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**A Resolution Authorizing and Providing for the Sale and Issuance of  
\$80,000,000 General Obligation Sewerage System Bonds, Series 2017A,  
Levying Taxes for the Payment Thereof, and all Other Related Details**

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RECITALS

The Metropolitan Sewerage District Commission (the “**Governing Body**”) of the Milwaukee Metropolitan Sewerage District, Wisconsin (the “**District**”) makes the following findings and determinations:

1. The District needs funds for the purpose or purposes of financing portions of the District’s capital budget for the years 2017 and 2018 as approved or to be approved by the Governing Body, which includes, but is not limited to, the acquisition, leasing, planning, design, construction, development, extension, enlargement, renovation, rebuilding, or improvement of land, waters, property, highways, buildings, equipment, or facilities relating to the sewerage system of the District (collectively, the “**Project**”).

2. On December 19, 2016, the Governing Body adopted an initial resolution authorizing the issuance of not to exceed \$80,000,000 in principal amount of general obligation bonds and/or general obligation promissory notes of the District for the purposes of the Project (the “**Initial Resolution**”).

3. The Secretary of the Governing Body caused notice of the sale (the “**Notice to Bidders**”) of \$80,000,000 Milwaukee Metropolitan Sewerage District, Wisconsin General Obligation Sewerage System Bonds, Series 2017A (the “**Obligations**”) to be given to media typically monitored by potential bidders in the manner and form directed by the Initial Resolution. The Notice to Bidders is made of record in these proceedings and the Governing Body ratifies the notice.

4. In accordance with the Notice to Bidders and the bidding terms that were included in the document that was used for offering the Obligations for sale by competitive bid (the “**Notice of Sale**”), written bids for the sale of the Obligations were received and delivered to the Governing Body.

5. The Governing Body considered all the bids it received. The Governing Body decided to accept the bid of \_\_\_\_\_, or a group that it represents (the “**Purchaser**”), to purchase the Obligations specified in the Purchaser’s bid. The Purchaser bid the price of \$\_\_\_\_\_ for the entire issue of Obligations (the “**Purchase Price**”), plus any accrued interest, and specified that the Obligations maturing on October 1 in the years shown below will bear interest at the respective interest rates shown below:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2018	\$ 5,740,000	____%	2028	\$ 3,885,000	____%
2019	2,670,000	____	2029	4,050,000	____
2020	2,580,000	____	2030	4,225,000	____
2021	2,715,000	____	2031	4,405,000	____
2022	2,860,000	____	2032	4,555,000	____
2023	3,010,000	____	2033	4,715,000	____
2024	3,165,000	____	2034	4,915,000	____
2025	3,335,000	____	2035	5,125,000	____
2026	3,510,000	____	2036	5,320,000	____
2027	3,695,000	____	2037	5,525,000	____

6. The Purchaser’s bid complies with the terms of the Notice to Bidders and the Notice of Sale.

7. The District has taken all actions required by law and it has the power to sell and issue the Obligations.

8. The Governing Body is adopting this resolution to sell the Obligations and provide for their issuance upon the terms and conditions set forth herein.

## RESOLUTIONS

The Governing Body resolves as follows:

### **Section 1. Definitions.**

In this resolution, the following terms have the meanings given in this section, unless the context clearly requires another meaning.

**“Book-Entry System”** means a system in which no physical distribution of certificates representing ownership of the Obligations is made to the owners of the Obligations but instead all outstanding Obligations are registered in the name of a securities depository appointed by the District, or in the name of such a depository’s nominee, and the depository and its participants record beneficial ownership and effect transfers of the Obligations electronically.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement, dated as of the Original Issue Date, to be executed by the District and delivered on the closing date of the Obligations.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Debt Service Fund Account”** has the meaning set forth in Section 16.

**“Debt Service Fund”** means the fund created by the District pursuant to Section 67.11 of the Wisconsin Statutes to provide for the payment of debt service on its general obligations.

**“Depository”** means DTC or any successor appointed by the District and acting as securities depository for the Obligations.

**“District”** means the Milwaukee Metropolitan Sewerage District, Wisconsin.

**“District Officers”** means the Chairperson and the Secretary of the Governing Body. These are the officers required by law to execute general obligations on the District’s behalf.

**“DTC”** means The Depository Trust Company, New York, New York.

**“Financial Officer”** means the Treasurer.

**“Fiscal Agent”** means U.S. Bank National Association, or any successor fiscal agent appointed by the District to act as authentication agent, paying agent, and registrar for the Obligations pursuant to Section 67.10 (2) of the Wisconsin Statutes.

