

PROMISSORY LOAN

\$180,722.41

Manitowoc, Wisconsin
December 15, 2016

FOR VALUE RECEIVED, the undersigned, City of Manitowoc, a Wisconsin municipality ("Borrower"), hereby promises to pay to the order of Manitowoc Public Utilities, a Wisconsin municipal utility ("Lender"), the principal amount of One Hundred Eighty Thousand Seven Hundred Twenty Two Dollars and 41/100 Dollars (\$180,722.41), together with interest accruing thereon at a rate of Two and One Half percent (2.5%) per annum, compounded annually.

1. PAYMENT SCHEDULE. Principal and interest shall be paid in accordance with the attached Amortization Schedule. All unpaid balances shall be paid at the rate of Two and One Half percent (2.5%) per year, compounded annually. Principal and interest shall be paid annually, with the first installment of Ten Thousand Two Hundred Fifty Dollars commencing on December 15, 2016 and the remaining installments of Twenty Six Thousand One Hundred Ninety-Three and 78/100 Dollars (\$26,193.78), including interest, commencing on January 1, 2017, and continuing annually thereafter until January 1, 2023, at which time the remaining outstanding principal and interest shall be paid in full.

2. PREPAYMENT. Prepayment of this Loan may be made at any time without penalty or premium. In the event of a partial prepayment, the prepaid amount shall be applied first to accrued unpaid default interest, if applicable, and then to principal installments in the inverse order in which they are due. Any such partial prepayment shall not defer any succeeding installments of principal or interest unless Lender agrees in writing.

3. SECURITY. This Loan is unsecured.

4. DEFERRAL; WAIVER BY BORROWER. No deferral of time of payment shall be valid unless Lender consents thereto in writing; if such deferral is granted, the deferred balance with interest thereon shall be an additional obligation under this Loan. Borrower hereby waives demand, presentment, dishonor and protest and any notices thereof as well as all other notices of any kind.

5. WAIVER BY LENDER. No delay or omission by Lender to exercise any right or remedy hereunder, whether on, before or after the happening of any breach or default, shall impair any such right or remedy or shall operate as a waiver thereof or as a waiver of any such breach or default. No single or partial exercise by Lender of any right or remedy shall preclude any other or further exercise thereof, or preclude any other right or remedy. The rights and remedies herein provided are cumulative and are not exclusive of any other rights or remedies provided by law or in equity.

6. GOVERNING LAW. This Loan is executed in and shall be governed by and construed in accordance with the internal laws of the State of Wisconsin.

7. COSTS OF COLLECTION. In the event of a default hereunder, Borrower agrees to pay all costs and expenses of collection, including reasonable attorney fees.

Dated effective this _____ day of _____, 2016.

Borrower
City of Manitowoc

By: _____

Name: Justin Nickels

Title: Mayor – City of Manitowoc