fulfillment of each of the following conditions precedent on the related Revolving Loan Maturity Date in a manner satisfactory to the Banks:

(a) The following statements shall be true and correct on the Conversion Date, and the Banks shall have received a certificate incorporating by reference the definitions of the capitalized terms defined in this Agreement, signed by the appropriate officer of the State and dated the related Conversion Date, stating that:

(i) the representations and warranties of the State contained herein and in each of the other Related Documents are true and correct in all material respects on and as of the Conversion Date as though made on and as of such date; and

(ii) no Default or Event of Default has occurred and is continuing as of such Conversion Date or would result from converting the related Advance to a Term Loan hereunder.

Section 3.4. Conditions Precedent to the Issuance of Additional Subordinated Indebtedness. On the date any additional Subordinated Indebtedness (within the meaning of Section 5.7 of the Program Resolution) which are Notes are to be issued, each of the following conditions precedent shall have been satisfied:

(i) the Program Resolution and all other Related Documents to which the State is a party shall be in full force and effect;

(ii) all conditions precedent to the issuance of such Notes set forth in the Related Documents shall have been satisfied;

(iii) the State shall have duly executed and delivered such Notes to the Issuing and Paying Agent for authentication and delivery to the purchasers thereof in accordance with the Program Resolution; and

(iv) the long term rating on the State's unenhanced Bonded Debt shall not be less than "A3" (or its equivalent) by Moody's, "A-" (or its equivalent) by S&P or "A-" (or its equivalent) by Fitch.

SECTION 4. OBLIGATIONS ABSOLUTE.

The Obligations of the State under this Agreement and the Letter 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 or under the Letter Agreement (whether or not similar to any of the foregoing), it being agreed that the Obligations hereunder or under the Letter Agreement shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement or the Letter Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder and under the Letter Agreement. 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, (ii) the Advances solely to pay the principal of and interest on the Notes when due and (iii) the Term Loans solely to repay the principal of and interest on Outstanding Advances on their respective Revolving Loan Maturity Date.

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 and Term Loans, and (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 and Term Loans, to pay all interest thereon, and to pay all fees and other amounts payable hereunder) and under the Letter Agreement 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.

(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 which would result in a Material Adverse Effect, 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 which would result in a Material Adverse Effect; 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 contained in the other Related Documents to which the State is a party, together with the related definitions of terms contained therein, are hereby incorporated by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the State in such Sections are hereby made for the benefit of the Banks. No amendment to or waiver of such representations and warranties or definitions made pursuant to the relevant Related Document or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Banks.

(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 Effective 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, 2012, 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, 2012, 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 the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (EMMA) System as a notice of listed event.

(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 or Term Loan 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. Section 18.561(2) and Section 18.61(3) of the Wisconsin Statutes 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. Pursuant to Section 18.61(2) of the Wisconsin Statutes, the State pledges and agrees with the Banks, as owners of the Promissory Notes, that the State will not limit or alter its powers to fulfill the terms of this Agreement or in any way impair the rights and remedies of the Banks until the Promissory Notes, together with interest including interest on any unpaid installments of

interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the Banks, are fully met and discharged.

(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 Term Loans 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 or under the Letter Agreement.

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

(o) *Margin Regulations; Investment Company Act.* (i) The State is not engaged in the business of extending credit for the purpose of purchasing or carrying any margin stock as defined in Regulation U of the Board of Governors of the Federal Reserve System, and the State will not use the proceeds of any of the Notes, Advances or Term Loans so as to violate Regulation T, U or X of the Board of Governors of the Federal Reserve System, as the same may be amended or interpreted from time to time.

(ii) The State does not intend to use any part of the proceeds of the Notes, Advances, Term Loans or other funds advanced hereunder, and has not incurred any indebtedness to be reduced, retired or purchased by the State out of such proceeds, for the purpose of purchasing or carrying any margin stock, and the State does not own and has no intention of acquiring any such margin stock from such sources.

(iii) The State is not an “investment company” or a company “controlled” by an “investment company,” as such terms are defined in the Investment Company Act of 1940, as amended.

