

RESOLUTION NO. TBR-2021-04

**RESOLUTION AUTHORIZING THE ISSUANCE OF A GENERAL
OBLIGATION PROMISSORY NOTE FOR THE PURCHASE
OF REAL PROPERTY**

WHEREAS, the Town Board hereby finds and determines that it is necessary, desirable and in the best interest of the Town of Dekorra, Columbia County, Wisconsin (the "Town") to purchase property located at W8225 County Highway J-V, in the Town of Dekorra for a new Town Hall and to raise funds for such purchase in accordance with a Purchase Agreement dated March 25, 2021 (the "Purchase"); and;

WHEREAS, the Purchase has been authorized by the town electors at a special town meeting on February 13, 2021 by adoption of Resolution NO. TBR-2021-02; and

WHEREAS, the Town Board hereby finds and determines that the purchase is within the Town's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, towns are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes; and

WHEREAS, it is the finding of the Town Board that it is necessary, desirable and in the best interest of the Town to issue a general obligation promissory notes to Hometown Bank ("Hometown") pursuant to the terms and conditions of its note purchase proposal (6-year repayment option) attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

NOW, THEREFORE, BE IT RESOLVED by the Town Board of the Town that the forgoing recitals are incorporated in this resolution as if fully set forth herein and further that:

Section 1. Authorization and Sale of the Note. For the purpose of paying a portion of the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000) from Hometown in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Chairperson and Town Clerk or other appropriate officers of the Town are authorized and directed to execute an acceptance of the Proposal on behalf of the Town. To evidence the obligation of the Town, the Chairperson and Town Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to Hometown for, on behalf of and in the name of the Town, a general obligation promissory note or notes aggregating the principal amount of ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000) (the "Note") for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 2. Terms of the Note. The Note shall be shall be issued in the principal amount of \$180,000; shall bear interest at the rate of 2.8% per annum and be payable in 71 equal monthly payments of principle and interest of \$2,718.79 with a final payment of 2718.42. The

schedule of principal and interest payments due on the Note is set forth on the Debt Service Schedule attached hereto as Exhibit B and incorporated herein by this reference (the "Schedule").

Section 3. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit C and incorporated herein by this reference or as otherwise approved by the Town Attorney.

Section 4. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Note as the same becomes due, the full faith, credit and resources of the Town are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the Town a direct annual irrepealable tax in the years 2022 through 2027 for the payments due in t the amounts set forth on the Schedule. The amount of tax levied in the year 2022 shall be the total amount of debt service due on the Note in the years 2021 and 2022; provided that the amount of such tax carried onto the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below which are applied to payment of principal of or interest on the Note in any year.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the Town shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Note, said tax shall be, from year to year, carried onto the tax roll of the Town and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the Town for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal or interest payments on said Note when due, the requisite amounts shall be paid from other funds of the Town then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. The Town hereby appropriates from proceeds of the Note or other funds of the Town on hand a sum sufficient to be irrevocably deposited in the segregated Debt Service Fund Account created below.

Section 5. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the Town, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the Town may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$180,000 General Obligation Promissory Note (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Note is fully paid or otherwise extinguished. The Town Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the Town at the time of delivery of and payment for the Note; (ii) any premium which may be received by the Town above the par value of the Note and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Note when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Note when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Wis. Stats. §67.11.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Note canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Note may be used to reduce the next succeeding tax levy, or may, at the option of the Town, be invested by purchasing the Notes as permitted by and subject to Wis. Stats. § 67.11(2)(a), or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the Town, unless the Town Board directs otherwise.

Section 6. Proceeds of the Note; Segregated Borrowed Money Fund. The proceeds of the Note (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Note into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the Town and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Note. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Note has been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 7. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause

the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the Town, charged with the responsibility for issuing the Note, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Note to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 8. Compliance with Federal Tax Laws. (a) The Town represents and covenants that the project financed by the Note and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The Town further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Note including, if applicable, the rebate requirements of Section 148(f) of the Code. The Town further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Note) if taking, permitting or omitting to take such action would cause the Note to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Note to be included in the gross income of the recipients thereof for federal income tax purposes. The Town Clerk or other officer of the Town charged with the responsibility of issuing the Note shall provide an appropriate certificate of the Town certifying that the Town can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The Town also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Note provided that in meeting such requirements the Town will do so only to the extent consistent with the proceedings authorizing the Note and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 9. Designation as Qualified Tax-Exempt Obligations. The Note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 10. Execution of the Notes; Closing; Professional Services. The Note shall be issued in printed form, executed on behalf of the Town by the manual or facsimile signatures of the Chairperson and Town Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the Town of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Note may be imprinted on the Note in lieu of the manual signature of the officer but, unless the Town has contracted with a fiscal agent to authenticate the Note, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Note shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Note and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Town

