OFFICIAL STATEMENT

New Issue

This Official Statement provides information about the 2017 Bonds. Some of the information appears on this cover page for ready reference. A prospective investor should read the entire Official Statement to make an informed investment decision.

$529,875,000
STATE OF WISCONSIN
$427,770,000 GENERAL FUND ANNUAL APPROPRIATION REFUNDING BONDS OF 2017, SERIES A (FEDERALLY TAXABLE)
$102,105,000 GENERAL FUND ANNUAL APPROPRIATION REFUNDING BONDS OF 2017, SERIES B (FEDERALLY TAX-EXEMPT)

Dated: Date of Delivery **Due: As shown on the inside front cover**

Ratings	AA- Fitch Ratings Aa3 Moody's Investors Service, Inc. AA- S&P Global Ratings
Interest Payment Dates	May 1 and November 1, commencing November 1, 2017.
Redemption	The 2017 Series A Bonds maturing on or after May 1, 2028 are subject to optional redemption at par on May 1, 2027 or any date thereafter— *See page 5.* The 2017 Series B Bonds maturing on or after May 1, 2027 are subject to optional redemption at par on May 1, 2026 or any date thereafter — *See page 5.* The 2017 Series A Bonds maturing on and prior to May 1, 2027 are subject to optional redemption on any Business Day at the Make-Whole Redemption Price— *See pages 5-6.* The 2017 Series A Bonds maturing on May 1, 2036 are subject to mandatory sinking fund redemption at par— *See page 6.*
Source of Payment	Debt service on the 2017 Bonds is payable from the State's General Fund, subject to annual appropriation. The 2017 Bonds are not general obligations of the State—*See pages 10-15.*
Tax Matters	Interest on the 2017 Series A Bonds is included in gross income for federal income tax purposes—*See page 21*. Interest on the 2017 Series B Bonds is excluded from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers—*See pages 21-22.* Interest on both series of 2017 Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page 22*.
Purpose	The 2017 Bonds are being issued to advance refund all or a portion of certain maturities of the State's General Fund Annual Appropriation Bonds of 2009, Series A—*See pages 3-4.*
Settlement/Closing	On or about January 26, 2017.
Denominations	Multiples of $5,000
Book-Entry System	The Depository Trust Company—*See pages 8-9.*
Bond Counsel	Quarles & Brady LLP—*See pages 20-21.*
Trustee	U.S. Bank National Association
Issuer Contact	Wisconsin Capital Finance Office; (608) 267-0374; DOACapitalFinanceOffice@wisconsin.gov
2016 Annual Report	This Official Statement incorporates by reference Parts I, II, and IX of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2016—*See APPENDIX A.*

The prices and yields listed on the inside front cover were determined on January 12, 2017 at negotiated sale. The 2017 Series A Bonds were purchased at an aggregate purchase price of $425,494,737.21, and the 2017 Series B Bonds were purchased at an aggregate purchase price of $119,311,555.12.

Ramirez & Co., Inc. **Stifel**

BofA Merrill Lynch **Citigroup** **Jefferies** **Wells Fargo Securities**

January 12, 2017

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, AND OTHER INFORMATION

$529,875,000
STATE OF WISCONSIN

$427,770,000 GENERAL FUND ANNUAL APPROPRIATION REFUNDING BONDS OF 2017, SERIES A (FEDERALLY TAXABLE)

CUSIP	Due (May 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date	Call Price
977100 DW3	2020	$ 3,565,000	1.866%	1.866%	100.000	Any Business Day at Make-Whole Redemption Price	
977100 DX1	2021	3,635,000	2.177	2.177	100.000		
977100 DY9	2022	3,715,000	2.427	2.427	100.000		
977100 DZ6	2023	3,805,000	2.677	2.677	100.000		
977100 EA0	2024	3,905,000	2.877	2.877	100.000		
977100 EB8	2025	4,015,000	3.118	3.118	100.000		
977100 EC6	2026	4,145,000	3.118	3.118	100.000		
977100 ED4	2027	4,270,000	3.218	3.218	100.000		
977100 EE2	2028	4,410,000	3.368	3.368	100.000	5/1/2027	100%
977100 EF9	2029	4,560,000	3.468	3.468	100.000	5/1/2027	100
977100 EG7	2030	4,715,000	3.568	3.568	100.000	5/1/2027	100
977100 EH5	2031	4,885,000	3.618	3.618	100.000	5/1/2027	100
977100 EJ1	2032	5,060,000	3.718	3.718	100.000	5/1/2027	100
977100 EK8	2033	5,250,000	3.768	3.768	100.000	5/1/2027	100
977100 EL6	2036[a]	367,835,000	3.954	3.954	100.000	5/1/2027	100

$102,105,000 GENERAL FUND ANNUAL APPROPRIATION REFUNDING BONDS OF 2017, SERIES B (FEDERALLY TAX-EXEMPT)

CUSIP	Due (May 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date	Call Price
977100 EM4	2020	$ 75,000	4.000%	1.550%	107.766	Not Callable	-
977100 EN2	2021	80,000	4.000	1.730	109.289	Not Callable	-
977100 EP7	2022	80,000	4.000	1.900	110.469	Not Callable	-
977100 EQ5	2023	85,000	4.000	2.030	111.530	Not Callable	-
977100 ER3	2024	4,520,000	5.000	2.150	119.068	Not Callable	-
977100 ES1	2025	4,085,000	5.000	2.240	120.712	Not Callable	-
977100 ET9	2026	4,470,000	5.000	2.360	121.849	Not Callable	-
977100 EU6	2027	4,790,000	5.000	2.470	120.831 [b]	5/1/2026	100%
977100 EV4	2028	5,215,000	5.000	2.590	119.732 [b]	5/1/2026	100
977100 EW2	2029	5,670,000	5.000	2.690	118.826 [b]	5/1/2026	100
977100 EX0	2030	8,395,000	5.000	2.760	118.196 [b]	5/1/2026	100
977100 EY8	2031	9,010,000	5.000	2.840	117.481 [b]	5/1/2026	100
977100 EZ5	2032	9,660,000	5.000	2.900	116.948 [b]	5/1/2026	100
977100 FA9	2033	10,340,000	5.000	2.960	116.418 [b]	5/1/2026	100
977100 FB7	2034	11,160,000	5.000	3.020	115.891 [b]	5/1/2026	100
977100 FC5	2035	11,835,000	5.000	3.080	115.367 [b]	5/1/2026	100
977100 FD3	2036	12,635,000	5.000	3.120	115.019 [b]	5/1/2026	100

[a] This maturity is a term bond. For a schedule of the mandatory sinking fund redemption payments, see "THE 2017 BONDS; Mandatory Sinking Fund Redemption" herein.

[b] Priced for the May 1, 2026 first optional call date.

This document is called the Official Statement because it is the only document the State has authorized for providing information about the 2017 Bonds. This document is not an offer or solicitation for the 2017 Bonds, and no unlawful offer, solicitation, or sale may occur through the use of this document or otherwise. This document is not a contract, and it provides no investment advice. This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports, or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter. Prospective investors should consult their advisors and legal counsel with questions about this document, the 2017 Bonds, and anything else related to the offering.

The purpose of this document is to provide prospective investors with information that may be important in making an investment decision. It may not be used for any other purpose without the State's permission. The State is the author of this document and is responsible for its accuracy and completeness. The Underwriters are not the authors of this document. In accordance with their responsibilities under federal securities laws, the Underwriters are required to review the information in this document and must have a reasonable basis for their belief in the accuracy and completeness of its key representations.

Certain statements in this document are forward-looking statements that are based on expectations, estimates, projections, or assumptions. Forward-looking statements contained in this document are made as of the date hereof, and the State undertakes no obligation to update such statements to reflect subsequent events or circumstances. Actual results could differ materially from the anticipated results.

Some of the people who prepared, compiled, or reviewed this information had specific functions that covered some aspects of the offering but not others. For example, financial staff focused on quantitative financial information, and legal counsel focused on specific documents or legal issues assigned to them.

No dealer, broker, sales representative, or other person has been authorized to give any information or to make any representations about the 2017 Bonds other than what is in this document. The information and expressions of opinion in this document may change without notice. The delivery of this document or any sale of the 2017 Bonds does not imply that there has been no change in the matters contained in this document since the date of this document. Material referred to in this document is not part of this document unless expressly incorporated.

The 2017 Bonds will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity shall have passed upon the accuracy or adequacy of this Official Statement.

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STATE OFFICIALS PARTICIPATING IN THE ISSUANCE AND SALE OF THE 2017 BONDS

GOVERNOR

Governor Scott Walker
Term of office expires on January 7, 2019

SECRETARY OF ADMINISTRATION

Mr. Scott A. Neitzel
Serves at the pleasure of the Governor

STATE ATTORNEY GENERAL

Mr. Brad D. Schimel
Term of office expires on January 7, 2019

DEBT MANAGEMENT AND DISCLOSURE

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

Mr. David R. Erdman
Capital Finance Director
(608) 267-0374

Mr. Joseph S. Adomakoh III
Capital Finance Officer
(608) 267-7399

Ms. Katherine C. Miller
Capital Finance Officer
(608) 266-2305

SUMMARY DESCRIPTION OF 2017 BONDS

Selected information is presented on this page for the convenience of the reader. To make an informed investment decision, a prospective investor should read the entire Official Statement.

Principal Amount and Description:	$427,770,000 State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series A (Federally Taxable) $102,105,000 State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series B (Federally Tax-Exempt)
Denominations:	Multiples of $5,000
Date of Issue:	Date of delivery (on or about January 26, 2017)
Record Date:	April 15 and October 15
Interest Payments:	May 1 and November 1, beginning November 1, 2017
Maturities:	*2017 Series A Bonds*—May 1, 2020-2033, 2036—*See inside front cover* *2017 Series B Bonds*—May 1, 2020-2036—*See inside front cover*
Redemption:	*Optional Par Call*—The 2017 Series A Bonds maturing on or after May 1, 2028 are subject to optional redemption at par on May 1, 2027 or any date thereafter. The 2017 Series B Bonds maturing on or after May 1, 2027 are subject to optional redemption at par on May 1, 2026 or any date thereafter —*See page 5.* *Optional Make Whole Call*—The 2017 Series A Bonds maturing on and prior to May 1, 2027 are subject to optional redemption on any Business Day at the Make-Whole Redemption Price—*See pages 5-6.* *Sinking Fund*—The 2017 Series A Bonds maturing on May 1, 2036 are subject to mandatory sinking fund redemption at par—*See page 6.*
Form:	Book-entry-only—*See pages 8-9*
Paying Agent:	All payments of principal of, and interest on, the 2017 Bonds will be paid by the Trustee. All payments will be made to The Depository Trust Company, which will distribute payments to DTC Participants as described herein.
Security:	Debt service on the 2017 Bonds is payable from the State's General Fund, subject to annual appropriations. The 2017 Bonds are not general obligations of the State of Wisconsin—*See pages 10-15*
Additional Bonds:	The State may issue additional general fund annual appropriation bonds—*See page 4*
Authority for Issuance:	The 2017 Bonds are authorized by Section 16.527 of the Wisconsin Statutes, as amended, and issued pursuant to the 2009 Indenture and the Authorizing Certification—*See pages 1-2*
Purpose:	The 2017 Bonds are being issued to advance refund all or a portion of certain maturities of the State's General Fund Annual Appropriation Bonds of 2009, Series A —*See pages 3-4*
Tax Matters:	Interest on the 2017 Series A Bonds is included in gross income for federal income tax purposes—*See pages 21* Interest on the 2017 Series B Bonds is excluded from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers—*See pages 21-22.* Interest on both series of 2017 Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page 22*.
Legal Opinions:	Validity opinion for the 2017 Series A Bonds, and validity and tax opinions for the 2017 Series B Bonds, are to be provided by Quarles & Brady LLP—*See APPENDIX C*

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OFFICIAL STATEMENT

$529,875,000

STATE OF WISCONSIN

$427,770,000 GENERAL FUND ANNUAL APPROPRIATION REFUNDING BONDS OF 2017, SERIES A (FEDERALLY TAXABLE)

$102,105,000 GENERAL FUND ANNUAL APPROPRIATION REFUNDING BONDS OF 2017, SERIES B (FEDERALLY TAX-EXEMPT)

INTRODUCTION

This Official Statement sets forth information concerning the $427,770,000 State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series A (Federally Taxable) (**2017 Series A Bonds**) and the $102,105,000 State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series B (Federally Tax-Exempt) (**2017 Series B Bonds**) (the 2017 Series A Bonds and the 2017 Series B Bonds are collectively referred to as the **2017 Bonds**). The State of Wisconsin **(State)** Department of Administration **(Department or DOA)** is empowered by law to issue and sell the 2017 Bonds on the State's behalf. This Official Statement includes by reference Parts I, II and IX of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2016 (**2016 Annual Report**). See APPENDIX A.

The 2017 Bonds are being issued to advance refund all or a portion of certain maturities of the State's General Fund Annual Appropriation Bonds of 2009, Series A.

