

REGISTERED
NO. 2 (Amended)

UNITED STATES OF AMERICA
STATE OF WISCONSIN

REGISTERED
\$3,000,000

CITY OF MANITOWOC, WISCONSIN
MIDWESTERN DISASTER AREA REVENUE BONDS, SERIES 2012
(BAILEIGH INDUSTRIAL, INC. PROJECT)

<u>Maturity Date</u>	<u>Date of Amendment</u>	<u>Original Issue Date</u>
June 1, 2042	September 22, 2017	June 27, 2012

REGISTERED OWNER: BANK FIRST NATIONAL

PRINCIPAL AMOUNT: THREE MILLION DOLLARS (\$3,000,000)

**NOTICE:
THIS BOND HAS BEEN AMENDED**

Pursuant to the First Amendment to Bond Agreement (the "Amendment") dated September 22, 2017, among the City of Manitowoc, Wisconsin, Hennessy Development LLC, and Bank First National, as Trustee and Original Purchaser, certain of the terms and provisions of the Bond Agreement (hereinafter defined) and this Bond have been amended. All of the terms and provisions of the Bond Agreement and this Bond hereinafter recited are hereby deemed to be amended as of September 22, 2017, to the extent and effect provided by the Amendment. As of September 22, 2017, the aggregate outstanding principal balance of the Promissory Note (as defined under the Bond Agreement) and this Bond is \$3,000,000.

KNOW ALL MEN BY THESE PRESENTS that the City of Manitowoc, Wisconsin, a municipal corporation organized under the laws of the State of Wisconsin (the "Issuer"), for value received, promises to pay, but solely from the source and as hereinafter provided and not otherwise, to the above-named registered owner, or registered assigns principal and interest hereon as provided below. Capitalized terms used herein but not defined herein shall have such meanings as set forth in the Bond Agreement.

1. Maturity; Repayment of Principal; Interest Payments.
 - (a) Maturity Date.

The Bonds will be issued in the aggregate principal amount of \$3,000,000 and shall mature on June 1, 2042. Repayment of principal for the Bonds, shall be repaid by the Issuer from

payments to be made by Hennessey Development LLC, a Wisconsin limited liability company (the "Borrower"), in such amounts and on such dates as set forth in the Credit Agreement.

(b) Repayment of Principal.

Notwithstanding anything else herein to the contrary, the principal amount of the Bonds outstanding shall never exceed the aggregate amounts transferred from Bank First National, as original purchaser (the "Original Purchaser") to Bank First National, as trustee (the "Trustee") for deposit into the Project Fund pursuant to Sections 3.01 and 4.02 of the Bond Agreement, less repayments of principal made by the Issuer; *provided, however*, that nothing in the Bond Agreement shall be construed to obligate the Borrower to proceed with the Project described below (however, the Borrower has covenanted that once the Project has been commenced the Borrower will complete the Project as promptly as practicable), and in the event Borrower does not proceed with the Project, Borrower shall have no obligation under the Bond Agreement, other than the repayment, together with interest for amounts advanced by the Original Purchaser.

Payments of principal in excess of the scheduled installments set forth herein and related payments of premium shall be credited against scheduled installments in inverse order with respect to the Bonds.

2. Interest on the Bonds.

(a) Commencing on October 1, 2017 through September 30, 2027, the Bonds shall bear interest at a fixed rate equal to 4.35% per annum.

(b) Commencing October 1, 2027, and as reset on each Reset Date thereafter, the Bonds shall bear interest at variable rate or fixed rate (if fixed rate, for the Reset Period identified by the Borrower) as selected by Borrower in writing and delivered to the Trustee not less than 30 nor more than 60 days prior to the next succeeding Reset Date (provided that if no election is made by the Borrower during such notice period, then Borrower shall be deemed to have made an election at the variable rate), which election shall be irrevocable, for such Reset Period equal to either:

(i) A variable rate (the "Variable Rate") equal to:

(1-month U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier; or

(ii) A fixed rate (the "Fixed Rate"), which shall be reset on each Reset Date, calculated pursuant to the following formula:

(5-Year U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier

- OR -

(7-Year U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier

- OR -

(10-Year U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier

The Bonds, if bearing interest at the Variable Rate, shall bear interest at the rate determined according to the above Variable Rate formula, adjusted monthly, during such Reset Period. The Bonds, if bearing interest at the Fixed Rate, shall bear interest at the rate determined according to the above Fixed Rate formula selected by the Borrower, for the duration of such Reset Period. Notwithstanding the foregoing, the interest rate on the Bonds shall never exceed the Maximum Rate.

