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**State of Wisconsin**  
**Event Filing #2013-05**  
Dated March 19, 2013

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

**Issuer:** State of Wisconsin  
General Obligation Commercial Paper Notes

**CUSIP Numbers:** 97711M (All)  
97711W (All)  
97712L (All)

**Type of Information:** Substitution of Credit or Liquidity Providers

The attached **Credit Agreement, dated March 19, 2013, between the State of Wisconsin, acting through the State of Wisconsin Building Commission and The Bank of New York Mellon** has been delivered to Deutsche Bank Trust Company Americas, which is the Issuing and Paying Agent for the State of Wisconsin General Obligation Commercial Paper Notes.

The attached is a substitute liquidity facility under the Program Resolution for the State of Wisconsin General Obligation Commercial Paper Notes. The effective date of the attached Credit Agreement is March 19, 2013, the Commitment is \$200,000,000, and the Commitment Expiry Date is March 19, 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](http://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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**CREDIT AGREEMENT**

dated as of March 19, 2013

between

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

and

**THE BANK OF NEW YORK MELLON**

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relating to:

**STATE OF WISCONSIN**  
General Obligation Commercial Paper Notes

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Exhibits

- Exhibit A: Form of Promissory Note
- Exhibit B: Request for Advance
- Exhibit C: Notice of Reduction of Commitment
- Exhibit D: Notice of Termination of Commitment
- Exhibit E: Request for Extension
- Exhibit F: Notice of Extension

## CREDIT AGREEMENT

THIS CREDIT AGREEMENT is dated as of March 19, 2013 and is by and between the STATE OF WISCONSIN (the “**State**”), acting through the State of Wisconsin Building Commission (“**Building Commission**”), and THE BANK OF NEW YORK MELLON, a New York banking corporation (the “**Bank**”).

### RECITALS:

The State has issued its State of Wisconsin General Obligation Commercial Paper Notes (the “**Original Notes**”), pursuant to Subchapter I of Chapter 18 of the Wisconsin Statutes (the “**Act**”), which authorizes the issuance and sale of public debt for up to the amount specified by the Wisconsin Legislature to acquire, construct, develop, extend, enlarge, or improve land, waters, property, highways, buildings, equipment, facilities, or to make funds available for veterans’ housing loans for the classes of public purposes specified by the Wisconsin Legislature as the funds are acquired. The State may issue, for the same purposes, additional general obligation commercial paper notes (the “**Additional Notes**” and, collectively with the Original Notes, the “**Notes**”).

The Building Commission adopted on March 20, 1997, and subsequently amended, a resolution authorizing the Notes (the “**Program Resolution**”), which Program Resolution authorizes up to \$300,000,000 in aggregate principal amount of the Notes and specifies certain details relating to the issuance and payment of the Notes.

The Program Resolution provides for the State to pay interest on the Notes on a current basis and to pay the principal of the Notes from (i) the proceeds from the sale of Notes, (ii) other moneys provided by the State, including the proceeds of long-term public debt authorized to fund the Notes, or (iii) a source of liquidity required, under the terms of the Program Resolution, to be provided by the State. In order to provide a source of liquidity for the payment of the principal of the Notes when due, the State has requested the Bank to provide a line of credit in an initial aggregate amount of \$200,000,000 that may be advanced in respect of the payment of the principal of the Notes (an amount that is not less than the principal amount of Original Notes Outstanding).

To induce the Bank to enter into this Agreement, the State has agreed pursuant to the Program Resolution to execute and deliver a Promissory Note to the Bank and to secure the payment of all amounts from time to time due and owing under this Agreement by pledging to the Bank, with respect to Advances made under this Agreement, its full faith and credit and unlimited taxing power to the payment of the Notes or the Promissory Note.

The Bank is willing to 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 Bank to enter into this Agreement and make Advances (as defined herein), the State and the Bank hereby agree as follows:

### SECTION 1. DEFINITIONS; ACCOUNTING TERMS AND DETERMINATIONS.

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

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

“**Advance**” means each advance made by the Bank to the State pursuant to this Agreement.

“**Advance Notice**” means an irrevocable notice, substantially in the form of Exhibit B hereto, given by the State to the Bank pursuant to Section 2.1(b) hereof.

“**Alternate Base Rate**” means, for any day, an interest rate per annum equal to the greater of (i) the Prime Rate in effect for such day and (ii) the sum of the Federal Funds Rate in effect for such day plus 0.50%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Rate, respectively.

“**Alternate Base Rate Advance**” means an Advance (or any portion thereof) made or maintained at the Alternate Base Rate.

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

“**Bank**” means The Bank of New York Mellon and its successors and assigns.

“**Basel III**” means the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the Closing Date.

“**Bonded Debt**” means public debt of the State issued under subchapter I of Chapter 18 of the Wisconsin Statutes, but excluding agreements or ancillary arrangements (within the meaning of Section 18.06 (8) of the Wisconsin Statutes) relating to such public debt.

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

“**Change of Law**” means (i) the adoption of any law, rule, or regulation after the date of this Agreement, (ii) any change in any law, rule, or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement, or (iii) compliance by the Bank (or by the Bank’s holding company) with any request, guideline, or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203 (signed into law July 21, 2010)) and all requests, rules, guidelines, or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a Change of Law, if enacted, adopted, or issued after the Closing Date or if enacted, adopted, or issued prior to the Closing Date but effective or implemented after the Closing Date.

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

“**Commitment**” means initially \$200,000,000, which is the commitment of the Bank to make Advances 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(d)(i) hereof.

“**Commitment Expiry Date**” shall mean 5:00 p.m. (New York City time) on March 19, 2016, as the same may be extended pursuant to the terms of Section 2.1(e) hereof.

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

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

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

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

“**Default Rate**” means the rate of 3.00% plus the Alternate Base Rate, calculated on the basis of a 360-day year for the actual number of days elapsed.

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

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

“**Federal Funds Rate**” means, for any day, a rate per annum (expressed as a decimal, rounded upwards, if necessary, to the next highest 1/100 of 1%), 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 (i) if the day for which such rate is to be determined 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 (ii) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average of the quotations for such day on such transactions received by Bank from three federal funds brokers of recognized standing selected by Bank.

“**Fitch**” means Fitch Ratings and its successors and assigns.

“**Governmental Authority**” means the government of the United States of America, any other nation, or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank, or other entity (including any corporation or other entity owned or controlled, through share or capital ownership or otherwise, by any of the foregoing) exercising executive, legislative, judicial, taxing, regulatory, or administrative powers or functions of or pertaining to government.

“**Interest Period**” means, with respect to any LIBOR Advance, the period commencing on the date such Advance is made or renewed and ending, as the State may select pursuant to Section 2.1, on the numerically corresponding day one (1), three (3), or six (6) calendar months thereafter, except that each such Interest Period that commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month; *provided* that all the foregoing provisions relating to Interest Periods are subject to the following:

- (a) No Interest Period may extend beyond the Termination Date;
- (b) If an Interest Period would end on a day that is not a Business Day, such Interest Period shall be extended to the next Business Day unless such Business Day would fall in the next calendar month, in which event such Interest Period shall end on the immediately preceding Business Day; and



(c) The State shall select Interest Periods so as not to have Advances with more than three (3) Interest Periods outstanding at any time.

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

**“Issuing and Paying Agency Agreement”** means the Issuing and Paying Agency Agreement, dated as of April 3, 1997, between the State and the Issuing and Paying Agent (or any similar agreement with any successor issuing and paying agent of the Notes appointed in accordance with the Program Resolution), as the same may be amended, modified, or supplemented from time to time in accordance with its terms.

**“Letter Agreement”** means the Letter Agreement dated as of the Closing Date between the State and the Bank, 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.

**“LIBOR Advance”** means an Advance (or any portion thereof) made or maintained at a rate of interest based upon the LIBOR Rate.