**“Governing Body”** means the District’s metropolitan sewerage commission.

**“Initial Resolution”** has the meaning set forth in the recitals to this resolution.

**“Notice of Sale”** has the meaning set forth in the recitals to this resolution.

**“Obligations”** means the \$80,000,000 Milwaukee Metropolitan Sewerage District, Wisconsin General Obligation Sewerage System Bonds, Series 2017A, which will be issued pursuant to this resolution.

**“Original Issue Date”** means May \_\_, 2017.

**“Project”** has the meaning set forth in the recitals to this resolution.

**“Purchase Price”** has the meaning set forth in the recitals to this resolution.

**“Purchaser”** has the meaning set forth in the recitals to this resolution.

**“Record Date”** means the 15th day (whether or not a business day) of the calendar month just before a regularly scheduled interest payment date for the Obligations.

**“Recording Officer”** means the Secretary of the Governing Body.

“**Register**” means the register maintained by the Fiscal Agent at its designated office, in which the Fiscal Agent records:

- (i) The name and address of the owner of each Obligation.
- (ii) All transfers of each Obligation.

“**Treasurer**” means the District’s Treasurer.

**Section 2. Exhibits.**

The attached exhibits are also a part of this resolution as though they were fully written out in this resolution:

- (i) *Exhibit A* — Form of Obligation.
- (ii) *Exhibit B* — Notice to Electors of Sale.

**Section 3. Purposes of Borrowing; Issuance of Obligations.**

The Governing Body authorizes the Obligations and orders that they be prepared, executed, and issued. The Obligations will be fully registered, negotiable, general obligation bonds of the District in the principal amount of \$80,000,000. The Obligations will be issued pursuant to the provisions of Chapter 67 and Section 200.55(2) of the Wisconsin Statutes to pay the costs of the Project and certain expenses of issuing the Obligations (including printing costs and fees for financial consultants, bond counsel, fiscal agent, rating agencies, insurance, and registration, as applicable).

**Section 4. Terms of Obligations.**

The Obligations will be named “Milwaukee Metropolitan Sewerage District General Obligation Sewerage System Bonds, Series 2017A.” The Obligations will be dated the Original Issue Date, even if they are actually issued or executed on another date. Each Obligation will also be dated the date on which it is authenticated by the Fiscal Agent. That date is its registration date.

The face amount of each Obligation will be \$5,000 or any multiple thereof up to the principal amount authorized for that maturity.

The Obligations will bear interest from the Original Issue Date. Interest will be payable semiannually on each April 1 and October 1, beginning on October 1, 2017, until the principal of the Obligations has been paid. Interest on each Obligation will be (i) computed on the basis of a 360-day year of twelve 30-day months and (ii) payable to the person in whose name the Obligation is registered on the Register at the end of the day on the applicable Record Date. The Obligations will be numbered consecutively as may be required to comply with any applicable rules or customs or as determined by the District Officers executing the Obligations.

The District and the Fiscal Agent may treat the entity or person in whose name any Obligation is registered on the Register as the absolute owner of the Obligations for all purposes whatsoever under this resolution. The following table shows when the Obligations will mature and the rate of interest each maturity will bear:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2018	\$5,740,000	____%
2019	2,670,000	____
2020	2,580,000	____
2021	2,715,000	____
2022	2,860,000	____
2023	3,010,000	____
2024	3,165,000	____
2025	3,335,000	____
2026	3,510,000	____
2027	3,695,000	____
2028	3,885,000	____
2029	4,050,000	____
2030	4,225,000	____
2031	4,405,000	____
2032	4,555,000	____
2033	4,715,000	____
2034	4,915,000	____
2035	5,125,000	____
2036	5,320,000	____
2037	5,525,000	____

The principal of and interest on the Obligations will be payable in lawful money of the United States of America.

#### **Section 5. Fiscal Agent.**

The District appoints the Fiscal Agent to act as authentication agent, paying agent, and registrar for the Obligations. The appropriate officers of the District are directed to enter into a fiscal agency agreement with the Fiscal Agent on behalf of the District. The fiscal agency agreement may provide for the District to pay the reasonable and customary charges of the Fiscal Agent for those services. The fiscal agency agreement shall require the Fiscal Agent to comply

with all applicable federal and state regulations. Among other things, the Fiscal Agent shall maintain the Register.

**Section 6. Appointment of Depository.**

The District appoints DTC to act as securities depository for the Obligations. An authorized representative of the District has previously executed a blanket issuer letter of representations with DTC on the District's behalf, and the District ratifies and approves such document.

**Section 7. Book-Entry System.**

On the date of their initial delivery, the Obligations will be registered in the name of DTC or its nominee and maintained in a Book-Entry System. If the District's relationship with DTC is terminated, then the District may appoint another securities depository to maintain the Book-Entry System.