(c) The following definitions are applicable to the foregoing formula and to the remainder of this Section 2 and Section 8:

(i) “1-Month U.S. Treasury Rate” means the 1-Month U.S. Treasury Rate published by the Bank of Oklahoma in effect on the applicable determination date, such rate to be reset monthly on the first Business Day of each month. If such rate is not available then such rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source or shall be calculated by a substantially similar methodology as that theretofore used to determine such offered rate. Each determination of the 1-Month U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error. The interest rate change will not occur more often than each first day of each calendar month and will become effective without notice to the Borrower.

(ii) “5-Year U.S. Treasury Rate” means the 5-Year U.S. Treasury Rate as most recently published by the Bank of Oklahoma determined two Business Days prior to the applicable Reset Date; provided, however, that if such rate is not available by the Bank of Oklahoma, then such offered rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source available to the Original Purchaser. Each determination of the 5-Year U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error.

(iii) “7-Year U.S. Treasury Rate” means the 7-Year U.S. Treasury Rate as most recently published by the Bank of Oklahoma determined two Business Days prior to the applicable Reset Date; provided, however, that if such rate is not available by the Bank of Oklahoma, then such offered rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source available to the Original Purchaser. Each determination of the 7-Year U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error.

(iv) “10-Year ~~LIBOR Swap~~ U.S. Treasury Rate” means the 10-Year U.S. Treasury Rate as most recently published by the Bank of Oklahoma determined two Business Days prior to the applicable Reset Date; provided, however, that if such rate is not available by the Bank of Oklahoma, then such offered rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source available to the Original Purchaser. Each determination of the 10-Year U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error.

(v) “Credit Spread” means from and after any subsequent Reset Period such other Credit Spread as determined by the Original Purchaser for a similarly situated borrower as the Borrower based on the Original Purchaser’s then-current underwriting standards, and with credit committee oversight, including, without limitation, factors such as the current credit profile, market conditions and current and historical operating performance and which Credit Spread in the opinion of Bond Counsel will not adversely affect any exemption from federal income taxation to which the Bonds would otherwise be entitled.

(vi) “Maximum Rate” means twenty percent (20%) per annum.

(vii) “Put Date” means (i) if the Bonds bear interest at a Fixed Rate, on October 1, 2027 and on each applicable fixed Reset Date thereafter and (ii) if the Bonds bear interest at a Variable Rate, on October 1, 2027 and on each successive five (5) anniversary following the initial Put Date.

~~(ixviii)~~ “Reset Date” means the first day of each Reset Period.

~~(xix)~~ “Reset Period” means each period of five (5), seven (7) or ten (10) years from each Reset Date, as selected by the Borrower, through the day next preceding the next Reset Date or the maturity date of the Bonds (as applicable).

~~(xix)~~ “Tax-Exempt Multiplier” means the tax-exempt multiplier determined from time to time by the Original Purchaser as shown on its internal pricing sheets for tax-exempt interest rates which are not bank-qualified pursuant to Section 265 of the Code.

(d) The Original Purchaser shall provide the Borrower with such information as to historical and current interest rates as the Borrower shall reasonably request from time to time.

(e) All determinations of the interest rate hereunder shall be final and conclusive absent manifest error.

(f) Interest on the Bonds shall be computed on a 360-day year, actual days elapsed basis, and shall be payable on the first day of each month, commencing on October 1, 2017. Interest on the Bond is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under the Bond is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in the Bond.

Interest shall accrue only on principal amounts actually deposited and from the date such amounts are actually deposited into the Project Fund pursuant to Section 3.01 and Section 4.02 of the Bond Agreement.

(g) Overdue principal and interest on the Bonds shall (to the extent legally enforceable) bear interest at the Default Rate. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, may be paid in any lawful manner, at the discretion of the Trustee. All unpaid principal and interest shall be paid on June 1, 2042.

3. Authority. This Bond has been issued pursuant to and in full compliance with the Constitution and laws of the State of Wisconsin, particularly Section 66.1103 of the Wisconsin Statutes, as amended from time to time, and by authority of resolutions adopted by the Issuer's governing body in connection with a project and activity undertaken pursuant to said section of the Wisconsin Statutes. **THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE AS HEREINAFTER PROVIDED, AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION. THE BONDS DO NOT CONSTITUTE OR GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE ISSUER, THE STATE OF WISCONSIN OR ANY POLITICAL SUBDIVISION THEREOF OR A PECUNIARY LIABILITY OF THE ISSUER, THE STATE OF WISCONSIN OR ANY POLITICAL SUBDIVISION THEREOF. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS PAYABLE BY THE ISSUER SOLELY FROM "PLEDGED REVENUES" AS DEFINED IN THE BOND AGREEMENT (DESCRIBED BELOW), INCLUDING ALL PAYMENTS BY THE BORROWER UNDER THE BOND AGREEMENT. THE BONDS ARE A SPECIAL, LIMITED OBLIGATION OF THE ISSUER AND NEITHER THE ISSUER NOR ANY OF ITS OFFICIALS, OFFICERS, EMPLOYEES, COMMON COUNCIL MEMBERS OR AGENTS SHALL HAVE ANY MONETARY LIABILITY ARISING OUT OF THE OBLIGATIONS OF THE ISSUER HEREUNDER OR IN ANY CONNECTION WITH ANY COVENANT, REPRESENTATION OR WARRANTY MADE BY THE ISSUER HEREIN AND NEITHER THE ISSUER NOR ITS OFFICIALS, OFFICERS, EMPLOYEES, COMMON COUNCIL MEMBERS OR AGENTS SHALL BE OBLIGATED TO PAY ANY AMOUNTS IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY OTHER THAN FROM PLEDGED REVENUES OR OTHER MONIES RECEIVED FROM THE BORROWER.**