(p) *No Default.* No default by the State has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Bonded Debt including, without limitation, regularly scheduled payments on interest rate hedging agreements related to any Bonded Debt, which default has continued for longer than the grace period provided for payment of such debt. No bankruptcy, insolvency or other similar proceedings pertaining to the State or any agency or instrumentality of the State are pending or presently contemplated. No Default or Event of Default has occurred and is continuing hereunder. No “default” or “event of default” under, and as defined in, any of the other Related Documents has occurred and is continuing.

(q) *Tax Status.* The State has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action,

if taken or omitted, would adversely affect the exclusion of interest on the Notes from gross income for federal income tax purposes.

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 in all material respects at and as of (a) the date of any authentication and delivery of Notes under the Program Resolution, and (b) the time of each Advance or Term Loan hereunder, 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, the Letter 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, 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 and the Letter 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 and no Participant may claim any greater right to increased costs or taxes than the Bank participating such Participant its rights and obligations hereunder, including, without limitation, costs under Section 2.2(b) or 2.2(f) 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, the Term Loans or the Obligations hereunder or under the Letter Agreement.

(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 for a particular item set forth

below, the State shall, within thirty (30) days of the date of the written request, 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) As soon as available, the most recent State monthly general fund financial information report (or other monthly reports as requested) that provides general fund information on a cash basis and agency-recorded basis, or, at any time after October 15th, the State's unaudited Annual Fiscal Report that provides budgetary information for the fiscal year that ended the prior June 30th.

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

(iv) From time to time such other information regarding the business affairs, financial condition and/or operations of the State as the Banks may from time to time 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 under the Letter Agreement 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 an Alternate 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 and under the Letter Agreement prior to the Termination Date, and (iii) repay all outstanding Advances or Term Loans on the date the outstanding principal amount of such Advances or Term Loans are due and payable under this Agreement. The State agrees to use its best efforts to provide the Banks thirty (30) days prior written notice of the effective date of any Alternate Facility, *provided however*, that any failure to provide such notice shall not affect the validity or enforceability of the Alternate Facility.

(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 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 Bonded 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 provided for herein 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. The State agrees to cause the Dealer to use its best efforts to sell Notes up to the maximum interest rate permitted by the Program Resolution in order to repay maturing Notes. If any Advance remains outstanding for a period of thirty (30) consecutive Business Days, at the written direction of the Agent, the State agrees to either, at its option, (i) redesignate the related Notes to another Dealer or Dealers or (ii) cause the related Dealer (that has been unable to sell the Notes) to be replaced with a Dealer reasonably satisfactory to the Banks, within fourteen (14) Business Days after the receipt of such written direction, subject to any limitations in the Related Documents. The Banks shall be a third party beneficiary to the Dealer Agreement with any successor Dealer.

(n) *Banks' Consent.* Subject to any limitations in the Related Documents, 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. The State shall provide the Banks written notice of any change in the identity of the Trustee, Issuing and Paying Agent or Dealer upon becoming aware of the same. If the position of Trustee, Issuing and Paying Agent or the Dealer becomes vacant, the State shall promptly appoint a successor which is reasonably acceptable to the Banks.

(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.

(p) *Compliance with Documents.* The State agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Incorporated Provisions. The Incorporated Provisions, as well as defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such Incorporated Provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Banks and shall be enforceable against the State. To the extent that any such Incorporated Provision permits the State or any other party to waive compliance with such Incorporated Provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the State or any other party, for purposes of this Agreement, such Incorporated Provision shall be complied with unless it is specifically waived by each Bank in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to each Bank which shall only be evidenced by the written approval by each Bank of the same, except as provided in Section 8.4 of the Program Resolution. Except as permitted by Section 9(a) hereof and as provided in Section 8.4 of the Program Resolution, no termination or amendment to such Incorporated Provisions or release of the State with respect thereto made pursuant to the Program Resolution or any of the other Related Documents to which the State is a party, shall be effective to terminate or amend such Incorporated Provisions and defined terms related thereto or release the State with respect thereto in each case as incorporated by reference herein without the prior written consent of each Bank. Notwithstanding any termination or expiration of the Program Resolution or any such other Related Document to which the State is a party, the State shall continue to observe the Incorporated Provisions for the benefit of the Banks until the termination of this Agreement and the payment in full of the Notes and all other Obligations. All such Incorporated Provisions shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such covenants be a limitation on the express Incorporated Provisions contained herein.