The District may decide on any date not to maintain the Obligations in a Book-Entry System. If the District decides not to maintain a Book-Entry System, then it will do the following:

- (i) At its expense, the District will prepare, authenticate, and deliver to the beneficial owners of the Obligations fully-registered, certificated Obligations in the denomination of \$5,000 or any multiple thereof in the aggregate principal amount then outstanding. The beneficial owners will be those shown on the records of the Depository and its direct and indirect participants.
- (ii) The District will appoint a fiscal agent to act as authentication agent, paying agent, and registrar for the Obligations under Section 67.10 (2) of the Wisconsin Statutes (the Fiscal Agent may be reappointed in this capacity).

**Section 8. Redemption.**

The Obligations maturing on or after October 1, 20[ ] are subject to redemption before their stated maturity dates, at the District's option, in whole or in part, in the order of maturity selected by the District, on October 1, 20[ ] and on any date thereafter. The redemption price will be 100% of the principal amount redeemed, plus accrued interest to the redemption date, and no premium will be paid. If payment of an Obligation called for redemption has been made or provided for, then interest on the Obligation stops accruing on the stated redemption date. If less than all the principal amount of a specific maturity is redeemed, then the Obligations will be redeemed in \$5,000 multiples in accordance with Sections 9 and 10 hereof[, and if a portion, but not all, of a maturity that is subject to mandatory partial redemptions by operation of a sinking fund (as described below) is being redeemed, then the District will select

the amounts to be redeemed on future Sinking Fund Redemption Dates (as defined below) that are reduced as a result of the partial redemption.]

[The Obligations maturing on October 1 in the years 20\_\_, 20\_\_, and 20\_\_ (collectively, the “**Term Bonds**”) are also subject to mandatory partial redemptions prior to their stated maturity dates by operation of a sinking fund. On the following redemption dates (each a “**Sinking Fund Redemption Date**”), the District will redeem the following principal amounts (subject to reduction as provided in the immediate preceding paragraph) of the Term Bonds:

Term Bonds Maturing October 1, 20\_\_

Sinking Fund Redemption Date (October 1)	Principal Amount To be Redeemed
20__	\$_____
20__ (Stated Maturity)	_____

Term Bonds Maturing October 1, 20\_\_

Sinking Fund Redemption Date (October 1)	Principal Amount To be Redeemed
20__	\$_____
20__ (Stated Maturity)	_____

Term Bonds Maturing October 1, 20\_\_

Sinking Fund Redemption Date (October 1)	Principal Amount To be Redeemed
20__	\$_____
20__ (Stated Maturity)	_____

The redemption price will be 100% of the principal amount redeemed, plus accrued interest to the Sinking Fund Redemption Date, and no premium will be paid. The particular Term Bonds to be redeemed will be selected in accordance with Sections 9 and 10 hereof, and the District will give notice of the redemption in the manner stated in those sections.]

**Section 9. Payment of Obligations/Transfers/Redemption Notices Under Book-Entry System.**

So long as the Obligations are being maintained in a Book-Entry System, the following provisions apply:

*Payment.* The Fiscal Agent is directed to pay the principal of and interest on the Obligations by wire transfer to the Depository or its nominee in accordance with the Depository's rules that are then in effect.

*Transfers.* The Obligations are transferable only upon the Register and only if the Depository ceases to act as securities depository for the Obligations and the District appoints a successor securities depository. If that happens, then upon the surrender of the Obligations to the Fiscal Agent, the District will issue new fully registered Obligations in the same aggregate principal amounts to the successor securities depository, and the Obligations will be recorded as transferred to the successor securities depository in the Register.

The Fiscal Agent will not be required to make any transfer of the Obligations (i) during the 15 calendar days before the date of the sending of notice of any proposed redemption of the Obligations, or (ii) with respect to any particular Obligation, after such Obligation has been called for redemption.

*Partial Redemption.* If less than all the principal amount of a specific maturity is to be redeemed, then the Depository and its direct and indirect participants will select the beneficial owners of the Obligations to be redeemed. If an Obligation has been called for redemption but less than all the principal amount of a specific maturity is redeemed, then on the redemption date and upon surrender to the Fiscal Agent of the Obligation, the District will issue one or more new Obligations in the principal amount outstanding after the redemption.

*Notice of Redemption.* Notice of the redemption of any of the Obligations will be sent to the Depository, in the manner required by the Depository, not less than 30, and not more than 60, days prior to the proposed redemption date. A notice of redemption may be revoked by sending notice to the Depository, in the manner required by the Depository, not less than 15 days prior to the proposed redemption date.