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Bond Agreement contained, against any past, present or future Common Council member, officer, agent or employee of the Issuer, or any incorporator, Common Council member, officer, employee, director or trustee of any successor body, as such, either directly or through the Issuer or any successor body, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, Common Council member, officer, employee, director, agent or trustee, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Bond Agreement and the issuance of any of the Bonds.

The Bond is a duly authorized issue of Bonds of the Issuer, limited in aggregate principal amount to \$3,000,000, issued and authorized to be issued for the purpose of providing financing to the Borrower. The Bonds are all issued under and are equally and ratably secured and entitled to the protection and benefits given by and the financing is accomplished under the terms of a Bond Agreement dated as of June 1, 2012, as amended pursuant to a First Amendment to Bond Agreement dated September 22, 2017, by and among the Issuer, the Borrower, the Trustee and the Original Purchaser (as amended, the "Bond Agreement"), to finance a project consisting of the (i) acquisition of approximately 5 acres of land currently comprising a portion of Lot 6, in Block 1, Manitowoc I-43 Industrial Park Subdivision No. 2, located immediately west and adjacent to the Borrower's existing

facility on Dufek Drive in the City of Manitowoc, Wisconsin, (ii) construction of an approximately 45,000 square foot addition to an existing approximately 35,000 square foot distribution facility located at 1625 Dufek Drive in the City of Manitowoc, Wisconsin (the “Facility”) owned by the Borrower and operated by Baileigh Industrial, Inc., a Wisconsin corporation, which is a machinery distributor, (iii) acquisition and installation of non-movable equipment at the Facility, (iv) renovation and improvements to the Facility and (v) payment of certain professional costs and costs of issuance (collectively, the “Project”), which Bond Agreement provides for principal and interest payments sufficient to provide the Issuer with revenues to pay when due the principal of and interest on the Bonds. All of the Issuer’s right, title and interest in and to the Bond Agreement (except for Unassigned Rights) has been pledged and assigned to the Trustee as security for the payment of the Bonds.

4. Occurrence of a Determination of Taxability. The Bonds shall bear interest, payable on the first Payment Date after the occurrence of a Determination of Taxability with respect to all prior periods, computed at the rate set forth in this Section (the “Taxable Interest”) (on a 360-day year, actual days elapsed basis) on the outstanding principal amount of the Bonds (as reduced from time to time) from the date of the Event of Taxability, less any interest already paid, from the date of the Event of Taxability to such Payment Date. This calculation method results in a higher effective interest rate than the numeric interest rate stated in the Bond for Taxable Interest. Thereafter, the Bonds shall bear Taxable Interest as defined in this Section and as provided in this Section on the Bonds Outstanding on each Payment Date. Except for Taxable Interest allocable to the period between the Event of Taxability and the Payment Date immediately succeeding the Determination of Taxability (which interest shall be payable on such Payment Date immediately succeeding the Determination of Taxability), Taxable Interest payable under this Section shall be payable with respect to the same period, at the same time and in the same manner as interest payments regularly paid pursuant to the Bond Agreement.

Taxable Interest payable on the Bonds for purposes of this Section shall automatically be adjusted to a rate, as determined by the Original Purchaser in its sole and absolute discretion, equal to the interest rate on the Bonds without application of the Tax-Exempt Multiplier. Such increased rate is to be effective, retroactively, as applicable, as of the date of the Determination of Taxability. The Borrower shall also pay to the Bondowners (and any former Bondowners holding Bonds during any period subsequent to an Event of Taxability) as additional interest, the amount of penalties, additions to tax (exclusive of any taxes imposed under Section 11 or any successor provision of the Code) or interest assessed against the Bondowners (and former Bondowners) on account of a Determination of Taxability. Taxable Interest to be paid pursuant to this Section for the period between the Event of Taxability and the Payment Date immediately succeeding the Determination of Taxability shall be paid immediately following the Determination of Taxability in the same manner as interest is paid to Bondowners in accordance with the Bond Agreement.