(q) *Underlying Rating.* (i) The State shall at all times maintain a rating on the Notes from at least two Rating Agencies.

(ii) The State shall at all times maintain a rating on each Promissory Note (if the Banks have requested ratings thereon in accordance with Section 8(s) hereof) from at least one Rating Agency.

(iii) The State covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on Bonded Debt or the Promissory Notes (if the Banks have requested ratings thereon in accordance with Section 8(s) hereof) from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement.

(iv) The State shall at all times maintain a rating on the Notes from at least one Rating Agency.

(r) *Maintenance of Approvals: Filings, Etc.* The State shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents to which it is a party.

(s) *Ratings on Promissory Notes.* If an Advance is made and remains unpaid, upon the written request of either or both of the Banks, the State shall, at its expense, take all steps necessary to obtain within forty-five (45) days of such request a long term rating on each Promissory Note (and its related CUSIP Number) from at least one Rating Agency, provided that if the State shall have entered into a written bond purchase agreement for the issuance of the long-term bonds or other obligations described in Section 8(j) hereof for delivery within 30 days, or has awarded such bonds or other obligations at competitive sale for delivery within 30 days, the State shall not be required to proceed with obtaining such rating.

(t) *Defeasance of Notes.* The State shall not complete the payment or defeasance of Notes with the use of Federal Securities, as provided for in Section 6.1(b) of the Program Resolution, unless the State has first provided information of such deposit with each Rating Agency and has received rating confirmation.

(u) *Credit Facilities.* (i) (A) In the event that the State shall, directly or indirectly, enter into or otherwise consent to any Other Debt Document, which such Other Debt Document (or amendment thereto) provides for any term or provision which permits any outstanding advance, loan or drawing to be amortized over a period shorter than the Amortization Period set forth in Section 2.3 hereof (such shorter amortization period, the "*Shorter Amortization Period*"), the State shall provide written notice thereof to the Banks and, upon written request of the Banks, this Agreement shall be deemed to be amended such that the Amortization Period set forth in Section 2.3 hereof shall be such Shorter Amortization Period, provided that, if a rate of interest payable on the Other Debt Document is lower than the corresponding rate of interest payable on the Advances and/or Term Loans, this Agreement shall also be deemed to be amended such that the interest rate(s) payable on the Advances and/or Term Loans shall equal the corresponding lower interest rate(s) (the "*Clause (i) Lower Interest Rate*") to be charged pursuant to the Other Debt Document; *provided, however*, that in the event that the Clause (i) Lower Interest Rate at any time is less than the Cost of Funds of either Bank, such Clause (i) Lower Interest Rate shall equal such Bank's Cost of Funds; *provided, further*, that in no event shall the Clause (i) Lower Interest Rate exceed the rate of interest that any outstanding Advance or Term Loan would bear interest hereunder.

(B) In connection with either Bank's determination of the Cost of Funds pursuant to clause (u)(i)(A) above, the respective Bank shall provide the State with a certificate demonstrating such calculation in a level of detail reasonably acceptable to the State and, prior to any adjustment to the Clause (i) Lower Interest Rate as a result of a Cost of Funds in excess of the Clause (i) Lower Interest Rate, the State shall have an opportunity to review and approve such certificate; *provided, however*, that such period shall not exceed five (5) Business Days and, in the event that the State

fails to approve such certificate within such five (5) Business Day period, the State shall be deemed to have approved such certificate and Costs of Funds.