**“LIBOR Rate”** means, with respect to each Interest Period relating to a LIBOR Advance, the rate per annum as determined on the basis of the offered rates for deposits in United States dollars, for a period of time comparable to that of such Interest Period which appears on the Reuters Page “LIBOR01” (or such other page as may replace the LIBOR Page on that service for the purpose of displaying such rates or such other service as may be nominated by the British Bankers Association, for the purpose of displaying London interbank offered rates for United States dollar deposits) as of 11:00 a.m. London time on the day that is two Business Days preceding the first day of such Interest Period. If the Reuters system or such other service is unavailable, then the rate for that date will be determined on the basis of the offered rates for deposits in United States dollars for an Interest Period comparable to that of such LIBOR Advance which are offered by four major banks, as selected by the Bank, in the London interbank market at approximately 11:00 a.m. London time, on the day that is two (2) Business Days preceding the first day of such Interest Period. The principal London office of each of the four major London banks will be requested to provide a quotation of its United States dollar deposit offered rate. If at least two such quotations are provided, the rate for the date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that date will be determined on the basis of the arithmetic mean of the rates quoted for loans in United States dollars to leading European banks for a period of time comparable to that of such Interest Period offered by major banks in New York City at approximately 11:00 a.m. New York City time, on the day that is two (2) Business Days preceding the first day of such Interest Period. In the event that the Bank is unable to obtain any such quotation as provided

above, it will be deemed that the LIBOR Rate for a LIBOR Advance cannot be determined. In the event that the Board of Governors of the Federal Reserve System shall impose a Reserve Percentage with respect to LIBOR deposits of the Bank, then for any period during which such Reserve Percentage shall apply, the LIBOR Rate shall be equal to the amount determined above divided by an amount equal to 1 minus the Reserve Percentage. “**Reserve Percentage**” means the maximum aggregate reserve requirement (including all basic, supplemental, marginal, and other reserves) which is imposed on member banks of the Federal Reserve System against “Euro-currency Liabilities” as defined in Regulation D of the Board of Governors of the Federal Reserve System.

“**Maturity Date**” means 5:00 p.m. (New York City time) on the date that is 180 days after the Commitment Expiry Date, as the Commitment Expiry Date may be extended pursuant to the terms of Section 2.1(e) of this Agreement.

“**Moody’s**” means Moody’s Investors Service, Inc. and its successors and assigns.

“**No-Issuance Notice**” means a notice delivered by the Bank to the State and the Issuing and Paying Agent pursuant to the provisions of Section 10(I) or (II) of this Agreement.

“**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 General Obligation Commercial Paper Notes issued or to be issued pursuant to the Program Resolution, which Notes are a general obligation of the State, for which the full faith, credit and taxing power of the State are irrevocably pledged, without limitation on rate or amount, and bearing interest at a commercial paper rate, as such amount may be increased or decreased from time to time pursuant to the terms of the Program Resolution.

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

“**Offering Memorandum**” means the General Obligation Commercial Paper Notes Offering Memorandum dated March 13, 2013, relating to the Notes, and any reoffering circular prepared by the State for use in connection with a reoffering of the Notes.

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

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

“**Participant**” has the meaning assigned to that term in Section 7 hereof.

“**Participation**” has the meaning assigned to that term in Section 7 hereof.

“**Patriot Act**” has the meaning assigned to such term in Section 11.13 hereof.

“**Payment Office**” means the Bank’s office located at the address indicated in Section 11.6 hereof, or such other office as the Bank may designate from time to time.

“**Person**” means an individual, a corporation, a limited liability company, 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.

“**Prime Rate**” means the rate of interest per annum publicly announced in New York City by the Bank from time to time as its prime commercial lending rate, such rate to be adjusted automatically (without notice) on the effective date of any change in such publicly announced rate.

“**Program Resolution**” means the resolution adopted by the Building Commission on March 20, 1997, as amended, authorizing, among other things, the issuance of the Notes.

“**Promissory Note**” means a promissory note of the State, substantially in the form set forth in Exhibit A hereto, evidencing the indebtedness resulting from the making of Advances by the Bank and delivered to the Bank pursuant to Section 3.1 hereof, as such promissory note may be modified or extended from time to time, and any promissory note issued in exchange or replacement therefor. The Promissory Note initially issued to the Bank shall be in the principal amount corresponding the Commitment.

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

“**Related Documents**” means this Agreement, the Letter Agreement, the Notes, the Promissory Note, the Dealer Agreements, the Issuing and Paying Agency Agreement and any and all other documents which the State may hereafter execute and deliver to evidence or secure the State’s obligations under those documents.

“**S&P**” means Standard & Poor’s Financial Services LLC and its successors and assigns.

“**State**” means the State of Wisconsin.

“**State’s Account**” means the Note Fund established pursuant to the Program Resolution.

“**Supplement**” or “**Supplements**” means any and all extensions, renewals, modifications, amendments, supplements, and substitutions of, to, or for a Related Document.

“**Taxes**” shall have the meaning assigned to such term in Section 2.2(l) hereof.

“**Termination Date**” means the date which is the earliest of (i) the date set forth in the notice of an Event of Default from the Bank pursuant to Section 10(II) hereof, (ii) the date on which an Event of Termination shall have occurred pursuant to Section 10(I) hereof, (iii) the Commitment Expiry Date, (iv) the date on which the Commitment shall have been reduced to zero, (v) the date on which the State replaces the Bank 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 D hereto.

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

1.3 **Accounting Terms and Determinations.** Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations under this Agreement shall be made, and all financial statements required to be delivered under this Agreement 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 audited financial statements of the State at June 30, 2012.

## **SECTION 2. ADVANCES.**

### **2.1 The Advances.**

(a) Extension of Credit. The Bank agrees, on the terms and conditions set forth in this Agreement, to make Advances to the State from time to time, during the period from the Closing Date until the Termination Date, in an aggregate principal amount not to exceed at any one time the Commitment, in order to provide a source of funds for payment of the principal of the Notes when due. On such terms and conditions, the Advances may be outstanding as Alternate Base Rate Advances or one or more LIBOR Advances or both. Notwithstanding anything herein to the contrary, the 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 the Bank (*less* the amount of any LIBOR Advance to be repaid by such Advance, as permitted by Section 2.2(c) or (d) of this Agreement) would exceed the lesser of (i) the Commitment and (ii) the principal amount of the Promissory Note.

(b) Advance Notices. Each Advance shall be made by the Bank, on notice given to the Bank by the Issuing and Paying Agent on behalf of the State. Each such notice of an Advance (the “**Advance Notice**”) shall be by telephone or telecopy; 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 telecopy Advance Notice shall be in substantially the form of Exhibit B hereto, (A) certifying that the amount of such Advance *plus* the aggregate principal amount of all Outstanding Advances (*less* the amount of any LIBOR Advance to be repaid by such Advance, as permitted by Section 2.2(c) or (d) of this Agreement) does not exceed the principal amount of the Promissory Note and (B) specifying therein (i) the requested date for such Advance, which shall be a Business Day, (ii) the amount of such requested Advance, (iii) whether such Advance will be an Alternate Base Rate Advance or a LIBOR Advance or both and, if both, the amount of each portion; and (iv) in the case that all or a portion of such Advance is a LIBOR Advance, the duration of the Interest Period applicable thereto. The proposed use of the proceeds of any Advance shall be to pay the principal of 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) An Advance Notice must strictly conform to the terms and conditions hereof, and all the conditions precedent set forth in Section 3.2 must have been satisfied.

(ii) The Issuing and Paying Agent, acting on behalf of the State, shall give the Bank notice of its intention to borrow any Advance under this Agreement not later than 1:45 p.m. (New York City time) on the requested borrowing date for each Alternate Base Rate Advance and not later than 3:00 p.m. (New York City time) on the third Business Day prior to the requested borrowing date for each LIBOR Advance, by delivering a notice of borrowing, substantially in the form annexed hereto as Exhibit B, specifying: (i) the date of such Advance and (ii) the amount of such Advance.