The 2017 Bonds are authorized and issued pursuant to Section 16.527 of the Wisconsin Statutes, as amended (**Enabling Act**), and an authorizing certification signed by the Secretary of Administration **(Authorizing Certification)**. The 2017 Bonds are issued under a Trust Indenture, dated as of April 1, 2009, between the State, acting by and through the Department and the Trustee, as successor to Deutsche Bank Trust Company Americas, as supplemented and amended by a First Supplemental Trust Indenture, dated as of April 1, 2009, a Second Supplemental Trust Indenture, dated as of August 1, 2016, and a Third Supplemental Trust Indenture, dated as of January 1, 2017 **(Third Supplemental 2009 Trust Indenture)**, all between the State, acting by and through the Department, and the Trustee (collectively, as supplemented, **2009 Indenture)**.

The Enabling Act and the 2009 Indenture establish a framework for the issuance and sale of evidences of appropriation obligations, including the 2017 Bonds, all previously issued general fund annual appropriation bonds issued under the 2009 Indenture (namely the 2009 Bonds and the 2016 Series B Bonds defined below), any additional bonds issued under the 2009 Indenture **(Additional 2009 Indenture Bonds)**, and any notes issued under the 2009 Indenture **(2009 Indenture Notes)** (collectively, the **2009 Indenture Bonds**). Selected terms and provisions of the 2009 Indenture, along with certain capitalized terms used in this Official Statement, are summarized in APPENDIX B. This Official Statement contains information furnished by the State or obtained from the sources indicated.

THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 20th among the states in population and 25th in land area. Wisconsin attained statehood in 1848, its capital is Madison, and its largest city is Milwaukee.

Information concerning the State and its financial condition is included as APPENDIX A, which incorporates by reference Part II of the 2016 Annual Report.

Requests for additional information about the State may be directed to:

Contact:	State of Wisconsin Capital Finance Office Department of Administration Attn: Capital Finance Director
Mail:	101 East Wilson Street, FLR 10 P.O. Box 7864 Madison, WI 53707-7864
Phone:	(608) 267-0374
E-mail:	DOACapitalFinanceOffice@wisconsin.gov
Web site:	www.doa.wi.gov/capitalfinance

PLAN OF FINANCE

Statutory Authority for Issuance

The 2009 Indenture Bonds were issued for the purchase of tobacco settlement revenues that were previously sold by the State. The Enabling Act contains legislative findings that the purchase of tobacco settlement revenues previously sold by the State with proceeds of Appropriation Obligations is appropriate and in the public interest and will serve a public purpose.

The Department is authorized to issue 2009 Indenture Bonds without limit to fund or refund outstanding 2009 Indenture Bonds, to pay issuance or administrative expenses, to make deposits to reserve funds, to pay accrued or funded interest, to pay costs of credit enhancement, or to make payments under certain ancillary agreements, such as Swap Agreements as defined below. The 2017 Bonds are being issued, and the 2009 Indenture Bonds issued in 2016 (namely the 2016 Series B Bonds) were issued, to fund or refund all or a portion of certain outstanding 2009 Indenture Bonds and to pay issuance or administrative expenses.

Outstanding Obligations

As of December 15, 2016 the following general fund annual appropriation bonds were outstanding:

OUTSTANDING GENERAL FUND ANNUAL APPROPRIATION BONDS BY ISSUE
(As of December 15, 2016)

Financing	Date of Financing	Maturity	Amount of Issuance	Amount Outstanding
Fixed-Rate Bonds				
2003- Series A (Taxable) **(2003 Series A Bonds)**	12/18/03			
Serial Bond		2013	$ 250,000,000	$ -0-
Term Bond		2018	100,000,000	52,405,000
Term Bond		2026	500,000,000	500,000,000
2008- Series A (Taxable) **(2008 Series A Bonds)**	4/1/08			
Serial Bonds		2009-14	135,120,000	- 0-
Serial Bond		2018	150,000,000	-0-
Serial Bond		2018	213,000,000	-0-
2009- Series A **(2009 Bonds)**	4/8/09			
Serial Bonds		2010-29	586,575,000	478,330,000 [(a)]
Term Bond		2033	100,000,000	100,000,000
Term Bond		2033	304,550,000	304,550,000
Term Bond		2036	395,345,000	395,345,000
Serial Bond		2037	142,595,000	-0- [(a)]
2012- Series A (Taxable) **(2012 Bonds)**...................	11/29/12			
Serial Bonds		2015-18	137,940,000	69,500,000
Serial Bonds		2027-31	113,615,000	113,615,000
2016-Series A (Taxable) **(2016 Series A Bonds)**	08/16/16	2020-27	400,145,000	400,145,000

Financing	Date of Financing	Maturity	Amount of Issuance	Amount Outstanding
2016 - Series B (Taxable) **(2016 Series B Bonds)**	08/16/16			
Series Bonds		2020-29	28,700,000	28,700,000
Term Bond		2033	13,680,000	13,680,000
Term Bond		2037	158,135,000	158,135,000
Total Fixed-Rate Bonds				$2,614,405,000
Variable-Rate Obligations[b]				
2003- Series B (Taxable) **(2003 Series B Bonds)**......	12/18/03	2009-32	$ 944,850,000	-0-
2008- Series B (Taxable) **(2008 Series B Bonds)**......	4/1/08	2026-32	300,000,000	$ 300,000,000
Series C (Taxable) **(2008 Series C Bonds)**	6/10/08	2009-32	209,000,000	187,355,000
Total Variable-Rate Obligations				$ 487,355,000
Total Outstanding General Fund Annual Appropriation Bonds				$3,101,760,000

(a) Pursuant to a refunding escrow agreement, the principal of, and interest on, all or a portion of the bonds will be paid as it comes due or will be called for redemption prior to maturity. The principal amount of bonds for which payment is provided is not treated as outstanding for purposes of this table.

(b) The State has hedged nearly all its variable rate exposure from the 2008 Series B Bonds and 2008 Series C Bonds through interest rate exchange agreements with multiple counterparties.

The Enabling Act and a different trust indenture **(2003 Indenture)** established a framework for the issuance and sale of evidences of general fund annual appropriation obligations, including the 2003 Series A Bonds, 2008 Series B Bonds, 2008 Series C Bonds, 2012 Bonds, and the 2016 Series A Bonds, and any additional bonds delivered under the 2003 Indenture **(2003 Indenture Bonds)**.

Separate appropriations exist for payment of debt service on obligations issued under the 2003 Indenture and the 2009 Indenture. An appropriation for payment of debt service on obligations issued under one trust indenture may not be available for payment of debt service on obligations issued under the other trust indenture.

Plan of Refunding

As provided for in the Enabling Act, the 2017 Bonds are being issued for advance refunding all or a portion of certain maturities of the 2009 Bonds **(Refunded Bonds)**. The principal amount of the Refunded Bonds is $ 490,065,000. The advance refunding of the Refunded Bonds is for debt service savings. APPENDIX D identifies, and provides more information on, the Refunded Bonds.

Refunded Bonds

To provide for the refunding of the Refunded Bonds, 2017 Bond proceeds and certain other monies previously deposited with the Trustee will be used to purchase non-callable direct obligations of the United States of America or obligations issued by one of the agencies of the United States of America **(Government Obligations)**. These Government Obligations, with the interest to be earned thereon, will be sufficient:

- to pay when due the interest on the Refunded Bonds to and including their respective maturity or redemption dates, and
- to pay the principal or redemption price of the Refunded Bonds when due on their respective maturity or redemption dates.

The Government Obligations and the interest earnings thereon will be held in an escrow fund held by U.S. Bank National Association, as escrow agent **(Escrow Agent)** solely for the benefit of the owners of the Refunded Bonds **(Escrow Fund)**, pursuant to the Third Supplemental 2009 Trust Indenture and an escrow agreement between the State and Escrow Agent. The Escrow Fund will be held by the Escrow Agent in trust to make the principal and interest payments due on the Refunded Bonds. The arithmetical accuracy of the computations of the sufficiency of the amounts deposited into the Escrow Fund for this purpose will be independently verified by Samuel Klein and Company, Certified Public Accountants **(Verification Agent)**. No fees or other charges of the Escrow Agent may be paid from moneys in the Escrow Fund; instead, the State will pay all such fees and charges from other proceeds of the 2017 Bonds.

In the opinion of Bond Counsel, upon the State making the deposits into the Escrow Fund and satisfaction of such other conditions as set forth in the 2009 Indenture, the Refunded Bonds will be deemed to be defeased for purposes of the 2009 Indenture and will no longer be considered outstanding under the 2009 Indenture.

Sources and Uses of Funds

The proceeds from the sale of the 2017 Bonds are expected to be used as follows:

	2017 Series A Bonds	2017 Series B Bonds	Total
Sources			
Principal Amount	$427,770,000.00	$102,105,000.00	$529,875,000.00
Original Issue Premium		17,737,464.40	17,737,464.40
Funds on Deposit With Trustee		3,181,915.00	3,181,915.00
TOTAL SOURCES	$427,770,000.00	$123,024,379.40	550,794,379.40
Uses			
Deposit to Escrow Fund	$424,640,447.60	$122,286,939.15	$546,927,386.75
Underwriters' Discount	2,275,262.79	530,909.28	2,806,172.07
Deposit to Operating Expense Fund	854,289.61	206,530.97	1,060,820.58
TOTAL USES	$427,770,000.00	$123,024,379.40	$550,794,379.40

Additional Bonds

Subject to certain conditions, the issuance by the State of Additional 2009 Indenture Bonds under the 2009 Indenture for the following purposes is permitted:

- To refund any 2009 Indenture Bonds; and
- To pay any cost of issuing 2009 Indenture Bonds (which includes accrued or funded interest, issuance expenses, deposits to reserve funds, administrative expenses, and credit enhancement facilities), or to make payments under any Swap Agreement or credit facility.

Interest Rate Exchange Agreements Under 2003 Indenture

To hedge its variable rate exposure in connection with certain 2003 Indenture Bonds, namely the 2008 Series B Bonds and the 2008 Series C Bonds, the State continues, in part, interest rate exchange agreements that it had entered into in calendar years 2003 and 2005 and terminated, in part, in calendar year 2008 **(Existing Swap Agreements).** The Existing Swap Agreements provide for notional amounts declining over time in amounts that approximate the expected aggregate amortization of the 2008 Series B Bonds and the 2008 Series C Bonds. The counterparties on the Existing Swap Agreements and their current notional amounts and interest rates are:

Counterparty	Current Notional Amount	Fixed Interest Rate Paid by State	Variable Interest Received By State
Citibank, N.A., New York	$140,648,750	5.47%	One-Month LIBOR
UBS AG	166,221,250	5.47%	One-Month LIBOR
JPMorgan Chase Bank, N.A.	172,330,000	4.66%, 5.47%	One-Month LIBOR

The Existing Swap Agreements are outstanding under the 2003 Indenture, which is funded by separate appropriations than the 2009 Indenture. See "PLAN OF FINANCE; Outstanding Obligations". The 2017 Bonds, issued under the 2009 Indenture, and all other outstanding 2009 Indenture Bonds, are fixed-rate obligations and the Department has not entered, nor does it intend to enter into, any interest rate exchange agreement with respect to the 2017 Bonds or any 2009 Indenture Bonds. See "RISK FACTORS; Existing Swap Agreements".

THE 2017 BONDS

General

The 2017 Bonds will be dated the date of their issuance. The 2017 Bonds will be issued as fully registered bonds, in principal denominations of $5,000 or multiples thereof. The 2017 Bonds are initially being issued in book-entry-only form, so the registered owner will be a securities depository or its nominee. The Department has appointed, as the securities depository for the 2017 Bonds, the Depository Trust Company (**DTC**). The 2017 Bonds will bear interest from that date, payable on November 1, 2017 and semiannually thereafter on each May 1 and November 1 until its maturity date. The 2017 Bonds will bear interest at the rates shown on the inside front cover, computed on the basis of a 30-day month and a 360-day year.

Optional Redemption At Par

The 2017 Series A Bonds maturing on or after May 1, 2028 are subject to optional redemption, at the option of the Department, on May 1, 2027 or any date thereafter, in such principal amounts and from such maturities as the State shall determine, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the date of redemption. In the event of partial redemption, the State shall direct the amounts and maturity or maturities of the 2017 Series A Bonds to be redeemed.

The 2017 Series B Bonds maturing on or after May 1, 2027 are subject to optional redemption, at the option of the Department, on May 1, 2026 or any date thereafter, in such principal amounts and from such maturities as the State shall determine, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the date of redemption. In the event of partial redemption, the State shall direct the amounts and maturity or maturities of the 2017 Series B Bonds to be redeemed.

Optional Redemption With Make-Whole Premium

The 2017 Series A Bonds maturing on and prior to May 1, 2027 are subject to optional redemption in whole or in part on any Business Day, in such principal amounts and from such maturities as the State shall determine, at a redemption price **(Make-Whole Redemption Price)** equal to the greater of (A) 100% of the principal amount of the 2017 Series A Bonds to be redeemed or (B) the sum of the present values of the applicable remaining payments of principal and interest on such 2017 Series A Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such 2017 Series A Bonds are to be redeemed, discounted to the date of redemption of such 2017 Series A Bonds on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below) plus 15 basis points, plus, in each case, accrued interest on the 2017 Series A Bonds to be redeemed to the date fixed for redemption.