**Section 10. Payment of Obligations/Transfers/Redemption Notices Not Under Book-Entry System.**

If on any date the Obligations are *not* being maintained in a Book-Entry System, then the following provisions apply:

*Payment.* The Fiscal Agent will pay the principal of each Obligation upon its presentation and surrender on or after its maturity or earlier redemption date at the designated office of the Fiscal Agent, and the Fiscal Agent will pay, on each interest payment date, the interest on each Obligation by wire or other electronic money transfer, or by check of the Fiscal



Agent sent by first class mail, to the person in whose name the Obligation is registered on the Register at the end of the day on the applicable Record Date.

*Transfers.* Each Obligation is transferable, only upon the Register, for a like aggregate principal amount of the same maturity and interest rate in denominations that are multiples of \$5,000. A transfer may be requested by the registered owner in person or by a person with a written power of attorney. The Obligation shall be surrendered to the Fiscal Agent, together with a written instrument of transfer satisfactory to the Fiscal Agent signed by the registered owner or by the person with the written power of attorney. The District will issue one or more new fully registered Obligations in the same aggregate principal amount to the transferee or transferees, as applicable, in exchange for the surrendered Obligations and upon the payment of a charge sufficient to reimburse the District or the Fiscal Agent for any tax, fee, or other governmental charge required to be paid with respect to such registration.

The Fiscal Agent will not be required to make any transfer of the Obligations (i) during the 15 calendar days before the date of the sending of notice of any proposed redemption of the Obligations, or (ii) with respect to any particular Obligation, after the Obligation has been called for redemption.

*Partial Redemptions.* If less than all the principal amount of a specific maturity is to be redeemed, then the District or the Fiscal Agent will randomly select the Obligations to be redeemed. If less than the entire principal amount of a particular Obligation has been called for redemption, then upon surrender to the Fiscal Agent of the Obligation to be redeemed, the District will issue one or more new Obligations in the principal amount outstanding after the redemption.

*Notice of Redemption.* Notice of the redemption of any of the Obligations shall be sent by first class mail, not less than 30, and not more than 60, days before the redemption date to the registered owners of the Obligations to be redeemed. A notice of redemption may be revoked by sending a notice by first class mail, not less than 15 days prior to the proposed redemption date to the registered owners of the Obligations which have been called for redemption.

#### **Section 11. Form of Obligations.**

The Obligations shall be in substantially the form shown in Exhibit A. Omissions, insertions, or variations are permitted if they are deemed necessary or desirable and are consistent with this resolution or any supplemental resolution. The District may cause the approving opinion of bond counsel to be printed or reproduced on the Obligations.

#### **Section 12. Execution of Obligations.**

The Obligations shall be signed by the persons who are the District Officers on the date on which the Obligations are signed. The Obligations shall be sealed with the District's corporate seal (or a facsimile), if the District has one, and they shall also be authenticated by the manual signature of an authorized representative of the Fiscal Agent.

The Obligations will be valid and binding even if before they are delivered any person whose signature appears on the Obligations is no longer living or is no longer the person authorized to sign the Obligations. In that event, the Obligations will have the same effect as if the person were living or were still the person authorized to sign the Obligations.

A facsimile signature may be used as long as at least one signature of a District Officer is a manual signature or the Fiscal Agent's certificate of authentication has a manual signature. If a facsimile signature is used, then it will be treated as the officer's own signature.

### **Section 13. Continuing Disclosure.**

The appropriate officers of the District are directed to sign the Continuing Disclosure Agreement, and the District agrees to comply with all of its terms.

### **Section 14. Sale of Obligations.**

The District awards the sale of the Obligations to the Purchaser at the Purchase Price, plus any accrued interest from the Original Issue Date to the date of delivery of the Obligations. The District approves and accepts the purchase agreement signed and presented by the Purchaser to evidence the purchase of the Obligations (the "**Purchase Agreement**"). The District Officers are directed (i) to sign the Purchase Agreement in the District's name and (ii) to take any additional actions needed to complete the sale of the Obligations, including arranging for a specific date, time, and location of closing of the sale.

The Treasurer is directed to comply with the terms of the Notice of Sale with respect to any good-faith deposit requirements.

The officers of the District are directed to sign the Obligations and to arrange for delivery of the Obligations to the Purchaser through the facilities of DTC in accordance with the Notice of Sale, the Purchase Agreement, and this resolution. The Obligations may be delivered to the Purchaser upon payment by the Purchaser of the Purchase Price, plus any accrued interest, as required by the Notice of Sale.

