

Sterling Bank

Helping You Achieve Financial Success

March 3, 2015

Stanley-Boyd Area Schools
James B. Jones, District Administrator
507 East 1st Avenue
Stanley, WI 54768

RE: Loan Commitment

Members of the School Board:

Please accept this document as our "Commitment to Lend," with the terms for the \$1,000,000 loan request as detailed below:

- 3.50% interest rate fixed for the term of the loan;
- Funds will be available to the School District on the day of closing;
- Payment schedule will be 15 equal annual installments with the first payment due on April 1, 2018;
- Interest will be charged as simple interest and will only be charged on the actual loan amount outstanding;
- No fees will be charged for the loan, and there are no penalties for early payment.

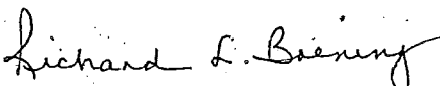
Due to legal requirements of the State of Wisconsin, the initial term of the Promissory Note cannot exceed 10 years. At the end of the initial 10 years, the balance of the loan can be renewed for an additional period not to exceed 10 years. This commitment documents Sterling Bank's agreement to renew any existing balance consistent with the terms detailed above.

Sterling Bank thanks you for the opportunity to participate in this very worthwhile project, sure to be a cornerstone of the community.

Please let us know if you ever have any questions regarding this matter.

Thank you for this opportunity!

Sincerely,



Richard L. Roening, CEO
P.O. Box 70, Barron, WI 54812
(715) 537-3141 or (888) 537-2398

427 2nd Street
P.O. Box 106, Chetek, WI 54728
(715) 924-4817 or (800) 924-4817

311 N. Main Street, Suite A
P.O. Box 480, Rice Lake, WI 54868
(715) 736-6150 or (877) 312-6150

2547 State Road 35
P.O. Box 314, Luck, WI 54853
(715) 472-4088 or (866) 837-8399



www.sterlingbank.ws

Borrowing Resolution

Adopted at an Open Meeting held on March 3, 2015

Whereas the Stanley Boyd Area School District, Stanley, Wisconsin is presently in need of funds in the amount of \$1,000,000.00 for the purpose of constructing an outdoor athletic complex; and whereas, the School District deems it necessary and in the interest of the School District that, pursuant to the provisions of Wisconsin Statutes, the sum of One million and NO/100 Dollars (\$1,000,000.00) be borrowed for such purpose upon the terms and conditions hereinafter set forth.

Now be it resolved that for the purpose of constructing an outdoor athletic complex, as set forth by the President and Secretary, pursuant to Wisconsin Statutes, borrow from Sterling Bank (Lender) the sum of \$1,000,000.00 and to evidence such indebtedness, said President and Secretary shall make, execute and deliver to the Lender for and on behalf of the Stanley Boyd Area School District a Promissory Note dated March 3, 2015 in the amount of \$1,000,000.00 at an interest rate of Three and One-half percent (3.50 %) per annum and payable in 7 annual installments of \$93,326.91 beginning the 1st day April, 2018 and the same day of each 12th month thereafter, plus a final payment of \$661,708.87.

Be it further resolved that this indebtedness be a general obligation of the Stanley Boyd Area School District. If at any time there shall not be sufficient funds on hand to meet principal and interest payments when due, the requisite amount shall be paid from other funds of the Stanley Boyd Area School District then available.

Be it further resolved that the proceeds of the said note shall be used solely for the purpose for which it was issued.

Be it further resolved, that the note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended, 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.

President

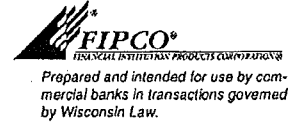
Secretary

Stock No. 11058

202A (8/06)

Wisconsin Bankers Association 2008

CERTIFICATE



STATE OF WISCONSIN

County of Chippewa

} ss.