(iii) Not later than 4:00 p.m. (New York City time) on the date of such Advance and upon fulfillment of the applicable conditions set forth in Section 3.2, the Bank will make such Advance available to the Issuing and Paying Agent in immediately available funds by crediting the amount thereof to the State's Account.

(d) Reduction and Termination of Commitment.

(i) The State may, upon at least five (5) Business Days' notice to the Bank, reduce the Commitment from time to time during the period from the date of such notice through the Termination Date, *provided* that (A) each such reduction of the Commitment shall be in an amount equal to \$1,000,000 or an integral multiple thereof, (B) the amount of the Commitment may not be reduced below the sum of the aggregate principal amount of the Outstanding Advances, plus the aggregate principal amount of the Outstanding Notes, and (C) the Bank shall have received a certificate, substantially in the form of Exhibit C hereto, with respect to such reduction.

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

(iii) No prepayment fee, early redemption fee, breakage fee, funding indemnification payment (except or provided in Section 2.2(g)), or similar fee is due for any termination or reduction of the Commitment or the prepayment of the Advances.

(e) Extension of the Commitment Expiry Date. No earlier than 365 days prior to Commitment Expiry Date and no later than ninety (90) days prior to the Commitment Expiry Date, the State may make a request in writing to the Bank, in the form attached hereto as Exhibit E, that the Bank extend the Commitment Expiry Date for an additional period of not less than 364 days. The Bank has no obligation to extend the Commitment Expiry Date. If the Bank does not, within sixty (60) days after receipt of such written request, notify the State and the Issuing and Paying Agent in writing, in the form attached hereto as Exhibit E, of its consent to such request and the conditions of such consent (including conditions relating to legal documentation, the amount of the Commitment, the term of the extension, and pricing), such failure of the Bank to consent shall be deemed a denial of the requested extension, and the Commitment Expiry Date shall remain unchanged. If the Bank gives notice of its consent, then the extended Commitment Expiry Date shall take effect on the date specified in the request or such other date as may be acceptable to the parties hereto. The terms of this paragraph (e) shall apply to additional extensions of the Commitment Expiry Date if the Commitment Expiry Date has been extended upon the request of the State in accordance herewith by the Bank.

## 2.2 **Repayment of Advances.**

(a) Repayment of Principal. Each Advance shall be due and payable on the Maturity Date, unless prepaid pursuant to Section 2.1(d), Section 2.2(d), and Section 2.2(i) of this Agreement.

(b) Payment of Interest.

(i) The State shall pay interest on the unpaid balance of (a) each Alternate Base Rate Advance at a rate per annum equal to the Alternate Base Rate and (b) each LIBOR Advance at a rate per annum equal to 0.70% plus LIBOR (for interest periods of one (1), three (3), or six (6) months), calculated on the basis of a 360-day year for the actual number of days elapsed; *provided* that the principal amount of any Advance not paid when due shall bear interest at the Default Rate until paid in full.

(ii) Interest on Alternate Base Rate Advances is payable on the first day of May and quarterly thereafter on the first day of each February, May, August, and November, and upon maturity. Interest on LIBOR Advances is payable on the last day of the applicable Interest Period, at intervals of 3 months after the first day of any Interest Period longer than 3 months, on the date of any prepayment, and at maturity.

(iii) If the State shall fail to pay when due any amount due and unpaid under this Agreement, the Letter Agreement, or the Promissory Note, each such unpaid amount shall (to the extent permitted by applicable law) bear interest for each day from the date it was so due until paid in full at a rate per annum equal to the Default Rate, payable on demand.

(c) Illegality. Notwithstanding any other provision in this Agreement, if the Bank determines (i) that any Change in Law shall make it unlawful for the Bank to maintain its Commitment, then, upon notice to the State by the Bank, the Commitment of the Bank shall terminate, or (ii) that any Change in Law shall make it unlawful for the Bank to maintain or fund its LIBOR Advances, then, upon notice to the State by the Bank, the State shall prepay the outstanding principal amount of the LIBOR Advances, together with interest accrued thereon and any other amounts payable to the Bank under this Agreement (which, subject to Section 3.2, may be accomplished by means of an Alternate Base Rate Advance) (A) immediately upon demand of the Bank if such Change in Law, or compliance with such Change in Law, in the reasonable judgment of the Bank, requires immediate repayment or (B) otherwise, at the expiration of the last Interest Period to expire before the effective date of any such Change in Law.

(d) Unavailability of LIBOR Rates. Notwithstanding anything to the contrary herein, if the Bank determines (which determination shall be conclusive absent manifest error) that (i) quotations of interest rates for the relevant deposits referred to in the definition of LIBOR Rate are not being provided in the relevant amounts or for the relative maturities for purposes of determining the rate of interest on a LIBOR Advance as provided in this Agreement or (ii) the relevant rates of interest referred to in the definition of LIBOR Rate upon the basis of which the rate of interest for any such type of Advance is to be determined do not accurately cover the cost to the Bank of making or maintaining such type of Advance, then the Bank shall forthwith give notice thereof to the State, whereupon (i) the obligation of the Bank to make LIBOR Advances shall be suspended until the Bank notifies the State that the circumstances giving rise to such suspension no longer exist, and (ii) on the last day of the then current Interest Period applicable to such LIBOR Advance, the State shall repay such LIBOR Advances, together with accrued interest thereon (which, subject to Section 3.2, may be accomplished by means of an Alternate Base Rate Advance).

(e) Increased Costs.

(i) The State shall pay to the Bank from time to time such amounts as may be necessary to compensate the Bank for any costs incurred by the Bank which are attributable to its making or maintaining any LIBOR Advances under this Agreement or its obligation to make any such Advances under this Agreement, or any reduction in any amount receivable by the Bank under this Agreement or the Promissory Note in respect of any such Advances or such obligation (such increases in costs and reductions in amounts receivable being herein called “**Additional Costs**”), resulting from any Change in Law, which: (i) changes the basis of taxation of any amounts payable to the Bank under this Agreement or the Promissory Note in respect of any of such Advances (other than Taxes imposed on or measured by the income or profits of the Bank for any of such Advances by the jurisdiction where the Payment Office or any lending office where an Advance is maintained is located); or (ii) imposes or modifies any reserve, special deposit, compulsory loan, or similar requirements relating to any commitments or extensions of credit or other assets of, or any deposits with or other liabilities of, the Bank (including any of such Advances or any deposits referred to in the definition of LIBOR Rate); or (iii) imposes any other condition

affecting this Agreement or the Promissory Note (or any of such commitments or extensions of credit or liabilities); *provided* that the Bank treats the State in the same manner it treats other similarly situated customers. The Bank will notify the State of any event occurring after the date of this Agreement which will entitle the Bank to compensation pursuant to this Section as promptly as practicable after it obtains knowledge thereof and determines to request such compensation.

(ii) Determinations by the Bank for purposes of this paragraph 2.2 (e) of the effect of any Change of Law on its costs of making or maintaining Advances or on amounts receivable by it in respect of Advances, and of the additional amounts required to compensate the Bank in respect of any Additional Costs, shall be conclusive absent manifest error, *provided* that such determinations are made on a reasonable basis.

(f) Risk-Based Capital.

(i) In the event that compliance with any Change in Law has the effect of requiring an increase on the amount of capital required or expected to be maintained by the Bank or any corporation controlling the Bank, and such increase is based upon its obligations under this Agreement and other similar obligations, the State shall pay to the Bank such additional amount as shall be certified by the Bank to be the amount allocable to the Bank's obligations to the State under this Agreement; *provided* that the Bank treats the State in the same manner as it treats other similarly situated customers. The Bank will notify the State of any event occurring after the date of this Agreement that will entitle the Bank to compensation pursuant to this paragraph (f) as promptly as practicable after it obtains knowledge thereof and determines to request such compensation.