For purposes of determining the Make-Whole Redemption Price:

(i) "Treasury Rate" means, with respect to any redemption date for a particular 2017 Series A Bond, the yield to maturity of United States Treasury securities (excluding inflation indexed securities) with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available not less than the tenth Business Day immediately preceding such redemption date, but not more than 45 calendar days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)), most nearly equal to the period from the redemption date to the maturity date of the 2017 Series A Bond to be redeemed, as determined by the Designated Consultant.

(ii) "Designated Consultant" means an independent accounting firm, investment banking firm, or financial adviser retained by the State at the State's expense.

(iii) "Business Day" means a day which is not (1) a Saturday, Sunday, or legal holiday, (2) a day on which commercial banks are required or authorized by law to be closed in the State or in the city of the Designated Trust Office, or (3) a day on which The New York Stock Exchange is closed for the entire day or federal reserve banks are closed.

Mandatory Sinking Fund Redemption

The 2017 Series A Bonds maturing on May 1, 2036 **(Series A 2036 Term Bonds)** are subject to redemption before their maturity date at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date, from mandatory sinking fund payments that are required to be made in amounts sufficient to redeem on May 1 of each year the respective amounts specified below:

Redemption Date (May 1)	Principal Amount
2034	$116,530,000
2035	122,230,000
2036[a]	129,075,000

[a] Stated maturity

In the event of a partial redemption of the Series A 2036 Term Bonds (other than in satisfaction of mandatory sinking fund payments) or the purchase and cancellation of less than all of the Series A 2036 Term Bonds, the Department shall instruct the Trustee as to which mandatory sinking fund payments shall be affected by such redemption or purchase and cancellation.

Selection of 2017 Bonds for Redemption

If some but less than all the 2017 Bonds are to be redeemed on any date, the State shall select the aggregate principal amounts of each stated maturity to be redeemed.

So long as the 2017 Bonds are in the book-entry-only system, there will be only one registered owner, and neither the State nor the Trustee will have responsibility for prorating partial redemptions among beneficial owners of the 2017 Bonds. See "THE 2017 BONDS; Book-Entry-System."

2017 Series A Bonds

Redemption payments on the 2017 Series A Bonds of any particular stated maturity being redeemed in part will be made on a pro rata basis (based on aggregate principal amount) to each registered owner in whose name such 2017 Series A Bonds of such stated maturity are registered at the close of business on the fifteenth day of the calendar month immediately preceding the redemption date (the securities depository so long as the book-entry-only system is in effect).

While the 2017 Series A Bonds are in the book-entry-only system and so long as DTC is the sole registered owner of the 2017 Series A Bonds, if some but less than all the 2017 Series A Bonds of a particular maturity are to be redeemed on any date, the State shall instruct DTC to provide for the pro rata redemption following its procedures as a pro rata pass-through distribution of principal, or if DTC procedures do not allow for pro rata pass-through distribution of principal, the 2017 Series A Bonds to be redeemed shall be selected on a pro rata basis; provided that, so long as such 2017 Series A Bonds are registered in the book-entry-only system, the selection for redemption of the 2017 Series A Bonds will be made in accordance with the operational arrangements of DTC then in effect.

It is the State's intent that redemption allocations of 2017 Series A Bonds made by DTC be made on a pro rata pass-through distribution of principal basis as described above. However, the State cannot provide any assurance that DTC, DTC Participants (as defined below), or any other intermediary will allocate the redemption of the 2017 Series A Bonds on such basis, nor will the State be responsible for any failure of DTC, DTC Participants, or any other intermediary to do so. If DTC operational arrangements do not allow for the redemption of the 2017 Series A Bonds on a pro rata pass-through distribution of principal basis, then the 2017 Series A Bonds to be redeemed will be selected for redemption on a pro rata basis.

2017 Series B Bonds

The 2017 Series B Bonds of any particular maturity to be redeemed shall be selected by lot or by such other random means as the Trustee shall determine in its discretion, which shall provide for the possibility of partial redemption of 2017 Series B Bonds in multiples of $5,000. While the 2017 Series B Bonds are in the book-entry-only system and so long as DTC is the sole registered owner of the 2017 Series B Bonds, it is DTC's practice is to determine by lottery the amount of the 2017 Series B Bonds of such maturity to be redeemed from each DTC Participant; provided that such selection will in any event be made in accordance with the operational arrangements of DTC then in effect.

Notice of Redemption of 2017 Bonds

The Trustee shall send a notice of any redemption of 2017 Bonds, by first class, registered, or certified mail or, for so long as the 2017 Bonds are in the book-entry-only system, as otherwise agreed by the State and the securities depository, to the registered owner of each 2017 Bond which will be redeemed in whole or in part, at the address for the registered owner shown in the registration books. Such notice will include the information as provided under the 2009 Indenture and will be provided at least 30 days but not more than 60 days prior to the date fixed for the redemption. Failure to give a notice of redemption or any defect in any such notice does not affect the validity of the proceedings for the redemption of any 2017 Bonds for which proper notice was given.

Any notice of optional redemption of 2017 Bonds may state that it is contingent upon the availability of appropriated funds to pay the full redemption price of the 2017 Bonds to be redeemed, or upon the satisfaction of such other conditions as an authorized Department representative may direct. At such time as the Department determines that any condition to such a redemption will not be met, it shall so notify the Trustee. Upon receipt of such notice, the Trustee shall send notice to the owners of the 2017 Bonds to which redemption notices were sent, in the same manner in which the redemption notices were sent, stating that the redemption will not occur and that the 2017 Bonds identified in the redemption notice will remain outstanding.

Interest on any 2017 Bonds or portions of such 2017 Bonds called for redemption stops accruing on the redemption date if notice of their redemption has been given as provided in the 2009 Indenture, any conditions to the redemption set forth in the notice as described in the preceding paragraph have been satisfied, and money sufficient for their payment is on deposit with the Trustee as required by the 2009 Indenture.

If any such notice states that it is contingent, then the failure to pay the redemption price of the 2017 Bonds otherwise to be redeemed due to the failure of the conditions identified therein shall not constitute an event of default or event of nonappropriation or give rise to any remedy of the owners of the 2017 Bonds.

Registration and Payment of 2017 Bonds

How the 2017 Bonds are paid depends on whether or not they are in book-entry-only form. While the 2017 Bonds are in book-entry-only form (as they are initially), payment of principal of and premium, if any, will be made by wire transfer to the securities depository or its nominee. Payment of interest will be made by wire transfer to the securities depository or its nominee on the payment date.

The record date of the 2017 Bonds is the 15th day (whether or not a Business Day) of the calendar month before the interest payment date. The Trustee serves as the registrar and paying agent for the 2017 Bonds. The following is contact information for the Trustee:

Contact:	U.S. Bank National Association Attention: Yvonne Siira, Vice President
Phone:	(414) 905-5010
E-Mail:	Yvonne.siira@usbank.com
Mail:	1555 North RiverCenter Drive, Suite 203 Milwaukee, WI 53212

Ratings

The following ratings have been assigned to 2017 Bonds:

Rating	Rating Agency
AA-	Fitch Ratings
Aa3	Moody's Investors Service, Inc.
AA-	S&P Global Ratings

Any explanation of what a rating means may only be obtained from the rating organization giving the rating. No one can offer any assurance that a rating given to the 2017 Bonds will be maintained for any period of time; a rating organization may lower or withdraw the rating it gives if in its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may adversely affect the market price of the 2017 Bonds. The State may elect not to continue requesting ratings on the 2009 Indenture Bonds from any particular rating organization, or may elect to request ratings on the 2009 Indenture Bonds from a different rating organization.

Book-Entry System

The 2017 Bonds will initially be issued in book-entry-only form. Purchasers of the 2017 Bonds will not receive bond certificates but instead will have their ownership in the 2017 Bonds recorded in the book-entry system.

Bond certificates are to be issued and registered in the name of a nominee of DTC, which acts as securities depository for the 2017 Bonds. Ownership of the 2017 Bonds by the purchasers is shown in the records of brokers and other organizations participating in the DTC book-entry system (**DTC Participants**). All transfers of ownership in the 2017 Bonds must be made, directly or indirectly, through DTC Participants.

Payment

The Trustee will make all payments of principal of, and interest and any redemption premium on, the 2017 Bonds to DTC. Owners of the 2017 Bonds will receive payments through the DTC Participants.

Notices and Voting Rights

The State or Trustee will provide notices and other communications about the 2017 Bonds to DTC. Owners of the 2017 Bonds will receive any notices or communications through the DTC Participants. In any situation involving rights, DTC will not vote but will rather give a proxy through the DTC Participants.

Redemption

If less than all of the 2017 Series A Bonds of a given maturity and interest rate are being redeemed, the State shall instruct DTC to provide for the pro rata redemption following its procedures as a pro rata pass-through distribution of principal, or if DTC procedures do not allow for pro rata pass-through distribution of principal, DTC will determine on a pro rata basis the amount of 2017 Series A Bonds to be redeemed from each DTC Participant. If less than all of the 2017 Series B Bonds of a given maturity and interest rate are being redeemed, DTC's practice is to determine by lottery the amount of the 2017 Series B Bonds to be redeemed from each DTC Participant. See "THE 2017 BONDS; Selection of 2017 Bonds for Redemption."

Discontinued Service

In the event that participation in DTC's book-entry system were to be discontinued and a successor securities depository were not obtained, Bond certificates would be executed and delivered to DTC Participants.

Further Information

Further information concerning DTC and DTC's book-entry system is available at www.dtcc.com. Neither the State nor the Trustee is responsible for any information available on DTC's web site. That information may be subject to change without notice. Neither the State nor the Trustee is responsible for a failure by DTC or any DTC Participant to transfer payments or notices to the owners of the 2017 Bonds or to follow the procedures established by DTC for its book-entry system.

Possible Discontinuance of Book-Entry System

In the event the 2017 Bonds were not in book-entry-only form, how the 2017 Bonds are paid and redeemed would differ.

Payment

Payment of principal of and premium, if any, will be made (i) by check issued upon the presentation and surrender of the 2017 Bonds at the designated office of the Trustee or (ii) in such other fashion as is agreed upon between a registered owner and the Trustee, including without limitation, by wire transfer upon such prior notice as may be satisfactory to the Trustee. Interest on the 2017 Bonds will be paid to the registered owner shown in the registration books on the record date, which is the 15th day of the month (whether or not a business day) of the month preceding the interest payment date (i) by check mailed by first class mail, (ii) by wire transfer to any bank in the continental United States, to any securities depository or a registered owner of $1,000,000 or more in aggregate principal amount of Bonds who, by written request delivered to the Trustee no later than the record date for the payment, has requested the Trustee to make any payments of interest due to it at a specified wire transfer address (which request needs to be given only once unless the registered owner wishes to change the wire transfer address), or (iii) in such other fashion as is agreed upon between a registered owner and the Trustee, including without limitation, by wire transfer upon such prior notice as may be satisfactory to the Trustee.

Redemption

If less than all of a particular maturity of the 2017 Series A Bonds is to be redeemed, the particular 2017 Series A Bonds or portions of the 2017 Series A Bonds to be redeemed will be selected on a pro rata basis among the registered owners of the outstanding 2017 Series A Bonds of such maturity by application of a fraction the numerator of which is the principal amount of 2017 Series A Bonds of such maturity held by the registered owner, and the denominator of which is the principal amount of all 2017 Series A Bonds of such maturity then outstanding; provided, however, that if for a registered owner of 2017 Series A Bonds of such maturity the pro rata redemption will not result in a denomination of $5,000 or multiple thereof **(Uneven Amount)**, then the amount to be redeemed allocable to such Uneven Amount will be determined by the Trustee in any commercially reasonable manner, which may include allocating such additional redemptions by rounding to the nearest denomination of $5,000 or by lot, or both. If less than all of a particular maturity of the 2017 Series B Bonds is to be redeemed, the particular 2017 Series B Bonds or portions of the 2017 Series B Bonds to be redeemed shall be selected by lot or by such other random means as the Trustee shall determine in its discretion, which shall provide for the possibility of partial redemption of 2017 Series B Bonds in multiples of $5,000. Any such means of selecting 2017 Series B Bonds for redemption shall provide for the possibility of partial redemption of any 2017 Series B Bonds of a denomination greater than the smallest authorized denomination. Particular 2017 Series B Bonds may be redeemed only in multiples of the smallest authorized denomination **(Unit)**. In the case of 2017 Series B Bonds of denominations greater than a Unit, each Unit shall be treated as though it were a separate 2017 Series B Bond in the denomination of a Unit. If it is determined that one or more, but not all, of the Units of principal amount represented by any such 2017 Series B Bonds are to be called for redemption, then upon notice of redemption of such Unit or Units, the Registered Owner of such 2017 Series B Bond shall present and surrender the same to the Trustee (i) for the payment of the Redemption Price in respect of the Unit or Units called for redemption and (ii) in exchange for a new 2017 Series B Bond of the same stated maturity and interest rate in the aggregate principal amount of the unredeemed balance of the principal amount not called for redemption. A new 2017 Series B Bond representing the unredeemed balance of the principal amount of such 2017 Series B Bond shall be issued to the Registered Owner thereof without charge therefor. If the Registered Owner of any such 2017 Series B Bond shall fail to present such 2017 Series B Bond to the Trustee for payment and exchange as aforesaid, such 2017 Series B Bond shall nevertheless, subject to the provisions of the 2009 Indenture, become due and payable as provided in the 2009 Indenture on the date fixed for redemption to the extent of the Unit or Units of principal amount called for redemption (and to that extent only).