I, Jeffrey Boie, do hereby certify to Sterling Bank (NAME OF LENDER) and any other owner or owners of the note(s) as follows:

- 1. That I am the duly qualified and acting District Clerk of Stanley Boyd Area School District Wisconsin (hereinafter called the "School District") and that I was such at all of the times mentioned in this certificate.
2. That the following are all members-elect of the School Board of the School District, and were duly qualified and acting as such at all times mentioned in this certificate: Richard Vircks, Jackie Holub, Michael Henke, Jeffrey Boie, Amy Murphy, Shawn Hakes, Lansing Carlson
3. That the following named persons, whose authentic signatures are hereto subscribed, are the duly qualified and acting officers of the School District presently holding the offices set forth opposite their respective names below:

Table with 3 columns: NAME, OFFICE, MANUAL SIGNATURE. Rows include Richard Vircks (President), Jeffrey Boie (District Clerk), and Michael Henke (Treasurer).

- 4. That there is no controversy or litigation pending or threatened affecting the corporate existence of the School District, its boundaries, the right or title to office of any of its officers, or in any manner affecting the due authorization or validity of the borrowings by the School District.
5. That at a duly-convened meeting of the School Board of the School District, which is the governing body, held in open session at Stanley, Wisconsin, at 7 o'clock, P.M., on the 3rd day of February, 2015 at which of the members-elect were present in person, a resolution authorizing the School District to borrow the sum of One Million and 0/100 Dollars (\$1,000,000.00) from Sterling Bank, Chetek, Wisconsin pursuant to Section 67.12(12), Wisconsin Statutes, was duly adopted by the affirmative vote of of the members present at the meeting; that said resolution has been duly recorded in the minutes and proceedings of said meeting and is in full force and effect on the date of this certificate; and that a true and correct copy of said resolution is attached hereto, marked Exhibit A and made a part hereof.
6. That the issuance of the note was approved by a majority of the members of the School District Board at a referendum held on xxxxxxxxxxxxxxxx (1)
7. That there is attached hereto, marked Exhibit B and made a part hereof, a certificate of the Treasurer of the School District certifying that the aggregate indebtedness and obligations of all kinds of the School District outstanding on the date affixed to said certificate, including the note issue in support of which this certificate is executed, total \$ 1,060,000.00 (2); that I know said officer and saw him/her execute said certificate; and that the matters stated therein are true and complete.
8. That the value of all of the taxable property in the School District, as equalized for state purposes by the Wisconsin Department of Revenue, is \$ 335,815,875 (3)

IN WITNESS WHEREOF, I have executed this certificate in my official capacity to be effective this 3rd day of March, 2015 (4).

Approved as correct: DISTRICT CLERK Jeffrey Boie
PRESIDENT Richard Vircks
TREASURER Michael Henke

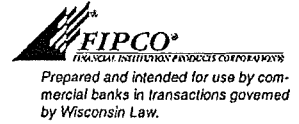
(1) Strike if inapplicable. Note that school districts generally can issue promissory notes only if approved at a referendum or issued for refunding purposes.
(2) This aggregate indebtedness must not exceed the restrictions described in paragraph (8) of instruction sheet.
(3) See Certificate of Full Equalized Value (WBA 202E).
(4) This certificate should be dated on the date payment for the note is actually received.

Stock No. 11058

202C (8/06)

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EXHIBIT B — CERTIFICATE RESPECTING
INDEBTEDNESS AND RECEIPT OF LOAN PROCEEDS



STATE OF WISCONSIN

County of Chippewa

} ss.

The undersigned Treasurer of Stanley Boyd Area School District, Wisconsin, hereby
(NAME OF SCHOOL DISTRICT)

certifies that the total aggregate indebtedness and obligations of said School District, howsoever incurred, outstanding on the date hereof, including the

Promissory Note dated March 3, 2015, in support of which this certificate is executed, is \$ 1,060,000.00,

determined as follows: (1)

- \$60,000 to be paid in full on May, 2015
- \$1,000,000 to Sterling Bank dated March 3, 2015

The undersigned further certifies that the lender of the borrowed funds evidenced by said note has paid the entire principal amount of said note, plus accrued interest (if any), in accordance with the terms of the resolution authorizing said note.

IN WITNESS WHEREOF, I have executed this certificate in my official capacity this 3rd day of March, 2015. (2)

DISTRICT TREASURER Michael Henke

(1) Here set forth in detail each item of outstanding indebtedness of the School District, including this note issue.

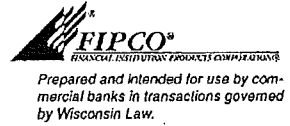
(2) This certificate should be dated on the date payment for the note is actually received and should be received by the lender simultaneously with its disbursement of funds.