hereby authorizes the officers and agents of the Town to enter into, on its behalf, agreements and contracts in conjunction with the Note, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Note is hereby ratified and approved in all respects.

Section 11. Payment of the Notes; Fiscal Agent. The principal of and interest on the Note shall be paid by the Town Clerk or Town Treasurer (the "Fiscal Agent").

Section 12. Undertaking to Provide Continuing Disclosure. The Town hereby covenants and agrees, for the benefit of the owners of the Note, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Note or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Town to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

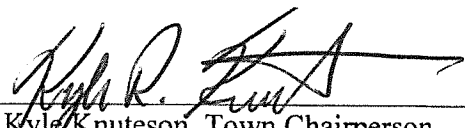
To the extent required under the Rule, the Chairperson and Town Clerk, or other officer of the Town charged with the responsibility for issuing the Note, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Town's Undertaking.

Section 13. Record Book. The Town Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Note in the Record Book.

Section 14. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Town Board or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.


The above and foregoing Resolution was duly adopted at a Special meeting of the Town Board of the Town of Dekorra on the 31 day of July, 2021.

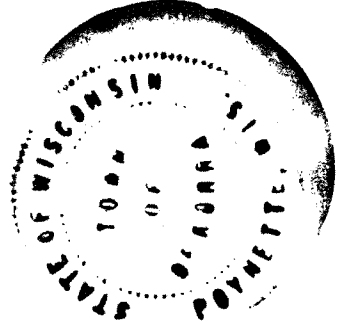
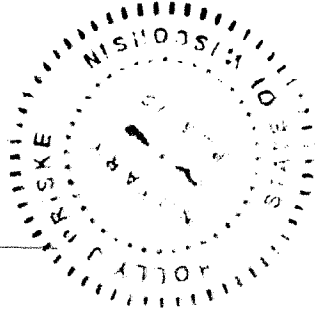
TOWN OF DEKORRA

By: 

Kyle Knuteson, Town Chairperson

ATTEST:


Holly Priske, Town Clerk



VOTE:

Ayes: 4

Noes: 0

Adopted: 7/31/2021

Published: 8/3/2021

(SEAL)

EXHIBIT A

Note Purchase Proposal

To be provided by Hometown Bank and incorporated into the Resolution.

(See Attached)

The purpose of this Term Sheet is to provide in writing basic terms and conditions upon which Hometown Bank may be willing to consider extending credit to the Town of Dekorra. This letter is not a commitment but is intended to serve as an outline providing the basis for further discussion.

For Discussion Purposes. Feb. 10, 2021

BORROWER: Town of Dekorra

PURPOSE: Purchase of commercial building to be used as Town Hall

LOAN AMOUNT: \$180,000

INTEREST RATE OPTIONS: Tax Exempt Rate: 2.80% fixed for term of loan .
Taxable Rate: 3.95% fixed for term of loan.

Terms: 6-10 year fixed rate (at borrower option). Fully amortizing loan.
Principal and interest payable monthly on mortgage-style amortization.

FEES: \$500

PAYMENT: Monthly Principal and Interest payments

COLLATERAL: General Obligation Loan (GO) Pledging/Binding future property tax levy

First Real Estate Mortgage on subject property; Parcel 11010-54.01, W8225 County Road J-V, Town of Dekorra, WI

PREPAYMENT COSTS: N/A

CLOSING: Hometown Bank requests 2-week lead for required closing documentation

NOTES: The issuance of this General Obligation (GO) is governed by Chapter 67, WI Stats.

The above terms are subject to complete due diligence and underwriting by Hometown Bank, (including satisfactory receipt and review of the Town's financial reports), satisfactory loan documentation, and other loan closing requirements. Fixed rates shown above are as of above date and are subject to change based on market conditions.