(ii) Determinations by the Bank for purposes of this paragraph (f) of the effect of any increase in the amount of capital required to be maintained by the Bank and of the amount allocable to the Bank's obligations to the State under this Agreement shall be conclusive absent manifest error, *provided* that such determinations are made on a reasonable basis.

(g) Funding Loss Indemnification.

The State shall pay to the Bank, upon the request of the Bank, such amount or amounts as shall be sufficient (in the reasonable opinion of the Bank) to compensate it for any loss, cost, or expense incurred, as a result of:

(i) any payment of a LIBOR Advance on a date other than the last day of the Interest Period for such Advance including, but not limited to, acceleration of the Advances by the Bank pursuant to Section 10 hereof; or

(ii) any failure by the State to borrow a LIBOR Advance on the date for borrowing specified in the relevant notice under Section 2.1 hereof.



Such loss, cost, or expense to the Bank shall be deemed to be an amount reasonably determined by the Bank to be the excess, if any, of (i) the amount of interest that would have accrued on the principal amount of such LIBOR Advance had such event not occurred, at the LIBOR Rate that would have been applicable to such Advance, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow for the period that would have been the Interest Period for such Advance), over (ii) the amount of interest that would accrue on such principal amount for such period at the interest rate that the Bank would in good faith bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other leading banks in the LIBOR market. A certificate of the Bank setting forth any amount(s) that the Bank is entitled to receive pursuant to this paragraph (g) shall be delivered to the State and shall be conclusive absent manifest error. The State shall pay to the Bank the amount shown as due on any such certificate within 45 days after receipt thereof.

(h) Public Debt. The Notes and the Promissory Note are public debt of the State. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of principal, interest, and premium due, if any, on all public debt. There is irrevocably appropriated, as a first charge upon all revenue of the State, a sum sufficient for the payment of the installments of principal, interest and premium due, if any, on all public debt as the same falls due.

(i) Prepayment.

(i) The State may prepay any amounts from time to time owing to the Bank pursuant to Section 2.2(a) of this Agreement, together with accrued interest on the prepayment amounts to the date when such prepayment amount is paid, in whole or in part, at any time upon telephone notice to the Bank not later than 12:45 p.m. (New York time) on the date of such prepayment, and such prepayment shall be made without payment of any prepayment fee, early redemption fee, breakage fee, funding indemnification payment (except as provided in Section 2.2(g) of this Agreement), or similar fee, *provided* that each partial prepayment to the Bank in the aggregate shall be in a principal amount equal to \$100,000 and increments of \$50,000 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 Bank 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 Section 2.2(a) of this Agreement shall be reduced by the principal amount of such payment and (B) interest shall cease to accrue on the amount so paid.

(j) Payments and Computations. The State will make each payment under this Agreement and under the Promissory Note 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 Bank at its Payment Office. All such payments shall be made by the State without defense, set-off, or counterclaim; however, payments by the State under this Agreement (except payments under the Promissory Note) are contingent upon appropriation of necessary funds. Whenever any payment to be made under this Agreement, the Letter Agreement, or the Promissory Note 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 this Agreement, the Letter Agreement, and the Promissory Note and all computations of fees payable under this Agreement and 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 Bank of interest, fees, or any other amounts due under this Agreement and the Letter Agreement shall be conclusive and binding for all purposes in the absence of manifest error.

(k) Determination of Interest Rate. The Bank shall give prompt notice to the State of the applicable interest rate determined by the Bank for purposes of Section 2.2(b) of this Agreement, but delivery or receipt of, or failure of delivery or receipt of, any such notice shall not affect the State's payment obligations under this Agreement, the Letter Agreement, and the Promissory Note.

(l) Taxes. All payments made by the State to the Bank under this Agreement, the Letter Agreement, or the Promissory Note shall be made free and clear of and without deduction for any present or future income, stamp, or other taxes, levies, imposts, deductions, charges, fees, withholdings, restrictions, or conditions of any nature now or hereafter imposed, levied, collected, withheld, or assessed by any jurisdiction or by any political subdivision or taxing authority thereof or therein (whether pursuant to United States Federal, state, or local law or foreign law) and all interest, penalties, or similar liabilities, excluding taxes on the overall net income or profits of the Bank (such non-excluded taxes are hereinafter collectively referred to as the "**Taxes**"). If the State shall be required by law to deduct or to withhold any Taxes from or in respect of any amount payable under this Agreement, the Letter Agreement, or the Promissory Note, (i) the amount so payable shall be increased to the extent necessary so that, after making all required deductions and withholdings (including taxes and amounts payable to the Bank pursuant to this sentence), the Bank receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the State shall make such deductions or withholdings, and (iii) the State shall pay the full amount deducted or withheld to the relevant taxation authority in accordance with applicable law. Whenever any Taxes are payable by the State, as promptly as possible thereafter, the State shall send the Bank an official receipt or other documentation satisfactory to the Bank evidencing payment to such taxation authority. The State will, to the extent permitted by law, indemnify the Bank for the full amount of Taxes (including any Taxes on amounts payable to the Bank under this paragraph) paid by the Bank and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, upon written demand by the requesting Bank. Upon the request of the State, the Bank shall complete, execute, and deliver to the State any forms reasonably required to avoid withholding and shall return to the State any payments relating to amounts withheld that are ultimately returned to the Bank.

(m) Maximum Rate. Nothing contained in this Agreement shall be deemed to establish or require the payment of a rate of interest in excess of the maximum rate permitted by

any applicable law. In the event that any rate of interest required to be paid under this Agreement, the Letter Agreement, or the Promissory Note would exceed the maximum rate permitted by this Section 2.2(m), such rate shall automatically be reduced to the maximum rate permitted by this Section 2.2(m); *provided, however*, that if at any time the rate of interest required to be paid under this Agreement shall exceed the maximum rate permitted by this Section 2.2(m), then any subsequent reduction in the rate of interest required to be paid under this Agreement, the Letter Agreement, or the Promissory Note will not reduce the rate of interest below the maximum rate permitted by this Section 2.2(m) until the total amount of interest accrued equals the amount of interest which would have accrued if the rate of interest required under this Agreement, the Letter Agreement, or the Promissory Note without giving effect to this Section 2.2(m) had at all times been in effect.

(n) Promissory Note. The Advances made by the Bank shall be evidenced by the Promissory Note, substantially in the form set forth in Exhibit A hereto. The Promissory Note shall be payable to the order of the Bank and in an aggregate principal amount not less than the greater of (i) the amount of the initial Commitment and (ii) the aggregate unpaid principal amount of all Advances made by the Bank that are Outstanding. The Bank is hereby authorized to record the date and amount of each Advance made, and the date and amount of each payment or prepayment of principal thereof, on the schedule annexed to and constituting a part of the Promissory Note, and any such recordation shall constitute prima facie evidence of the accuracy of the information so recorded. The Bank is authorized and directed to insert in the Promissory Note 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 Note shall (A) be dated the later of the Closing Date or the date of issuance thereof, (B) be stated to mature on the Maturity Date, and (C) provide for the payment of interest in accordance with Section 2.2(b) of this Agreement.

(o) 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 for all purposes of this Agreement as if set forth in full in this Agreement.

(p) Limitation on Compensation. Failure or delay on the part of the Bank to demand compensation pursuant to Section 2.2(e) or Section 2.2(f) shall not constitute a waiver of the Bank's right to demand such compensation; *provided* that, the Borrower shall not be required to compensate the Bank pursuant to Section 2.2(e) for any Additional Costs or Section 2.2(f) for any increased amounts incurred more than 45 days prior to the date that the Bank notifies the State of the circumstances giving rise to such Additional Costs or increased amounts and the Bank's intention to claim compensation therefor; *provided, further*, that, if the circumstances giving rise to such Additional Costs or increased amounts is retroactive, then the 45-day period referred to above shall be extended to include the period of retroactive effect thereof.