Any Bondowner shall have the right, but not the obligation, to arrange for the contest of an allegation that an Event of Taxability has occurred, by appropriate legal proceedings. In the event no Bondowner shall contest the Event of Taxability, the Borrower shall have the option but not the obligation to do so. If (i) the Borrower shall have made any additional payments to a Bondowner or former Bondowner by reason of an Event of Taxability pursuant to this Section, and (ii) it shall be successfully claimed for the taxable year in question that the interest on the Bonds for such taxable year is excluded from the Bondowner’s or former Bondowner’s taxable income for federal income tax

purposes (for this purpose a claim shall be deemed successful only upon the occurrence of a “determination,” as defined in Section 1313(a) or any successor provision of the Code) or, if the Bondowner or former Bondowner shall not have included such interest in the Bondowner’s or former Bondowner’s taxable income for federal income tax purposes upon expiration of the statute of limitations provided by Section 6501 or any successor provision of the Code with respect to such taxable year, then the Bondowner or former Bondowner (as the case may be) shall pay to the Borrower the amount of any such additional payments which had been made by the Borrower to the Bondowner or former Bondowner, less any actual expenses incurred by such Bondowner or former Bondowner as a result of the alleged Event of Taxability. Upon successful challenge of an Event of Taxability, the interest rate on the Bonds shall return to the interest rate ordinarily payable hereunder as if no Event of Taxability had ever been alleged.

5. Prepayment of Bonds. No Bond may be called for redemption prior to its stated maturity except as provided in paragraphs 6, 7 and 8 herein; *provided, however*, that nothing herein shall be deemed to limit the right of acceleration of Bond maturities upon the occurrence of Bond Default.

6. Optional Prepayment. The Bonds may be prepaid at any time, at the option of the Borrower, at the prices and in the amounts set forth in the Credit Agreement.

The Bonds are subject to redemption prior to maturity upon receipt by the Trustee of the written request from the Borrower stating that it intends to prepay the Loan upon notice, provided by the Trustee not less than 30 days prior to the Redemption Date, and thereby effect redemption of the Bonds being redeemed.

7. Optional Redemption of Bonds Upon Occurrence of Certain Extraordinary Events. The Bonds shall be subject to redemption, in whole or in part, at par plus accrued interest to the Redemption Date at the option of the Borrower, or the Bondowners by Requisite Consent. If the Project is affected as set forth below, each shall have an independent option to have the Loan repaid in whole out of Net Proceeds of an insurance or condemnation award relating to destruction or damage or condemnation of all or any part of the Project, and to direct the Issuer either (i) to call for redemption and prepayment all the Outstanding Bonds, or (ii) to call for redemption and prepayment that amount of Outstanding Bonds attributable to debt incurred for the Project as determined by the Trustee, if:

(a) The Project shall have been damaged or destroyed to such extent that, in the opinion of the Borrower expressed in a Borrower’s Certificate, or in the written opinion of an independent architect acceptable to the Trustee and, if the Original Purchaser then owns any of the Bonds, the Original Purchaser, filed with the Issuer and the Trustee following such damage or destruction (i) the completion of the Project will be delayed for at least six months, (ii) it is not practicable or desirable to rebuild, repair or restore the Project within a period of six consecutive months following such damage or destruction, or (iii) the Borrower is or will be thereby prevented from carrying on its normal operations for a period of at least six consecutive months;

(b) Title to or the temporary use of all or substantially all of the Project shall have been taken under the exercise of the power of eminent domain by any Government Authority to such extent that, in the opinion of the Borrower expressed in a Borrower’s Certificate, or in the written opinion of an independent architect acceptable to the Trustee and, if the Original Purchaser then owns

any of the Bonds, the Original Purchaser filed with the Issuer and the Trustee (i) the completion of the Project will be delayed for at least six months, or (ii) the Borrower is or will be thereby prevented from carrying on its normal operations at the Project Site for a period of at least six consecutive months;

(c) Any court or administrative body of competent jurisdiction shall enter a judgment, order or decree requiring the Borrower to cease all or any substantial part of its operations at the Project Site to such extent that, in the opinion of the Borrower expressed in the Borrower's Certificate, or in the written opinion of Counsel, who is also acceptable to the Original Purchaser if the Original Purchaser then owns any of the Bonds, filed with the Issuer and the Trustee, the Borrower is or will be thereby prevented from carrying on its normal operations at the Project Site for a period of at least six consecutive months;

(d) As a result of any changes in the Constitution of Wisconsin or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal), the Bond Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed herein, or unreasonable burdens or excessive liabilities shall have been imposed on the Issuer or the Borrower including, without limitation, federal, state or other ad valorem, property, income or other taxes not being imposed on the date hereof; or

(e) If it shall be discovered that the Borrower's title to the Project shall be materially defective, and the Borrower's title to the Project shall be lost by reason of such defect.