EXHIBIT B

Debt Service Schedule

(See Attached)

Mortgage/Loan Calculator with Amortization Schedule

Yr/Mnt	Principal	Interest	Cum Prin	Cum Int	Prin Bal
1	2,298.79	420.00	2,338.79	420.00	177,701.21
2	2,304.15	414.64	4,642.94	834.64	175,397.06
3	2,309.53	409.26	6,952.47	1,243.90	173,087.53
4	2,314.92	403.87	9,267.39	1,647.77	170,772.61
5	2,320.32	398.47	11,587.71	2,046.24	168,452.29
6	2,325.73	393.06	13,913.44	2,439.30	166,126.56
7	2,331.16	387.63	16,244.60	2,826.93	163,795.40
8	2,336.60	382.19	18,581.20	3,209.12	161,458.80
9	2,342.05	376.74	20,923.25	3,585.86	159,116.75
10	2,347.52	371.27	23,270.77	3,957.13	156,769.23
11	2,353.00	365.79	25,623.77	4,322.92	154,416.22
12	2,358.49	360.30	27,982.25	4,683.22	152,056.73
13	2,363.99	354.80	30,346.25	5,038.02	149,690.75
14	2,369.50	349.29	32,715.75	5,387.31	147,319.25
15	2,375.03	343.78	35,090.78	5,731.07	144,942.22
16	2,380.58	338.25	37,471.36	6,069.32	142,559.64
17	2,386.13	332.72	39,857.49	6,402.04	140,171.51
18	2,391.70	327.19	42,249.19	6,729.23	137,777.81
19	2,397.28	321.65	44,646.47	7,051.88	135,378.53
20	2,402.87	316.10	47,049.34	7,369.98	132,973.66
21	2,408.48	310.54	49,457.82	7,683.52	130,563.18
22	2,414.10	304.97	51,871.92	7,992.55	128,147.08
23	2,419.73	299.39	54,291.65	8,297.07	125,725.35
24	2,425.38	293.81	56,717.03	8,597.08	123,298.97
25	2,431.04	288.22	59,148.07	8,892.50	120,867.93
26	2,436.71	282.62	61,584.78	9,183.48	118,432.22
27	2,442.40	277.01	64,027.17	9,469.92	116,001.82
28	2,448.10	271.39	66,475.27	9,751.85	113,576.74
29	2,453.81	265.77	68,929.07	10,029.28	111,156.92
30	2,459.53	260.14	71,388.60	10,302.12	108,742.39
31	2,465.27	254.50	73,853.87	10,570.38	106,333.12
32	2,471.02	248.85	76,324.89	10,834.07	103,929.10
33	2,476.79	243.19	78,801.68	11,093.26	101,530.32
34	2,482.57	237.52	81,284.25	11,347.78	99,136.75
35	2,488.37	231.84	83,772.61	11,597.62	96,748.38
36	2,494.17	226.15	86,266.78	11,842.77	94,365.20
37	2,500.00	220.45	88,766.78	12,083.22	91,987.20
38	2,505.83	214.74	91,272.61	12,319.06	89,614.37
39	2,511.68	209.02	93,784.29	12,550.28	87,246.69
40	2,517.54	203.29	96,301.83	12,776.77	84,884.15
41	2,523.41	197.55	98,825.24	13,008.52	82,526.74
42	2,529.30	191.80	101,354.54	13,235.52	80,174.44
43	2,535.20	186.04	103,889.74	13,457.86	77,827.24
44	2,541.11	180.27	106,430.85	13,675.53	75,485.13
45	2,547.04	174.49	108,977.89	13,888.52	73,148.09
46	2,552.98	168.70	111,530.87	14,096.82	70,816.11
47	2,558.94	162.90	114,089.81	14,300.41	68,489.17
48	2,564.91	157.08	116,654.72	14,509.29	66,167.26
49	2,570.89	151.25	119,225.61	14,713.44	63,850.37
50	2,576.89	145.41	121,802.50	14,912.85	61,538.48
51	2,582.90	139.56	124,385.40	15,107.51	59,231.58
52	2,588.92	133.69	126,974.32	15,297.42	56,929.66
53	2,594.96	127.81	129,569.28	15,482.57	54,632.70
54	2,601.01	121.92	132,170.29	15,662.89	52,340.71
55	2,607.08	116.01	134,777.37	15,838.30	50,053.63
56	2,613.16	110.08	137,390.53	16,008.80	47,771.47
57	2,619.26	104.14	139,999.79	16,174.44	45,494.21
58	2,625.37	98.19	142,615.16	16,335.23	43,221.84
59	2,631.49	92.22	145,236.65	16,491.17	40,954.35
60	2,637.63	86.24	147,864.28	16,642.26	38,691.71
61	2,643.78	80.24	150,508.06	16,788.50	36,434.93
62	2,649.95	74.23	153,157.99	16,929.73	34,184.00
63	2,656.13	68.20	155,814.12	17,066.06	31,937.87
64	2,662.33	62.16	158,476.45	17,197.42	29,696.44
65	2,668.54	56.10	161,145.00	17,323.82	27,459.70
66	2,674.76	50.03	163,819.76	17,445.27	25,227.63
67	2,681.00	43.94	166,500.76	17,561.77	22,999.13
68	2,687.26	37.83	169,188.02	17,673.32	20,774.17
69	2,693.53	31.70	171,881.55	17,780.02	18,552.64
70	2,700.00	25.55	174,581.55	17,881.77	16,334.37
71	2,706.58	19.38	177,288.13	17,978.57	14,119.79
72	2,712.09	13.19	180,000.22	18,070.36	11,918.80