Any notice of the redemption of any 2017 Bonds would be mailed by first class, registered or certified mail, at least 30 days but not more than 60 days prior, to the date of redemption to the registered owners of any 2017 Bonds to be redeemed. Interest on any 2017 Bond called for redemption will cease to accrue on the redemption date so long as the 2017 Bond was paid or money was on deposit with the Trustee for its payment.

PAYMENT FROM ANNUAL APPROPRIATIONS

The 2017 Bonds are not general obligations of the State, and the 2017 Bonds do not constitute "public debt" of the State as that term is used in the Wisconsin Constitution and in the Wisconsin Statutes. The payment of the principal of, and premium, if any, and interest on the 2017 Bonds is subject to annual appropriation; that is, payments due in any fiscal year of the State will be made only to the extent sufficient amounts are appropriated by the legislature of the State **(Legislature)** for that purpose. The State is not legally obligated to appropriate any amounts for payment of debt service on the 2017 Bonds, and if it does not do so, it incurs no liability to the owners of the 2017 Bonds. Thus, payment of the 2017 Bonds is at the discretion of the Legislature.

General Fund

The Wisconsin Statutes establish the General Fund, into which are deposited income tax, sales tax, and other general tax revenues and other revenues not dedicated to a specific purpose. Out of the General Fund the State pays its general operating expenses, shared revenues to local governmental units, aids to individuals and organizations, and many State program expenses. See APPENDIX A.

The State has chosen a name for the 2009 Indenture Bonds (including the 2017 Bonds) that includes the words "General Fund" because the Enabling Act reflects an expectation that appropriations to pay debt service will be made from the General Fund. In the Enabling Act, the Legislature expressed its expectation and aspiration (but not a binding obligation) that it would make timely appropriations from money in the General Fund that are sufficient to pay the principal and interest due in any year with respect to obligations such as the 2009 Indenture Bonds. A budget adopted for a future year, however, may fail to make an appropriation or may change the source of the appropriation to a fund other than the General Fund (and thus a fund with substantially less annual revenues than the General Fund). See "RISK FACTORS; Dependence Upon Annual Appropriations" and "; Nature of Moral Obligation."

2015-17 Biennium

Under the 2009 Indenture, the Department is required to take actions to facilitate the appropriation for each year of a specified amount **(Annual Appropriation Amount)** for the purpose of paying debt service on the 2009 Indenture Bonds and for other purposes under the 2009 Indenture. The General Fund budget adopted by the Legislature for the current biennium (2015-17), and the schedule of annual appropriations in the Wisconsin Statutes, includes an appropriation from the General Fund to make debt service payments due in the 2015-16 and 2016-17 Fiscal Years on the 2009 Indenture Bonds issued under the Enabling Act, to make payments under ancillary agreements, to make deposits into reserve funds, and to pay related issuance or administrative costs.

In addition, the Annual Appropriation Amount for the second Fiscal Year of the 2015-17 biennium is based on the greater of the amount determined for the 2016-17 fiscal year and the amount determined for the first year of the next biennium (fiscal year 2017-18). See "PAYMENT FROM ANNUAL APPROPRIATIONS; Annual Appropriations and Continuing Authority."

Budget Process

Annual appropriations are made through the enactment of the State budget. Most of the budget process derives from statutory laws or custom and practice, and thus the process is subject to change. See APPENDIX A, which incorporates by reference Part II of the 2016 Annual Report, and APPENDIX B, which incorporates by reference Part IX of the 2016 Annual Report, for further information about the State's budget process.

Annual Appropriations and Continuing Authority

Although the Wisconsin Statutes provide for other types of appropriations, any appropriation made to pay debt service on the 2009 Indenture Bonds as anticipated by the Enabling Act would be an annual appropriation. That is, the amount appropriated would be separately stated for each of the two Fiscal Years that the biennium comprises, and any unused amount would lapse at the end of the applicable Fiscal Year.

The failure of the Legislature to adopt a new budget before the commencement of a biennium does not result in a lack of spending authority. Under Wisconsin law an existing appropriation continues in effect until it is amended or repealed. Thus, in the event a budget is not in effect at the start of a Fiscal Year, the prior year's budget serves as the budget until such time a new one is enacted. Once a newly enacted budget becomes effective, the continuing authority is superseded by the newly enacted appropriations.

The continuing authority of existing appropriations until a new budget is adopted helps to protect against the effect of a delay in the adoption of a budget. The 2015-17 biennial budget of the State was enacted on July 12, 2015, which was 11 days after the start of the biennium. Of the prior ten biennial budgets, the 2009-11, 2011-13, and 2013-15 biennial budgets were each enacted prior to the start of the respective biennium; however, each of the seven biennial budgets prior to the 2009-11 biennium were enacted after the start of the biennium, with the latest date after the start of a biennium being October 27, 1999 (for the 1999-2001 biennium), which was nearly four months after the start of the 1999-2000 fiscal year (the first fiscal year of that biennium).

General Fund Cash Flow and Priority of Payments

The State has experienced, and expects to continue to experience, certain periods when the General Fund is in a negative cash position. The Wisconsin Statutes provide certain administrative remedies to deal with these periods. The Secretary of Administration may temporarily reallocate cash in other funds to the General Fund.

If needed, the Secretary of Administration has statutory power to order reductions in the appropriations of state agencies, which represent less than one-quarter of the General Fund budget. In addition, the Secretary of Administration may set priorities for payments from the General Fund as well as prorate certain payments. The Wisconsin Statutes provide that all payments shall be in accordance with the following order of preference:

- All direct and indirect payments of principal of, and interest on, State general obligation debt have first priority and may not be prorated or reduced.
- All direct and indirect payments of principal of, and interest on, operating notes have second priority and may not be prorated or reduced.
- All State employee payrolls have third priority and may be prorated or reduced.
- All other payments shall be paid in a priority determined by the Secretary of Administration and may be prorated or reduced.

In the authorizing certification for the 2009 Bonds, the Secretary of Administration has covenanted to give debt service payments on Appropriation Obligations (including, but not limited to, the 2017 Bonds) a higher priority than all other payments (after the first three statutory priorities above) that may be prorated or reduced. Similar covenants have been made with respect to debt service payments on the 2003 Indenture Bonds, lease payments due under the State's existing master lease and appropriations to the Wisconsin Center District to assist in the development and construction of a new arena in Milwaukee, Wisconsin. Before the Secretary of Administration may establish a priority schedule for payments, the Secretary of Administration is required to notify the Legislature's Joint Committee on Finance.

Enabling Act Provisions

The Enabling Act contains a statement to the effect that the Legislature, recognizing its moral obligation to make timely appropriations from the General Fund sufficient to pay debt service on obligations such as the 2009 Indenture Bonds, expresses its expectation and aspiration that it will do so. The Legislature's recognition of a moral obligation, however, does not create a legally enforceable obligation. See "RISK FACTORS; Nature of Moral Obligation."

The Wisconsin Statutes include an appropriation of moneys received from any sale of refunding appropriation bonds for payment of the redemption price of refunded bonds and related obligations incurred under ancillary agreements (such as Swap Agreements). The Wisconsin Statutes also include, in the schedule of annual appropriations, an appropriation from the General Fund to pay debt service costs due in the current fiscal year on appropriation obligations (such as the 2009 Indenture Bonds) issued under the Enabling Act, to make payments under ancillary agreements, to make deposits into reserve funds, and to pay related issuance or administrative costs. See "PAYMENT FROM ANNUAL APPROPRIATIONS; 2015-17 Biennium."

Determination of Annual Appropriation Amount

In the 2009 Indenture, the State directs officers of the Department of Administration to take actions to facilitate the appropriation for each Fiscal Year of the Annual Appropriation Amount. The Annual Appropriation Amount equals the sum of specific amounts (except that, for the second Fiscal Year in a biennium, the Annual Appropriation Amount equals the sum of the below-described amounts determined for such second Fiscal Year or the immediately succeeding Fiscal Year, whichever is greater).

The annual debt service on the 2017 Bonds is less than the annual debt service on the Refunded Bonds. As a result, due to the requirements outlined above regarding determination of the Annual Appropriation Amount for the second Fiscal Year of a biennium, if the Legislature did not adopt a new budget before the start of the 2017-19 biennium, the continuing authority of appropriations from the 2016-17 Fiscal Year would be sufficient to make all payments of principal and interest due on the 2009 Indenture Bonds (including the 2017 Bonds) through June 30, 2018. See "PAYMENT FROM ANNUAL APPROPRIATIONS; Annual Appropriations and Continuing Authority."

With respect to the 2009 Indenture Bonds, the Annual Appropriation Amount is determined by adding the following:

- *Bonds - Principal Maturities.* The amount of principal of 2009 Indenture Bonds maturing during the Fiscal Year.
- *Bonds - Redemption*. The amount of principal of 2009 Indenture Bonds to be redeemed during the Fiscal Year, including any scheduled amount to be redeemed pursuant to optional redemption.
- *Bonds and Notes - Fixed Rate Interest.* Interest to be paid during the Fiscal Year on 2009 Indenture Bonds and Notes, if any, bearing interest at a fixed rate.

- *Bonds and Notes - Variable Rate Interest (Maximum Rate).* Interest that would be payable during the Fiscal Year on 2009 Indenture Bonds and Notes, if any, bearing interest at a variable rate, assuming they bear interest at the maximum permitted rate.
- *Funding Obligations – Interest (Assumed Rate).* The amount of interest on Additional 2009 Indenture Bonds or Notes, if any, assuming that they are issued to fund Notes that mature during, or prior to, the Fiscal Year, that they bear interest at a rate of 15%, and that they are in a principal amount estimated by the Department to be sufficient.
- *Funding Obligations – Principal.* The amount, if any, certified by an authorized Department representative to be the expected principal amortization in such Fiscal Year for Additional 2009 Indenture Bonds to be issued to fund Notes, if any, that are scheduled to mature during, or prior to, the Fiscal Year.
- *Swap Agreements (Assumed Rate).* The maximum amount of any payment obligations (other than termination payments) that would be payable during the Fiscal Year under interest rate exchange agreements that provide for a variable rate or rates to be paid by the State to the counterparty, with any payment that is determined without limit as to amount to be determined at a rate that would result if the index provided in such agreement were at 15% per annum.
- *Credit Facilities.* The maximum amount of payments due during the Fiscal Year with respect to credit facilities, to the extent not included in the amounts described above.
- *Administrative Expenses.* Estimated administrative expenses payable from the Operating Expense Fund during the Fiscal Year.
- *Swap Termination Payments.* The amount of all termination payments with respect to interest rate exchange agreements that are unpaid as of the September 1st immediately preceding the commencement of the biennium that includes the Fiscal Year, plus interest to accrue on the payments to the date on which they are reasonably expected to be made.

The determination of the Annual Appropriation Amount does not include the principal amount of any Notes.

The table on the following page summarizes the calculation of the Annual Appropriation Amount for the 2009 Indenture Bonds applicable for the upcoming 2017-19 biennium incorporating the issuance of the 2017 Bonds, pursuant to the factors outlined above.

DETERMINATION OF ANNUAL APPROPRIATION AMOUNT
2009 INDENTURE BONDS

Determination: 2017-19 Biennium	Fiscal Year 2017-18	Fiscal Year 2018-19 (Equal to Greater Total of the Following)	
		Fiscal Year 2018-19	Fiscal Year 2019-20[(a)]
Bonds – Principal	0	0	$34,330,000
Bonds – Redemption	0	0	0
Bonds and Notes – Fixed Rate Interest	$76,773,811	71,093,417	71,093,417
Bonds and Notes – Var. Rate Interest (Max. Rate)	0	0	0
Funding Obligations – Interest (Assumed)	0	0	0
Funding Obligations – Principal	0	0	0
Swap Agreements (Assumed Rate)	0	0	0
Credit Facilities	0	0	0
Administrative Expenses	10,000	10,000	10,000
Swap Termination Payments	0	0	0
Totals	$76,783,811	$71,103,417	$105,433,417

(a) First Fiscal Year of the next biennium.

The following table includes the amount previously appropriated by the Legislature in each Fiscal Year since the date the 2009 Indenture Bonds were issued. Prior to the 2011-12 fiscal year, an Annual Appropriation Amount was not yet required under the 2009 Indenture so the amount appropriated equaled either an estimate (for the 2008-09 fiscal year) or the amount that the Annual Appropriation Amount would have been for that respective Fiscal Year, if such a determination were so required.

AMOUNTS APPROPRIATED BY LEGISLATURE
(Section 20.505 (1)(bq), Wisconsin Statutes)

Fiscal Year	Annual Appropriation Amount	Amount Appropriated By Legislature
2008-09	n/a	$ 165,000,000
2009-10	n/a	98,800,000
2010-11	n/a	92,600,000
2011-12	$ 92,474,100	92,474,100
2012-13	93,693,400	93,693,400
2013-14	93,693,400	93,693,400
2014-15	113,262,100	113,262,000
2015-16	113,262,037	113,262,000
2016-17	107,423,457	107,423,500

Deposit Amount

The 2009 Indenture also provides that, on the first business day of each Fiscal Year, the State shall pay to the Trustee from appropriated funds, for deposit into the Appropriations Fund, an amount (Deposit Amount) certified by the Secretary as the net amount reasonably expected to be needed during that Fiscal Year to pay principal of the 2009 Indenture Bonds (including any scheduled amount to be redeemed by optional redemption), interest on the 2009 Indenture Bonds, and any payment obligations (other than Subordinated Swap Payment Obligations) with respect to Swap Agreements, and to pay administrative expenses.