In any such case, the Borrower or Bondowners shall, to exercise their respective option hereunder, give notice to the Issuer, the Trustee and the Bondowners or the Borrower, as the case may be, in writing of its or their intent to exercise this option and specifying the proposed Redemption Date, within thirty (30) days following discovery of the event by the party determining to exercise its option hereunder. The exercise of either party of its option to redeem the Bonds shall be binding on all parties hereto. Within sixty (60) days after the giving of notice as set forth above, the Borrower shall deposit with the Trustee a sum sufficient, together with other funds held by the Trustee and available for such purpose (i) to redeem the Bonds, in whole or in part, as applicable at a redemption price equal to the principal amount thereof, (ii) to pay the interest which will become due on such Bonds to and including the Redemption Date, and (iii) to pay all expenses of the Issuer and the Trustee accrued and to accrue through the Redemption Date.

If the Borrower shall have received proceeds of an insurance or condemnation award relating to destruction or damage or condemnation of all or any part of the Project, and such net proceeds exceed the amount necessary to rebuild, repair or restore the Facility, the Borrower agrees to direct the Issuer to call for redemption and prepayment Outstanding Bonds equal to the amount of such resulting excess net proceeds.

8. Mandatory Redemption at Option of Original Purchaser. The Bonds shall be subject to mandatory redemption, in whole, but not in part, at the option of the Original Purchaser, so long as the Original Purchaser owns all of the Outstanding Bonds, on any Put Date. The Original Purchaser shall give prior written notice to the Borrower and the Trustee of such mandatory redemption by not less than ninety (90) days prior to any Reset Date. The redemption price in such event shall be 100%

of the principal amount of the Bonds so redeemed, plus all accrued interest to the Reset Date. In the event that the Original Purchaser has exercised its right under this Section to cause a mandatory redemption of the Bonds on a Reset Date and the Borrower has secured a purchaser for the Bonds on such Reset Date, the Borrower may elect to have the redemption treated as a mandatory tender and the Bonds shall be purchased at a purchase price equal to 100% of the principal amount of the Bonds so purchased, plus all accrued interest to the Reset Date, and upon payment of such purchase price to the Original Purchaser, the Bonds shall be treated as tendered and purchased rather than redeemed.

9. Notice and Effect of Redemption. Notice of the call for any redemption of Bonds prior to maturity shall be given by the Trustee by mailing a copy of the redemption notice by first-class mail not less than 30 days prior to the Redemption Date to the Bondowner of each Bond to be redeemed at the address shown on the Bond Register; *provided, however*, that failure to give any such notice as aforesaid or any defect therein with respect to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bond.

Each redemption notice shall (i) identify the particular Bonds or portions thereof to be redeemed (including, at a minimum, certificate numbers and called amount for each certificate (for partial calls), Redemption Date, Trustee, date of issue, maturity date, and other descriptive information, if any, that accurately identifies the particular Bonds called for redemption), (ii) identify the provisions of the Bond Agreement pursuant to which the Bonds are being redeemed, (iii) identify the place of payment, (iv) state the applicable redemption price, including the premium, if any, (v) state that interest on the Bonds or portions thereof thus called for redemption will cease to accrue from and after the Redemption Date specified therein, and (vi) state that the notice of redemption may be rescinded by the Borrower and the Trustee.

If pursuant to the Bond Agreement the Trustee shall hold funds in the form of cash or Government Obligations which are available and will be sufficient in amount to pay the principal of and premium, if any, on the Bonds or portions thereof thus called for redemption and to pay the interest thereon to the Redemption Date, such Bonds or portions thereof shall cease to bear interest from and after the Redemption Date in question.

10. Other Provisions. Except as provided in the Bond Agreement, the owners of the Bonds shall have no right to enforce the provisions of the Bond Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Bond Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto. In certain events, on the conditions, in the manner and with the effect set forth in the Bond Agreement, the principal of all Bonds issued under the Bond Agreement and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued therein. Amendments, supplements, modifications and alterations of the Bond Agreement may be made only to the extent and in the circumstances permitted by the Bond Agreement.