*The final payment has been adjusted to account for payments having been rounded to the nearest cent

EXHIBIT C
Form of Note
(See Attached)

4839-2333-4388, v. 1

PROMISSORY NOTE



Prepared and intended for use by commercial financial institutions in transactions governed by Wisconsin Law

No. _____ Town of _____ (NAME) Dated _____ \$ _____

1. Promise to Pay and Payment Schedule. For value received, the Town of _____ County, Wisconsin ("Town"), promises to pay to _____ or registered assigns, ("Lender") the sum of _____ Dollars (\$ _____), payable with interest at the rate of _____ percent (_____ %) per annum as follows:

[Check (a), (b), (c) or (d); only one shall apply.]

- (a) Single Payment. In one payment on _____, PLUS interest payable as set forth below.
(b) Installments of Principal and Interest. In _____ equal payments of \$ _____ due on _____ and on the same day(s) of each _____ month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on _____. All payments include principal and interest.
(c) Installments of Principal. In _____ equal payments of principal of \$ _____ due on _____ and on the same day(s) of each _____ month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid principal due on _____, PLUS interest payable as set forth below.
(d) Other. _____

Principal and interest on this note shall be payable only to the Lender in lawful money of the United States of America at the office of the Lender. The final installment of principal on this note shall be payable only upon presentation and surrender of this note to the Town Treasurer.

2. Interest Payment. Interest is payable on _____, and on the same day of each _____ month thereafter, every 7th day thereafter, every 14th day thereafter, and at maturity, or, if box (c) is checked, on the dates so indicated. Interest is computed for the actual number of days principal is unpaid on the basis of _____ 360 day year _____ 365 day year.

3. Prepayment. Full or partial prepayment of this note is not permitted. It is permitted on any principal or interest payment date without penalty on or after _____. All prepayments shall be applied first upon the unpaid interest and then applied upon the unpaid principal in inverse order of maturity.

4. Other Charges. If any payment (other than the final payment) is made on or before the _____ day after its due date, Lender may collect a delinquency charge of _____ % of the unpaid amount. Unpaid principal and interest bear interest after maturity until paid (whether by acceleration or lapse of time) at the rate which would otherwise apply, plus _____ percentage points of _____ % per year, computed on the basis of _____ a 360 day year _____ 365 day year. Town agrees to pay a charge of \$ _____ for each check presented for payment under this note which is returned unpaid.

5. Security. For the prompt payment of this note with interest and the issuing and collection of taxes sufficient for that purpose, the full faith, credit and resources of the Town are hereby irrevocably pledged.

6. Transferability. This note is transferable only upon the records of the Town kept for that purpose at the office of the Town Clerk, by the Lender in person or its legal representative duly authorized in writing, or presentation of a written instrument of transfer satisfactory to the Town Clerk and upon such transfer being similarly noted hereon. The Town may deem and treat the person in whose name this note is registered as the absolute owner hereof for the purpose of receiving payments on account of the principal or interest hereof and for all other purposes.