Due to requirements for determining the Annual Appropriation Amount, the Deposit Amount is expected to be less than the Annual Appropriation Amount. The Deposit Amount in the 2016-17 fiscal year for the 2009 Indenture Bonds, was calculated and certified to be $106 million.

Swap Agreements

While none currently exist, the 2009 Indenture does allow the State from time to time to enter into (and thereafter may terminate) interest rate exchange agreements, indexing agreements, or similar agreements relating to any 2009 Indenture Bonds **(Swap Agreements)**. The State's obligation to make payments under the Swap Agreements will be payable from money held in separate accounts established in the Debt Service Fund under the 2009 Indenture for that purpose. Payments under a Swap Agreement may include net payments based on the interest rates exchanged. Should a Swap Agreement be terminated, under certain circumstances the State may be required to make a termination payment. The Enabling Act provides authority for the State to issue Additional 2009 Indenture Bonds to make this payment. Money held in the Debt Service Fund may be applied to a termination payment under a Swap Agreement only if the termination payment was due on September 1st of the year before the first fiscal year in a biennium and a budget bill has been enacted for the biennium. Correspondingly, the budget request for the first fiscal year in any biennium is expected to include an amount to provide for any termination payment that was due on September 1st of the prior year. If certain conditions of the 2009 Indenture are met, termination payments may be payable from money held in (or permitted to be transferred to) the Subordinated Payment Obligations Fund.

Event of Nonappropriation

The 2009 Indenture defines **Event of Nonappropriation** to mean an insufficiency of appropriated funds in any Fiscal Year to pay when due all debt service on 2009 Indenture Bonds and Additional 2009 Indenture Bonds and payment obligations under Swap Agreements, other than termination payments under Swap Agreements that were not included in the determination for that Fiscal Year of the Annual Appropriation Amount **(Subordinated Swap Payment Obligations)**. Upon an Event of Nonappropriation, the Secretary of Administration will promptly provide a written notice to the Trustee.

The 2009 Indenture provides that, if an executive budget bill, as introduced, or a budget bill adopted by either house of the Legislature, fails to include the Annual Appropriation Amount, then the Secretary of Administration will provide a written notice to the Governor and the presiding officer of each house of the Legislature, requesting action to ensure the satisfaction of the State's moral obligation and will promptly provide a written notice to the Trustee and each rating agency rating the 2009 Indenture Bonds, stating the nature of the deficiency. Similarly, if a budget bill that fails to include the Annual Appropriation Amount is signed into law by the Governor, then the Secretary of Administration will send a letter to the Governor and the presiding officer of each house of the Legislature seeking the introduction of a separate bill authorizing the appropriation that would be needed. As of the date of this Official Statement, the Secretary of Administration has not been required to provide any such notice or letter required under the 2009 Indenture.

Authorized Stabilization Fund

The 2009 Indenture authorized the creation of a Stabilization Fund. While the State has not funded and does not currently expect to fund the Stabilization Fund under the 2009 Indenture, it may do so in connection with the issuance of Additional 2009 Indenture Bonds. See APPENDIX B.

The 2003 Indenture did establish a Stabilization Fund, which is currently funded in the amount of $32,935,000. However, funds on deposit in this 2003 Indenture Stabilization Fund are not available to the 2009 Indenture Bonds.

Other Funds Established by 2009 Indenture

The 2009 Indenture establishes an Appropriations Fund, an Operating Expense Fund, a Debt Service Fund, a Subordinated Payment Obligations Fund, and a Rebate Fund.

RISK FACTORS

Dependence Upon Annual Appropriations

The State's obligation to make payments of the principal of and interest on the 2009 Indenture Bonds, including the 2017 Bonds, is not a general obligation of the State and is not supported by the full faith and credit of the State. The State's obligation to make those payments, and its obligation to make payments on any Swap Agreements, is subject to annual appropriation of the necessary funds by the Legislature. The amounts that are payable in any year from the annual appropriation are subject to change, for example, because of the termination of any Swap Agreements, the State's entering into additional Swap Agreements, the State's issuance of refunding bonds or Additional 2009 Indenture Bonds, or the State's issuance of other appropriation obligations. No assurance is given that sufficient funds will be appropriated or otherwise available to make those payments in the future.

The owners of 2009 Indenture Bonds (including the 2017 Bonds) could suffer a loss or fail to obtain payment on a timely basis if no appropriation were made or if an insufficient appropriation were made. This could occur either through the direct action of the Legislature or the Governor or through a failure to act. The Governor may include or exclude the annual appropriations in the executive budget bill, and similarly, the Legislature may include or exclude the annual appropriations in the budget it adopts. Moreover, even if the annual appropriations are included in the budget the Legislature adopts, the Governor has the power to veto the appropriations. See "PAYMENT FROM ANNUAL APPROPRIATIONS."

No Collateral

Other than granting a security interest in money held in funds under the 2009 Indenture, the State has not pledged any collateral or other security to support payment of the principal of or interest on the 2009 Indenture Bonds, including the 2017 Bonds. If the State were to fail to appropriate sufficient funds for that payment, the owners of the 2009 Indenture Bonds, including the 2017 Bonds, would not have any recourse against any other property or revenues of the State.

Nature of Moral Obligation

In the Enabling Act, the Legislature, recognizing its moral obligation to do so, expressed its expectation and aspiration to make timely appropriations from moneys in the General Fund that are sufficient to pay debt service on the 2009 Indenture Bonds in any year; however, the recognition of a moral obligation does not create a legally enforceable obligation. The Legislature's recognition of a moral obligation would provide strong but not conclusive evidence in support of a judicial determination that a payment made by the State serves a public purpose and thus should not be enjoined if a lawsuit challenged the payment as not legally required.

Legislative Decision-Making

Legislative decisions, such as making appropriations through the adoption of a budget, may be influenced by many factors. The Secretary of Administration believes that failure to make payments of the principal of, and premium, if any, and interest on, any of the 2009 Indenture Bonds might hinder the State's subsequent access to the capital markets; however, it should not be assumed that the Legislature would regard that possible consequence to be a compelling reason to appropriate the money needed for those payments. Future occurrences could adversely affect legislative support for appropriating the money needed for those payments.

Moreover, certain events could result in the need for an appropriation that is larger than originally expected. For example, the State could be required to pay a substantial termination payment upon the termination of a Swap Agreement, including a termination outside the State's control. In addition, the Legislature may authorize the State to issue other obligations that are payable from the same annual appropriations, and it may also consider and adopt legislation that changes the amounts of existing appropriations.

State Financial Difficulties

The sole source of repayment of the 2017 Bonds is appropriations made by the Legislature. The availability of State funds for such appropriations is a function of the condition of the State economy and such appropriations typically occur during a biannual budget process. The Legislature may base its decisions about appropriations on many factors, including the State's economic performance. Decreases in State revenues may adversely affect the appropriations made by the Legislature. No liability would accrue to the State in the event the Legislature does not make appropriations for repayment of the 2017 Bonds, and the State would not be obligated or liable for any future payments or any damages.

Existing Swap Agreements

While the Existing Swap Agreements are outstanding pursuant to the 2003 Indenture, and paid from appropriations different than the 2009 Indenture Bonds, there are certain general financial risks the State is subject to as a result of the Existing Swap Agreements.

The State has hedged nearly all its variable-rate exposure on the 2008 Series B Bonds and the 2008 Series C Bonds through the Existing Swap Agreements. As of December 31, 2016, the aggregate fair market value of the Existing Swap Agreements was negative $153 million. The fair market value may vary throughout the life of the Existing Swap Agreements due to changes in interest rates and swap market conditions.

GASB 53 Disclosure

All the Existing Swap Agreements, as of December 31, 2016, continue to be classified as effective cash flow hedges for purposes of GASB Statement No. 53. As a result, changes to fair market value are not reported in the State's general purpose financial statements. The State contracts with a third party advisor to provide estimates of the fair market value of the Existing Swap Agreements.

Interest Rate Risks

Although the overall effective interest rate is synthetically fixed as a result of the Existing Swap Agreements, interest payments on the 2008 Series B Bonds and the 2008 Series C Bonds and net swap payments will vary as interest rates vary.

Credit Risks

To the extent the fair market value of an Existing Swap Agreement were positive, the State would be subject to credit risk of the counterparty in the like amount. The ratings of counterparties to the Existing Swap Agreements also present the State with other credit risk factors. As of December 31, 2016, the lowest rating assigned to these counterparties was A1 by Moody's, A by S&P, and A by Fitch Ratings. Under each of the Existing Swap Agreements and to mitigate the potential for credit risk, if any counterparty's credit rating falls below A3 by Moody's Investors Service or A– by either S&P or Fitch Ratings, then the counterparty will be required to fully collateralize the fair market value of the Existing Swap Agreement. In addition, an event of termination occurs under an Existing Swap Agreement if the counterparty's credit rating falls below Baa2 by Moody's Investors Service or BBB by either S&P or Fitch Ratings.

Termination Risks

Any Existing Swap Agreement may be terminated by the State upon two business days written notice, designating to the counterparty the termination date. In addition, either the State or the counterparty may terminate any Existing Swap Agreement if the other party fails to perform under the terms of the Existing Swap Agreement, or if other various events occur. If any Swap Agreement were terminated, the State would be unhedged and exposed to additional interest rate risk on a like amount of the 2008 Series B Bonds and 2008 Series C Bonds. In addition, if the terminated Existing Swap Agreement were to have a negative fair market value at the time of termination, the State would incur a loss and would be required to make a settlement payment to the counterparty. Termination payments, if required to be made, can be made, at the State's discretion, from the Stabilization Fund of the 2003 Indenture, or delayed until funds are available in the Subordinated Payment Obligations Fund of the 2003 Indenture, or until the next biennium when appropriations can be made in the biennial budget for the termination payments.

Market-Access and Rollover Risks

Each of the Existing Swap Agreements has a term that is equal to the related maturities of the 2008 Series B Bonds and the 2008 Series C Bonds. In addition, since the notional amounts of the Existing Swap Agreements decline in a manner substantially related to the scheduled amortization of the 2008 Series B Bonds and the 2008 Series C Bonds, there is no material market-access risk or rollover risk.

Investment Loss

In the event a loss were incurred on appropriated funds held in funds or accounts under the 2009 Indenture, no assurance can be given that additional amounts could be withdrawn from the General Fund pursuant to the appropriation to replenish the loss. See APPENDIX B for a description of Qualified Investments.

Defeasance

A defeasance of the 2017 Series A Bonds may cause the recognition of a gain or loss, for federal tax purposes, at the time of the defeasance. Owners of the 2017 Series A Bonds should consult their tax advisors regarding the tax consequences of any defeasance of the 2017 Series A Bonds.

Additional Bonds

The 2009 Indenture does not preclude the issuance of Additional Bonds under circumstances in which the resulting debt service might exceed the amount appropriated for the biennium during which the Additional Bonds are issued.

Tax Exemption

There are or may be pending in the Congress of the United States legislative proposals relating to the federal tax treatment of interest on obligations of the nature of the 2017 Series B Bonds. The State cannot predict whether and in what form any such proposal might be enacted or how such proposals, if enacted, would apply to the 2017 Series B Bonds. A change in the federal tax status of the 2017 Series B Bonds may cause the value of the 2017 Series B Bonds to fall. In addition, interest on the 2017 Series B Bonds could become includible in gross income for federal income tax purposes as a result of future acts or omissions of the State. See "TAX MATTERS; Federal Tax Considerations - 2017 Series B Bonds."

OTHER INFORMATION

Planned Borrowings

The 2016 Annual Report includes a summary of obligations issued by the State for various credits of the State, including those issued in calendar year 2016. The following summary addresses planned borrowings in calendar year 2017; the 2017 Bonds are the first obligations to be offered by the State in calendar year 2017.

General Obligations

The State of Wisconsin Building Commission **(Commission)** has authorized the issuance of the following general obligations:

- Up to $595 million of additional general obligations for the refunding of general obligation bonds previously issued for general governmental purposes. The amount and timing of any sale and issuance of general obligations for refunding purposes depend, among other factors, on market conditions.
- General obligations for the funding of the State's outstanding general obligation commercial paper notes and extendible municipal commercial paper notes, which were outstanding in the

amount of $624 million as of December 15, 2016. The amount and timing of any issuance of general obligations for this purpose depend on a decision to fund outstanding obligations bearing variable interest rates either with a different form of variable-rate obligation or with bonds bearing a fixed interest rate.

In addition, in calendar year 2017 the Commission will be asked to authorize the issuance of general obligations for general governmental purposes. The timing and amounts of any authorization and issuance of these general obligations will depend on many factors, including construction schedules for approved projects and expenditures under approved borrowing programs.

Other Obligations

The Commission has authorized up to $144 million of transportation revenue obligations for major highway projects and facilities. The State expects to issue these obligations in the first or second quarter of calendar year 2017. The Commission has also authorized up to $375 million of transportation revenue obligations to refund outstanding transportation revenue bonds. The amount and timing of any issuance of transportation revenue refunding bonds depend, among other factors, on market conditions.