Unless waived by the Purchaser, the delivery of the Obligations is conditioned upon the District furnishing the following items to the Purchaser:

- (i) The Obligations, together with the written, unqualified approving opinion of the law firms of Foley & Lardner LLP and MWH Law Group LLP, co-bond counsel, evidencing the legality of the Obligations and that interest on the Obligations will be excluded from gross income for federal income tax purposes.
- (ii) A transcript of the proceedings relating to the issuance of the Obligations.
- (iii) A certificate showing that no litigation has been threatened or is pending that would affect the legality of the Obligations or the right of the District to issue them at the time of their delivery.

**Section 15. General Obligation Pledge; Tax Levy.**

For the prompt payment of the principal of, and interest on, the Obligations, the District irrevocably pledges its full faith and credit. The District hereby levies upon all taxable property in its territory a direct, annual, and irrepealable tax in an amount sufficient to pay, and for the express purpose of paying, the interest on the Obligations as it falls due and also to pay and discharge the principal of the Obligations on their maturity dates.

This tax shall be carried from year to year into the District's tax roll. It shall be collected in addition to all other taxes and in the same manner and at the same time as all other taxes. The amount of this tax that is carried into the District's tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account available to pay debt service on the Obligations for such year. This tax for each year the levy is made will be in the following amounts:

<u>Levy Year</u>	<u>Debt Service Amount Due in Following Year</u>	<u>Levy Year</u>	<u>Debt Service Amount Due in Following Year</u>
2017	\$ _____	2027	\$ _____
2018	_____	2028	_____
2019	_____	2029	_____
2020	_____	2030	_____
2021	_____	2031	_____
2022	_____	2032	_____
2023	_____	2033	_____
2024	_____	2034	_____
2025	_____	2035	_____
2026	_____	2036	_____

[Taking into account any accrued interest received at the time of delivery of the Obligations and any premium paid to the District by the Purchaser in excess of the stated principal amount of the Obligations to be deposited in the account of the Debt Service Fund for the Obligations as provided in Section 16 hereof, the District hereby appropriates from its 2016 tax levy (for collection in 2017), or from other funds available to it, amounts sufficient to pay the interest coming due on the Obligations in 2017. As a result of this appropriation, the District does not need to levy a separate tax for the interest coming due on the Obligations in 2017.]

**Section 16. Debt Service Fund Account.**

The District shall create a separate account within the Debt Service Fund solely for the Obligations (the “**Debt Service Fund Account**”), which shall be maintained and

administered as provided in Section 67.11 of the Wisconsin Statutes. The Treasurer is directed to keep the proceeds of the taxes levied under this resolution, when they are collected, in the Debt Service Fund Account. Any accrued interest received on the date of delivery of the Obligations and the premium, if any, paid to the District by the Purchaser in excess of the stated principal amount of the Obligations shall be deposited into the Debt Service Fund Account and used to pay interest on the Obligations. If the money in the Debt Service Fund Account is insufficient to make a payment of principal of, or interest on, the Obligations on a date on which such a payment is due, then the District will promptly provide the necessary funds to make the payment from other available sources.

**Section 17. Borrowed Money Fund.**

The sale proceeds of the Obligations (not including any accrued interest or premium received) shall be deposited in and kept by the Treasurer in a separate fund. The fund shall be designated with both the name of the Obligations and the name Borrowed Money Fund (herein referred to as the “**Borrowed Money Fund**”). Money in the Borrowed Money Fund, including any earnings, shall (a) be used to pay the costs of the Project and issuing the Obligations, or (b) be transferred to the Debt Service Fund Account as provided by law.

**Section 18. Official Statement.**

The District approves and ratifies the preliminary offering document prepared and distributed in connection with the sale of the Obligations, and the District authorizes and approves the final version of such document (the “**Official Statement**”) to be prepared prior to the issuance of the Obligations; *provided, however*, that the Official Statement shall be substantially in the form submitted to this meeting, with such modifications as the District Officers approve. The District Officers are directed to deliver copies of the Official Statement to the Purchaser and, if the Purchaser requests, execute one or more copies on behalf of the District. Execution and delivery of the Official Statement will conclusively evidence the approval of the District Officers.

**Section 19. Publication of Notice.**

The Recording Officer is directed to publish notice that the District has agreed to sell the Obligations. The notice shall be published in the District’s official newspaper as a class 1 notice under Chapter 985 of the Wisconsin Statutes promptly after execution of the Purchase Agreement. The notice shall be in substantially the form shown in Exhibit B. The Recording Officer shall obtain proof, in affidavit form, of the publication, and shall compare the notice as published with the attached form to make sure that no mistake was made in publication.