This Bond may be transferred in whole or in part and may be transferred only in compliance with existing state and federal securities laws, and only by a written assignment duly executed by the registered owner hereof or by such owner's duly authorized legal representative. Upon presentation and surrender of this Bond together with said executed form of assignment at the principal corporate trust office of the Trustee, the Trustee shall register the transfer of this Bond in the Bond register maintained by the Trustee; *provided, however*, that the Trustee shall have no obligation to register the

transfer unless the executed assignment shall be satisfactory to it in form and substance. Upon registration of the transfer of this Bond, the Trustee shall cancel this Bond, and the Issuer shall issue, and the Trustee shall authenticate, one or more new Bonds of authorized denominations of the same maturity and interest rate and in the same aggregate outstanding principal amount as this Bond. The Issuer and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of the principal of, premium, if any, and interest due hereon and for all other purposes, and neither the Issuer, nor the Trustee nor any alternate paying agent shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Bond Agreement and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the issue of which it forms a part has been duly authorized by the Issuer and does not exceed or violate any constitutional or statutory limitation. This Bond is issued with the intent that the laws of the State of Wisconsin will govern its construction. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Agreement until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the signatures of its Mayor and City Clerk, and its corporate seal to be hereunto impressed.

CITY OF MANITOWOC, WISCONSIN

[SEAL]

By: _____
Justin M. Nickels, Mayor

By: _____
Deborah A. Neuser, City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Bond Agreement.

BANK FIRST NATIONAL, as Trustee

By: _____
Michael B. Molepske, Chief Executive Officer

Date of Authentication:
September 22, 2017

ASSIGNMENT

SOCIAL SECURITY OR FEDERAL
EMPLOYER IDENTIFICATION
NUMBER: _____

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney-in-fact to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or change whatsoever.

Document comparison by Workshare Professional on Thursday, September 14, 2017 10:51:20 AM

Input:	
Document 1 ID	PowerDocs://MIL/28746730/1
Description	MIL-#28746730-v1-Amended_Bond_-_Baileigh_(Bond_Amendment)
Document 2 ID	PowerDocs://MIL/28746730/2
Description	MIL-#28746730-v2-Amended_Bond_-_Baileigh_(Bond_Amendment)
Rendering set	standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	6
Deletions	6
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	12

\$3,000,000
City of Manitowoc, Wisconsin
Midwestern Disaster Area Revenue Bonds, Series 2012
(Baileigh Industrial, Inc. Project)

FIRST AMENDMENT TO BOND AGREEMENT

This First Amendment to Bond Agreement (the “Amendment”) is made and entered into as of September 22, 2017 by and among the CITY OF MANITOWOC, WISCONSIN (the “Issuer”), HENNESSEY DEVELOPMENT LLC, as Wisconsin limited liability company (the “Borrower”), BANK FIRST NATIONAL, as trustee (the “Trustee”), and BANK FIRST NATIONAL, as purchaser (the “Original Purchaser”), in conjunction with the \$3,000,000 City of Manitowoc, Wisconsin Midwestern Disaster Area Revenue Bonds, Series 2012 (Baileigh Industrial, Inc. Project) (the “Bonds”).

RECITATIONS:

WHEREAS, the Bonds were issued on June 27, 2012 pursuant to a Bond Agreement dated as of June 1, 2017 by and among the Issuer, the Borrower, the Original Purchaser, and the Trustee (as amended by this Amendment, the “Bond Agreement”);

WHEREAS, the Original Purchaser is the owner of 100% of the Bonds, and the outstanding principal balance as of the date of this Amendment is \$3,000,000;

WHEREAS, the Borrower and the Original Purchaser have agreed to modify certain of the terms and provisions of the Bond Agreement and the Bonds;

WHEREAS, to give effect to such modifications, the Borrower and the Original Purchaser have requested that the Issuer amend the Bond Agreement and amend its \$3,000,000 Midwestern Disaster Area Revenue Bonds, Series 2012 (Baileigh Industrial, Inc. Project) (the “Amended Bonds”); and

WHEREAS, Section 10.02 of the Bond Agreement provides that the Bond Agreement may be amended with the consent of the Borrower and approved by requisite consent of the bondowners, and the Borrower and the Original Purchaser (as the sole bondowner under the Bond Agreement) have given such consent as evidenced by their respective signatures to this Amendment.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuer, the Borrower, the Original Purchaser and the Trustee hereby amend the Bond Agreement as follows:

1. Amendment to Section 1.01 of Bond Agreement. The definition of “Borrower’s Address” set forth in Section 1.01 of the Bond Agreement is hereby amended as follows:

“Borrower’s Address: The address which the Borrower designates for the delivery of notices hereunder. Until changed by notice from an Authorized Representative of the Borrower to the Issuer, the Trustee and the Original Purchaser, the Borrower’s address shall be:

Hennessey Development LLC
724 Woodridge Drive
Manitowoc, Wisconsin 54220
Attn: Christianne Nordstrom

2. Amendment to Section 2.03 of Bond Agreement. Effective as of September 22, 2017, Section 2.03 of the Bond Agreement shall be replaced in its entirety as follows:

“Section 2.03 – Interest on the Bonds.