The Commission has authorized up to $325 million of clean water revenue refunding bonds. The amount and timing of any issuance of clean water revenue refunding bonds depend, among other factors, on market conditions. As described in Parts VI and VII of the 2016 Annual Report, any new money bonds for the State's Clean Water Fund Program are expected be issued under the new program resolution for environmental improvement fund revenue bonds described in the following paragraph.

In calendar year 2017 the Commission will be asked to authorize the issuance of environmental improvement fund revenue bonds for both refunding and new money purposes. The amount and timing of any authorization and issuance of these environmental improvement fund revenue bonds depend on many factors, including loan activity in the State's Clean Water Fund Program and market conditions.

The State may issue master lease certificates of participation in calendar year 2017. The amount and timing of any issuance of master lease certificates of participation depend, among other factors, on market conditions and originations in the State's Master Lease Program.

The State has very limited authority (approximately $12 million) to issue general fund annual appropriation bonds for authorized new money purposes. The State has unlimited authority for the issuance of general fund annual appropriation refunding bonds. The amount and timing of any additional authorization and issuance of general fund annual appropriation refunding bonds depend, among other factors, on market conditions.

The State does not expect to issue operating notes for the 2016-17 fiscal year. No determination has yet been made regarding the issuance of operating notes for the 2017-18 fiscal year.

Underwriting

The 2017 Bonds are being purchased by the **Underwriters**, for which Samuel A. Ramirez & Co., Inc. is serving as representative. The Underwriters have agreed, subject to certain conditions, to purchase from the State the 2017 Series A Bonds at an aggregate purchase price of $425,494,737.21 (reflecting an underwriters' discount of $2,275,262.79) and the 2017 Series B Bonds at an aggregate purchase price of $119,311,555.12 (reflecting an original issuance premium of $17,737,464.40 and an underwriters' discount of $530,909.28). The Underwriters have agreed to reoffer the 2017 Bonds at the public offering prices set forth on the inside front cover of this Official Statement. The 2017 Bonds may be offered and sold to certain dealers (including dealers depositing the 2017 Bonds into investment trusts) at prices lower than such public offering prices, and such prices may be changed, from time to time, by the Underwriters. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all the 2017 Bonds if they purchase any of the 2017 Bonds.

In connection with the offering of the 2017 Bonds, the Underwriters may over-allot or effect transactions which stabilize or maintain the market prices of the 2017 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

Certain of the Underwriters may have entered into retail distribution agreements with third party broker-dealers, under which the Underwriters may distribute municipal securities to retail investors through the respective financial advisors or electronic trading platforms of such third party broker-dealers. As part of these arrangements, the Underwriters may share a portion of their underwriting compensation with such third party broker-dealers.

The Underwriters and their affiliates include full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the course of their various business activities, the Underwriters and their affiliates, officers, directors, and employees may purchase, sell, or hold investments or other financial instruments for their own accounts and for the accounts of their customers. Such investment and trading activities may involve assets, securities, or other instruments of the State (directly, as collateral securing other obligations, or otherwise) or of others that have relationships with the State. The Underwriters and their affiliates may also communicate independent investment recommendations, market color, or trading ideas and may publish or express independent research views in respect of any such assets, securities, or instruments and may at any time hold, or recommend to clients that they should acquire, long or short positions in such assets, securities, or instruments.

Certain legal matters will be passed upon for the Underwriters by their counsel, MWH Law Group LLP.

Reference Information About the 2017 Bonds

The table on the inside front cover provides information about the 2017 Bonds. The identification numbers for each maturity (such as the CUSIP number) have been obtained from sources the State believes to be reliable, but the State is not responsible for the correctness of those numbers or other identifying numbers assigned to the 2017 Bonds. The Underwriters have provided the reoffering prices. For each of the 2017 Series B Bonds subject to optional redemption, the yield at issuance shown is the lower of the yield to the first optional call date or the yield to the nominal maturity date.

Financial Advisor

Acacia Financial Group, Inc. has been employed by the State to perform professional services in the capacity of financial advisor. The financial advisor has provided advice on the plan of finance and the structure of the 2017 Bonds, reviewed certain legal and disclosure documents, including this Official Statement, for financial matters, and reviewed the pricing of the 2017 Bonds by the Underwriters.

Verification of Mathematical Computations

The arithmetical accuracy of certain computations was independently verified by the Verification Agent. These computations, which were provided by the Underwriters, indicate (i) the sufficiency of the receipts from the Government Obligations to pay at maturity the principal of, and interest on, the Refunded Bonds, and (ii) the yields on investments in the Escrow Fund and the 2017 Series B Bonds. The Verification Agent relied upon assumptions and information supplied by the Underwriters on behalf of the State and has not made any study or examination of them, except as noted in its report. The Verification Agent has not expressed an opinion on the reasonableness of the assumptions or the likelihood that the debt service requirements of the Refunded Bonds will be paid as described in its report.

Legal Opinions

Legal matters incident to the authorization, issuance, and sale of the 2017 Bonds are subject to the approval of Quarles & Brady LLP **(Bond Counsel)**, whose approving opinions, substantially in the form shown in APPENDIX C, will be delivered on the date of issue of the 2017 Bonds. In the event certificated 2017 Bonds are issued, the opinion will be printed on the reverse side of each respective 2017 Bond.

Quarles & Brady LLP has been retained by the State to serve as Disclosure Counsel to the State with respect to the 2017 Bonds. Although, as counsel to the State, Quarles & Brady LLP has assisted the State with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the 2017 Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the 2017 Bonds for any investor.

Litigation

There is no action, suit, or proceeding, either pending or threatened in writing, known to the State Attorney General, restraining or enjoining the issuance, sale, execution, or delivery of the 2017 Bonds or in any way contesting or affecting (i) the titles to their respective offices of any of the State officers involved in the issuance of the 2017 Bonds, (ii) the validity of the 2017 Bonds or any proceedings of the State taken with respect to the issuance, sale, execution, or delivery of the 2017 Bonds, or (iii) the pledge or application of any moneys or security provided for payment of the 2017 Bonds. The State Attorney General will render an opinion to this effect when the 2017 Bonds are delivered.

DISCLAIMER REGARDING FEDERAL TAX DISCUSSIONS

Any discussion of U.S. federal tax issues included in this Official Statement is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding federal tax penalties that may be imposed on the taxpayer. Such discussions were written in connection with the promotion or marketing of the 2017 Bonds. Each taxpayer should seek advice from an independent tax advisor based on the taxpayer's particular circumstances.

TAX MATTERS

Federal Tax Considerations – 2017 Series A Bonds

The following is a summary of certain United States federal income tax consequences resulting from the beneficial ownership of 2017 Series A Bonds by certain persons. This summary does not consider all the possible federal income tax consequences of the purchase, ownership, or disposition of the 2017 Series A Bonds and is not intended to reflect the individual tax position of any beneficial owner.

In the opinion of Bond Counsel, under existing law interest on the 2017 Series A Bonds is included in gross income for federal income tax purposes. Bond Counsel will deliver a legal opinion with respect to the 2017 Series A Bonds substantially in the form as set forth in APPENDIX C.

Federal Tax Considerations – 2017 Series B Bonds

Bond Counsel will deliver a legal opinion with respect to the exclusion from gross income for federal income tax purposes applicable to the interest on the 2017 Series B Bonds under existing law substantially in the form as set forth in APPENDIX C.

Prospective purchasers of the 2017 Series B Bonds should be aware that ownership of the 2017 Series B Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the 2017 Series B Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time, legislation is proposed and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the 2017 Series B Bonds. It cannot be predicted whether or in what form any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the 2017 Series B Bonds may be enacted. Prospective purchasers of the 2017 Series B Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Original Issue Premium

To the extent that the initial offering prices of certain of the 2017 Series B Bonds are more than the principal amount payable at maturity, such 2017 Series B Bonds **(Premium 2017 Series B Bonds)** will be considered to have bond premium.

Any Premium 2017 Series B Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium 2017 Series B Bond is calculated on a daily basis from the issue date of such Premium 2017 Series B Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium 2017 Series B Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium 2017 Series B Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium 2017 Series B Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the owner held such Premium 2017 Series B Bond. The adjusted tax basis in a Premium 2017 Series B Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium 2017 Series B Bond.

Owners of Premium 2017 Series B Bonds who did not purchase such Premium 2017 Series B Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium 2017 Series B Bonds.

Owners of Premium 2017 Series B Bonds should consult with their tax advisors regarding the state and local tax consequences of owning such Premium 2017 Series B Bonds.

State Tax Considerations

The interest on the 2017 Bonds is not exempt from current Wisconsin income or franchise taxes.

CONTINUING DISCLOSURE

The State has made an undertaking, for the benefit of the beneficial owners of the 2017 Bonds, to provide an annual report presenting certain financial information and operating data about the State (**Annual Report**). By December 27 of each year, the State will send the report to the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access **(EMMA)** system. The State will also provide to the MSRB notices of the occurrence of certain events specified in the undertaking. Part I of the 2016 Annual Report, which contains information on the undertaking, is included by reference as part of this Official Statement. Copies of the Annual Reports and notices may be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
Attn: Capital Finance Director
101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 267-0374
DOACapitalFinanceOffice@wisconsin.gov
www.doa.wi.gov/capitalfinance

The undertaking also describes the consequences if the State fails to provide any required information. The State must report the failure to the MSRB. In the last five years, the State has not failed to comply in any material respect with this, or any similar, undertaking. During that period, rating agencies have changed their respective ratings with respect to various bond insurers. Certain obligations previously issued by the State were insured by policies issued by these bond insurers, and the State did not file notice of those rating changes, based on a determination that the changes were not material. On July 31, 2014, the State filed with the MSRB through its EMMA system, as a technical clarification, a written notice of those rating changes of bond insurers where the rating before the change was above the underlying rating of the respective State obligations.

Dated: January 12, 2017

STATE OF WISCONSIN

/S/ SCOTT WALKER
Scott Walker
Governor

/S/ SCOTT A. NEITZEL
Scott A. Neitzel
Secretary of Administration

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APPENDIX A
INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin **(State)** and its general obligations, contained in Part II of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2016 **(2016 Annual Report)**, which can be obtained as described below.

Part II of the 2016 Annual Report contains general information about the State. More specifically, that part presents information about the following matters:

- State's revenue and expenditures
- State's operations, financial procedures, accounting, and financial reporting
- Organization of, and services provided by, the State
- Budget process and fiscal controls
- State budget (including results of fiscal year 2015-16 and State budget for the 2015-17 biennium)
- Potential effects of litigation
- State obligations
- Employee pension funds and other post-employment benefits
- State Investment Board
- Statistical information about the State's population, income, and employment

The State has provided an Additional/Voluntary filing with the Municipal Securities Rulemaking Board (**MSRB)**, through its Electronic Municipal Market Access **(EMMA)** system, that provides notice the audited general purpose external financial statements for the fiscal year ended June 30, 2016 were not available as of the date of Part II of the 2016 Annual Report. When available, such audited general purpose external financial statements will be filed within 10 business days with the MSRB through its EMMA system, and made a part of APPENDIX A to Part II of the 2016 Annual Report. The State's audited general purpose external financial statements and independent auditor's report for the fiscal year ended June 30, 2015 has been available since December 2015 from the MSRB through its EMMA system.

The 2016 Annual Report was filed with the MSRB through its EMMA system, and also is available from the part of the Capital Finance Office web site called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin." The Capital Finance Office web site is located at the following address:

www.doa.wi.gov/capitalfinance

Copies of the 2016 Annual Report may also be obtained from:

State of Wisconsin Department of Administration
Capital Finance Office
101 E. Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 267-0374
DOACapitalFinanceOffice@wisconsin.gov

The State independently provided, from July 2001 to June 2013, monthly reports on General Fund financial information. The State did not provide these monthly reports from June 2013 through March 2014, and the frequency of the reports provided during calendar year 2015 was less than monthly. These reports are not required by any of the State's undertakings to provide information concerning the State's securities. These reports are available on the State's Capital Finance Office web site that is listed above and also were filed as additional voluntary information with the MSRB through its EMMA system; however, the reports are not incorporated by reference into this Official Statement or Part II of the 2016 Annual Report. The State is not obligated to provide such reports at any time in the future.

After publication and filing of the 2016 Annual Report, certain changes or events may occur that affect items discussed in the 2016 Annual Report. At this time, we are not identifying any such changes or events. When they occur, the State may or may not file such changes or events with the MSRB. However, the State has filed, and expects to continue to file, informational notices with the MSRB, some of which may be notices that are not required to be filed under the State's undertakings.

APPENDIX B
SUMMARY OF 2009 INDENTURE; GLOSSARY

This Appendix includes by reference information concerning the State of Wisconsin General Fund Annual Appropriation Obligations, including but not limited to the summary of the 2009 Indenture, contained in Part IX of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2016 **(2016 Annual Report)**, which can be obtained as described below.

The 2016 Annual Report was filed with the Municipal Securities Rulemaking Board **(MSRB)** through its Electronic Municipal Market Access **(EMMA)** system, and also is available from the part of the Capital Finance Office web site called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin." The Capital Finance Office web site is located at the following address:

www.doa.wi.gov/capitalfinance

Copies of the 2016 Annual Report may also be obtained from:

State of Wisconsin Department of Administration
Capital Finance Office
101 E. Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
(608) 267-0374
DOACapitalFinanceOffice@wisconsin.gov

This Appendix also includes the following definitions that apply to certain capitalized terms used in this Official Statement.

