

Sterling Bank

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.

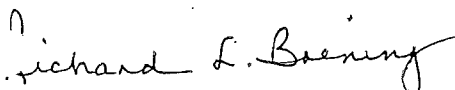
Due to legal requirements of the State of Wisconsin, the initial term of the Promissory Note cannot exceed 10 years. At the end of the initial 10 years, the balance of the loan can be renewed for an additional period not to exceed 10 years. This commitment documents Sterling Bank's agreement to renew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



Borrowing Resolution

Adopted at an Open Meeting held on May 21, 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 \$93,303.14 beginning the 1st day April, 2018 and the same day of each 12th month thereafter, plus a final payment of the unpaid balance and accrued interest due on March 3, 2025.


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.

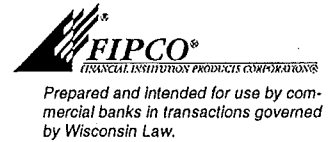


Richard Vircks, President



Jeffrey Boie, District Clerk

PROMISSORY NOTE



No. 21588057

Stanley Boyd Area School District

(NAME OF SCHOOL DISTRICT)

\$ 1,000,000.00

Dated May 21, 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 [] every 7th day thereafter [] every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on March 3, 2025. 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 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 May 21, 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 electors of the School District at a referendum duly 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)

FEDERAL TAX COMPLIANCE CERTIFICATE



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

\$ 1,000,000.00 Promissory Note

Dated May 21, 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 21 day of

May, 2015. (7)

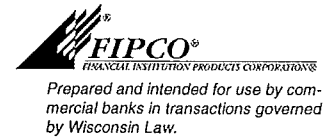
Richard Vircks President

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.

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:

NAME	OFFICE	MANUAL SIGNATURE
<u>Richard Vircks</u>	President	
<u>Jeffery Boie</u>	District Clerk	
<u>Michael Henke</u>	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. The School District has (a) (no) corporate seal.

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 electors of the School District by 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 21st day of May, 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. If no referendum has been held, Lender should obtain a legal opinion from the school district that a referendum is not required.
(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.

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 May 21, 2015, in support of which this certificate is executed, is \$ 1,000,000.00,

determined as follows: (1)

\$1,000,000 to Sterling Bank dated May 21, 2015

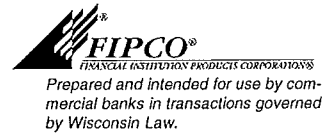
The undersigned further certifies that the lender of the borrowed funds evidenced by said note has paid the entire principal amount of said note, plus
accrued interest (if any), in accordance with the terms of the resolution authorizing said note.

IN WITNESS WHEREOF, I have executed this certificate in my official capacity this 21st day of May, 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.

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 May 21, 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: May 21, 2015. (2)

_____ (1)

By: Richard Boening

Title: Chief Executive Director

- (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



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 21st day of May, 2015.

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.



State of Wisconsin • DEPARTMENT OF REVENUE

DIVISION OF STATE AND LOCAL FINANCE | BUREAU OF LOCAL GOVERNMENT SERVICES | MADISON, WI

ADDRESS MAIL TO:

Area 6-97

2135 Rimrock Road | P.O. Box 8971
Madison, WI 53708-8971
FAX (608) 264-6887

September 30, 2014

DISTRICT ADMINISTRATOR
SCH D OF STANLEY-BOYD AREA
507 E FIRST AVE
STANLEY WI 54768

School Code: 095593

School #: 0059

Re: Certificate of Equalized Value - Stanley-Boyd Area

I hereby certify that I am the Director of the Bureau of Local Government Services of the Wisconsin Department of Revenue, and that the equalized value of all taxable property of the School District of Stanley-Boyd Area, Chippewa County, Wisconsin as last determined by the Wisconsin Department of Revenue pursuant to sections 70.57, 67.03, and 121.06 Wisconsin Statutes, is \$335,815,875 said equalized value determination being as of January 1, 2014.

This equalized value is certified each October 1st and is effective October 1st, 2014 through September 30th, 2015.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Valeah Foy'.

Valeah Foy, Director
Local Government Services Bureau
valeah.foy@revenue.wi.gov