(a) Commencing on October 1, 2017 through September 30, 2027, the Bonds shall bear interest at a fixed rate equal to 4.35% per annum.

(b) Commencing October 1, 2027, and as reset on each Reset Date thereafter, the Bonds shall bear interest at variable rate or fixed rate (if fixed rate, for the Reset Period identified by the Borrower) as selected by Borrower in writing and delivered to the Trustee not less than 30 nor more than 60 days prior to the next succeeding Reset Date (provided that if no election is made by the Borrower during such notice period, then Borrower shall be deemed to have made an election at the variable rate), which election shall be irrevocable, for such Reset Period equal to either:

(i) A variable rate (the “Variable Rate”) equal to:

(1-month U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier; or

(ii) A fixed rate (the “Fixed Rate”), which shall be reset on each Reset Date, calculated pursuant to the following formula:

(5-Year U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier

- OR -

(7-Year U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier

- OR -

(10-Year U.S. Treasury Rate + Credit Spread) x Tax-Exempt Multiplier

The Bonds, if bearing interest at the Variable Rate, shall bear interest at the rate determined according to the above Variable Rate formula, adjusted monthly, during such Reset Period. The Bonds, if bearing interest at the Fixed Rate, shall bear interest at the rate determined according to the above Fixed Rate formula selected by the Borrower, for the duration of such Reset Period. Notwithstanding the foregoing, the interest rate on the Bonds shall never exceed the Maximum Rate.

(c) The following definitions are applicable to the foregoing formula and to the remainder of this Section 2.03 and Section 2.08:

(i) “1-Month U.S. Treasury Rate” means the 1-Month U.S. Treasury Rate published by the Bank of Oklahoma in effect on the applicable determination date, such rate to be reset monthly on the first Business Day of each month. If such rate is not available then such rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source or shall be calculated by a substantially similar methodology as that theretofore used to determine such offered rate. Each determination of the 1-Month U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error. The interest rate change will not occur more often than each first day of each calendar month and will become effective without notice to the Borrower.

(ii) “5-Year U.S. Treasury Rate” means the 5-Year U.S. Treasury Rate as most recently published by the Bank of Oklahoma determined two Business Days prior to the applicable Reset Date; provided, however, that if such rate is not available by the Bank of Oklahoma, then such offered rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source available to the Original Purchaser. Each determination of the 5-Year U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error.

(iii) “7-Year U.S. Treasury Rate” means the 7-Year U.S. Treasury Rate as most recently published by the Bank of Oklahoma determined two Business Days prior to the applicable Reset Date; provided, however, that if such rate is not available by the Bank of Oklahoma, then such offered rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source available to the Original Purchaser. Each determination of the 7-Year U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error.

(iv) “10-Year ~~LIBOR Swap~~ U.S. Treasury Rate” means the 10-Year U.S. Treasury Rate as most recently published by the Bank of Oklahoma determined two Business Days prior to the applicable Reset Date; provided, however, that if such rate is not available by the Bank of Oklahoma, then such offered rate shall be otherwise independently determined by the Original Purchaser from an alternate, substantially similar independent source available to the Original Purchaser. Each determination of the 10-Year U.S. Treasury Rate made by Original Purchaser shall be final and conclusive, absent manifest error.

(v) “Credit Spread” means from and after any subsequent Reset Period such other Credit Spread as determined by the Original Purchaser for a similarly situated borrower as the Borrower based on the Original Purchaser’s then-current underwriting standards, and with credit committee oversight, including, without limitation, factors such as the current credit profile, market conditions and current and historical operating performance and which Credit Spread in the opinion of Bond Counsel will not adversely affect any exemption from federal income taxation to which the Bonds would otherwise be entitled.

(vi) “Maximum Rate” means twenty percent (20%) per annum.

(vii) “Put Date” means (i) if the Bonds bear interest at a Fixed Rate, on October 1, 2027 and on each applicable fixed Reset Date thereafter and (ii) if the Bonds bear interest at a Variable Rate, on October 1, 2027 and on each successive five (5) anniversary following the initial Put Date.

(~~xviii~~) “Reset Date” means the first day of each Reset Period.

(~~xix~~) “Reset Period” means each period of five (5), seven (7) or ten (10) years from each Reset Date, as selected by the Borrower, through the day next preceding the next Reset Date or the maturity date of the Bonds (as applicable).

(~~xix~~) “Tax-Exempt Multiplier” means the tax-exempt multiplier determined from time to time by the Original Purchaser as shown on its internal pricing sheets for tax-exempt interest rates which are not bank-qualified pursuant to Section 265 of the Code.