Stock No. 11058

2020 (8/06)

Wisconsin Bankers Association 2006

PROMISSORY NOTE



No. 21588057

Stanley Boyd Area School District (NAME OF SCHOOL DISTRICT)

\$ 1,000,000.00

Dated March 3rd, 2015

1. Promise to Pay and Payment Schedule. For value received, Stanley Boyd Area School District, Stanley, Wisconsin ("School District"), promises to pay to Sterling Bank, or registered assigns, ("Lender") the sum of One Million and 0/100 Dollars (\$1,000,000.00), payable with interest at the rate of Three and One-Half percent (3.50%) 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) [XX] Installments of Principal and Interest. In 7 equal payments of \$93,326.91 due on April 1, 2018 and on [XX] the same day(s) of each 12th month thereafter ... PLUS a final payment of the unpaid balance and accrued interest due on March 3, 2025.
(c) Installments of Principal. In ... equal payments of principal of \$... due on ... and on ... the same day(s) of each ... month 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 District Treasurer.

2. Interest Payment. Interest is payable on N/A, and on ... the same day of each N/A month thereafter, ... every 7th day thereafter, ... every 14th day thereafter, and at maturity, or, if box 1(b) is checked, at the times so indicated. Interest is computed for the actual number of days principal is unpaid on the basis of [XX] a 360 day year [] a 365 day year.

3. Prepayment. Full or partial prepayment of this note [] is not permitted [XX] is permitted on any principal or interest payment date without penalty on or after March 3, 2015. 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 not made on or before the 15th day after its due date, Lender may collect a delinquency charge of 5.0% of the unpaid amount. Unpaid principal and interest bear interest after maturity until paid (whether by acceleration or lapse of time) at the rate [XX] which would otherwise be applicable plus Zero percentage points [] of % per year, computed on the basis of [XX] a 360 day year [] a 365 day year. School District agrees to pay a charge of \$ 15.00 for each check presented for payment under this note which is returned unsatisfied.

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

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

7. Terms and Purposes; Authorization. This note issued under the terms of and for purposes specified in Section 67.12(12), Wisconsin Statutes; and is authorized by a resolution of the School Board duly adopted by the School District at its open meeting duly convened on February 3, 2015 which resolution is recorded in the official book of its minutes pertaining to said date and was approved by the voters of the School District at a referendum held for that purpose on ...

8. Internal Revenue Code. This note has been designated by the School District as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended. (2)

9. Certifications and Recitations of School District. It is hereby certified and recited that all conditions, things and acts required by law to exist, to be or to be done prior 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 School District, including this note, does not exceed any limitation imposed by law, and that the School District has levied a direct annual irrevocable tax sufficient to pay this note together with interest thereon when and as payable.

THIS NOTE CONTAINS ADDITIONAL PROVISIONS ON REVERSE SIDE

Stanley Boyd Area School District, Wisconsin. (NAME OF DISTRICT)

(Impress official or corporate seal, if any, here)

By Richard Vircks, PRESIDENT

By Jeffrey Boie, DISTRICT CLERK

- (1) Delete parenthetical phrase if not applicable. Note that school districts generally can issue promissory notes only if approved at a referendum or issued for refunding purposes. If no referendum has been held, Lender should obtain a legal opinion from the School District that a referendum is not required.
(2) Delete this paragraph if the School District 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, if any, to be affixed.

(SEE REVERSE FOR REGISTRATION PROVISIONS)

10. **Default and Enforcement.** Upon the occurrence of any one or more of the following events of default: (a) School District fails to pay any amount when due under this note or under any other instrument evidencing any indebtedness of School District to Lender, (b) any representation or warranty made under this note or information provided by School District to Lender in connection with this note is or was false or fraudulent in any material respect, (c) a material adverse change occurs in School District's financial condition, (d) School District fails to timely observe or perform any of the covenants or duties in this note, (e) an event of default occurs under any agreement securing this note, or (f) Lender deems itself insecure, then the unpaid balance shall, at the option of Lender, without notice, mature and become immediately payable. The unpaid balance shall automatically mature and become immediately payable in the event School District 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 of the Lender's rights and remedies upon such default.

11. **Venue.** To the extent not prohibited by law, School District 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 School District is located or the county in which this note was executed by School District.