(C) Upon the written request of the Banks, the State and Banks shall promptly enter into an amendment to this Agreement such that the Amortization Period equals such Shorter Amortization Period and such Clause (i) Lower Interest Rate will apply, *provided* that the Amortization Period shall equal the Shorter Amortization Period and such Clause (i) Lower Interest Rate will apply regardless of whether this Agreement is amended. If this Agreement is amended or deemed amended in accordance with this clause (u)(i) and, thereafter, the State shall amend the Other Debt Document such that it no longer provides for an amortization of the related advance, loan or drawing for a period less than the Amortization Period, then, without the consent of the Banks, the Amortization Period shall once again equal the period provided in Section 2.3 hereof and the interest rates will return to the interest rates set forth in this Agreement.

(ii) (A) In the event that the State shall, directly or indirectly, enter into or otherwise consent to any Other Debt Document, which such Other Debt Document includes the right to accelerate the payment of the principal of or interest on any advance, loan or drawing secured by a lien on the Pledged Collateral and/or amounts in the Subordinated Debt Service Fund on a parity basis with the Promissory Notes, the State shall provide written notice thereof to the Banks and, upon written request of the Banks, the Banks shall be deemed to have the right to accelerate the payment of principal and interest on any outstanding Advances and Term Loans upon the occurrence and during the continuance of an Event of Default hereunder, if under such Other Debt Document an event of default or event of termination has occurred permitting an acceleration of such advance, loan or drawing and such advance, loan or drawing has been accelerated; *provided, however*, that if a rate of interest payable on the Other Debt Document is lower than the corresponding rate of interest payable on the Promissory Notes and this Agreement (the "*Clause (ii) Lower Interest Rate*"), this Agreement shall also be deemed to be amended such that the interest rate(s) payable on the Advances and Term Loans shall equal the Clause (ii) Lower Interest Rate; *provided, however*, that in the event that the Clause (ii) Lower Interest Rate at any time is less than the Cost of Funds of either Bank, such Clause (ii) Lower Interest Rate shall equal such Bank's Cost of Funds; *provided, further*, that in no event shall the Clause (ii) Lower Interest Rate exceed the rate of interest that any outstanding Advance or Term Loan would bear interest hereunder.

(B) In connection with either Bank's determination of the Cost of Funds pursuant to clause (u)(ii)(A) above, the respective Bank shall provide the State with a certificate demonstrating such calculation in a level of detail reasonably acceptable to the State and, prior to any adjustment to the Clause (ii) Lower Interest Rate as a result of a Cost of Funds in excess of the Clause (ii) Lower Interest Rate, the State shall have an opportunity to review and approve such certificate; *provided, however*, that such period shall not exceed five (5) Business Days and, in the event that the State fails to approve such certificate within such five (5) Business Day period, the State shall be deemed to have approved such certificate and Costs of Funds.

(C) Upon the written request of the Banks, the State and the Banks shall promptly, upon the occurrence of the State entering into an agreement (or amendment thereto) which provides for the right to accelerate any advance, loan or drawing secured by a lien on the Pledged

(C) Upon the written request of the Banks, the State and the Banks shall promptly, upon the occurrence of the State entering into an agreement (or amendment thereto) which provides for the right to accelerate any advance, loan or drawing secured by a lien on the Pledged Collateral and/or amounts in the Subordinated Debt Service Fund on a parity basis with the Promissory Notes, enter into an amendment to this Agreement to include a provision which permits the Banks to accelerate outstanding Advances and Term Loans as described above and that such lower interest rate(s) apply, *provided* that the Banks and the State shall maintain the benefit of such provisions even if the State or Banks fail to provide such amendment. The release, termination or other discharge of such other documentation that provides for acceleration of any Other Debt Document secured by a lien on the Pledged Collateral and/or amounts in the Subordinated Debt Service Fund on a parity basis with the Promissory Notes, shall be effective to amend, release, terminate or discharge (as applicable) such provision as incorporated by reference herein without the consent of the Banks and the interest rates will return to the interest rates set forth in this Agreement.