(d) The Original Purchaser shall provide the Borrower with such information as to historical and current interest rates as the Borrower shall reasonably request from time to time.

(e) All determinations of the interest rate hereunder shall be final and conclusive absent manifest error.

(f) Interest on the Bonds shall be computed on a 360-day year, actual days elapsed basis, and shall be payable on the first day of each month, commencing on October 1, 2017. Interest on the Bond is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under the Bond is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in the Bond.

Interest shall accrue only on principal amounts actually deposited and from the date such amounts are actually deposited into the Project Fund pursuant to Section 3.01 and Section 4.02 of this Bond Agreement.

(g) Overdue principal and interest on the Bonds shall (to the extent legally enforceable) bear interest at the Default Rate. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, may be paid in any lawful manner, at the discretion of the Trustee. All unpaid principal and interest shall be paid on June 1, 2042.”

3. Amendment of Bonds.

a. The Amended Bonds shall be amended in the form attached hereto as Exhibit A. The Amended Bonds shall be executed in the manner set forth in Section 2.15 of the Bond Agreement and authenticated as provided in Section 2.16 of the Bond Agreement.

b. Upon execution of this Amendment, the Original Purchaser shall surrender the Bonds and the Trustee shall deliver the duly executed and authenticated Amended Bonds to the Original Purchaser.

4. Terms of Bond Agreement Remain in Effect Except as Amended. Except as specifically amended by this Amendment, the terms and provisions of the Bond Agreement and the Amended Bonds issued pursuant thereto shall remain in full force and effect.

5. Representations and Warranties of the Borrower. The Borrower hereby represents and warrants that:

a. All of the representations and warranties made by the Borrower in the Bond Agreement are true and correct on the date of this Amendment;

b. No Default or Event of Default under the Bond Agreement has occurred and is continuing as of the date of this Amendment;

c. The making, execution and delivery of this Amendment and performance of and compliance with the terms of the Bond Agreement (as amended by this Amendment) have been duly authorized by the Borrower; and

d. The Borrower's consent, pursuant to Section 10.03 of the Bond Agreement, to the amendment of the Bond Agreement by this Amendment, is evidenced by the Borrower's execution of this Amendment.

6. Representations and Warranties of the Original Purchaser. The Original Purchaser hereby represents and warrants that:

a. Original Purchaser is the lawful holder of all (100%) of the Amended Bonds issued pursuant to the Bond Agreement;

b. Original Purchaser hereby waives notice as required under Section 10.02 of the Bond Agreement;

c. Original Purchaser's making, execution and delivery of this Amendment has been duly authorized by all necessary action by Original Purchaser; and

d. Original Purchaser's consent, pursuant to Section 10.02 of the Bond Agreement, to the amendment of the Bond Agreement by this Amendment, is evidenced by the Original Purchaser's execution of this Amendment.

7. Representations and Warranties of the Trustee. The Trustee hereby represents and warrants that:

a. Trustee has accepted and hereby reaffirms acceptance of the powers and duties of the Trustee as set forth in Article VII of the Bond Agreement; and

b. Trustee's making, execution and delivery of this Amendment has been duly authorized by all necessary action by Trustee.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the undersigned have caused this First Amendment to Bond Agreement to be executed all as of the date first above written.

CITY OF MANITOWOC, WISCONSIN

By: _____
Justin M. Nickels, Mayor

By: _____
Deborah A. Neuser, City Clerk

HENNESSEY DEVELOPMENT LLC

By: _____
Name: _____
Title: _____

BANK FIRST NATIONAL, as Original Purchaser

By: _____
Michael B. Molepske, Chief Executive Officer

BANK FIRST NATIONAL, as Trustee

By: _____
Michael B. Molepske, Chief Executive Officer

EXHIBIT A
FORM OF AMENDED BOND

[SEE ATTACHED]

Document comparison by Workshare Professional on Thursday, September 14, 2017 10:53:18 AM

Input:

Document 1 ID	PowerDocs://MIL/28694848/1
Description	MIL-#28694848-v1-First_Amendment_to_Bond_Agreement_-_Baileigh_ (Bond_Amendment)
Document 2 ID	PowerDocs://MIL/28694848/2
Description	MIL-#28694848-v2-First_Amendment_to_Bond_Agreement_-_Baileigh_ (Bond_Amendment)
Rendering set	standard

Legend:

Insertion

~~Deletion~~

Moved from

Moved to

Style change

Format change

Moved deletion

Inserted cell

Deleted cell

Moved cell

Split/Merged cell

Padding cell

Statistics:

	Count
Insertions	12
Deletions	12
Moved from	0
Moved to	0
Style change	0
Format changed	0

Total changes	24
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