**Section 20. Authorization of Officers.**

The appropriate officers of the District are directed to prepare and furnish the following items to the Purchaser and the attorneys approving the legality of the Obligations:

- (i) Certified copies of proceedings and records of the District relating to the Obligations and to the financial condition and affairs of the District.
- (ii) Other affidavits, certificates, and information that may be required to show the facts about the legality of the Obligations, as such facts appear on the books and records under the officer's custody or control or as are otherwise known to the officer.

All certified copies, affidavits, certificates, and information furnished for such purpose are representations of the District as to the facts they present.

**Section 21. Tax Law Covenants.**

The District covenants that it will comply with all requirements of the Code and the Treasury Regulations promulgated thereunder, that must be satisfied so that interest on the Obligations will be excluded from gross income for federal income tax purposes.

**Section 22. Further Authorization.**

The District authorizes its officers, attorneys, and other agents or employees to do all acts required of them to carry out the purposes of this resolution.

**Section 23. Conflict with Prior Acts.**

In case any part of a prior action of the Governing Body conflicts with this resolution, that part of the prior action is hereby rescinded.

**Section 24. Severability of Invalid Provisions.**

If a court holds any provision of this resolution to be illegal or invalid, then the illegality or invalidity shall not affect any other provision of this resolution.

**Section 25. Effective Date.**

This resolution takes effect upon its adoption and approval in the manner provided by law.

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Adopted: April 24, 2017

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Commission Chairperson

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Commission Secretary

EXHIBIT A

FORM OF OBLIGATION

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“**DTC**”), to the District or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

STATE OF WISCONSIN  
MILWAUKEE METROPOLITAN SEWERAGE DISTRICT

Registered

No. R-\_\_\_\_ \$\_\_\_\_\_

GENERAL OBLIGATION SEWERAGE SYSTEM BONDS, SERIES 2017A

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Issue Date</u>	<u>CUSIP</u>
_____%	October 1, 20__	May ___, 2017	602409 ____

REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:      \_\_\_\_\_ DOLLARS

THE MILWAUKEE METROPOLITAN SEWERAGE DISTRICT, WISCONSIN (herein called the “**District**”), hereby acknowledges itself to owe and for value received promises to pay the Principal Amount to the Registered Owner on the Maturity Date, and to pay interest on the Principal Amount from the Original Issue Date at the annual rate of the Interest Rate. Interest is due and payable on each April 1 and October 1, beginning on October 1, 2017, until the Principal Amount has been paid. Interest is computed on the basis of a 360-day year of twelve 30-day months.

This Obligation is one of a duly authorized issue of bonds (the “**Obligations**”) of the District of an aggregate principal amount of \$80,000,000, all of which are of like tenor, except as to denomination, interest rate, maturity date, and redemption provisions, issued by the District pursuant to the provisions of Chapter 67 and Section 200.55(2) of the Wisconsin Statutes, and is authorized by (1) an initial resolution adopted by the governing body of the

District on December 19, 2016, and (2) the resolution duly adopted by the governing body of the District on April 24, 2017, entitled: “A Resolution Authorizing and Providing for the Sale and Issuance of \$80,000,000 General Obligation Sewerage System Bonds, Series 2017A, Levying Taxes for the Payment Thereof, and all Other Related Details” (the “**Resolution**”). The Obligations are issuable only in the form of fully registered bonds.

On the date of their initial delivery, the Obligations will be maintained in a system in which no physical distribution of certificates representing ownership of the Obligations is made to the owners of the Obligations but instead all outstanding Obligations are registered in the name of a securities depository appointed by the District (a “**Depository**”), or in the name of the Depository’s nominee, and the Depository and its participants record beneficial ownership and effect transfers of the Obligations electronically (a “**Book-Entry System**”). So long as the Obligations are maintained in a Book-Entry System, then the principal of, and interest on, this Obligation will be paid by wire transfer to the Depository or its nominee in accordance with the Depository’s rules that are then in effect by U.S. BANK NATIONAL ASSOCIATION, or any successor fiscal agent appointed by the District under Section 67.10 (2) of the Wisconsin Statutes (the “**Fiscal Agent**”), which will act as authenticating agent, paying agent, and registrar for the Obligations.

If on any date the District decides *not* to maintain the Obligations in a Book-Entry System, then (i) the principal of this Obligation will be paid by the Fiscal Agent upon its presentation and surrender on or after its maturity date or prior redemption date at the designated office of the Fiscal Agent, and (ii) the interest on this Obligation will be paid on each interest payment date by wire or other electronic money transfer, or by check of the Fiscal Agent sent by first class mail, to the person in whose name this Obligation is registered on the register (the “**Register**”) maintained by the Fiscal Agent at the end of the day on the 15<sup>th</sup> day (whether or not a business day) of the calendar month just before each regularly scheduled interest payment date (the “**Record Date**”). The District and the Fiscal Agent may treat the entity or person in whose name this Obligation is registered on the Register as the absolute owner of this Obligation for all purposes.