### **SECTION 3. CONDITIONS PRECEDENT.**

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

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

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

(ii) copies of the Program Resolution, the Dealer Agreements, the Issuing and Paying Agency Agreement, and a specimen copy of the master note issued by the State to the Issuing and Paying Agent;

(iii) a certificate of a duly authorized officer of the State, certifying as to the incumbency and signature of each of the officers of the State authorized to sign this Agreement, the Letter Agreement, or the Promissory Note;

(iv) a favorable opinion of Foley & Lardner LLP or other nationally-recognized bond counsel, as bond counsel for the State, as to such matters as the Bank may reasonably request; and

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

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

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

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

(c) Issuance of Notes. On or before the Closing Date, (i) the Program Resolution, the Dealer Agreements, and the Issuing and Paying Agency Agreement shall have been duly authorized, adopted, or executed and certified and shall be in full force and effect, (ii) all conditions precedent to the issuance of the Original Notes shall have been satisfied, and (iii) the State shall have duly executed and delivered the Original Notes to the Issuing and Paying Agent for authentication and delivery to the purchasers thereof in accordance with the Program Resolution.

(d) Fees. The State shall acknowledge the Bank's invoice for all fees and other amounts due and payable to the Bank under or in connection with this Agreement and the Letter Agreement on or prior to the Closing Date, including, without limitation, reimbursement or payment of the fees and disbursements of outside counsel to the Bank and all other out-of-pocket expenses required to be reimbursed or paid by the State.

(e) No Litigation. As of the Closing Date, there shall be no action, suit, investigation, or proceeding pending in any court or before any arbitrator or Governmental Authority that purports to affect any transaction contemplated by this Agreement.

(f) Legality; Material Adverse Change. As of the Closing Date, the Bank shall be satisfied (in its reasonable discretion) that (i) neither the making of any Advance nor the consummation of any of the transactions contemplated by any of the Related Documents will violate any law, rule, guideline, or regulation (or interpretation or administration thereof) applicable to the State, the Bank, this Agreement, the Letter Agreement, or the Promissory Note and (ii) no material adverse change in the financial condition, business, assets, liabilities, or prospects of the State shall have occurred subsequent to June 30, 2012 that has not been disclosed through a filing by the State with the Municipal Securities Rulemaking Board, through its Electronic Municipal Marketplace Access system.

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

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

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

(c) No Event of Termination shall have occurred and be continuing under this Agreement.

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

#### **SECTION 4. OBLIGATIONS ABSOLUTE.**

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

not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement including, without limitation, the payment in full as herein provided of all amounts owing under this Agreement. Nothing herein contained shall affect the State's rights under Section 11.4.

## **SECTION 5. USE OF PROCEEDS.**

The State shall use the proceeds of (i) the Notes solely in accordance with the purposes set forth in the Program Resolution and applicable supplemental resolutions and (ii) the Advances solely to pay the principal of the Notes when due or, as permitted in Section 2.2(c) or (d) of this Agreement, to repay a LIBOR Advance.

## **SECTION 6. REPRESENTATIONS AND WARRANTIES.**

The State represents and warrants to the Bank as follows:

(a) Powers. The State (i) has the full legal right, power, and authority (A) to execute and deliver this Agreement, the Letter Agreement, and the Promissory Note, (B) to perform all its obligations and liabilities under this Agreement, the Letter Agreement, and the Promissory Note, (C) to receive Advances, and (D) to levy taxes and otherwise raise revenue to pay the principal and interest on the Notes and all its Obligations under this Agreement (including, without limitation, the obligation to repay all Advances, to pay all interest thereon, and to pay all fees and other amounts payable under this Agreement).

(b) Compliance with Law and Contracts. The issuance of the Notes and the Promissory Note, and the execution and delivery by the State of this Agreement, the Letter Agreement, the Dealer Agreements, and the Issuing and Paying Agency Agreement, 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 with jurisdiction over the State, or (iii) conflict with, violate or cause a default, or with the passage of time or the giving of notice or both would cause a default, under any bond, note, or other evidence of indebtedness or mortgage, indenture, contract, or other agreement to which the State is a party or that is binding upon it or any of its properties; and no consent of any Person (including, without limitation, any approval of the registered voters of the State), and no license, approval, or authorization of, or notice to or registration, filing, or declaration with, any governmental authority, bureau, or agency is required in connection with the execution, delivery, performance, validity, or enforceability of this Agreement, the Letter Agreement, the Promissory Note, the Dealer Agreements, or the Issuing and Paying Agency Agreement 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 Bank.

(c) Authorization and Validity. Each of this Agreement, the Letter Agreement, and the Promissory Note 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, (ii) rights of acceleration and the availability of equitable remedies which may be limited by equitable principles of general applicability, and (iii) the enforceability thereof may be limited by sovereign immunity.

(d) Litigation. Except as may have been disclosed to the Bank 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 of the State or which in any manner questions the validity of this Agreement, the Letter Agreement, or the Promissory Note or the State's ability to carry out the transactions contemplated hereby and thereby.

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

(f) Accuracy and Completeness of Information. All data, certificates, reports, financial statements, documents, and other information furnished to the Bank by or on behalf of the State on or prior to the Closing Date in connection with the transactions contemplated hereby were, at the time same were so furnished, complete and correct in all material respects to the extent necessary to give the Bank 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) 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 Letter Agreement, or the Promissory Note, or (iv) the power of the State to carry out its obligations under this Agreement, the Letter Agreement, or the Promissory Note.

(h) Accuracy of Financial Reports. The audited financial statements of the State at June 30, 2012, 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 Marketplace Access system.

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

(j) Suits Against the State. The State is a sovereign government and does not by this Agreement waive any of its privileges or immunities as a sovereign government. Wisconsin Statutes §18.13 provides a procedure by which action to compel payment of any

public debt may be brought, and Wisconsin Statutes Ch. 775 provides a procedure by which other claims may be asserted against the State.

(k) Public Debt. All obligations in respect of principal of, and interest on, the Notes and the Promissory Note are Bonded Debt. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of principal of, and interest on, Bonded Debt. The State is not in default in payment of any of its Bonded Debt.

(l) No Limitation on Interest Rate. The laws of the State impose no limitation on the rate of interest payable by the State under this Agreement, the Letter Agreement, or the Promissory Note.

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

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

(b) Whenever in this Agreement any of the parties hereto is referred to, such reference shall, subject to Section 7(c), 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 Bank. The State may not transfer its rights or obligations under this Agreement without the prior written consent of the Bank. The Bank may not 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 Bank, 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, the Bank shall be permitted to grant to one or more financial institutions (each a “**Participant**”) a participation in all or any part of the Bank’s rights and benefits under this Agreement, the Letter Agreement, or the Promissory Note on a participating basis but not as a party to this Agreement (a “**Participation**”), without the consent of the State, *provided* that the Bank agrees to give the State notice of the granting of any Participation upon the effectiveness thereof, but in no event shall the 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 the Bank of a Participation to a Participant, whether or not upon notice to the State, the Bank shall remain responsible for the performance of its Obligations under this Agreement, and the State shall continue to deal solely and directly with the Bank in connection with the Bank’s rights and obligations under this Agreement. The State



agrees that each Participant shall, to the extent of its Participation, be entitled to the benefits of this Agreement as if such Participant were the Bank; *provided* that no Participant shall have the right to declare an Event of Default under Section 10 hereof, and no costs under Section 2.2(e) through (g) shall be paid to any participant that exceeds the amounts that would otherwise be payable to the Bank absent such Participation.

## **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 Bank 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 the ability of the State to perform its Obligations under this Agreement, including but not limited to the timely payment of the Notes and repayment of Advances.