2009 Bonds means the State of Wisconsin General Fund Annual Appropriation Bonds of 2009, Series A.

2009 Indenture means the Trust Indenture, dated as of April 1, 2009, between the State, acting by and through the Department of Administration, under the authority of the Act, and the Trustee, as trustee, as supplemented and amended from time to time.

2009 Indenture Bonds means the obligations of the State designated by the Department as "Bonds" in a Supplemental Indenture to the 2009 Indenture, including the 2009 Bonds, the 2016 Series B Bonds, the 2017 Bonds, and any Additional Bonds issued pursuant to the 2009 Indenture.

2009 Indenture Bonds Outstanding means Outstanding Bonds issued pursuant to the 2009 Indenture.

2016 Series B Bonds means the State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2016, Series B (Taxable).

2017 Bonds means the State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series A (Federally Taxable) and Series B (Federally Tax-Exempt).

Additional 2009 Indenture Bonds means additional bonds issued under the 2009 Indenture.

Act or **Enabling Act** means Section 16.527 of the Wisconsin Statutes, as from time to time amended.

Annual Appropriation Amount means for any Fiscal Year that is the first Fiscal Year of a Biennium, an amount equal to the sum of the amounts in the following clauses (a) through (i) for such Fiscal Year, plus the amount in the following clause (j), and for any Fiscal Year that is the second Fiscal Year of a Biennium (beginning with Fiscal Year 2012-13), an amount equal to the sum of the amounts in the following clauses (a) through (i) for such Fiscal Year or for the immediately succeeding Fiscal Year, whichever is greater, plus the amount in the following clause (j):

(a) the amount of principal of 2009 Indenture Bonds Outstanding maturing during the Fiscal Year;

(b) the amount of principal of 2009 Indenture Bonds Outstanding scheduled to be redeemed pursuant to mandatory or scheduled optional redemptions during the Fiscal Year;

(c) the amount of interest to be paid during the Fiscal Year with respect to Outstanding Fixed Rate Appropriation Obligations;

(d) the amount of interest that would be payable during the Fiscal Year with respect to Outstanding Variable Rate Appropriation Obligations, calculated at the Maximum Rate with respect thereto for any portion of such Fiscal Year for which the interest rate has not been determined;

(e) the amount of interest that would be payable during the Fiscal Year with respect to Funding Obligations, assuming that any Outstanding Notes maturing during or prior to such Fiscal Year are retired on the maturity date thereof through the contemporaneous issuance of Funding Obligations in an aggregate principal amount determined by the Department to be sufficient to provide funds to pay the principal amount of such maturing Notes, which Funding Obligations mature on the last day of such Fiscal Year and bear interest, payable on the last day of such Fiscal Year, at a rate of 15% per annum;

(f) the amount, if any, certified by an Authorized Department Representative to be the expected principal amortization in such Fiscal Year for Funding Obligations described in clause (e) above;

(g) the maximum amount of any Swap Payment Obligations (other than Swap Termination Payments) that would be payable during the Fiscal Year under Swap Agreements that provide for a variable rate or rates to be paid by the State to the Swap Provider, with any payment that is determined without limit as to amount being calculated at a rate equal to the rate that would result if the index provided in such Swap Agreement were at 15% per annum;

(h) the maximum amount of Credit Facility Payment Obligations due during the Fiscal Year, except to the extent included in clauses (a) through (g) above;

(i) the estimated amount of administrative expenses that will be payable from the Operating Expense Fund during the Fiscal Year; and

(j) the amount of all Swap Termination Payments that are unpaid and owing as of the September 1 immediately preceding the commencement of the Biennium that includes the Fiscal Year with respect to which the Annual Appropriation Amount is being determined, plus interest accrued and to accrue on such Swap Termination Payments to the date on which they are reasonably expected to be made (with interest based on a variable rate calculated at the maximum rate permitted in the Swap Agreement, or if no maximum rate is specified, at a rate of 15% per annum).

Appropriated Funds means all amounts appropriated by law pursuant to Sections 20.505(1)(bq), 20.505(1)(iw), and 20.505(1)(it) of the Wisconsin Statutes, or any successor provisions, from year to year with respect to the Indenture Obligations, and any other amounts appropriated by law for payment of the Indenture Obligations.

Appropriations Fund means the fund by that name established pursuant to the 2009 Indenture.

Appropriation Obligations means bonds or notes of the State issued, authenticated, and delivered pursuant to the 2009 Indenture.

Authorized Department Representative means the person identified in a written certificate which is signed by the Secretary of Administration, which contains a specimen of the Authorized Department Representative’s signature. An Authorized Department Representative or alternate may be an employee of the Department.

Authorizing Certification means a written certification of the Department of Administration pursuant to section (5)(a) of the Act, as it may be amended in accordance with the terms of the 2009 Indenture, executed by the Secretary of Administration or his or her designee and delivered to the Governor, authorizing the execution and delivery of the 2009 Indenture and the 2009 Indenture Bonds, or authorizing the execution and delivery of a Supplemental Indenture or one or more Series of Bonds or Appropriation Obligations.

Biennium means the two-Fiscal Year period beginning July 1st of each odd-numbered year.

Bond Counsel means legal counsel whose legal opinions on municipal bond issues are nationally recognized.

Bondowner means the Registered Owner of a Bond.

Bond Insurance Policies means, collectively, all policies of municipal bond insurance issued by the Bond Insurers insuring the 2009 Indenture Bonds.

Bond Insurers means with respect to any Series of Additional Bonds, any Person that issues a Bond Insurance Policy insuring such Series of Bonds, as identified in the applicable Supplemental Indenture.

Book Entry Form or **Book Entry System** means a form or system, as applicable, under which (1) the ownership of beneficial interests in the 2009 Indenture Bonds may be transferred only through a book entry system and (2) physical bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Registered Owner, with the physical bond certificates immobilized in the custody of the Depository.

Budget Bill means, for any Biennium, (1) the executive budget bill or bills described under Section 16.47 of the Wisconsin Statutes, or any successor provision thereto, introduced into either house of the legislature of the State, as introduced, (2) the budget bill as adopted by either house of the legislature of the State, and (3) the budget bill as approved in whole or in part by the Governor and enacted into law.

Business Day means a day which is not (1) a Saturday, Sunday, or legal holiday, (2) a day on which commercial banks are required or authorized by law to be closed in the State or in the city of the Designated Trust Office, or (3) a day on which The New York Stock Exchange is closed for the entire day or federal reserve banks are closed. A Supplemental Indenture authorizing a Series of Additional Bonds may provide for a different definition when used with respect to such Additional Bonds.

Closing Statement means the certificate signed by an Authorized Department Representative in connection with the issuance of Bonds, containing instructions regarding the disposition of proceeds of the 2009 Indenture Bonds, as required by the 2009 Indenture.

Credit Facility means any standby or direct pay letter of credit, standby bond purchase agreement, line of credit, surety bond, insurance policy (including any Bond Insurance Policy), or other insurance commitment or other agreement or ancillary arrangement (other than a Swap Agreement), satisfactory to the State, that is provided by a commercial bank, insurance company, or other entity to pay or further secure payment of debt service on Bonds or the purchase of Bonds upon tender.

Credit Facility Payment Obligations means all payment and reimbursement obligations of the State to a Credit Issuer in connection with any Credit Facility securing all or a portion of any Bonds.

Credit Issuer means the issuer of a Credit Facility, including a Bond Insurer.

DTC means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York.

Debt Service Account means each Debt Service Account of the Debt Service Fund established pursuant to the 2009 Indenture.

Debt Service Fund means the fund by that name established pursuant to the 2009 Indenture.

Default means the occurrence of an event which, with the lapse of time or the giving of notice or both, is an Event of Default.

Defeasance Obligations means the investments identified as such in a Supplemental Indenture authorizing a particular series of Appropriation Obligations, and with respect to the 2009 Bonds, 2016 Series B Bonds, and the 2017 Bonds, means noncallable U.S. Government Obligations or obligations issued by one of the agencies of the United States of America not redeemable at the option of the State or anyone acting on its behalf prior to maturity.

Department or **Department of Administration** or **DOA** means the Department of Administration of the State.

Deposit Amount means the amount certified by the Secretary of Administration as the net amount reasonably expected to be needed during the applicable Fiscal Year to pay principal of Bonds (whether at maturity or by redemption prior to maturity and including any amount set forth in a schedule or formula, if any, set forth in a Supplemental Indenture pursuant to which Additional Bonds are issued), interest on Bonds, and any Swap Payment Obligations (other than Swap Termination Payments), and to pay administrative expenses. The amount certified shall take into account amounts held by the Trustee in the Proceeds Interest Account and Appropriation Fund, but shall not take into account amounts held by the Trustee in the Stabilization Fund, that may be applied to such payments. The amount certified shall also take into account the effect of any reasonably expected refunding of Notes or Bonds.

Depository means any securities depository that is a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a Book Entry System to record ownership of beneficial interests in the 2009 Indenture Bonds and to effect transfers of the beneficial ownership in the 2009 Indenture Bonds in Book Entry Form.

Designated Trust Office means the corporate trust office designated by the Trustee.

Event of Default has the respective meaning set forth in the 2009 Indenture.

Event of Nonappropriation means the insufficiency of Appropriated Funds in any Fiscal Year to pay when due all principal, redemption premium, and interest on the 2009 Indenture Bonds and all Parity Swap Payment Obligations.

Fiscal Year means the 12-month fiscal period commencing on July 1st of each year and ending on June 30th of the succeeding year.

Fitch shall mean Fitch Ratings and its successors and assigns.

Fixed Rate Bonds (or **Fixed Rate** when used with respect to Bonds) means any Bonds, the interest rate on which is established (with no right to vary) at a single numerical rate for the remaining term of such Bonds.

Funded Interest means proceeds of the 2009 Indenture Bonds deposited with the Trustee to pay interest on Bonds or any Parity Swap Payment Obligations.

Funding Obligations means Bonds or Notes issued under the 2009 Indenture for the purpose of funding or refunding Notes at or prior to their maturity (and, to the extent provided in the related Authorizing Certification, to pay any issuance or administrative expenses or Funded Interest with respect thereto as authorized by the Act).

Governor means the governor of the State.

Indenture Funds means the funds created under of the 2009 Indenture.

Indenture Obligations means Appropriation Obligations, Swap Payment Obligations, and Credit Facility Payment Obligations.

Interest Payment Date means any date specified in the 2009 Indenture or a Supplemental Indenture for the payment of interest on Bonds.

Issuance Expenses means fees and expenses incurred or to be incurred by or on behalf of the State, the Trustee, or Bond Counsel for the 2009 Indenture Bonds in connection with the issuance and sale of the 2009 Indenture Bonds including, but not limited to, underwriting costs (whether in the form of discount in the purchase of the 2009 Indenture Bonds or otherwise), fees and expenses of legal counsel (including Bond Counsel, counsel to the Trustee, and counsel to the Purchaser), fees and expenses of financial advisors, feasibility consultants, and accountants, rating agency fees, fees of the Trustee, printing costs, recording expenses, fees and expenses related to any Credit Facility or Swap Agreement in connection with the 2009 Indenture Bonds, fees and costs related to exchange listings, and costs associated with the acquisition of securities for any defeasance escrow and for verifying the sufficiency of any defeasance escrow and any other fees, costs, or expenses in connection with the 2009 Indenture or the 2009 Indenture Bonds as determined by an Authorized Department Representative.

Maximum Rate means, with respect to a Series of variable rate appropriation obligations under the 2009 Indenture, the rate per annum established in or pursuant to the Supplemental Indenture authorizing such Appropriation Obligations as the maximum interest rate that may be borne by such Appropriation Obligations at any time.

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

Notes means Appropriation Obligations designated by the Department as "Notes" in the Supplemental Indenture pursuant to which they are issued.

Operating Expense Fund means the fund by that name established pursuant to the 2009 Indenture.

Opinion of Bond Counsel means an opinion in writing signed by legal counsel who shall be nationally recognized as expert in matters pertaining to the validity of obligations of governmental issuers.

Opinion of Counsel means an opinion in writing signed by legal counsel who may be an employee of or counsel to the State and who shall be satisfactory to the Trustee.

Outstanding, when used with reference to the 2009 Indenture, all 2009 Indenture Bonds or Appropriation Obligations which have been delivered by the Trustee under the 2009 Indenture except:

- Appropriation Obligations after (1) payment at maturity or redemption prior to maturity (unless a Supplemental Indenture otherwise provides in the case of Appropriation Obligations that have been paid with Credit Facility proceeds for which the Credit Issuer has not been reimbursed) or (2) delivery to the Trustee by the State for cancellation pursuant to the 2009 Indenture,
- Appropriation Obligations for the payment or redemption of which there has been irrevocably deposited with the Trustee, in trust, cash or Defeasance Obligations in accordance with the requirements of the 2009 Indenture and the Act, as described in the 2009 Indenture,
- Appropriation Obligations in lieu of which other Appropriation Obligations have been authenticated upon transfer, exchange, or replacement as provided in the 2009 Indenture,
- Appropriation Obligations not presented or tendered on the maturity, redemption, or tender date, and for the payment, redemption, or purchase of which sufficient funds have been deposited with the Trustee,
- Appropriation Obligations not treated as Outstanding pursuant to the Supplemental Indenture that authorized such Appropriation Obligations (and in this regard, the First Supplemental Indenture provides that 2009 Series A Bonds in lieu of which other Appropriation Obligations have been issued upon surrender of the 2009 Series A Bonds for partial redemption are no longer treated as Outstanding); and

- for purposes of any action to be taken under the 2009 Indenture by the Registered Owners of a specified percentage of principal amount of Appropriation Obligations, Bonds, or Notes, any Appropriation Obligations held by or for the account of the State (unless all Appropriation Obligations, Bonds, or Notes, as the case may be, are so owned).