(iii) For purposes of this Section 8(u), "*Other Debt Document*" means any letter of credit reimbursement agreement, standby bond purchase agreement, liquidity agreement, direct bond purchase agreement or other similar agreement or instrument (or any amendment, supplement or modification thereto) executed and delivered after the Effective Date between the State and a bank or similar financial institution under which the party to that Other Debt Document (other than the State) undertakes to purchase Additional Debt of the State (provided that for purposes of this Section 8(u) only, purchases of Additional Debt shall not include purchases made in a Public Offering of Additional Debt), make loans or extend credit or liquidity to the State, that is payable from and secured by the Pledged Collateral and/or the Program Income and that has the same lien priority as the Promissory Notes.

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 amendment, supplement or modification to any Related Documents or any waiver of the requirements thereof, that (i) does or could reasonably be expected to result in a Material Adverse Effect or adversely affect the rights, interests, security or remedies of the Banks thereunder, and (ii) does or could reasonably be expected to have a Material Adverse Effect or adversely affect the rights, interests, security or remedies of the Banks thereunder; *provided, however,* that the State may, without the Banks' prior written 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.

(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.

(g) *Offering Document and Other Documents.* The State shall not include, or permit to be included, any material or reference relating to the Banks in any offering memorandum or any other offering or reoffering document or any tombstone (each, an “Offering Document”), unless such material or reference is approved in writing (which shall include email) or is supplied in writing by the Banks expressly for inclusion therein, *provided, however*, that nothing contained in this Section 9(g) shall preclude the State from its complying with applicable securities laws, as determined in good faith by the State.

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, the Letter 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 9 or in Section 8(a), 8(b), 8(c), 8(d), 8(f), 8(g), 8(j), 8(m), 8(n), 8(o), 8(p), 8(q)(ii), 8(q)(iii), 8(q)(iv) or 8(s); 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) (i) Any pledge or security interest created by the Program Resolution or this Agreement in the revenues derived under Sections 341.25, 342.14(1), 342.14(3m), 341.145(3), and 341.255(2) (a), (b) and (c) of the Wisconsin Statutes to secure payment of principal of or interest on Advances or Term Loans shall fail to be fully enforceable; or

(ii) Any pledge or security interest created by the Program Resolution or this Agreement in the revenues derived under Sections 341.25, 342.14(1), 342.14(3m), 341.145(3), and 341.255(2) (a), (b) and (c) of the Wisconsin Statutes to secure payment of principal of or interest on Advances or Term Loans shall fail to be fully enforceable with the priority required under this Agreement and the Program Resolution; or

(iii) Any pledge or security interest created by the Program Resolution or this Agreement in any other revenues pledged thereby to secure payment of principal of or interest on Advances or Term Loans 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 Advances or Term Loans; or

(iv) Any pledge or security interest created by the Program Resolution or this Agreement to secure payment of principal of or interest on Advances or Term Loans shall fail to have the priority required under this Agreement and the Program Resolution; 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) 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 eighty (180) consecutive days after the final date for payment of such amount without being vacated, discharged, satisfied, or stayed; or

(h) 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

(i) 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 a substantial 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 or a Governmental Authority of competent jurisdiction imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of or interest on any Bonded 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

(j) The State shall fail to pay any amount of principal of or interest on any Advance or Term Loan within five (5) Business Days of the date the same shall become due and payable pursuant to this Agreement or the Promissory Notes; or

(k) (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 therefor) 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 therefor) shall be contested (A) by the State or (B) by any Governmental Authority of competent jurisdiction, 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 therefor); or

(l) 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, as a result of a payment default of any nature, 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

(m) (i) The long-term rating assigned to any Bonded Debt by Moody's, S&P or Fitch shall be withdrawn or suspended for credit-related reasons or reduced below "Baa2" (or its equivalent), "BBB" (or its equivalent) or "BBB" (or its equivalent), respectively; or (ii) the long-term rating assigned to any Bonded Debt by Moody's, S&P and Fitch shall be withdrawn or suspended for credit-related reasons or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB-" (or its equivalent), respectively;

(n) The State shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Debt payable from the General Fund of the State (and which shall not include a failure of an obligor to make a payment on any indebtedness supported by a moral obligation 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 payable from the General Fund of the State (and which shall not include a failure of an obligor to make a payment on any indebtedness supported by a moral obligation of the State) 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 payable from the General Fund of the State (and which shall not include a failure of an obligor to make a payment on any indebtedness supported by a moral obligation 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.