7. Wisconsin Statutes; Authorization. This note is issued under the terms of and for purposes specified in Section 67.12(12), Wisconsin Statutes; and is authorized by a resolution of the Town Board duly adopted by the Board at its open meeting duly convened on _____ which resolution is recorded in the official book of its minutes pertaining to said date.

8. Internal Revenue Code. This note has been designated by the Town as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code as amended.

9. Certifications and Recitations of Town. It is hereby certified and recited that all conditions, things and acts required by law to exist, to be or to be done in, to and in connection with the issuance of this note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the Town, including this note, does not exceed any limitation imposed by law, and that the Town has levied a direct annual irrepealable tax sufficient to pay this note together with interest thereon when and as payable.

THIS NOTE CONTAINS ADDITIONAL PROVISIONS ON PAGE 2

Town of _____, County, Wisconsin

(Impress official or corporate seal, if any)

By _____ CHAIRPERSON

By _____ TOWN CLERK

(1) Delete this paragraph if the Town will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.

NOTE: Official or corporate seal, to be affixed.

(SEE PAGE 2 FOR REGISTRATION PROVISIONS)

10. Default and Enforcement. If Town fails to pay any amount when due under this note or under any other instrument evidencing indebtedness of the Town to Lender; or if any certification or recitation made by Town to Lender in paragraph 9 of this note is, or was, false or fraudulent in any material respect, then any amount not paid when due shall be payable on demand and the entire unpaid balance shall, at the option of Lender, and upon prior written notice, mature and become payable in full at the date that is 180 days from the date of the notice. The unpaid balance shall automatically mature and become immediately payable in the event Town becomes the subject of bankruptcy or other insolvency proceedings. Lender's receipt of any payment on this note after the occurrence of an event of default shall not constitute a waiver of the default or of Lender's rights and remedies upon such default.

11. Venue. To the extent not prohibited by law, Town consents that venue for any legal proceeding relating to collection of this note shall be, at Lender's option, the county in which Lender has its principal office in this state, the county in which Town is located or the county in which this note was executed by Town.

12. Obligations and Agreements of Town. Town agrees to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim brought by Town or incident to any action or proceeding involving Town brought pursuant to the United States Bankruptcy Code) and waive presentment, protest, demand and notice of dishonor (subject to Section 893.80, Wisconsin Statutes, Town agrees to indemnify and hold harmless Lender, its directors, officers and agents, from and under this note or the activities of Town. This indemnity shall survive payment of this note. Town acknowledges that Lender has not made any representation or warranties with respect to, and the Lender does not assume any responsibility to Town for, the collectability or enforceability of this note or the financial condition of Town. Town has independently determined the collectability and enforceability of this note. Town authorizes Lender to disclose financial and other information about Town to others.

13. No Waiver; Rights and Remedies of Lender. No failure on the part of Lender to exercise, and no delay in exercising, any right, power or remedy under this note shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this note preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this note are cumulative and not exclusive of any remedies provided by law. Without affecting the liability of Town, Lender may, without notice, accept partial payments, release or impair any collateral security for the payment of this note or agree not to sue any party liable on it. Without affecting the liability of Town, Lender may from time to time, without notice, renew or extend the time for payment subject to the time limits prescribed in Section 67.12(12), Wisconsin Statutes.

14. Interpretation. This note is intended by Town and Lender as a final expression of this note and as a complete and exclusive statement of its terms, there being no conditions to the enforceability of this note. This note may not be supplemented or modified except in writing. This note benefits Lender, its successors and assigns, and binds Town and its successors and assigns. The validity, construction and enforcement of this note are governed by the internal laws of Wisconsin. Invalidity or unenforceability of any provision of this note shall not affect the validity or enforceability of any other provisions of this note.

REGISTRATION PROVISIONS

This note shall be registered in registration records kept by the Town Clerk of the Town of _____ Wisconsin, such registration to be noted in the registration blank below and in said registration records, and this note may thereafter be transferred only upon presentation of a written instrument of transfer satisfactory to the town clerk duly executed by the Lender or its attorney, such transfer to be made on such records and endorsed hereon.

REGISTRATION

Date of
Registration

Name of
Lender

Signature of
Town Clerk

SAMPLE