Owner or **Registered Owner**, when used with reference to a Bond, means the person who is the registered owner of a Bond, except that the 2009 Indenture or a Supplemental Indenture may provide that, for certain purposes, a Credit Issuer is treated as the Owner of Bonds secured by its Credit Facility, as described in the 2009 Indenture.

Parity Swap Payment Obligations means Swap Payment Obligations exclusive of all Swap Termination Payments, except for Swap Termination Payments the amount of which was included in the calculation of Annual Appropriation Amount for a Fiscal Year for which a Budget Bill has been enacted (but not including appropriations continued from the prior Fiscal Year pursuant to Section 20.002(1), Wisconsin Statutes).

Participant means a broker-dealer, bank, or other financial institution for which DTC or a successor Depository holds Bonds from time to time as a securities depository.

Payment Date means a date on which payment of a Principal Installment or Redemption Price or interest with respect to any Bonds or payment of any Swap Payment Obligations or Credit Facility Payment Obligations shall be due and payable.

Person means an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, or a government or any agency or political subdivision thereof.

Principal Installment means, as of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (1) the principal amount of Bonds of such Series due on a certain future date for which no sinking fund installments have been established, or (2) the unsatisfied balance of any sinking fund installments due on a certain future date for Bonds of such Series, or (3) if such future dates coincide as to different Series of Bonds, the sum of such principal amount of Bonds and of such unsatisfied balance of sinking fund installments due on such future date.

Proceeds Funding Account means the Proceeds Funding Account of the Debt Service Fund established pursuant to the 2009 Indenture.

Proceeds Interest Account means the Proceeds Interest Account of the Debt Service Fund established pursuant to the 2009 Indenture.

Qualified Investments means any investments that are at the time legal for investment of funds of the State under the Act or under other applicable law, subject to any limitations that may be set forth in a Supplemental Indenture. The First Supplemental Trust Indenture, the Second Supplemental Trust Indenture, and the Third Supplemental Trust Indenture contain no such limitations.

Rating means one of the rating categories of a Rating Agency maintaining a rating of the 2009 Indenture Bonds.

Rating Agencies or **Rating Agency** means Moody's, Fitch, S&P, or any other rating agency requested by the State to maintain a Rating on any of the 2009 Indenture Bonds.

Redemption Price means, with respect any Appropriation Obligation issued pursuant to the 2009 Indenture, the amount required to be paid upon the redemption of such Appropriation Obligation pursuant to the Supplemental Indenture authorizing such Appropriation Obligation.

Registered Owner's Address means the address, which a Registered Owner may change upon written request to the Trustee, of the Registered Owner of any Bond as it appears in the Registration Books.

Registration Books means books maintained by the Trustee on behalf of the State at the Designated Trust Office of the Trustee for the purpose of recording the registration, transfer, exchange, or replacement of any of the 2009 Indenture Bonds.

S&P means S&P Global Ratings, a division of S&P Global, and its successors and assigns.

Secretary or **Secretary of Administration** means the Secretary of the Department.

Series means all Bonds or Notes designated as a Series in an Authorizing Certification, and any Bonds or Notes authenticated and delivered on original issuance in a simultaneous transaction and designated as a Series in an Authorizing Certification, and any Bonds or Notes thereafter authenticated and delivered in lieu of or in substitution of such Bonds or Notes.

Stabilization Fund means the reserve fund by that name established pursuant to the 2009 Indenture.

Stabilization Fund Amount means, for the 2009 Indenture, the amount, if any, established by a Supplemental Indenture. The First Supplemental Trust Indenture, the Second Supplemental Trust Indenture, and the Third Supplemental Trust Indenture to the 2009 Indenture do not establish a Stabilization Fund Amount.

State means the State of Wisconsin.

Subordinated Payment Obligations Fund means the fund by that name established pursuant to the 2009 Indenture.

Subordinated Swap Payment Obligations means all Swap Payment Obligations payable by the State except Parity Swap Payment Obligations.

Supplemental Indenture means any trust indenture which has been duly executed and delivered by the State and the Trustee amendatory of the 2009 Indenture or supplemental to the 2009 Indenture, but only if and to the extent that such trust indenture is authorized under that Indenture.

Swap Agreement means any agreement or ancillary arrangement between the State and a Swap Provider relating to the 2009 Indenture Bonds and identified by the Department pursuant to the 2009 Indenture, including indexing agreements, interest exchange agreements, or any other similar transaction.

Swap Payment Obligations means, for any period of time, all net amounts payable by the State (including Swap Termination Payments payable by the State) under any Swap Agreement.

Swap Provider means the State's counterparty under a Swap Agreement meeting the requirements, if any, of the 2009 Indenture.

Swap Termination Payment means, with respect to any Swap Agreement, any settlement amount payable by the applicable Swap Provider or the State by reason or on account of the early termination of such Swap Agreement, together with any interest thereon. The term Swap Termination Payment shall not include net unpaid amounts up to the Swap Agreement termination date which would have been payable by the Swap Provider or the State, as the case may be, pursuant to the terms of the applicable Swap Agreement irrespective of the early termination of such Swap Agreement.

Trust Estate means the property conveyed to the Trustee pursuant to the Granting Clauses of the 2009 Indenture.

Trustee means U.S. Bank National Association, as successor to Deutsche Bank Trust Company Americas, and its successors as trustee under the 2009 Indenture.

Trustee's Expenses means the reasonable and necessary fees and expenses of the Trustee and those for any legal, accounting, financial, or other experts reasonably retained by the Trustee and includes the fees, charges, and expenses of any additional paying agent for the 2009 Indenture Bonds.

U.S. Government Obligations means obligations which are direct, full faith and credit obligations of the United States of America or are obligations with respect to which the United States of America has unconditionally guaranteed the timely payment of all principal or interest or both, but only to the extent of the principal or interest so guaranteed.

Variable Rate Bonds means any Bonds which bear a variable interest rate or rates that are not established at the time of calculation at a single numerical rate for the remaining term of such Bonds.

APPENDIX C
EXPECTED FORM OF BOND COUNSEL OPINIONS

Upon delivery of the 2017 Series A Bonds, it is expected that Quarles & Brady LLP will deliver a legal opinion in substantially the following form:

, 2017

Re: $427,770,000 State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series A (Federally Taxable) **(Bonds)**

We have acted as bond counsel to the State of Wisconsin **(State)** in connection with the issuance by the State of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we have deemed necessary to render this opinion. We have also examined the Bonds and find the same to be in proper form.

The Bonds are issued pursuant to Section 16.527 of the Wisconsin Statutes, as amended **(Act)**, an authorizing certification of the Department of Administration of the State **(Department)** executed and delivered by its Secretary and dated December 29, 2016 **(Authorizing Certification)** and a Trust Indenture, dated as of April 1, 2009 (as supplemented and amended, the **Indenture)**, between the State, acting by and through the Department, and U.S. Bank National Association, as successor to Deutsche Bank Trust Company Americas, as trustee, as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2009, a Second Supplemental Trust Indenture, dated as of August 1, 2016, and a Third Supplemental Trust Indenture, dated as of January 1, 2017 **(Third Supplemental Indenture)**, all between the same parties.

Regarding questions of fact material to our opinion, we have relied on the representations of the State contained in the Authorizing Certification, the Indenture and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The State has the valid right and lawful authority to enter into and perform its obligations under the Authorizing Certification and the Third Supplemental Indenture and to issue the Bonds.

2. The Authorizing Certification and the Third Supplemental Indenture have been duly authorized, executed and delivered by the State and are valid and binding obligations enforceable against the State.

3. The Bonds have been authorized, executed, issued and delivered in accordance with law, the Authorizing Certification and the Indenture. The Bonds are valid and binding limited obligations of the State payable as provided in the Indenture solely from amounts appropriated by law for such payment.

4. The Bonds do not constitute a debt of the State for constitutional purposes nor do they constitute the giving or lending of credit of the State, and the State shall not be generally liable on the Bonds. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds.

5. The interest on the Bonds is included for federal income tax purposes in the gross income of the owners of the Bonds. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds, the Authorizing Certification and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds or regarding the perfection or priority of the lien on the funds and accounts created by the Indenture.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Upon delivery of the 2017 Series B Bonds, it is expected that Quarles & Brady LLP will deliver a legal opinion in substantially the following form:

, 2017

Re: $102,105,000 State of Wisconsin General Fund Annual Appropriation Refunding Bonds of 2017, Series B (Federally Tax-Exempt) **(Bonds)**

We have acted as bond counsel to the State of Wisconsin **(State)** in connection with the issuance by the State of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we have deemed necessary to render this opinion. We have also examined the Bonds and find the same to be in proper form.

The Bonds are issued pursuant to Section 16.527 of the Wisconsin Statutes, as amended **(Act)**, an authorizing certification of the Department of Administration of the State **(Department)** executed and delivered by its Secretary and dated December 29, 2016 **(Authorizing Certification)** and a Trust Indenture, dated as of April 1, 2009 (as supplemented and amended, the **Indenture)**, between the State, acting by and through the Department, and U.S. Bank National Association, as successor to Deutsche Bank Trust Company Americas, as trustee, as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2009, a Second Supplemental Trust Indenture, dated as of August 1, 2016, and a Third Supplemental Trust Indenture, dated as of January 1, 2017 **(Third Supplemental Indenture)**, all between the same parties.

Regarding questions of fact material to our opinion, we have relied on the representations of the State contained in the Authorizing Certification, the Indenture and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The State has the valid right and lawful authority to enter into and perform its obligations under the Authorizing Certification and the Third Supplemental Indenture and to issue the Bonds.

2. The Authorizing Certification and the Third Supplemental Indenture have been duly authorized, executed and delivered by the State and are valid and binding obligations enforceable against the State.

3. The Bonds have been authorized, executed, issued and delivered in accordance with law, the Authorizing Certification and the Indenture. The Bonds are valid and binding limited obligations of the State payable as provided in the Indenture solely from amounts appropriated by law for such payment.

4. The Bonds do not constitute a debt of the State for constitutional purposes nor do they constitute the giving or lending of credit of the State, and the State shall not be generally liable on the Bonds. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds.

5. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended **(Code)** on corporations (as that term is defined for federal income tax purposes) and individuals. However, for purposes of computing the alternative minimum tax imposed on corporations, the interest on the Bonds is included in adjusted current earnings. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with

certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The State has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the State comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

In rendering our opinion regarding exemption from present federal income taxes, we have relied on the report of Samuel Klein and Company, Certified Public Accountants as to the yield on the Bonds and investments relative to the refunding transaction.

The rights of the owners of the Bonds and the enforceability of the Bonds, the Authorizing Certification and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds or regarding the perfection or priority of the lien on the funds and accounts created by the Indenture.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

APPENDIX D
SUMMARY OF REFUNDED BONDS

Series	Dated Date	Principal Amount	Interest Rate	Maturity	CUSIP[a]	Redemption Date	Redemption Price
2009 Series A	4/8/2009	$ 6,775,000	4.400%	5/1/2018	977100 BJ4	N/A	-
		3,600,000	5.000	5/1/2018	977100 DU7	N/A	-
		9,500,000	4.600	5/1/2019	977100 BL9	N/A	-
		7,975,000	5.000	5/1/2019	977100 DV5	N/A	-
		4,430,000 [b]	5.375	5/1/2024	977100 BS4 [b]	5/1/2019	100%
		4,010,000 [b]	5.375	5/1/2025	977100 BT2 [b]	5/1/2019	100
		4,405,000 [b]	6.000	5/1/2026	977100 BU9 [b]	5/1/2019	100
		4,765,000 [b]	6.000	5/1/2027	977100 BV7 [b]	5/1/2019	100
		5,240,000 [b]	5.625	5/1/2028	977100 BW5 [b]	5/1/2019	100
		5,725,000 [b]	5.750	5/1/2029	977100 BX3 [b]	5/1/2019	100
		28,835,000 [b]	5.750	5/1/2033	977100 BZ8 [b]	5/1/2019	100
		9,460,000 [b]	6.000	5/1/2033	977100 BY1 [b]	5/1/2019	100
		395,345,000	6.000	5/1/2036	977100 CA2	5/1/2019	100
		$ 490,065,000					

[a] The CUSIP numbers have been obtained from a source the State believes to be reliable, but the State is not responsible for the correctness of the CUSIP numbers.

[b] Reflects only a portion of the total amount of the bonds maturing on the respective maturity date. The CUSIP number shown is the CUSIP number assigned to the entire maturity.

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