THEN,

(I) if such event is an Event of Default specified in Section 10(e)(i), (i), (j) or any of (k) through (m) above (other than (m)(i) above) (referred to herein as "*Events of Termination*"), (A) immediately and automatically the Commitment shall immediately terminate, (B) the Advances, the Term Loans, all interest thereon and all other Obligations hereunder and under the Promissory Notes and the Letter Agreement shall immediately become due and payable, (C) the Agent or the Banks 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

the Banks 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 Section 10(a), (b), (c), (d), (e)(ii), (e)(iii), (e)(iv), (f), (g), (h) or (m)(i) or (n) above, the Agent, at the direction of the Banks, shall (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, the Term Loans, 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, Term Loan 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 Section 10(i), the obligation of the Banks to advance funds hereunder shall be immediately and automatically suspended, without notice, and the Banks shall be under no further obligation hereunder to make Advances or Term Loans, 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 hereunder to make Advances or Term Loans

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) one year from the occurrence of such Default, (i) the Default which gave rise to such suspension is cured or ceased to be continuing and (ii) the obligation of the Banks hereunder to make Advances or Term Loans has not otherwise terminated, then, upon written notice from the State to the Banks to such effect, the obligation of the Banks hereunder to make Advances or Term Loans under this Agreement shall be automatically reinstated. If the Default which gave rise to the suspension of the obligations of the Banks hereunder to make Advances or Term Loans 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 hereunder to make Advances or Term Loans has not otherwise terminated, then the obligations of the Banks hereunder to make Advances or Term Loans 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 hereunder to make Advances or Term Loans; *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 hereunder to make Advances or Term Loans; and

(IV) upon the occurrence of a Default under Section 10(k)(ii)(B) hereof, the obligations of the Banks to make Advances and Term Loans 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 and Term Loans 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 one (1) year 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 and Term Loans hereunder shall at such time terminate without notice or demand; and

(V) upon the occurrence of a Default under Section 10(j) hereof, the obligations of the Banks to make Advances and Term Loans hereunder shall be suspended from the time of the occurrence of such Default until such time that the State has cured such Default by payment of all amounts due and payable to the Banks in full. Notwithstanding the foregoing, upon the earlier of the Termination Date or the date which is five (5) Business Days after the occurrence of such Default and the Default is still continuing, then the Commitment and the obligation of the Banks to make Advances and Term Loans hereunder shall at such time terminate without notice or demand; and

(VI) the remedies provided in Section 10(I), (II), (III), (IV) and (V) 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.

Section 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 and any Related Document, 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, any Related Document 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.

Section 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 telecopy) 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.

Section 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.

Section 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.

Section 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.

Section 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 its 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 or any of its affiliates which that may come into the possession of the Agent or any of its affiliates.

Section 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.

Section 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.

Section 11.9. Notices. The Agent shall promptly provide copies to the Banks of all notices delivered to the Agent under each of the Related Documents.

SECTION 12. MISCELLANEOUS.

Section 12.1. Amendments and Waivers. No amendment or waiver of any provision of this Agreement, the Letter 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 and the Banks. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. The parties acknowledge that if this Agreement is amended in the future to incorporate additional parties as Banks or to change the Percentages, this Section may be amended to incorporate a provision allowing the Required Banks to provide such amendments, consents or waivers.

Section 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 or Term Loan (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 or Term Loan required to be made by such Bank hereunder after strict compliance with the conditions precedent to such

Advance or Term Loan, unless the making of such Advance or Term Loan was not otherwise permitted by law; or

(iii) by reason of or in connection with the execution, delivery, or performance of this Agreement, the Letter 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).