12. **Obligations and Agreements of School District.** School District 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 School District or incident to any action or proceeding involving School District brought pursuant to the United States Bankruptcy Code) and waive presentment, protest, demand and notice of dishonor. Subject to Section 893.80, Wisconsin Statutes, School District agrees to indemnify and hold harmless Lender, its directors, officers and agents, from and under this note or the activities of School District. This indemnity shall survive payment of this note. School District acknowledges that Lender has not made any representation or warranties with respect to, and the Lender does not assume any responsibility to School District for, the collectability or enforceability of this note or the financial condition of School District. School District has independently determined the collectability and enforceability of this note. School District authorizes Lender to disclose financial and other information about School District 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 School District, 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 School District, Lender may from time to time, without notice, renew or extend the time for payment subject to the time limits described in Section 16.12(12), Wisconsin Statutes.

14. **Interpretation.** This note is intended by School District 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 School District 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 District Clerk of ~~Stanley Boyd Area School District~~ Wisconsin, such registration to be noted in the registration blank below and upon said registration records, and this note may thereafter be transferred only upon presentation of a written instrument of transfer satisfactory to the District 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 District Clerk
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Stock No. 11058

202E (8/06)

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CERTIFICATE OF FULL EQUALIZED VALUE (1)



Prepared and intended for use by commercial banks in transactions governed by Wisconsin Law.

I hereby certify that I am Chief of the Local Government Services Section of the Wisconsin Department of Revenue and in such capacity I am authorized to certify the equalized value of the taxable property in school districts in Wisconsin.

I further certify that the equalized value of all the taxable property of Stanley Boyd Area School District, Chippewa County, Wisconsin, as last determined by the Wisconsin Department of Revenue pursuant to Section 67.03, Wisconsin Statutes, is \$ 335,815,875, said determination being as of January 1, 2014.

Dated this 3rd day of March, 2014.

See Attached

Chief, Local Government Services Section,
WISCONSIN DEPARTMENT OF REVENUE

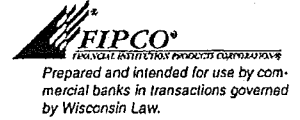
(1) This certificate should be submitted to the Wisconsin Department of Revenue for completion and return just prior to loan closing so that the most recent equalized valuation is certified.

Stock No. 11058

202G (8/06)

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INVESTMENT REPRESENTATION*
(To be prepared and executed by a bank officer
for retention in bank files)



The undersigned officer of Sterling Bank, (1) Wisconsin hereby certifies with respect to the purchase of a \$ 1,000,000.00 Promissory Note dated March 3, 2015 issued by Stanley Boyd Area School District, Wisconsin, that is is purchasing said Note for investment purposes and will not resell said Note, except to another bank or banks which will also make this certification.
(NAME OF SCHOOL DISTRICT)

Dated: March 3, 2015 (2)

_____ (1)

By: Richard Boening

Title: Chief Executive Officer

- (1) Name of bank.
- (2) Date that loan is closed.

*Section 551.21 of the Wisconsin Statutes, and the regulations thereunder, require that municipal obligations be registered with the Wisconsin Department of Financial Institutions unless there is a basis for an exemption from such registration. In most transactions in which these WBA forms are employed, it is expected that an exemption will apply as the result of the sale of the note(s) to a bank which will resell the note(s), if at all, only to another bank or banks. To document the applicability of this exemption, the bank should sign the investment representation set forth above.

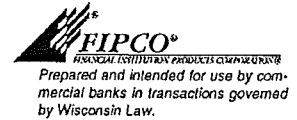
NOTE: If this representation cannot be made, other bases of exemption may be available. However, legal assistance should be obtained before proceeding with the loan in such a case.