The principal of, and interest on, this Obligation is payable in lawful money of the United States of America. For the prompt payment of the principal of and interest on this Obligation, the District has irrevocably pledged its full faith and credit. The District has levied upon all taxable property in its territory a direct, annual, and irrevocable tax sufficient in amount to pay, and for the express purpose of paying, the interest on this Obligation as it falls due and the principal of this Obligation on the Maturity Date.

The Obligations maturing on and after October 1, 20\_\_\_ are subject to redemption prior to their stated maturity dates, at the District’s option, in whole or in part, in the order of maturity selected by the District, on October 1, 20\_\_\_ and on any date thereafter. The redemption price will be 100% of the principal amount redeemed plus accrued interest to the redemption date, and no premium will be paid. If payment of an Obligation called for redemption has been made or provided for, then interest on the Obligation stops accruing on the stated redemption date. If less than all the principal amount of a specific maturity is redeemed, then the Obligations will be redeemed in \$5,000 multiples as set forth below[, and if a portion, but not all, of a maturity that is subject to mandatory partial redemptions by operation of a

sinking fund (as described below) is being redeemed, then the District will select the amounts to be redeemed on future Sinking Fund Redemption Dates (as defined below) that are reduced as a result of the partial redemption.]

[The Obligations maturing on October 1 in the years 20\_\_\_\_, 20\_\_\_\_, and 20\_\_\_\_ (collectively, the “**Term Bonds**”) are also subject to mandatory partial redemptions prior to their stated maturity dates, by operation of a sinking fund. On the following redemption dates (each a “**Sinking Fund Redemption Date**”) the District will redeem the following principal amounts (subject to reduction as provided in the immediate preceding paragraph) of the Term Bonds:

Term Bonds Maturing October 1, 20\_\_\_\_

Sinking Fund Redemption Date (October 1)	Principal Amount To be Redeemed
20____	\$_____
20____ (Stated Maturity)	_____

Term Bonds Maturing October 1, 20\_\_\_\_

Sinking Fund Redemption Date (October 1)	Principal Amount To be Redeemed
20____	\$_____
20____ (Stated Maturity)	_____

Term Bonds Maturing October 1, 20\_\_\_\_

Sinking Fund Redemption Date (October 1)	Principal Amount To be Redeemed
20____	\$_____
20____ (Stated Maturity)	_____

The redemption price will be 100% of the principal amount redeemed, plus accrued interest to the Sinking Fund Redemption Date, and no premium will be paid. The particular Term Bonds to be redeemed will be selected in the manner set forth below, and the District will give notice of the redemption in the manner described below.]



So long as the District maintains the Obligations in a Book-Entry System, the following provisions apply:

*Transfers.* The Obligations are transferable, only upon the Register and only if the Depository ceases to act as securities depository for the Obligations and the District appoints a successor securities depository. If that happens, then upon the surrender of the Obligations to the Fiscal Agent, the District will issue new fully registered Obligations in the same aggregate principal amounts to the successor securities depository and the Obligations will be recorded as transferred to the successor securities depository in the Register.

The Fiscal Agent will not be required to make any transfer of the Obligations (i) during the 15 calendar days before the date of the sending of notice of any proposed redemption of the Obligations, or (ii) with respect to any particular Obligation, after such Obligation has been called for redemption.

*Partial Redemption.* If less than all the principal amount of a specific maturity is to be redeemed, then the Depository and its direct and indirect participants will select the beneficial owners of the Obligations to be redeemed. If an Obligation has been called for redemption but less than all the principal amount of a specific maturity is redeemed, then on the redemption date and upon surrender to the Fiscal Agent of the Obligation, the District will issue one or more new Obligations in the principal amount outstanding after the redemption.

*Notice of Redemption.* Notice of the redemption of any of the Obligations will be sent to the Depository, in the manner required by the Depository, not less than 30, and not more than 60, days prior to the proposed redemption date. A notice of redemption may be revoked by sending notice to the Depository, in the manner required by the Depository, not less than 15 days prior to the proposed redemption date.