(b) Accuracy of Information. All data, certificates, reports, financial statements, documents, and other information furnished to the Bank, by or on behalf of the State after the Closing Date in connection with the transactions contemplated hereby, 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 Bank 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 Bank shall constitute a representation and warranty by the State to that effect.

(c) Additional Documents. The State shall furnish to the Bank 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 Bank may reasonably request, in order (i) to perfect and protect any right or interest assigned, or purported to be assigned, to the Bank under or in connection with this Agreement, the Letter Agreement, the Promissory Note, or the Program Resolution or (ii) to enable the Bank to exercise or enforce their rights or remedies under or in connection with this Agreement, the Letter Agreement, the Promissory Note, or the Program Resolution.

(d) Financial and Other Reports. The Bank will use, to the fullest extent possible, the State's official disclosure website, at <http://www.doa.state.wi.us/capitalfinance> or such other website address as the State may, from time to time, specify by written notice to the Bank, to secure information about the State. Upon the written request of the Bank, the State shall furnish the following reports to the Bank:

(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 Bank within ten (10) business days after the statements are publicly available;

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

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

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

(f) Books, Records. The State will permit, during normal business hours and from time to time, upon reasonable prior notice, the Bank 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.

(g) 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 Bank) and in all statutes and regulations binding upon it relating to the Notes, this Agreement, the Letter Agreement, or the Promissory Note, and shall take any and all actions necessary to ensure the timely payment of all Obligations under this Agreement and the principal of and interest on the Notes.

(h) Litigation. The State shall promptly notify the Bank of the existence and, upon request, the 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, or (iii) the enforceability or validity of this Agreement, the Letter Agreement, or the Promissory Note.

(i) Repayment of Promissory Notes. The State intends to retire or redeem the Notes and the Promissory Note by (i) the issuance of Notes to pay Notes or to repay Advances, (ii) amortization in accordance with the State's customary fiscal policy through the management of the amount of Notes Outstanding, and (iii) funding through the issuance of long-term Bonded Debt.

(j) Obligations under Related Documents. The State shall take all actions as may be requested by the Bank to enforce the obligations under the Related Documents of each of the other parties thereto.

(k) Dealer. The State shall ensure 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 Bank.

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

(m) 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.

## **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 Bank shall otherwise consent in writing:

(a) Amendments to Related Documents. The State shall not enter into or consent to any Supplement to any Related Document or any waiver of the requirements thereof, that (i) does or could reasonably be determined to adversely affect the legality, validity, or enforceability of the Program Resolution or any other Related Document or any of the rights or remedies of the Bank thereunder, and (ii) does or could reasonably be determined have a material adverse effect on the rights, powers, privileges, or obligations of the Bank under any Related Document; *provided, however*, that the State may, without the Bank's consent (I) authorize Additional Notes; and (II) adopt Supplements to the Program Resolution, in accordance with Article VIII thereof, which (A) add such notes to the definition of "Notes" in the Program Resolution and (B) add to or expand the purposes for which proceeds of the Notes may be used.

## **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 Bank, within five (5) Business Days after written demand by the Bank, any amount, other than the amounts referenced in paragraph (j) below, due and payable under this Agreement or the Promissory Note; or

(b) Any representation, warranty, certification, or statement made by the State in this Agreement, the Letter Agreement, or the Promissory Note or in any certificate, financial statement, or other document, delivered pursuant to this Agreement, the Letter Agreement, or the Promissory Note 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 hereof; 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), (i), (l), or (m) of this Section 10), and such failure shall remain unremedied for a period of

thirty (30) days after the Bank 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) The State shall deny, or a court shall determine, that the Promissory Note is not a full faith and credit obligation of the State; or

(f) The State shall default in any material respect in the due performance or observance of any term, covenant, or agreement contained in any of the Related Documents (other than this Agreement), 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 \$75,000,000 shall be rendered against the State, and such judgment or court order shall continue unsatisfied and in effect for a period of one hundred and eighty (180) consecutive days after the final date for payment of such amount without being vacated, discharged, satisfied, or stayed; or

(h) The Wisconsin Legislature imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of, or interest on, any Bonded Debt in the form of bonds, notes, or similar obligations; or

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

(j) This Agreement or the Program Resolution (or, in each case, any material provision therefor relating to payment of principal, or interest on, the Notes or the security thereof) at any time after its execution and delivery, or the Promissory Note 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 the validity or enforceability of this Agreement, the Promissory Note, 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 (i) by the State or (ii) by any governmental agency or authority having jurisdiction over the State, unless with respect to clause (ii) above, the same is being contested by the State in good faith and by appropriate proceedings or the State shall deny that it has any or further liability or obligation under this Agreement, the Promissory Note, the Program Resolution, or any Note (or, in each case, any material provision thereof relating to payment of principal or interest on the Notes or the security thereof); or

(k) The State shall fail to pay, within five (5) Business Days of the date the same shall be due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Bonded Debt in the form of bonds, notes, or similar obligations; or

(l) Each Rating Agency then rating the Notes shall have downgraded any Bonded Debt of the State to below BBB- in the case of Fitch, below Baa3 in the case of Moody's, and below BBB- in the case of S&P, or withdrawn or suspended its rating on any Bonded Debt of the State due to credit considerations; or

(m) Any Rating Agency then rating the Notes shall have downgraded any Bonded Debt of the State to below BBB in the case of Fitch, below Baa2 in the case of Moody's, or below BBB in the case of S&P;

THEN,

(I) if such event is an Event of Default specified in paragraph (h) through (l) above (referred to herein as "**Events of Termination**"), (A) automatically the Commitment shall immediately terminate, (B) the Advances, all interest thereon, and all other Obligations under this Agreement and under the Promissory Note shall immediately become due and payable, (C) the Bank may pursue any other rights or remedies under this Agreement, applicable law, or otherwise, and (D) the Bank 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 Bank's obligations under this Agreement; and

(II) if such event is an Event of Default described in paragraphs (a) through (g) above, or paragraph (m) above, the Bank may (A) by notice (which notice shall be effected in accordance with Section 11.6 hereof so as to achieve receipt of said notice by the State on the same day it is given by the Bank) to the State and the Issuing and Paying Agent, demand that the State and the Issuing and Paying Agent not issue, renew, roll over, or otherwise extend the maturity of any Outstanding Note from and after the date of such notice and declare the Commitment to be terminated automatically at 5:00 P.M. (New York time) on the date set forth in such notice (which date shall be the latest maturity date of any Note Outstanding as of the date of such notice) at which time the Commitment shall automatically terminate, (B) by notice to the State, declare the Advances, all interest thereon and all other Obligations under this Agreement and under the Promissory Note to be due and payable forthwith, whereupon the same shall immediately become due and payable, and (C) pursue any other rights or remedies under this Agreement, applicable law or otherwise; *provided, however*, notwithstanding paragraph (I) above, the failure of the State to pay any amount of principal of and interest on any Advance or Note due solely as a result of the acceleration thereof pursuant to such paragraph shall not be considered an Event of Termination for purposes of this Section 10; and *provided further that*, notwithstanding any provision of this Section 10 to the contrary, no failure by the

State to pay or meet an obligation that is by its terms subject to the annual or biennial appropriation of funds by the Wisconsin Legislature for the purpose shall be deemed or give rise to a breach of covenant, Default, or Event of Default under this Agreement whether or not the instruments relating to such obligation do or do not deem such failure a breach, default, or event of default thereunder. Except as expressly provided above in this Section 10, presentment, demand, protest, and all other notices of any kind are hereby expressly waived; and