Stock No. 11058

202H (8/06)

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FEDERAL TAX COMPLIANCE CERTIFICATE



Stanley Boyd Area School District, Wisconsin (The "Municipality")

\$ 1,000,000.00 Promissory Note

Dated March 3, 2015 (the "Obligations")

The Municipality represents and covenants as follows:

1. None of the proceeds of the Obligations will be used, either directly or indirectly, (a) to make or finance loans to persons other than state and local governments or (b) in any trade or business carried on by any person other than a governmental unit. No payment of the principal or interest on the Obligations will be made (directly or indirectly, to the Municipality or any other party) from trade or business use of the proceeds or will be otherwise secured by or derived from property used in a trade or business or payments in respect of such property. No part of the projects financed by the Obligations (the "Projects") is or will be owned by persons other than the Municipality. There are and will be no leases, management or incentive payment contracts, take-or-pay or other output contracts or similar arrangements between the Municipality and any nongovernmental person with respect to the Projects. (1)

2. The Municipality has designated the Obligations as "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, relating to the ability of financial institutions to deduct, for federal income tax purposes, interest expense allocable to carrying or acquiring municipal obligations. The aggregate principal amount of tax-exempt governmental obligations issued by the Municipality and all subordinate entities in the current calendar year (including obligations issued on behalf of 501(c)(3) corporations) will not exceed \$10,000,000. (2) (3) (4)

3. The payment of principal or interest with respect to the Obligations will not be guaranteed, either directly or indirectly, in whole or in part, by the United States or any agency or instrumentality thereof. None of the proceeds of the Obligations will be (i) used in making loans the payment of principal or interest with respect to which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested directly or indirectly in federally insured deposits or accounts, except for proceeds invested during permitted temporary periods or in the debt service fund for the Obligations or as otherwise permitted under Section 149(b)(3) of the Internal Revenue Code of 1986, as amended.

4. Any expenditures already paid by the Municipality for which the Municipality is to be reimbursed with proceeds of the Obligations (a) were paid no more than 60 days before the date on which the Municipality adopted the resolution authorizing the issuance of Obligations to finance the projects or stating its intention to reimburse itself from the proceeds of the Obligations for any expenditures relating to the Projects which it paid from other funds of the Municipality prior to receipt of the proceeds of the Obligations ("Original Expenditure"); or (b) are preliminary expenditures relating to the Projects (such as architectural, engineering, surveying, soil testing and similar costs but not including land acquisition, site preparation and similar costs incident to the commencement of construction) which are in an amount which is less than 20% of the issue price of the portion of the Obligations which relates to those Projects; or (c) are in an amount that does not exceed the lesser of \$100,000 or five percent of the face value of the issue. If (a) is true, a written allocation that evidences the Municipality's use of the proceeds to reimburse an Original Expenditure has been or will be made not later than 18 months (5) after the date of the Original Expenditure is paid, or the date the project is placed in service or abandoned, whichever is later. (6)

IN WITNESS WHEREOF, we have executed this certificate in our official capacities to be effective this 3rd day of

March, 2015 (7)

Richard Vircks President

Jeffrey Boie District Clerk

Michael Henke Treasurer

- (1) The purpose of this certification is to demonstrate that the Obligations are not "private activity bonds." If they are, they are subject to additional requirements and restrictions, if they can be issued on a tax-exempt basis at all. Lenders are advised to obtain legal assistance before proceeding with a loan in such a case. Common examples of arrangements which can result in private activity bond status are the sale or lease of property to private parties, reserved capacity arrangements or other special arrangements regarding sewage treatment facilities, leases or management contracts with respect to hospitals, airports or similar enterprises, or development agreements in tax increment projects.
(2) Subordinate entities include entities deriving their issuing authority from the Municipality or subject to substantial control by the Municipality, (e.g., a municipal water or sewerage commission or housing authority).
(3) Private activity bonds (such as "industrial development bonds") do not count toward the \$10,000,000 limitation; however, obligations issued on behalf of 501(c)(3) corporations (commonly hospitals or nursing homes) do count toward the \$10,000,000 limit.
(4) If this certification cannot be made, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the Obligations.
(5) This time limitation is extended to 3 years if the aggregate face amount of all tax-exempt bonds or notes issued by the Municipality during the calendar year in which the Obligations are incurred is reasonably expected not to exceed \$5,000,000.
(6) The purpose of this certification is to demonstrate that the Municipality has complied with the federal reimbursement regulations under Section 1.150-2 of the Internal Revenue Code Regulations, as amended. These regulations limit the ability of a municipality to use the proceeds of a tax-exempt borrowing to reimburse itself for expenditures previously made on a project. Generally, these rules apply to construction or acquisition financing; special reimbursement rules apply for refundings. If the Municipality cannot make the certifications contained in this paragraph, consult your attorney.
(7) This certificate should be dated the date that initial payment for the Obligations is actually received.