Section 12.3. Continuing Obligations. The obligations of the State under this Agreement and the Letter Agreement shall continue until the later of the Termination Date and the date upon which all amounts owing to the Banks hereunder and under the Letter Agreement 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 and the Letter Agreement. This Agreement and the Letter 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 and the Letter Agreement without the prior written consent of the other parties.

Section 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, any Term Loan 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 or Term Loan required to be made by such Bank hereunder after strict compliance with all conditions precedent to such Advance or such Term Loan, unless such Advance or Term Loan 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.

Section 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.

Section 12.6. Costs, Expenses and Taxes; Payment Instructions. (a) The State shall pay, on or after the Effective 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 and the Banks' counsel not to exceed in any event \$28,500 (plus disbursements). 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 Effective 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 60th 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 set forth on Schedule I to the Letter Agreement.

Section 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) or email and shall be given to such party, addressed to it, at its address, email address or telephone number set forth on the signature pages to the Letter Agreement or such other address, email address or telephone number as such party may hereafter specify for the purpose by notice to each other party; provided, however, that Advance requests to the Banks and notices of default and notices of termination to the State shall only be in writing or by telecopy or email (promptly confirmed in writing). 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 in the Letter Agreement; (iii) if given by email, when given by email to the party at its email address specified in the Letter Agreement; or (iv) if given by any other means, when delivered at the address specified in the Letter Agreement.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 12.14. Payments Set Aside. To the extent that any payment by or on behalf of the State is made to the Banks, or the Banks exercise their respective rights of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Banks in their respective discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 12.15. USA PATRIOT Act Notice. Each Bank that is subject to the Patriot Act (as hereinafter defined) and the Agent (for itself and not on behalf of any Bank) hereby notifies the State that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), it is required to obtain, verify and record information that identifies the State, which information includes the name and address of the State and other information that will allow such Bank or the Agent, as applicable, to identify the State in accordance with the Patriot Act, and the State hereby agrees to take any action necessary to enable the Bank to comply with the requirements of the Patriot Act.

Section 12.16. Return of Promissory Notes. The Banks agree to return the original Promissory Notes dated October 2, 2006 to the State within ten (10) days of the Effective Date.

Section 12.17. Requests for Information. Each Bank agrees to respond within ten (10) Business Days to requests made by the State that the Bank, pursuant to Section 9(g) hereof, approve material or references relating to the Bank for use in an Offering Document, and further agrees to provide any changes to the contact information for the Bank set forth in the Letter Agreement to the State in a timely manner; *provided, however,* that the failure to do so by either Bank shall create no liability with respect to such Banks arising out of such Offering Document.

Section 12.18. Amendment and Restatement. This Agreement shall become effective on the Effective Date and shall supersede, amend and restate all provisions of the Original Agreement as of such date and the Original Agreement shall remain in effect and govern the rights of the parties for periods prior to the Effective Date and the terms as amended herein shall apply from and after the Effective Date. The parties hereto agree that this Agreement does not extinguish or discharge the obligations of the State, the Agent or the Banks under the Original Agreement. From and after the Effective Date, all references made to the Original Agreement in any instrument or document shall, without more, be deemed to refer to this Agreement. Without limiting the foregoing, the parties to this Agreement hereby acknowledge and agree that the "Agreement" referred to in the Original Agreement shall from and after the date hereof be deemed a reference to this Agreement.

[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: Kevin D. Taylor
Title: Capital Finance Director

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

By: _____
Name: _____
Title: _____

CALIFORNIA STATE TEACHERS' RETIREMENT
SYSTEM, as a Bank

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: _____
Title: _____

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

By:  _____
Name: Thomas Henderson
Title: Vice President

CALIFORNIA STATE TEACHERS' RETIREMENT
SYSTEM, as a Bank

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: _____
Title: _____

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

By: _____
Name: _____
Title: _____

CALIFORNIA STATE TEACHERS' RETIREMENT
SYSTEM, as a Bank

By: Michelle Cunningham
Name: Michelle Cunningham, CFA
Title: Deputy Chief Investment Officer
(Acting)