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

## **SECTION 11. MISCELLANEOUS.**

**11.1 Amendments and Waivers.** No amendment or waiver of any provision of this Agreement, the Letter Agreement, or the Promissory Note 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 Bank and, with respect to any amendment, the State; *provided, however*, that no amendment, waiver, or consent shall, (a) unless in writing and signed by the Bank, (i) increase the Commitment or subject the Bank to any additional obligations, (ii) reduce the principal of, or interest on, any Advance or any fees payable under this Agreement or the Letter Agreement with respect to the Commitment, (iii) postpone any date fixed for any payment of principal of, or interest on, any Advance or any fees payable under this Agreement or the Letter Agreement with respect to the Commitment, or (iv) amend this Section 11.1, or (b) unless in writing and signed by the Bank, affect the rights or duties of the Bank under this Agreement, the Letter Agreement, or the Promissory Note. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

### **11.2 Indemnification.**

(a) The State hereby, to the extent permitted by law, indemnifies and holds harmless the Bank from and against, and will on demand reimburse the Bank 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 Bank may incur (or that may be claimed against the Bank 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 the 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 the Bank that was furnished by

the Bank expressly for inclusion therein (“**Bank Information**”) if and to the extent it is finally determined by a court of competent jurisdiction that the Bank Information contained an untrue statement, or omitted to state therein a material fact necessary to make such statements, in light of the circumstances under which they are or were made, not misleading; and *provided further* that if any such action or proceeding shall be settled by the Bank without there being a final determination by a court of competent jurisdiction that the Bank Information contained an untrue statement, or omitted to state therein a material fact necessary to make such statements, in light of the circumstances under which they are or were made, not misleading; then the state shall be required to indemnify the Bank pursuant to this Section 11.2 only if such action or proceeding is settled with the State’s consent, which consent shall not be unreasonably withheld; or

(ii) by reason of or in connection with the making of, or the failure to make, an Advance (including, without limitation, any losses arising from the failure of any party to any Related Document to perform its obligations under the Related Document), *provided* that the State shall not be required to indemnify the 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 the Bank or (B) the wrongful failure of the Bank to make an Advance required to be made by the Bank under this Agreement after strict compliance with the conditions precedent to such Advance.

In furtherance and not in limitation of the foregoing, the Bank 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 Bank in writing in advance that specifically identified documents to be presented to the Bank do not comply with this Agreement. Nothing in this Section 11.2 shall limit the State’s obligations contained in Section 2 hereof.

(b) In the event that the Bank shall assert a claim against the State under paragraph (a) of this Section 11.2, the Bank shall promptly notify the State of such claim in writing, specifying in reasonable detail the circumstances giving rise to such claim, but the omission to do so promptly by the Bank shall not relieve the State from any liability which it may have under paragraph (a) above. Counsel for the Bank shall be selected by the Bank, with the consent of the State (which consent shall not be unreasonably withheld); however, the State may, at its election, assume control of the defense, of any claim giving rise to the Bank’s claim under paragraph (a) above.

**11.3 Continuing Obligations.** The obligations of the State under this Agreement shall continue until the later of the Termination Date and the date upon which all amounts owing to the Bank this Agreement, the Letter Agreement, and the Promissory Note shall have been paid in full, provided that the obligations of the State pursuant to Sections 11.2 and 11.4 hereof shall survive the termination of this Agreement. This Agreement shall be binding upon the State and its assigns and shall inure to the benefit of, and be enforceable by, the Bank and its successors, transferees, and assigns, *provided* that no party may assign all or any part of this Agreement without the prior written consent of the other parties.

**11.4 Limitation on Liability.** As between the State and the Bank, the State assumes all risks of any act or omission of the Issuing and Paying Agent. Neither the Bank nor any of its officers or directors shall be liable or responsible to any Person for: (a) the use that may be made of the proceeds of any Advance or of any Note, or for any acts, omissions, errors, interpretations, delays in transmission, dispatch, or delivery of any message or advice, however transmitted, of the Issuing and Paying Agent in connection with this Agreement, the Program Resolution, or any of the Related Documents; (b) the validity, sufficiency, or genuineness of documents, or of any endorsement(s) thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent, or forged; (c) payment by the Bank 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 under this Agreement, the Letter Agreement, or the Promissory Note, except only that the State shall have a claim against the Bank, and the 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) the Bank's gross negligence or willful misconduct in determining whether documents presented under this Agreement strictly comply with the terms hereof or (ii) the Bank's wrongful failure to make an Advance required to be made by the Bank under this Agreement after strict compliance with all conditions precedent to such Advance. In furtherance and not in limitation of the foregoing, the Bank may accept documents on behalf of the Bank 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 Bank in writing in advance that specifically identified documents to be presented to the Bank do not comply with the Advance Notice.

**11.5 Annual Reports of the Bank.** The Bank makes available, and will continue to make available, at its website at [www.bnymellon.com](http://www.bnymellon.com) (or such other, website address or the Bank may identify by written notice to the State), the Bank's most recent annual report prepared for its shareholders and (ii) the disclosure information relating to the Bank used by the Bank at the time in connection with financings similar to the Notes for inclusion in offering documents which the State may publish. The Bank authorizes the State to include, directly, or by reference, such information in any offering document the State prepares concerning the Notes and this Agreement.

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



State of Wisconsin:

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

Bank:

The Bank of New York Mellon  
500 Grant Street  
Suite 3600  
Pittsburgh, PA 15258-0001  
Attention: Mark F. Johnston, Managing Director  
Telephone: (412) 236-2793  
Facsimile: (412) 236-1914  
Email: mark.f.johnston@bnymellon.com

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

11.8 **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.

11.9 **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 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 BANK 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 BANK 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 11.9(b) 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 BANK HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE RELATED DOCUMENTS.

11.10 **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.

11.11 **Prior Agreements Suspended.** This Agreement supersedes all prior undertakings and agreements, both written and oral, between the State and the Bank relating to the line of credit provided under this Agreement, including those contained in any commitment letter or term sheet between the State or the Bank, excluding, however, the Letter Agreement.

11.12 **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.

11.13 **Patriot Act; Bank Security Act.** The 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)) (the "**Patriot Act**"), 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 the Bank to identify the State in accordance with the Patriot Act. The State shall, promptly following a request by the Bank, provide all documentation and other information that the Bank reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act. The State shall ensure that the proceeds of any extension of credit by the Bank under this Agreement shall not be used to violate any of the foreign asset control regulations of or any enabling statute or in any Executive Order of the President of the United States of America relating thereto. Further, the State shall comply with all applicable Bank Secrecy Act laws and regulations, as amended.

[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: David R. Erdman

Title: Assistant Capital Finance Director

THE BANK OF NEW YORK MELLON

By: 

Name: Mark F. Johnston

Title: Managing Director

[Signature Page to Credit Agreement]

**STATE OF WISCONSIN  
GENERAL OBLIGATION  
PROMISSORY NOTE**

\$200,000,000

March 19, 2013

The STATE OF WISCONSIN (the “**State**”), for value received, hereby promises to pay to the order of THE BANK OF NEW YORK MELLON (the “**Owner**”), the lesser of the principal sum of Two Hundred Million Dollars (\$200,000,000) and the aggregate unpaid principal amount of all Advances made by the Owner from time to time pursuant to the Credit Agreement, dated as of March 19, 2013 (the “**Credit Agreement**”), by and between the State, acting through the State of Wisconsin Building Commission, and the Owner (the “**Credit Agreement**”) 180 days after the Commitment Expiry Date (as such date may be extended as provided in the Credit Agreement) and to pay interest on the unpaid principal amount of such Advances on the dates and at the rates specified in the Credit Agreement. Interest payable on this Promissory Note shall be computed on the basis of a year of 360 days for the actual number of days elapsed. The principal of, and interest on, this Promissory Note are payable in lawful money of the United States of America in immediately available funds at the office of the Owner specified in the Credit Agreement or such other office as the Owner may from time to time specify in writing.