If on any date the Obligations are *not* maintained in a Book-Entry System, then the following provisions apply:

*Transfers.* Each Obligation is transferable, only upon the Register, for a like aggregate principal amount of the same maturity and interest rate in denominations that are multiples of \$5,000. A transfer may be requested by the registered owner in person or by a person with a written power of attorney. The Obligation shall be surrendered to the Fiscal Agent, together with a written instrument of transfer satisfactory to the Fiscal Agent signed by the registered owner or by the person with the written power of attorney. The District will issue one or more new fully registered Obligations, in the same aggregate principal amount to the transferee or transferees, as applicable, in exchange for the surrendered Obligations and upon the payment of a charge sufficient to reimburse the District or the Fiscal Agent for any tax, fee, or other governmental charge required to be paid with respect to such registration.

The Fiscal Agent will not be required to make any transfer of the Obligations (i) during the 15 calendar days before the date of the sending of notice of any proposed redemption of the Obligations, or (ii) with respect to any particular Obligation, after such Obligation has been called for redemption.

*Partial Redemption.* If less than all the principal amount of a specific maturity is to be redeemed, then the District or the Fiscal Agent will randomly select the Obligations to be redeemed. If less than the entire principal amount of a particular Obligation has been called for redemption, then upon surrender to the Fiscal Agent of the Obligation to be redeemed, the District will issue one or more new Obligations in the principal amount outstanding after the redemption.

*Notice of Redemption.* Notice of the redemption of any of the Obligations shall be sent by first class mail, not less than 30 and not more than 60 days before the redemption date to the registered owners of any Obligations to be redeemed. A notice of redemption may be revoked by sending a notice by first class mail, not less than 15 days prior to the proposed redemption date to the registered owners of the Obligations which have been called for redemption.

The District certifies, recites, and declares that all acts, conditions, and procedures required by law to exist, to have happened, and to be performed, leading up to and in the issuing of this Obligation and of the issue of which it is a part, do exist, have happened, and have been performed in regular and due form, time, and manner as required by law; that the indebtedness of the District, including this Obligation and the issue of which it is a part, does not exceed any limitation, general or special, imposed by law; and that a valid, direct, annual and irrevocable tax has been levied by the District sufficient to pay the interest on this Obligation when it falls due and also to pay and discharge the principal of this Obligation at maturity.

IN WITNESS WHEREOF, the District, by its governing body, has caused this Obligation to be executed in its name and on its behalf by the manual or facsimile signatures of its governing body Chairperson and Secretary and to be sealed with its corporate seal (or a facsimile thereof), if any, all as of the Original Issue Date.

MILWAUKEE METROPOLITAN SEWERAGE  
DISTRICT, WISCONSIN

By: \_\_\_\_\_  
Chairperson

[SEAL]

And: \_\_\_\_\_  
Secretary

Certificate of Authentication

Dated: May \_\_, 2017

This Obligation is one of the Obligations  
described in the Resolution.

U.S. BANK NATIONAL ASSOCIATION,  
as Fiscal Agent

By: \_\_\_\_\_  
Authorized Signatory

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

PLEASE INSERT SOCIAL SECURITY OR  
OTHER IDENTIFYING NUMBER OF ASSIGNEE

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(Please Print or Type Name and Address of Assignee)

the within-mentioned Obligation and all rights thereunder and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney-in-fact, to transfer the same on the books of the registry in the office of the Fiscal Agent, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed

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NOTICE: Signatures shall be guaranteed by an “eligible guarantor institution” meeting the requirements of the Fiscal Agent . Those requirements include membership or participation in the Securities Transfer Association Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Fiscal Agent in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

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Note: The signature to this assignment shall correspond with the name as written on the face of the within Obligation in every particular, without any alteration or change. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of the person’s authority to act shall accompany this Obligation.

EXHIBIT B

NOTICE TO THE ELECTORS RESIDING IN THE  
MILWAUKEE METROPOLITAN SEWERAGE DISTRICT, WISCONSIN  
RELATING TO BOND SALE

On April 24, 2017, pursuant to Chapter 67 of the Wisconsin Statutes, a resolution was offered, read, approved, and adopted whereby the Milwaukee Metropolitan Sewerage District, Wisconsin authorized the borrowing of money and entered into a contract to sell general obligation sewerage system bonds in the principal amount of \$80,000,000. It is anticipated that the closing of this bond financing will be held on or about May [ ], 2017. A copy of all proceedings had to date with respect to the authorization and sale of said bonds is on file and may be examined in the office of the Commission Secretary, at 260 West Seeboth Street, Milwaukee, Wisconsin between the hours of 9:00 a.m. and 4:30 p.m. on weekdays.

This notice is given pursuant to Section 893.77 of the Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such financing, for other than constitutional reasons, shall be commenced within 30 days after the date of publication of this notice.

Publication Date: April \_\_, 2017

/s/ Anna Kettlewell

\_\_\_\_\_  
Commission Secretary