SCHEDULE I
BANKS' PERCENTAGES AND AMOUNTS OF
AVAILABLE COMMITMENT

BANK	PERCENTAGE	COMMITMENT AMOUNT UPON EFFECTIVE DATE	COMMITMENT AMOUNT UPON INCREASE
State Street Bank and Trust Company	60%	\$70,200,000	\$105,000,000
California State Teachers' Retirement System	40%	\$46,800,000	\$70,000,000

EXHIBIT A

REQUEST FOR ADVANCE NOTICE

[Date]

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

California State Teachers' Retirement System, as a Bank
c/o State Street Bank and Trust Company
State Street Financial Center
Structured Products
One Lincoln St., 5th Floor
Boston, MA 02111
Attn: CalSTRS CEP Administration

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Reference is made to the Amended and Restated Credit Agreement dated as of April 15, 2013 (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 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(II), Section 10(IV), or Section 10(V) of the Agreement has occurred or is continuing.

Very truly yours,

STATE OF WISCONSIN

By: _____
[Issuing and Paying Agent]

EXHIBIT B

NOTICE OF REDUCTION OF COMMITMENT

[Date]

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

California State Teachers' Retirement System, as a Bank
c/o State Street Bank and Trust Company
State Street Financial Center
Structured Products
One Lincoln St., 5th Floor
Boston, MA 02111
Attn: CalSTRS CEP Administration

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Pursuant to the terms of Section 2.1(d)(i) of the Amended and Restated Credit Agreement dated as of April 15, 2013 (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 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 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

EXHIBIT C

NOTICE OF TERMINATION OF COMMITMENT

[Date]

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

California State Teachers' Retirement System, as a Bank
c/o State Street Bank and Trust Company
State Street Financial Center
Structured Products
One Lincoln St., 5th Floor
Boston, MA 02111
Attn: CalSTRS CEP Administration

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Pursuant to the terms of Section 2.1(g)(ii) of the Amended and Restated Credit Agreement dated as of April 15, 2013 (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 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 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

EXHIBIT D

REQUEST FOR EXTENSION

[Date]

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

California State Teachers' Retirement System, as a Bank
c/o State Street Bank and Trust Company
State Street Financial Center
Structured Products
One Lincoln St., 5th Floor
Boston, MA 02111
Attn: CalSTRS CEP Administration

Re: State of Wisconsin Transportation Revenue Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to that certain Amended and Restated Credit Agreement, dated as of April 15, 2013 (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 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) of the Agreement, that the Expiry Date for the Agreement be extended by **[Identify Appropriate Period]**. Pursuant to Section 2.1(h) 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 30 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 30 day period, the Banks shall be deemed to have rejected such request.

Very truly yours,

STATE OF WISCONSIN

By: _____
Authorized Representative of State

EXHIBIT E

NOTICE OF EXTENSION

[Date]

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, hereby advise you, with reference to the Amended and Restated Credit Agreement dated as of April 15, 2013 (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 the "*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 "*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

By: _____
Name: _____
Title: _____

cc: [Issuing and Paying Agent]

EXHIBIT F

FORM OF NOTICE OF INCREASE OF COMMITMENT

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

[_____, 2013]

California State Teachers' Retirement System, as a Bank
c/o State Street Bank and Trust Company
State Street Financial Center
Structured Products
One Lincoln St., 5th Floor
Boston, MA 02111
Attn: CalSTRS CEP Administration

Re: Notice of Increase of Commitment - State of Wisconsin
Transportation Revenue Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to that certain Amended and Restated Credit Agreement, dated as of April 15, 2013 (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 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:

- (i) no Default or Event of Default hereunder shall have occurred and be continuing, and
- (ii) the representations and warranties set forth in Section 6 of the Agreement are true and correct in all material respects,

and, accordingly, the Commitment shall be increased to \$175,000,000 on the fifth Business Day succeeding the date of this Notice.

Very truly yours,

STATE OF WISCONSIN

By: _____
Authorized Representative of State