The State hereby authorizes the Owner to make appropriate notations on Schedule I attached hereto of all Advances evidenced hereby and all principal payments and prepayments made under this Promissory Note and of the date to which interest hereon has been paid; *provided, however*, that the Owner’s failure to make any such notation shall not affect the obligations of the State to pay the full amount of the principal and interest on this Promissory Note as provided in the Program Resolution (defined below) and the Credit Agreement.

This Promissory Note is issued under and pursuant to and in full compliance with the Constitution and laws of the State of Wisconsin, particularly Chapter 18, Wisconsin Statutes, as amended, and pursuant to a program resolution duly adopted by the State of Wisconsin Building Commission on March 20, 1997, as amended by resolutions duly adopted by the State of Wisconsin Building Commission on April 16, 1998 and July 30, 2003 (the “**Program Resolution**”).

This Promissory Note is a direct and general obligation of the State of Wisconsin, and the full faith, credit, and taxing power of the State are hereby irrevocably pledged to the payment of the principal of and interest on this Promissory Note according to its terms. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for the payment of the principal of and interest on this Promissory Note as the same matures and becomes due. All terms used herein and not defined herein shall have the meaning given to such terms in the Program Resolution or the Credit Agreement, unless the context clearly indicates otherwise. Reference is made to the Credit Agreement for provisions for the prepayment hereof and the acceleration of the maturity of this Promissory Note.

No covenant or agreement contained in this Promissory Note shall be deemed to be a covenant or agreement of any officer, agent or employee of the State in his or her individual capacity, and neither the members of the Building Commission nor any official executing this Promissory Note shall be liable personally on this Promissory Note or be subject to any personal liability or accountability by reason of the issuance of this Promissory Note.

The State may treat and consider the Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever, unless otherwise notified in writing by the Owner.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all conditions, acts, and things required by the Constitution and laws of the State of Wisconsin to exist, to have happened, and to have been performed precedent to and in the issuance of this Promissory Note do exist, have happened, and have been performed in due time, form, and manner as required by law and that the issuance of this Promissory Note does not violate any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, THE STATE OF WISCONSIN has caused this Promissory Note to be executed in the name of and for the State by the manual or facsimile signature of the Governor of the State and by the manual or facsimile signature of the Secretary of Administration, and has caused the Great Seal of the State or a facsimile thereof to be impressed or imprinted or otherwise reproduced hereon as of the date first above written.

STATE OF WISCONSIN

By \_\_\_\_\_  
Governor

[GREAT SEAL]

By \_\_\_\_\_  
Secretary of Administration



**CERTIFICATION OF ATTORNEY GENERAL**

STATE OF WISCONSIN  
COUNTY OF DANE

IT IS HEREBY CERTIFIED, as of the March 19, 2013, that a certified copy of all proceedings preliminary to the issuance of the within-described Promissory Note has been examined by the office of the Attorney General and that such proceedings have been found to be regular and valid.

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Attorney General of the State of Wisconsin

**REQUEST FOR ADVANCE**

The Bank of New York Mellon  
500 Grant Street  
Suite 3600  
Pittsburgh, PA 15258-0001  
Attention: Mark F. Johnston, Managing Director

Re: State of Wisconsin General Obligation Commercial Paper Notes

Reference is made to the Credit Agreement dated as of March 19, 2013 (the “**Agreement**”) between the State of Wisconsin and The Bank of New York Mellon (“**Bank**”). 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 \_\_\_\_\_, 20\_\_] [paying a LIBOR Advance, as permitted by Section 2.2(c) or (d) of the Agreement]. The amount of the Advance requested from the Bank is \_\_\_\_\_ Dollars (\$\_\_\_\_\_). The Advance will be [an Alternate Base Rate Advance] [a LIBOR Advance for an Interest Period of \_\_\_ (1, 3, or 6) months] [an Alternate Base Rate Advance in the amount of \$\_\_\_\_\_ and a LIBOR Advance in the amount of \$\_\_\_\_\_ for an Interest Rate period of \_\_\_ (1, 3 or 6) months]

The principal amount of the Promissory Note is \$\_\_\_\_\_. The amount of the Advance requested hereby *plus* the aggregate principal amount of all previous Advances currently Outstanding [*less* the amount of any LIBOR Advance to be repaid by the Advance requested hereby] does not exceed such aggregate principal amount of the Promissory Note.

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 of the Agreement has occurred or is continuing.

Very truly yours,

DEUTSCHE BANK TRUST COMPANY  
OF AMERICAS, on behalf of the State of Wisconsin

By \_\_\_\_\_  
Authorized Representative



**NOTICE OF REDUCTION OF COMMITMENT**

The Bank of New York Mellon  
500 Grant Street  
Suite 3600  
Pittsburgh, PA 15258-0001  
Attention: Mark F. Johnston, Managing Director

Re: State of Wisconsin General Obligation Commercial Paper Notes

Pursuant to the terms of Section 2.1(d)(i) of the Credit Agreement dated as of March 19, 2013 (the “**Agreement**”), between the State of Wisconsin (the “**State**”) and The Bank of New York Mellon (the “**Bank**”) (all capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Credit Agreement), you are hereby notified that the State has determined to reduce the aggregate amount of the Commitment to \$\_\_\_\_\_, effective as of \_\_\_\_\_.

The State hereby certifies to the Bank that the aggregate principal amount of Notes presently 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

**NOTICE OF TERMINATION OF COMMITMENT**

[Date]

The Bank of New York Mellon  
500 Grant Street  
Suite 3600  
Pittsburgh, PA 15258-0001  
Attention: Mark F. Johnston, Managing Director

Re: State of Wisconsin General Obligation Commercial Paper Notes

Pursuant to the terms of Section 2.1(d)(ii) of the Credit Agreement dated as of March 19, 2013 (the “**Agreement**”) between the State of Wisconsin (the “**State**”) and The Bank of Mellon New York (the “**Bank**”) (all capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Credit Agreement), you are hereby notified that the State has determined to terminate the Commitment, effective as of \_\_\_\_\_, \_\_\_\_.

The State hereby certifies to the Bank 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

**REQUEST FOR EXTENSION**

[DATE]

The Bank of New York Mellon  
500 Grant Street  
Suite 3600  
Pittsburgh, PA 15258-0001  
Attention: Mark F. Johnston, Managing Director

Re: State of Wisconsin General Obligation Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement, dated as of March 19, 2013 (the “**Agreement**”), between the State of Wisconsin (the “**State**”) and The Bank of New York Mellon (the “**Bank**”). 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(e) of the Agreement, that the Commitment Expiry Date for the Agreement be extended by [IDENTIFY APPROPRIATE PERIOD]. Pursuant to Section 2.1(e) 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 the Bank.

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

Very truly yours,

STATE OF WISCONSIN

By: \_\_\_\_\_  
Authorized Representative of State

NOTICE OF EXTENSION

[DATE]

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

Re: State of Wisconsin General Obligation Commercial Paper Notes

Ladies and Gentlemen:

The undersigned, a duly authorized officer of The Bank of New York Mellon (the “**Bank**”), hereby advises you, with reference to the Credit Agreement dated as of March 19, 2013 (the “**Agreement**”) between the State of Wisconsin (the “**State**”) and the Bank (any capitalized term used herein and not defined shall have its respective meaning as set forth in the Agreement), that [Complete as Appropriate]:

- 1. At the request and for the account of the State, we hereby extend the date referenced in the definition of “Commitment Expiry Date” in the Agreement (as such date may have been extended previously from time to time) to .
- 2. Except as specifically provided in paragraph (1) above, all of the terms and conditions of the Agreement remain unchanged and in full force and effect.
- 3. This Notice of Extension is an integral part of the Agreement.]

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

IN WITNESS WHEREOF, the undersigned, on behalf of the Bank, has executed and delivered this Notice of Extension as of the \_\_ day of \_\_\_\_\_, 20\_\_.

THE BANK OF NEW YORK MELLON

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

cc: [Issuing and Paying Agent]